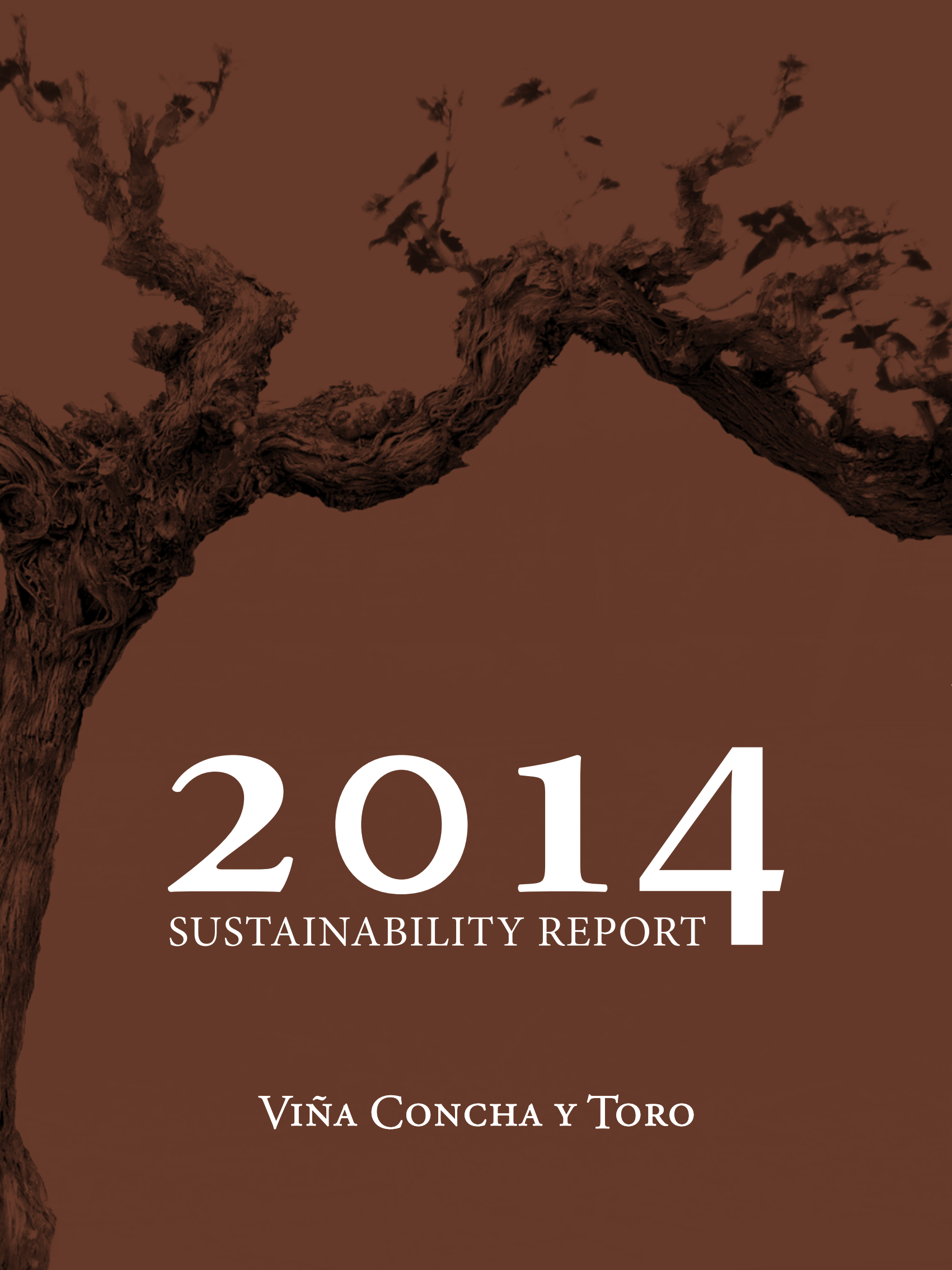




2014

SUSTAINABILITY REPORT

VIÑA CONCHA Y TORO

2014

SUSTAINABILITY REPORT

VIÑA CONCHA Y TORO

2014 MILESTONES AND FIGURES

A WINERY RECOGNIZED IN CHILE AND THE WORLD

“WORLD’S MOST POWERFUL WINE BRAND”

in the annual ranking prepared by British consultancy Intangible Business.

“WINERY OF THE YEAR”

(Top 100 Wineries of the Year) by Wine & Spirits for 20 years.

2ND PLACE

in the “Leading Company in Sustainability” category, Sustainable Leaders Agenda 2020 (ALAS20).

TOP 3

in the Corporate Sustainability Index of Chilean magazine Capital.

**Opening of the Center for Research
and Innovation. Leading center for the
development of applied research and new
technologies in the areas of viticulture and
winemaking.**

COMMITMENT TO THE ENVIRONMENT

The winery's water footprint is

53%

lower than the industry average
(externally certified).

2nd

Winery with more hectares
planted worldwide.

With drip irrigation implemented in

98%

of its vineyards.

The winery measures its carbon
footprint since 2007. During 2014:

↓ **14%**
direct emissions.

↓ **15%**
indirect emissions (Scope 2).

↓ **3%**
indirect emissions (Scope 3).

100%
of organic waste
is recycled and/or
reused.

99%
of the company's forests have
biodiversity inventories.

COMMITMENT TO THE SUPPLY CHAIN

The progressive use of lightweight bottles between 2010-2014 resulted in:

↓ **38,463**
tons of glass.

↓ **43,975**
tons of CO₂e.

The winery signed an agreement with suppliers of packaging materials to reduce greenhouse gas emissions (GHG) by 15%.

COMMITMENT TO LOCAL DEVELOPMENT

Launch of the Productive Alliances Program (*Programa de Alianzas Productivas*), benefiting 18 small producers.

ECONOMIC PERFORMANCE

Consolidated sales for the period

Ch\$583,313
Million

↑ **(23%)**

Profit

Ch\$43,051
Million

↑ **(30%)**

COMMITMENT TO EMPLOYEES

274

employees received counseling, psychological support and free psychotherapy via telephone in the framework of the *Comunicate* Program.

3,202

employees trained, double compared to 2013.

65,700

hours of training

↑ (30%)

an average of 16 hours per employee.

↓ 17%

in the number of accidents.



CONCHA Y TORO - 130
YEARS OF HISTORY

MESSAGE FROM THE CHAIRMAN

G4-1

G4-2

2014 was a year of great progress. Besides regaining momentum in sales, with growth of 23% in consolidated sales and 30% in profits over the previous year, we reached a significant milestone for our company: We opened the Center for Research and Innovation (CII), echoing our vocation for always being at the forefront of innovation to successfully respond to today and tomorrow's challenges. This initiative, aimed at developing applied research and new technologies in the areas of viticulture and winemaking, becomes a space for the creation, exchange and dissemination of knowledge for the industry.

The Extension Area of the CII supports employees, producers, suppliers, universities and community members through training and technology transfer, contributing to the efficiency, competitiveness and sustainability of the industry and local economies.

During 2014, various activities, seminars and workshops were carried out, with the participation of more than 460 people, including company employees and external collaborators.

A major milestone during this period was being chosen the most powerful wine brand worldwide in the ranking prepared by the British consultancy Intangible Business. Adding to this are the exceptional recognitions obtained by our wines, which fill us with pride and satisfaction, and are the result of the daily efforts made in different areas of the organization.

We are also pleased to report that our operations were positively evaluated in the audits required by major clients, which are increasingly demanding with regard to our performance in matters related to ethics, regulatory compliance, environment and labor rights.



Working together with suppliers and contractor to create synergies and improvements in management, we signed an agreement with leading suppliers of packaging materials, who pledged to reduce their emissions of greenhouse gases (GHG) by 15% by 2020, significantly reducing the environmental impact of our products. This year we also launched the Productive Alliances Program, with the aim of improving competitiveness in the supply chain, supporting small producers of grapes in the Maule Region through technical, commercial and agricultural management advice.

Improving the quality of life of employees and our relationship with them was also an important focus of management. During 2014 the number of people trained doubled and the hours of training increased by 30%. The health and safety of our employees and external partners is an ongoing challenge, so I must emphasize the work done in implementing the company strategy and standardizing management and internal controls systems, which resulted in the reduction of the number of accidents by 10%.

As for the environment, we continue to work according to the highest international standards in measuring our carbon and water footprints. In this regard, we have set as a corporate goal reducing by 10% the winery's total water footprint by 2020. Also, progress was made

in the biodiversity protection program, conducting inventories of 99% of the company's forests.

Another major milestone in 2014 was joining Global Compact, thereby committing to the integration and promotion of the 10 principles that represent the covenant on Human Rights, Labor Relations, Environment and Anticorruption.

In the future, we want to continue the path we have taken: Maintain our focus on quality and brand building, targeting the premium segment and giving great impetus to subsidiary vineyards.

I invite you to read this Sustainability Report,

based on the pillars of our sustainability strategy: Environmental Management, Supply Chain, Product, Customers, People and Society. The strategy set the course of our efforts during 2014, and we will continue to move forward in this direction in the coming years.

As for the environment, we continue to work according to the highest international standards for measuring our carbon and water footprints. In this regard, we have set as a corporate goal reducing by 10% the winery's total water footprint by 2020. Also, progress was made in the biodiversity protection program, conducting inventories of 99% of the company's forests.



Alfonso Larrain Santa María
Chairman
Viña Concha y Toro

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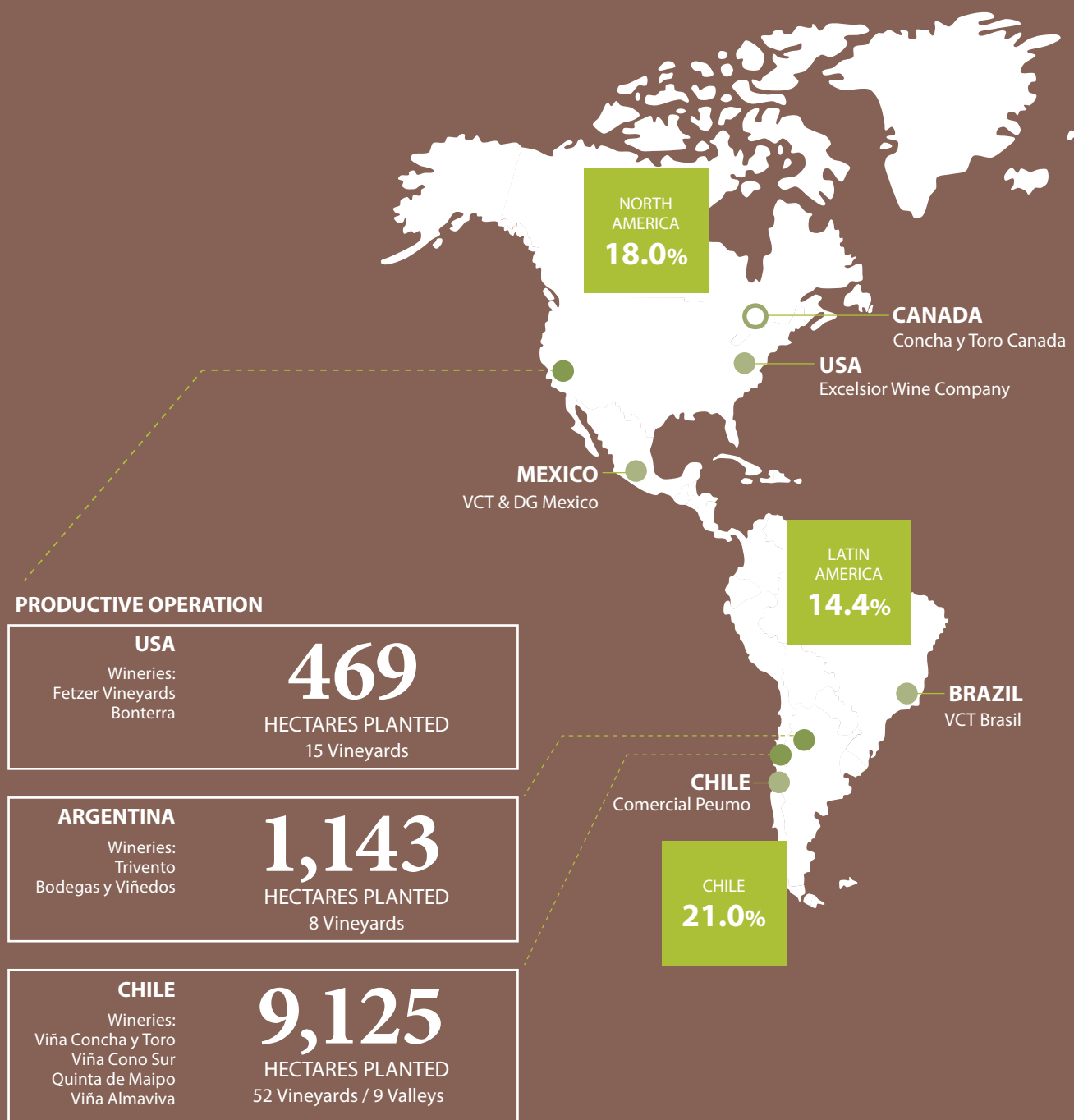
VIÑA CONCHA Y TORO



VIÑA CONCHA Y TORO

A LEADING AND GLOBALLY
RECOGNIZED COMPANY

G4-8

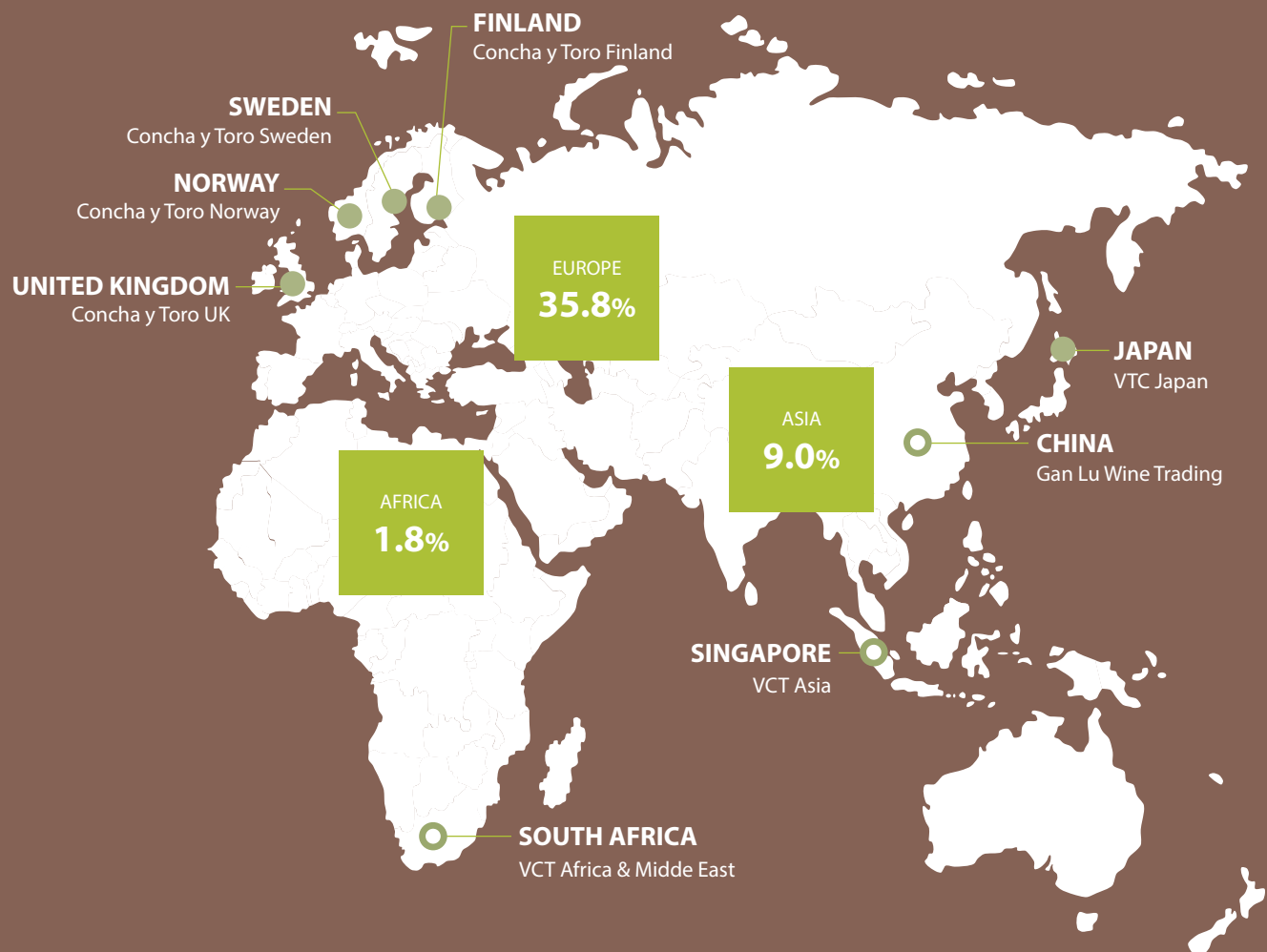


145

COUNTRIES OF DESTINATION

11 Distribution Subsidiaries

2 Sales Offices



- PRODUCTIVE OPERATIONS
- DISTRIBUTION SUBSIDIARIES
- SALES OFFICES
- % OF SALES VOLUME

COMPANY PROFILE

Recognized as the most powerful wine brand in the world in 2014 by British consultancy Intangible Business.

“Winery of the Year”
(Top 100 Wineries of the Year) by Wine & Spirits for 20 years.



VIÑA CONCHA Y TORO
CORPORATE VIDEO



With over 130 years of history, Viña Concha y Toro is the largest producer and distributor of wines in Latin America, internationally recognized as one of the leading companies in the wine industry. With a broad portfolio of wines and well positioned brands in different product categories -including icons Don Melchor and Carmín de Peumo as well as brands such as Casillero del Diablo and Marques de Casa Concha-, the winery reaches 145 countries through a strong distribution network that consolidates its presence in those markets.

G4-4

Established as a public limited company, headquartered in Santiago, Chile, Viña Concha y Toro is vertically integrated and operates its own vineyards, winemaking cellars and bottling plants.

G4-6

G4-7

In Chile, it owns and manages vineyards in the major wine regions of the country, and its production operations correspond to Viña Concha y Toro, Quinta de Maipo, Viña Almaviva and Viña Cono Sur. It also has production operations in Argentina and the United States through its subsidiaries Trivento Bodegas y Viñedos and Fetzer Vineyards, respectively.

Viña Concha y Toro is listed on the Santiago Stock Exchange, and since 1994 also on the New York Stock Exchange. At the close of 2014, the company consisted of more than 747 million shares, 64.6% of which were distributed among the 12 largest shareholders. The percentage directly and indirectly controlled by the Controlling Group is 38.8%¹.

¹ More information about the ownership, the controlling group and the subsidiaries available in the Annual Report, p. 54, 55 and 62: <http://www.conchaytoro.com/concha-y-toro-holding/inversionistas-cat/memoria-anual/>.

VIÑA CONCHA Y TORO IN CHILE

G4-9

In Chile, the winery owns a total of 17,048 hectares of land, of which 9,125 hectares are planted, including the land of Viña Cono Sur and Vina Almaviva, which like subsidiaries Trivento Bodegas y Viñedos in Argentina and Fetzer Vineyards in the United States, manage sustainability autonomously according to the company's corporate guidelines.

Consequently, environmental and social information contained in this report covers the performance of Viña Concha y Toro² in Chile, which at December 31, 2014 included:

7,978

Hectares Planted

13

Production Plants
(winemaking cellars and
bottling plants)

42

States

2,797

Employees in Chile



² The information Viña Concha y Toro in Chile includes subsidiary Quinta de Maipo, which groups the operations of wineries Canepa, Maycas del Limarí, Palo Alto and Viña Maipo, as well as subsidiaries Comercial Peumo and Transportes Viconto. There is an additional chapter with relevant information related to sustainable management of subsidiaries Trivento Bodegas y Viñedos in Argentina, Fetzer Vineyards in the US and Viña Cono Sur in Chile at the end of this report.



PRODUCTION: SUSTAINABILITY FROM THE VINEYARD TO THE GLASS

STAGES	 Vine Growing and Care	 Harvest
DESCRIPTION	The production cycle begins with the start of the agricultural year on June 1. Taking care of the vineyards is essential for the preservation of its natural resources.	The process of collecting and crushing the grapes begins in late March. After harvesting, the grapes are transferred to the tanks in the cellars.
SUSTAINABILITY ASPECT	42 VINEYARDS IN CHILE	83,555 (TON) OWN GRAPES
	7,978 HECTARES PLANTED	200,346 (TON) GRAPES FROM THIRD PARTIES
SUPPLIERS	 AGRICULTURAL SUPPLIERS • Irrigation technology for efficient water use. • Phytosanitary management and responsible fertilization keeping the proportions between water and nutrients, to avoid altering water bodies and surrounding fields. • The organic remains from the vines are reused for composting the fields. • APL Certification.	 GRAPE SUPPLIERS • Provide safe and good working conditions for seasonal workers. • Annual training for workers involved in the harvesting process. • Monitoring and coordination of the harvesting process with grape suppliers. • Planning of the company's own field and external ones to optimize the use of human resources, equipment and energy.



Vinification

Controlled fermentation process to get an optimal enological result.

13

WINEMAKING CELLARS

217 Mill

VINIFIED LITERS

- Incorporation of tangential modules to filter wine that do not generate waste.
- Organic waste is recycled to produce compost as tartaric acid for reuse.
- Sanitizing ponds to prevent health and safety incidents.



SUPPLIERS OF WINEMAKING
MATERIALS



Bottling and Packaging

The wine is safely transferred from the cellars to the plants to be packaged.

4

BOTTLING PLANTS

226 Mill

BOTTLED LITERS

- Certification under the BRC and IFS standard.
- Energy efficiency in plants.
- Use of certified supplies.



SUPPLIERS OF PACKAGING MATERIALS
SUPPLIERS OF PRODUCTION SUPPORT
SERVICES (EXTERNAL)



Distribution

Distribution to logistics centers or export to finally reach the consumer's glass.

145

COUNTRIES OF DESTINATION

- Reduction of the carbon footprint with the use of light bottles.
- Ecolabel (Sunrise and Palo Alto).
- Information on responsible consumption.



SUPPLIERS OF LOGISTIC
SERVICES

CORPORATE GOVERNANCE

G4-34 The strategic direction of Viña Concha y Toro is in the hands of the Board of Directors, composed of seven members who are appointed at the Ordinary Shareholders' Meeting based on their experience, skills and professional career. The Board meets ordinarily once a month and extraordinarily when required.

G4-38 The Board has two independent directors, one of them chosen by the AFPs³, who provide their technical/professional expertise. None of the members of the Board hold an executive position in the company⁴.

G4-39 The Board defines the company's management structure and appoints the General Manager, who is responsible for the rest of the managers. He also has the responsibility of defining and approving the winery's strategic guidelines, values and policies, which are then informed to the executives, who are responsible for implementing these guidelines.

G4-40 Every month, the General Manager informs the Board on the progress made in achieving the company's business goals and on risk management matters, raising important issues expressed by the different managements, executive committees and/or main stakeholders.

In addition, the Board has four committees to perform the duties of directing and supervising the management, besides complying with the requirements of the applicable regulatory framework.

MEMBERS OF THE BOARD	
Alfonso Larraín Santa María	Chairman Businessman
Rafael Guilisasti Gana	Vice President Degree in History
Jorge Desormeaux Jiménez	Independent Director Commercial Engineer
Sergio de la Cuadra Fabres	Independent Director Commercial Engineer
Mariano Fontecilla de Santiago Concha	Diplomat
Francisco Marín Estévez	Agronomist
Pablo Guilisasti Gana	Commercial Engineer

BOARD COMMITTEES	
NAME	FUNCTION
Directors Committee	Responsible for reviewing the financial statements, all operations with related parties, and compensation plans for managers and executives; proposing firms for external audit services, and monitoring internal control systems, among others.
Audit Committee	Responsible for ensuring compliance with measures to promote investor confidence and market integrity.
Ethics Committee	Its main mission is to promote and regulate a behavior of professional and personal excellence among the winery's employees. Among other tasks, it must be aware of, resolve and report any violations to the Code of Business Conduct and Ethics.
Human Resources Committee	Its mission is to review, evaluate and make recommendations regarding all new, remarkable or worrisome aspects relating to Human Resources and employees' concerns.

³ Administrators of Pension Funds in Chile.

⁴ More information about the winery's Corporate Governance is available in the Annual Report: Board of Directors, Structure and Management, p. 18 and 19; Remuneration of Directors and Senior Executives, p. 51; Board Committees, p. 51 and 52. Available at: <http://www.conchaytoro.com/concha-y-toro-holding/inversionistas-cat/memoria-anual/>.

In particular, the Board of Directors and the Audit Committee are responsible for supervising the proper implementation and monitoring of the Comprehensive Risk Management System. The results of the work of these committees are reported on a quarterly basis to the Board.

Among the major risks assessed and managed on an ongoing basis are those associated with agricultural production -which include factors such as adequate water availability, frost, pests control-, dependence on suppliers and distributors -particularly the need to establish long-term strategic relationships in the supply chain-, possible regulatory changes, competition, fluctuations in the economy and the market, among others.

The main documents approved by the Board to allow the proper operation of the Corporate Governance and the company include: Corporate Governance Code; Protocol of Related Transactions; Code of Ethics and Conduct; Induction Procedure for Directors; Adviser Recruitment Policy; Directors Nomination and Election Policy.

CORPORATE POLICY VIÑA CONCHA Y TORO AND SUBSIDIARIES

1. Understand and timely meet current and future customer needs, constantly striving to loyally meet and exceed their expectations.
2. Guide and continually improve commercial relations with its customers, manufacturers and suppliers, as well as their operations and systems at all stages of production, distribution and sale.
3. Work in a way that is respectful with the environment, with a sustainable management of its resources and being socially equitable with its employees and the community to which it belongs.
4. Design and produce products of the highest quality, meeting all legal requirements of both its country and those to which the products are exported.
5. Deliver safe and innocuous products to its consumers, maintaining and monitoring the safety systems of the products it develops.
6. Protect the health and safety of its employees, in a safe environment that significantly contributes to their physical and psychological integrity.
7. Promote employee engagement in a constructive environment, and contribute to their professional development through training that promotes knowledge and skills to maximizing their performance.
8. Provide job opportunities without discrimination, guaranteeing equal conditions and treatment, always in compliance with current legislation.

G4-45

G4-2

G4-46

EVALUATION OF THE BOARD OF DIRECTORS

G4-44

The Board of Viña Concha y Toro decided to conduct an annual self-evaluation of its practices and performance to establish a process that allows detecting opportunities for improvement and monitoring the measures taken, improving the performance and effectiveness of the highest governing body.

The evaluation process includes a questionnaire about the Board's activities and responsibilities in which each director is asked to rate the current performance of the Board in relation to the ideal.

The first evaluation was conducted in December 2014, taking into account issues such as the role and effectiveness of the Board in the development of the corporate strategy, setting goals, establishing procedures for monitoring and evaluating the organization's performance, compliance with regulations, and ensuring that the interests of other "stakeholders" (employees, clients, suppliers, etc.) are considered, among others.



BOARD

BOARD OF DIRECTORS

CORPORATE GENERAL AUDITOR
Internal Control

CHIEF EXECUTIVE OFFICER

EDUARDO GUILISASTI GANA
Civil Engineer

AGRICULTURE MANAGER

ANDRÉS LARRAÍN SANTA MARÍA
Agriculture Specialist

CHIEF FINANCIAL OFFICER

OSVALDO SOLAR VENEGAS
Commercial Engineer

CORPORATE EXPORT MANAGER NORTHERN ZONE

THOMAS DOMEYKO CASSEL
Commercial Engineer

CORPORATE EXPORT MANAGER SOUTHERN ZONE

CRISTIÁN CEPPI LEWINL
Commercial Engineer

CORPORATE EXPORT MANAGER ASIA

CRISTIÁN LÓPEZ PASCUAL
Publicist

CORPORATE EXPORT MANAGER UNITED STATES

IGNACIO IZCUE ELGART
Commercial Engineer

ENOLOGY MANAGER

CARLOS HALABY RIADI
Agronomist Oenologist

ENOLOGY MANAGER DON MELCHOR

ENRIQUE TIRADO SANTELICES
Agronomist Oenologist

PROCESSES AND INFORMATION TECHNOLOGY MANAGER

DANIEL DURÁN URÍZAR
Civil Engineer

MARKETING MANAGER SPECIFIC ORIGIN WINES

ISABEL GUILISASTI GANA
Degree in Arts

MARKETING MANAGER GLOBAL BRANDS

CRISTÓBAL GOYCOOLEA NAGEL
Commercial Engineer

CORPORATE NEGOTIATIONS AND OPERATIONS MANAGER

TOMÁS LARRAÍN LEÓN
Agronomist

SUPPLY CHAIN MANAGER

LÍA VERA PÉREZ-GACITÚA
Civil Engineer

HUMAN RESOURCES MANAGER

CECILIA COBOS ZEPEDA
Commercial Engineer

ETHICS MANAGEMENT

G4-41

G4-56

For Viña Concha y Toro it is essential that any activity or decision related to the production, distribution or sale of its products is made under the principles and values that represent the company. It has Internal Rules of Order, Hygiene and Safety and a Code of Business Ethics and Conduct, which explicitly states the behavior expected of directors, executives and all the employees of the winery and its subsidiaries⁵.

The Code regulates, among other matters, the relationship between employees and the company, as well as the company's relationship with customers, suppliers, the environment, and the use of property and privilege information. It promotes fundamental principles including integrity and transparency, a commitment to quality that distinguishes the winery's employees, respect for fundamental rights, non-discrimination, proper use of company assets, fair treatment with suppliers, respect for the environmental, among others.

Compliance with the Code and ethics management in the winery are a responsibility of the Office of Compliance, part of the General Corporate Audit department, and the Ethics Committee⁶ appointed by the Board, which are responsible for disseminating and enforcing the winery's Code and the Internal Rules of Order, Hygiene and Safety.

Conflicts of interest are addressed according to the Protocol for Operations with Related Parties and the Code of Business Ethics and Conduct, which define procedures to identify, communicate and manage such situations.



ETHICS
VIÑA CONCHA Y TORO

VALUES THAT IDENTIFY VIÑA CONCHA Y TORO AND LEAD ITS GROWTH:

Excellence

Professionalism

Honesty

Leadership

Transparency

Diligence

Proactivity

Quality

Integrity

Closeness

Responsibility

⁵ The Code of Ethics and Conduct is available at: <http://www.conchaytoro.com/concha-y-toro-holding/informacion-legal-cat/codigo-de-etica/>.

⁶ Members of the Ethics Committee are: Sergio de la Cuadra Fabres, Director; Osvaldo Solar Venegas, Manager of Corporate Administration and Finance, and Enrique Ortúzar Vergara, company's attorney.

CRIME PREVENTION MODEL

The winery has implemented a Crime Prevention Model, which seeks to prevent crimes such as money laundering, bribery of public officials and financing terrorism, within the framework of Law 20,393 regarding criminal responsibility of companies. The model includes a Crime Prevention Policy and Officer, appointed by the Board, and specific procedures for the prevention, detection, response and monitoring of offenses, establishing control mechanisms for those processes or activities that by nature have a higher risk of infringement⁷.

For the model to be effective, the necessary amendments were made to internal regulations as well as legal commitments with third parties, informing everyone involved and explicitly incorporating the model's internal obligations, prohibitions and sanctions. These include the Internal Rules of Order, Hygiene and Safety, employment contracts, contracts with suppliers, among others. In addition, during 2014 the company conducted lectures and trainings to those employees in positions with increased exposure. There were no confirmed cases of corruption during the period.

COMMUNICATION AND TRAINING

In order to ensure that all employees know and respect the rules of ethical conduct, in late 2014 the company launched an internal campaign, which, through everyday examples, helps employees to better understand the company's rules of conduct and values with posters, screensavers and practical videos.

Furthermore, for the second half of 2015 the Office of Compliance has planned to develop a Training Plan that includes an e-learning program, and a website that will improve communication.

G4-S03

G4-S04

G4-S05



⁷ An evaluation of the entire organization was conducted while implementing the Model, identifying areas and positions more exposed to these crimes

CHANNELS FOR ETHICAL ADVICE AND COMPLAINTS

G4-57

Viña Concha y Toro has a communication channel available on its website, where employees, customers, suppliers, shareholders and other stakeholders can make anonymous complaints. These complaints are received by the company's attorney and are subsequently reviewed by the Office of Compliance.

G4-58

Also, on the corporate website there is accessible information on company policies and codes regarding ethical and lawful behavior. It is also possible to express concerns directly to the Ethics Committee by means of an e-mail address specially enabled for it.

During 2014, the company received 25 complaints of non-compliance with the Code of Ethics, which were reviewed and managed in accordance with the established procedure. For cases where an improper behavior was identified, the company carried out the corresponding dismissal, warning and improvement of internal controls to prevent such situations.

CLAIMS
RECEIVED
IN

2014

- 15** Irregular behavior of employees.
- 5** Human Resources issues.
- 2** Irregularities with clients, contractors and/or suppliers.
- 2** Weaknesses in the processes.
- 1** Misuse of company resources.

More information about the Code and anonymous whistleblower hotline: <http://www.conchaytoro.com/concha-y-toro-holding>
CODE OF BUSINESS CONDUCT AND ETHICS - WHISTLE-BLOWER



DIGO:
B-0196-0370
TE: 0109141111
ANTAS: 61850 UNI
: 12 MN: 49.A (-)

SUSTAINABILITY STRATEGY

“Giving back in each bottle, what the earth has given us”

G4-36

G4-37



As a leading company in the wine industry and with over 130 years of experience, Viña Concha y Toro recognizes the importance of incorporating sustainability into its corporate vision to maintain its leadership and produce high quality wines under a balanced relationship between economic, social and environmental development.

Consequently, since 2012 Viña Concha y Toro has a Sustainability Strategy, which has defined its corporate vision and mission, and established six strategic pillars. Each pillar has specific foci, initiatives and performance goals, with business leaders in charge of managing and monitoring compliance.

The definition of the contents and strategic foci is based on the analysis and relevant topics for the winery's main stakeholders, identifying the areas that require internal and/or external management to achieve the strategic goals.

Business leaders were appointed for each pillar in order to implement, manage and monitor compliance with the strategy. These leaders are part of the Sustainability Executive Committee, along with the General Manager and the Assistant Manager of Sustainable Development. The Committee is responsible for continuously evaluating and monitoring the achievement of goals, incorporating the adjustments and restatements necessary in each pillar.

In this scheme, the Assistant Manager of Sustainable Development serves as link and coordinator between the different managements in the company and for the management of economic, social and environmental issues.



**SUSTAINABILITY IN
VIÑA CONCHA Y TORO**

VISION

Viña Concha y Toro aims to be one of the leading global brands in the international wine industry.



CERTIFICATION AND SUSTAINABILITY

Viña Concha y Toro has adopted an approach of continuous improvement and aims to maintain its systems and processes certified under the highest national and international standards.

Besides having several certifications in quality, safety, regulatory compliance and sustainable production, the winery has been certified by the National Sustainability Code of Wines of Chile as “Certified Sustainable Wine of Chile”, which demonstrates its commitment to environmental and social management ⁸.

Also, the company has been certified under the Clean Production Agreement “Competitiveness and Responsibility in the Wine Industry”, whose primary purpose is to encourage and facilitate the competitiveness and improvement of productive conditions and environmental performance, with a focus on preventive management in business activities⁹.

The company has also adopted the BSCI Code of Conduct (Business Social Compliance Initiative)¹⁰, which seeks to ensure respect for work values and practices along the supply chain. The code sets out 11 fundamental principles based on international standards such as the International Labour Organisation (ILO), the declarations of the United Nations (UN), as well as the guidelines of the Organization for Economic Cooperation and Development (OECD)¹¹.

VIÑA CONCHA Y TORO - CERTIFICATIONS

CERTIFICATION	DESCRIPTION
	IFS (International Featured Standard) is a European standard to ensure the quality, safety and legality of the products supplied and/or sold by the company.
	BRC (British Retail Consortium) is a standard for the retail industry in the United Kingdom to ensure quality, safety and legality of the products supplied and/or sold by the company.
	The winery has been certified by the National Sustainability Code of Wines of Chile, which recognizes companies that meet sustainability requirements throughout the value chain of wine.
	APL (Clean Production Agreement) is a management tool that allows improving production conditions, energy and environmental efficiency, efficient use of water, hygiene and safety, among other aspects.
	Certification for production, labeling and marketing of organic products in different markets of destination: National Organic Program (NOP) of the US, Canada Organic, Regulation 2092/91 of the European Union and the National Certification System for Organic Agricultural Products of Chile (Certificación de Productos Orgánicos Agrícolas de Chile).

⁸ More information at: <http://www.sustentavid.org/>.

⁹ More information at: [http://www.cpl.cl/Acuerdos\(APL\)/sector.php?id=8](http://www.cpl.cl/Acuerdos(APL)/sector.php?id=8).

¹⁰ More information at: <http://www.bsci-intl.org/our-work/bsci-code-conduct>.

¹¹ Suppliers within the supply chain are subject to evaluations, in the framework of the implementation of certifications and the BSCI Code of Conduct. For more information see chapter Supply Chain.

SUSTAINABILITY IS EVERYONE'S RESPONSIBILITY

A number of internal communication and awareness initiatives were implemented to instill sustainability as a commitment of the entire organization.

All new employees have to go through an **induction in sustainable development** to know the winery's definition and vision of sustainable development, its importance, benefits and best practices. This is done through e-learning courses (112 people in 2014) and by providing an induction manual containing a chapter on sustainable development. Also, all temporary workers have to participate in a training workshop on sustainability, environment and efficient use of resources in the context of the pre-harvest program (210 workers trained).

During the period of May and June 2014, operators working in the winemaking cellars (607 people) were trained on efficient use of water, in order to provide, through a practical workshop that is 100% applicable in the company, tools to achieve a decrease in the rate of liters of water used per liter of wine produced.

Moreover, the company conducts regular trainings in its plants, mostly for operators and supervisors, which this year focused on the BSCI Code of Conduct (50 people), including the labor standards of the International Labour Organization (ILO) and the Clean Production Agreement (34 people).



MEMBERSHIPS AND ASSOCIATIONS

G4-15 Viña Concha y Toro works with and is part of various organizations that contribute to the sustainable development of the industry.

G4-16 In Chile, it is part of the Board of Wines of Chile, a private nonprofit trade association, which aims to unify the efforts of the Chilean wine industry around the dissemination of sustainable practices, international promotion of the product and wine culture, promoting responsible consumption and boosting research and development initiatives.

As a milestone in 2014, the winery joined Global Compact, committing to the integration and promotion of the 10 principles that represent the covenant on Human Rights, Labor Relations, Environment and Anticorruption.

MEMBERSHIPS AND ASSOCIATIONS	DESCRIPTION	AREA OF SUSTAINABILITY
Water Footprint Network (WFN)	Promotes sustainability in the use of water.	Environment
Santiago Climate Exchange (SCX)	Climate Exchange to reduce emissions of greenhouse gases (GHGs)	Environment
National Forest Corporation (CONAF)	Collaboration to promote the carbon credits market among landowners.	Environment
APROCOR	Promotes responsible drinking.	Society
Drinkaware (British organization)	Promotes responsible drinking.	Society
Institute of Ecology and Biodiversity	Conservation and inventory of biodiversity within the company's patrimony.	Environment
Fundación Chile Unido	Work and family conciliation.	People
Wines of Chile Association	Development and promotion of the Chilean wine industry, responsible consumption and sustainable practices.	Product
United Nations Global Compact	Global initiative that commits companies to the integration and promotion of 10 principles.	Human Rights, Labor Relations, Environment and Anticorruption.
The Sustainability Consortium	Promotes the development of tools to reduce environmental and social impact associated with consumer products.	Environment and Society
Global Reporting Initiative (GRI)	Encourages the development of sustainability reports in all kind of organizations.	Economic, Environment and Society
ACCIÓN	Nonprofit organization that brings together organizations committed to corporate social responsibility and sustainable development.	Environment and Society



WE SUPPORT

HUMAN RIGHTS



Derived from the Universal Declaration of Human Rights.

1. Businesses should support and respect the protection of internationally proclaimed human rights.
2. Make sure that they are not complicit in human rights abuses.

LABOUR



Derived from the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
4. The elimination of all forms of forced and compulsory labour.
5. The effective abolition of child labour.
6. The elimination of discrimination in respect of employment and occupation.

ENVIRONMENT



Derived from the Rio Declaration on Environment and Development.

7. Businesses should support a precautionary approach to environmental challenges.
8. Undertake initiatives to promote greater environmental responsibility.
9. Encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION



Derived from the United Nations Convention Against Corruption.

10. Businesses should work against corruption in all its forms, including extortion and bribery.



ENVIRONMENTAL PERFORMANCE



ENVIRONMENTAL PERFORMANCE

Viña Concha y Toro aims to be a benchmark for the industry in environmental practices, a challenge that not only involves the appropriate management of its impact on the environment, but also being aware of the risks that the environment might pose to the business.

In particular, the phenomenon of climate change constitutes a major challenge for the future of the industry in general, in terms of rising temperatures, frost and drought, having a potential impact on the availability and quality of grapes.

Viña Concha y Toro is committed to an efficient and effective environmental management, standing at the forefront of the wine industry on sustainability practices. Environmental challenges and priorities are addressed by the winery's sustainability strategy, which establishes initiatives for reducing water and energy consumption, waste, and emissions, protecting biodiversity and managing sustainability standards and certifications.



VIÑA CONCHA Y TORO
NURSERY



G4-EC2

G4-14

G4-EN29

**“To develop our
products with
a culture of
environmental
excellence”.**

Top 3

In the Sustainability
Index of Chilean
magazine Capital.

2nd

Place in the “Leading
Company on Sustainability”
category - Sustainable
Leaders Agenda 2020
(ALAS20).

WATER FOOTPRINT

Viña Concha y Toro was the first winery in the world to measure its water footprint, a process that began in 2010 and has been maintained over time. This is used to quantify the consumption and pollution of fresh water throughout the entire production process, which has led to the conclusion that in this aspect the company's operations have no significant negative impact on surrounding communities and the environment.

Drought and the consequent water shortages in the main productive basins of Chile underline the urgency of efficiently managing water resources, crucial for the sustainability of the wine business. Therefore, proper water management is part of the winery's sustainability strategy, and each area of the company has this responsibility.

As the second winery in the world with more hectares planted, Viña Concha y Toro has implemented a drip irrigation system in 98% of its vineyards, which can achieve efficiencies in the use of water close to 90% in the agricultural area. Moreover, the company has also implemented washing and sanitizing procedures in the areas of winemaking and operations aimed at minimizing water consumption and pollution.

Water collection is done from 41 surface sources and 37 underground sources, and 96% is used to irrigate vineyards. The company does not use recycled or reused water for its operations.

WATER COLLECTION

WATER COLLECTION		2013	2014	Variation
Water for Irrigation	m3/year	24,624,247 ¹²	21,215,707	-14%
Water for Operations	m3/year	670,212	644,561	-4%
Drinking Water	m3/year	162,325	217,958	34%
TOTAL	m3/year	25,456,784	22,078,225	-13%

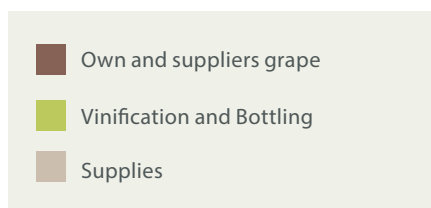
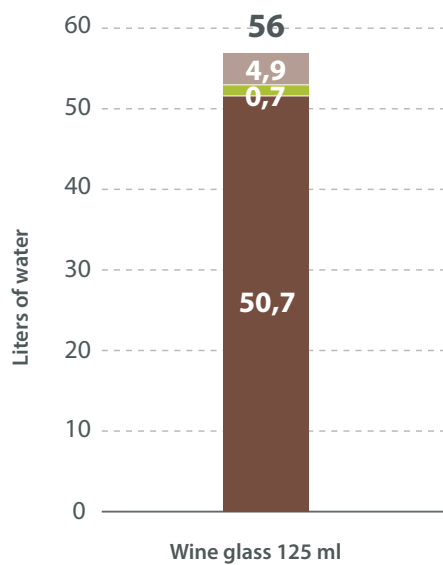
INCORPORATION OF TECHNOLOGIES HARMLESS TO THE ENVIRONMENT

Sustainability is one of the critical variables in the selection of new technologies. For this reason, the winemaking area has incorporated dual-purpose decanters and centrifuges, which reduce the consumption of polluting supplies for filtering processes, and also the use of cation exchange equipment and pumping-over equipment with filtered and compressed air, which result in lower energy consumption. Another measure taken by the company as part of its environmental commitment was changing the boiler burners, from diesel to LPG, reducing emissions and achieving efficiency in fuel consumption.

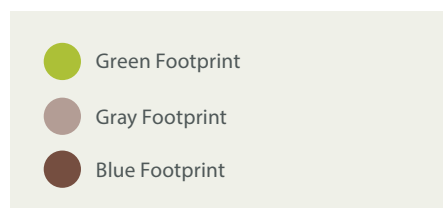
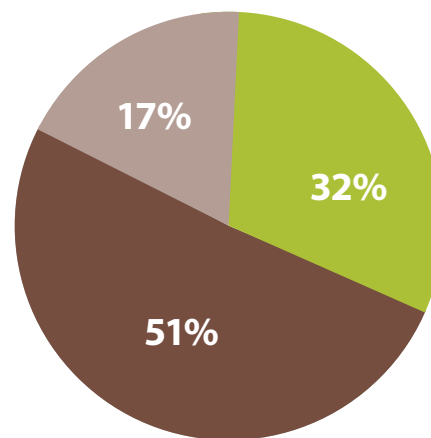


FACTOR DE CAMBIO
VIÑA CONCHA Y TORO

Viña Concha y Toro's water footprint is verified by an external company annually. In 2014, it registered 56 liters of water per 125 ml glass of wine produced, a figure 53% lower than the industry average¹³. **The corporate goal is to reduce by 10% the total water footprint by 2020.**



WATER FOOTPRINT COMPONENTS - 2014



¹³ 120 liters per glass according to the Water Footprint Network.

CLIMATE CHANGE

G4-EC2

The World Economic Forum¹⁴ has defined that, in terms of impact, the fifth largest global risk is the inability of organizations to adapt to climate change. In the wine industry, the increase in temperature and the reduced availability of water can affect the ripening of the grapes, the quality of production as well as its main characteristics.

The winery's commitment to mitigating the risks of climate change is reflected in various initiatives undertaken by the company in terms of energy efficiency, impact reduction and carbon offsetting.

Factors such as temperature, water resources and extreme climatic conditions in each of the valleys where the company operates has been addressed in the study “Risks and Opportunities of Climate Change for Viña Concha y Toro”, conducted together with Universidad Adolfo Ibáñez.



¹⁴ World Economic Forum, Global Risks 2015, 10th Edition.

ENERGY CONSUMPTION

Energy is a key resource for wine production. Accordingly, the winery has made an effort in measuring and reducing energy consumption internally (in its own processes) and externally (supply chain).

Internally, electricity accounts for 47% of energy consumption, followed by LPG (27%) and the remaining 26% consists of gasoline and oil. The highest internal electricity consumption of Viña Concha y Toro occurs in winemaking (45%), followed by operations (31%) and the agricultural area (23%).

In 2014, internal energy consumption was reduced by 4%, thanks to the implementation of energy efficiency measures such as the replacement of boiler burners at the bottling plants, from diesel to LPG, decreasing by 2.1% energy consumption in the bottling process. A major effort was made in the winemaking cellars, where consumption was reduced by 2%.



G4-EN3

G4-EN6

FUEL CONSUMPTION - INTERNAL

Type of Fuel	Unit of Measure	2012	2013	2014	Variation
Gasoline	Thousand lt	544	561	556	-1%
Oil - Diesel	Thousand lt	2,652	2,888	2,418	-16%
GLP	Thousand lt	2,818	3,143	3,129	0%
Total in Lts	Thousand lt	6,014	6,592	6,103	-7%
Total in Tera Joule	Tera Joule	187	204	187	-8%

ENERGY CONSUMPTION - INTERNAL

Area	Unit of Measure	2012	2013	2014	Variation
Agriculture	MWh	9,649	10,471	10,463	0%
Cellars	MWh	19,977	21,225	20,820	-2%
Operations	MWh	13,521	13,538	14,307	6%
WTC	MWh	385	402	410	2%
Total in MWh	MWh	43,532	45,636	46,000	1%
Total in Tera Joule	Tera Joule	157	164	166	1%

G4-EN4

85% of the total consumption of energy required for the production and distribution of Viña Concha y Toro’s products occurs outside the company. 58% of external energy consumption corresponds to the use of containers and packaging, 11% to winemaking supplies and 27% to transportation of products.

ENERGY CONSUMPTION - EXTERNAL ¹⁵				
Production Activity	Unit of Measure	2013	2014	Variation
Packaging supplies	Tera Joule	1,202	1,207	0%
Winemaking supplies	Tera Joule	222	220	-1%
Transportation of products (exports)	Tera Joule	544	523	-4%
Transportation of own and purchased grapes	Tera Joule	74	55	-26%
Domestic transportation of products	Tera Joule	35	45	29%
Business Travel	Tera Joule	18	20	11%
TOTAL	Tera Joule	2,095	2,070	-1%

G4-EN5

When assessing energy consumption for the production of the period, it appears that the winery **consumes 3.05 kWh per liter of wine that goes through the production process¹⁶**. This is an increase of 4% over the previous year, mainly due to the frosts that occurred in 2013 and affected the availability of grapes, in a context in which energy consumption per process remained stable.



¹⁵ The calculation was made based on the 2014 carbon footprint, assuming 0.0754 [kgCO₂e/Megajoule].
¹⁶ Energy intensity was calculated for the main stages of production (agriculture, winemaking and bottling). The intensity of the agricultural process was 0.38 kWh per liter of wine produced; 0.29 kWh in the winemaking process, and 2.38 kWh in the bottling and distribution process.

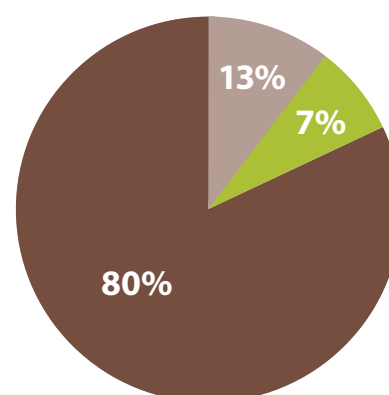
EMISSIONS AND CARBON FOOTPRINT

The main sources of greenhouse gas emissions (GHG) at Viña Concha y Toro and its subsidiaries are associated with land use in agriculture, and fuel consumption in stationary sources (such as boilers and generators) and mobile sources (vehicles and agricultural machinery).

During 2014, the company managed to reduce by 14% direct GHG emissions (Scope 1), registering a decrease of 36% in fugitive emissions of refrigerant gases, due to improvements in the maintenance of equipment and the introduction of new technologies. In the case of indirect GHG emissions associated with electricity consumption (Scope 2), there was a reduction of 15% over the previous year.

The company's Scope 3 emissions, which include those generated in the production and/or transportation of supplies and the distribution of products also decreased, which is particularly relevant given that they account for 80% of the company's carbon footprint. This is due mainly to lower grape transportation resulting from the fall in production because of the frosts that affected the 2014 grape harvest, with a reduction of 26% of associated emissions and an increase of those generated by the transportation of products for the domestic market.

EMISSIONS PER SCOPE
VIÑA CONCHA Y TORO 2014



G4-EN15

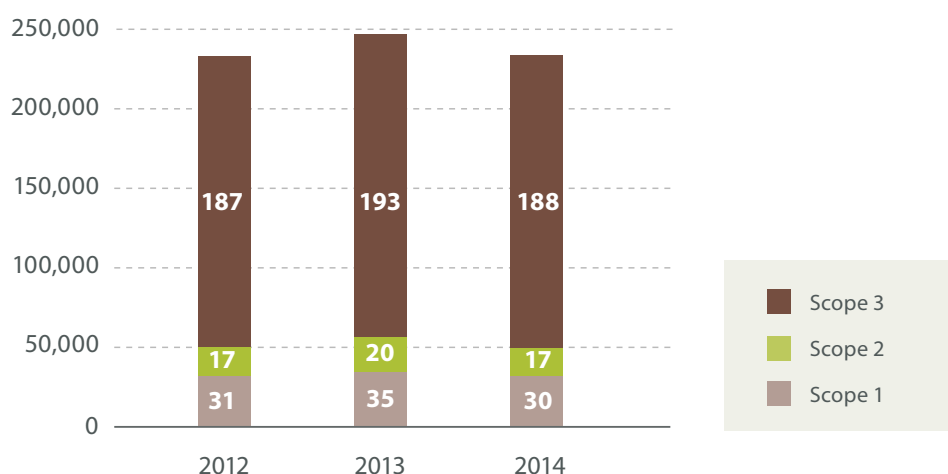
G4-EN16

G4-EN17



CONSOLIDATED CARBON FOOTPRINT

VIÑA CONCHA Y TORO PER SCOPE (THOUSAND TONS OF CO₂e).



DIRECT EMISSIONS OF GREENHOUSE GASES (SCOPE 1)

SOURCE	UNIT OF MEASURE	2012	2013	2014	VARIATION
Mobile combustion sources (vans, trucks, tractors and cranes)	tCO ₂ e	5,531	7,305	6,544	-10%
Stationary combustion sources (boilers, generators and other stationary machines)	tCO ₂ e	7,547	7,328	6,723	-8%
Fugitive emissions (leaks of refrigerant gases)	tCO ₂ e	5,311	7,124	4,547	-36%
Use of Fertilizer	tCO ₂ e	2,744	2,811	2,351	-16%
Use of Land	tCO ₂ e	10,173	10,499	9,949	-5%
Total		31,306	35,067	30,114	-14%

INDIRECT EMISSIONS OF GREENHOUSE GASES (Scope 2)¹⁷

SOURCE	UNIT OF MEASURE	2012	2013	2014	VARIATION
Electricity consumption	tCO ₂ e	17,021	19,528	16,560	-15%
Total		17,021	19,528	16,560	-15%

*The emission factor measured in tCO₂e/MWh was 0.391 in 2012, 0.432 in 2013 and 0.360 in 2014, down 17%.

OTHER INDIRECT GHG EMISSIONS (SCOPE 3)¹⁸

SOURCE	UNIT OF MEASURE	2012	2013	2014	VARIATION
Containers and Packaging	TCO ₂ e	96,593	90,649	91,016	0%
Business Travel	TCO ₂ e	1,760	1,349	1,529	13%
Transportation of products (exports)	TCO ₂ e	37,816	41,020	39,425	-4%
Domestic transportation of products	TCO ₂ e	3,346	2,624	3,420	30%
Transportation of own and third party grapes	TCO ₂ e	2,909	5,599	4,124	-26%
Winemaking supplies	TCO ₂ e	44,194	51,972	48,539	-7%
Total		186,617	193,213	188,053	-3%

¹⁷ Includes CO₂, CH₄ and N₂O emissions, using the SIC emission factor.

¹⁸ The calculation includes CO₂, CH₄ and N₂O emissions.

Viña Concha y Toro measures its carbon footprint since 2007, according to the guidelines of the International Protocol for Wine GHG Emissions Calculation¹⁹. The company is committed to the calculation convinced of its value as a management tool, making it possible to identify opportunities for the continuous reduction of its emissions.

The company has focus on its supply chain to reduce and manage its carbon footprint, since the greatest amount of emissions of greenhouse gases occurs there. The progressive implementation of light bottles has been the main initiative to reduce these emissions, resulting in a reduction of 38,463 tons of glass and of 43,975 tons of CO₂e between 2010 and 2014.

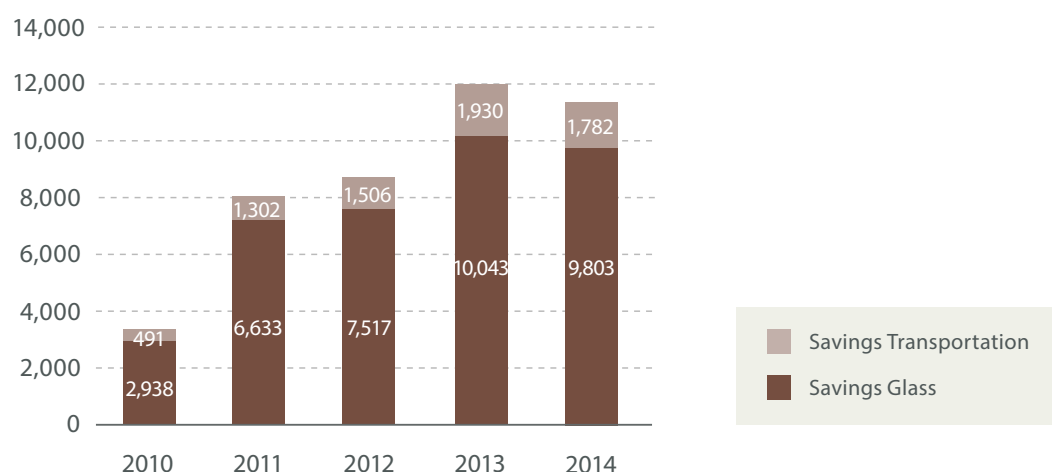
During 2014 and under the **Providers, Sustainability and Carbon Footprint program**, the winery and its suppliers of packaging materials signed an Agreement for the Reduction of Greenhouse Gas Emissions (GHG), through which they agreed to reduce their emissions by 15% by 2020.

Another initiative during this period was the implementation of Laserlight technology for the new bottling line at the Pirque plant, which drastically reduces energy consumption and CO₂ emissions, in addition to providing increased light capacity.



G4-EN19

ANNUAL EMISSION REDUCTION BY USE OF LIGHT BOTTLES



¹⁹ International Wine Carbon Calculator- IWCC- Version 1.3.

G4-EN18

G4-EN19

G4-EN20

In 2014 there was an increase of 5% of GHG emissions per 750cc bottle, obtaining an intensity of 1.04 KgCO₂e per 750cc bottle produced.

Also, during the period there was a decrease of 41% in emissions of ozone-depleting substances, thanks to a reduced use of refrigerant gases due to improvements in the maintenance process and the incorporation of more efficient equipment.

EMEMISSIONS OF OZONE-DEPLETING SUBSTANCES							
REFRIGERANT	2012		2013		2014		Variation
	CONSUMPTION (kg)	EMISSIONS (t CO ₂ e)	CONSUMPTION (kg)	EMISSIONS (t CO ₂ e)	CONSUMPTION (kg)	EMISSIONS (t CO ₂ e)	
HCFC-22	2,505	4,535	3,162	5,723	1,827	3,307	-42%
HFC-141b	176	128	82	59	109	79	34%
TOTAL	2,681	4,663	3,244	5,782	1,936	3,386	-41%

G4-EN21

NO _x , SO _x AND OTHER SIGNIFICANT ATMOSPHERIC EMISSIONS ²⁰					
Other Emissions	Measure (Kg)	2012	2013	2014	Variation
SO _x	Kg	5,497	6,177	5,320	-14%
NO _x	Kg	62,959	66,455	56,572	-15%
MP10	Kg	1,690	1,799	1,549	-14%
CO	Kg	47,464	49,202	47,079	-4%
TOTAL		117,610	123,633	110,520	-11%

²⁰ Fuel density assumptions used, source: IPCC. Emission Factors - Methodological Guide published by CONAMA, 2009.

WASTE MANAGEMENT

Another key issue addressed by the company's sustainability strategy is the optimal management of waste from the production process.

With the objective of continuously improving the management of effluents, in 2014 the company created the Department of ILW within the area of Sustainable Development.

SOLID WASTE

Hazardous waste generated by the company includes toners, batteries, light bulbs, fluorescent tubes, ink containers, spray cans, paint cans, oil, chemical containers and contaminated sand. These wastes are managed at each plant, and then transported by Proactiva S.A. to the receiving company Hidronor Chile S.A.

Moreover, non-hazardous waste resulting from the operation such as glass, cardboard, plastic and scrap metal are placed in the collection center of each plant, and later managed by Proactiva personnel, who are responsible for their disposal in separate containers. Organic waste from the winemaking cellars is reused as compost or sold for recycling.

During 2014, there was an environmental fine for 200 UTM issued by the Regional Health Secretariat in the O'Higgins Region for the wrong disposal of hazardous substances inside the Peumo winemaking cellar. After this event the company carried out an internal inspection and establish the correct location for each type of substance handled within the cellar. Beyond this minor incident, the company has not received any other fines or sanctions related to the handling or spills of hazardous waste during this period.

G4-EN29

TONS OF WASTE: BOTTLING AND PACKAGING MATERIAL

Material	2012	2013	2014	Final Disposal
Glass	1,094	908	1,392	Sold to Cristalerías Chile for recycling
Plastic	314	268	228	Sold to SOREPA, PROACTIVA and Industrial Waste Collector for recycling or reuse
Cardboard	910	862	962	Sold to SOREPA, PROACTIVA and Industrial Waste Collector for recycling or reuse
TOTAL	2,318	2,038	2,582	

G4-EN23

TONS OF WASTE: ORGANIC MATERIAL

NAME OF THE WASTE	METHOD OF TREATMENT	2012	2013	2014	Final Disposal
Pomace and stems	RECYCLE	25,979	30,316	25,041	Sold to third party for recycling
Lees	RECYCLE	4,806	3,891	4,710	Sold to third party for recycling
Pomace and stems	REUSE	18,570	15,574	13,572	Winery's land through solarization
TOTAL		49,355	49,781	43,323	

LIQUID WASTE

G4-EN22
G4-EN26

Most of the Industrial Liquid Waste (ILW) resulting from the company's operation is processed in its five treatment plants (57%). The remaining volume is collected in accumulation ponds and is used for irrigation with sprinkler systems, or is treated by a specialized provider. In the case of the Chimbarongo plant, effluents are sent to the company Biodiversa, which treats them using an anaerobic digestion process.

INDUSTRIAL LIQUID WASTE						
FACILITY	VOLUME [thousand m3]				TREATMENT / QUALITY	DESTINATION
	2012	2013	2014	Variation		
San Javier	25.8	29.6	32.03	8%	Biological treatment	Inland surface water
Lourdes	34.5	42.4	38.18	-10%	Biological treatment	Inland surface water
Lontué	179.9	168.6	164.60	-2%	Biological treatment	Inland surface water
Cachapoal	17.3	23.5	20.98	-11%	Biological treatment	Inland surface water
Pirque	207.2	197.7	208.22	5%	Biological treatment	Inland surface water
Curicó	21.9	16.4	17.66	8%	Physicochemical treatment	Disposal system: Sprinkle irrigation
Mercedes-Lolol	9	9.6	7.50	-22%	Physicochemical treatment	Disposal system: Sprinkle irrigation
Peralillo	3.4	3	2.06	-32%	Physical treatment	Disposal system: Sprinkle irrigation
Nueva Aurora	11.7	15.6	17.72	14%	Physicochemical treatment	Disposal system: Sprinkle irrigation
Chimbarongo	97	101.2	79.23	-22%	Physicochemical treatment	Third Party - Contract with Biodiversa
Puente Alto	24.1	26.3	23.65	-10%	Physicochemical treatment	Third Party - Contract with EcoRiles
Lo Espejo	161.1	139.8	72.99	-48%	Physicochemical treatment	Third Party - Contract with EcoRiles
Vespucio	50	40	25.93	-35%	Physicochemical treatment	Third Party - Contract with EcoRiles
TOTAL	842.9	813.7	710.74	-13%		

G4-EN24
G4-EN25

In September 2014 there was a blockage in the ILW transporting line at the winemaking cellar in Curicó, between the cellar and the disposal site, causing the spill of 10 m3 of raw ILW. An internal investigation concluded that the cause had been the lack of timely cleaning of the pipeline and it was resolved immediately²¹.

²¹ No hazardous waste is transported.

PESTICIDES AND FERTILIZERS

The use of pesticides in the company's agricultural processes responds to the presence of pests and diseases in the country that threaten the quality and/or quantity of grapes. The use of fertilizers enables the optimal development of the vines to produce quality grapes and in the appropriate quantity to the variety and enological goal. Its use allows replenishing the soil with the elements extracted for the vines' development, avoiding the depletion of the substratum.

It is worth noting that Viña Concha y Toro's fertilizer application programs are supported by previous soil and foliar analyzes, as well as a study of the requirements necessary to generate the expected yields. Moreover, to ensure the correct application of pesticides and fertilizers, the company conducts training workshops accredited by the Agriculture and Livestock Service (SAG) for its employees, and insists on the use of appropriate personal protection equipment (PPE).

Viña Concha y Toro's Integrated Pest and Disease Management Strategy seeks to minimize the use of pesticides. Knowing the biological cycles of harmful species, the company promotes the rational use and rotation of pesticides, controlling pests more effectively. In 2014, 1,801 tons of fertilizer were used, 15 tons of herbicides and 702 tons of other phytosanitary products.

In order to use these supplies optimally, during 2014 the company continued working together with its peers in the sector, under the second Clean Production Agreement of the wine industry.

MANAGEMENT OF AGRICULTURAL SOILS

Viña Concha y Toro has set parameters to prevent soil erosion when planting new vineyards. These include variables such as maximum planting slopes, types of irrigation and runoff water circulation.

G4-EN1



PROTECTION OF BIODIVERSITY

G4-EN12

Viña Concha y Toro's commitment goes beyond its operations, including the conservation of the biological environment. The flora and fauna living in native forests and waterways within the company's estates are in good state of conservation, coexisting with the wine production of a world-class company.

G4-EN11

G4-EN13

The company has a **Native Forest Conservation Program** that seeks to protect more than 3,270 hectares of sclerophyll forest and scrub in its estates, located in the regions of O'Higgins and Maule²². After their registration with the National Forestry Corporation (CONAF), Viña Concha y Toro voluntarily agreed not to exploit them and to work on their conservation and protection. In addition, the winery planted native species to restore certain areas in the Rauco and La Granja estates affected by livestock farming and biomass extraction respectively.

During 2014 the company continued doing biodiversity inventories of flora and fauna with the support of the Institute of Ecology and Biodiversity (IEB). Specifically, it did inventories of the native forests inside the Lourdes and Palo Santo estates, covering 161 hectares, which means that 99% of the total protected area within its properties has been inventoried.



VIÑA CONCHA Y TORO
CELEBRATES EARTH DAY

99%

Of the total
protected area has
been inventoried.



²² In the region of O'Higgins (VI), includes the Peumo, Rucahue, Ucuquer, Rauco, Palo Santo and San Vicente estates; in the region of Maule (VII), the Villa Alegre, Santa Raquel and Lourdes estates.

INVENTORIED AREA TO DECEMBER 2014

ESTATE	AREA (ha)		
	2012	2013	2014
Peumo	476	476	476
Rauco	458	458	458
Villa Alegre	283	283	283
Idahue	-	1,515	1,515
Rucahue	-	106	106
Ucúquer	-	235	235
Lourdes	-	-	77
Palo Santo	-	-	84
Total Inventoried	1,217	3,073	3,234
Total Natural Forest	3,272	3,272	3,272
Percentage of Inventoried Forest	37%	94%	99%

As a result of the inventories²³ 87 to 154 plant taxa have been detected in each estate, with species such as Boldo, Espino, Tevo, Romerillo, Litre, Quillay, Peumo, Maqui, Bollen and Mora. As for the fauna, there are a large number of birds, which according to the property under study range between 27 and 53 species.

Also, up to 14 species of mammals have been detected per estate, including culpeo (*Lycalopex culpaeus*), yaca (marsupial endemic to Chile) and kodkod (*Leopardus guigna*), the latter being especially relevant since it is categorized as an endangered and vulnerable species in the country²⁴. As for reptiles, up to 4 species and 2 amphibians have been identified per estate, like the slender or jewel lizard (*Liolaemus tenuis*) and the black spiny-chest frog (*Alsodes nodosus*) respectively. Some of these animals are endemic, which makes conservation efforts especially important.

G4-EN14



²³ Information on the Palo Santo estate has not been included as it was not available at the close of this report.

²⁴ Gato guiña (*leopardus guiga*) vulnerable according to the National Wildlife Inventory and the Red List of the International Union for Conservation of Nature (IUCN).



SUPPLY CHAIN

SUPPLY CHAIN

Effectively responding to customer needs depends not only on the excellence of internal processes, but also the synchronization and integration of all processes from the suppliers to the final consumer. Viña Concha y Toro aims to be a strategic partner to its suppliers through relationships based on trust and transparency, encouraging the creation of value and sustainability along the supply chain.

The winery fosters the development of its suppliers, sharing its way of doing business and its best commercial and sustainable practices. It has established three pillars of work together with them -quality, level of service, and ethics and sustainability- and constantly evaluates the impact generated in its value chain in order to propose mitigation and prevention measures.

In this context, in addition to meeting all technical criteria required by a global company, the winery's suppliers, contractors and subcontractors shall comply with the Code of Conduct for Suppliers of Viña Concha y Toro and its subsidiaries, which establishes the ethical principles and values that should guide their behavior.



G4-12

G4-EC9

“To build a relationship with suppliers based on trust and transparency”.

SUPPLIERS OF VIÑA CONCHA Y TORO				
Suppliers	2013		2014	
	Number	Percentage of Expense	Number	Percentage of Expense
Foreign	450	2%	486	3%
Domestic	6,198	98%	7,107	97%
Total	6,648	100%	7,593	100%

OPTIMIZATION OF SUPPLIES AND RAW MATERIALS

G4-EN1

With the goal of optimizing the use of supplies and raw materials, the company has done important work in terms of inventory management, redefining specific functions for each stage of the inventory and critical points control process, in addition to the continuous implementation of improvement measures.

Moreover, the consolidation of the Purchasing Planning Area during 2014 led to improved purchasing indicators and statistics, generating information that better suits the winery's real needs, and strengthening the collaborative process with critical suppliers (bottles and caps).

As a result of the above, it was possible to improve the supply purchasing process for 2014, reducing the amount of obsolete supplies. In addition, there was a significant reduction in waste generated by reprocessing, which in the case of glass bottles was 77%.

In terms of inventory management, during 2014 the company was close to meeting the goal set for 2015, with an average stock of finished products²⁵ of 1 million cases and an average stock of semi-finished products of 300,000 cases.

Among the main changes in supplies for the production process, there was a decrease in the amount of grapes produced by the company (20%) and those purchased from third parties (18%) due to frosts at the end of 2013 that significantly affected the 2014 grape harvest. There was also a strong increase in the use of liquid fertilizers, because 3 additional estates started using them.

TRIMESTRE MÓVIL PROJECT

The Trimestre Móvil project, created in the second half of the year, improved communication between areas related to the purchasing process, providing suppliers with updated monthly projections on the winery's needs.

By improving the management of timely transportation of supplies between plants, reducing unnecessary purchases, it was possible to reduce the supply inventory by 25%.



SUNRISE ECOGLASS

²⁵ This is, wine that has been bottled, labeled, sealed and put in cases.

MAIN SUPPLIES FOR PRODUCTION

STAGE 1: GRAPEVINE GROWING AND CARE (AGRICULTURE)				
Supply or Material	2012	2013	2014	Variation
Fertilizers (tn)	1,682	1,588	1,801	13%
Fertilizers (lt)	644,830	1,222,389	1,743,279	43%
Herbicides (tn)	19.4	19.1	14.6	-24%
Herbicides (lt)	17,375	34,872	43,004	23%
Phytosanitary (tn)	714.5	881.3	702	-20%
Phytosanitary (lt)	18,076	27,579	24,186	-12%

MAIN SUPPLIES FOR PRODUCTION

STAGE 2: GRAPE HARVEST				
Supply or Material	2012	2013	2014	Variation
Own grapes (tn)	96,800	104,547	83,555	-20%
Grapes from third parties (tn)	204,800	245,475	200,346	-18%



MAIN SUPPLIES FOR PRODUCTION

STAGE 3: VINIFICATION (WINEMAKING)

Supply or Material	2012	2013	2014	Variation
Additives (tn)	555.4	488	680	39%
Filtering Products (tn)	643.3	634.1	524.5	-17%
Gases (tn)	892.3	943	908	-4%
Washing Sanitizing Products (tn)	276.9	341.8	298	-13%
Preservatives (tn)	189.7	155.7	179.5	15%
Nutrients (tn)	84	91.4	90	-2%
Clarifiers (tn)	73.4	88.9	85.6	-4%

MAIN SUPPLIES FOR PRODUCTION

STAGE 4: BOTTLING AND PACKAGING

Supply or Material	2012	2013	2014	Variation
Bottles (tn)	76,598	76,012	77,239	2%
Labels (tn)	266	257	269	5%
Corks (tn)	415	390	358	-8%
Capsules (tn)	110	99	100	1%
Caps (tn)	410	315	361	15%
BIB (tn)	645	353	371	5%
Tetra Pak (tn)	1,257	1,214	1,221	1%
Cases and Partitions (ton)	6,798	8,611	7,597	-12%



PROMOTING SUSTAINABILITY IN THE SUPPLY CHAIN

As part of its commitment to promoting sustainability and good practices throughout the value chain, the winery developed the Standard of Ethic and Sustainability Requirements for Suppliers based on its Code of Ethics and Conduct and Code of Conduct for Suppliers.

During 2014, 14 standard diagnostic audits were carried out at major suppliers of packaging materials, which has been incorporated into Viña Concha y Toro's Manual for Suppliers, so that in the future these results will be used as input for the organization's purchasing processes.

The next step (2015-2016) will be to work together with suppliers in developing action plans and conduct follow-up audits to ensure compliance.

Also, during the period the company continued working with contractors in the implementation the BSCI Code of Conduct, evaluating their performance in relation to labor, social and environmental matters, as well as with the main suppliers of grapes, which are evaluated according to the Code of Sustainability.

Overall, the evaluations were satisfactory in terms of compliance with the requirements contained in the codes, and did not find any actual or potential impact that may significantly affect the environmental, labor, social management of the audited companies, or cases related to child or forced labor.

G4-LA14
G4-LA15
G4-HR5
G4-HR6
G4-EN32

EVALUATION OF SUPPLIERS					
Supplier	2013		2014		Type of Evaluation
	Total	% Evaluated	Total	% Evaluated	
Grapes	858	22%	858	22%	Code of Sustainability
Packaging Materials	60	93%	59	94%	Ethic + Sustainability Audit
External Services	7	98%	6	94%	BSCI Code

With respect to training, during 2014 we carried out five workshops with suppliers aimed at implementing quality requirements contained in the Supplier Development Program (PDP), and a training and orientation workshop regarding the Suppliers, Sustainability and Carbon Footprint program.

AGREEMENT TO REDUCE GHG EMISSIONS

During 2014 and under the Suppliers, **Sustainability and Carbon Footprint program**, the winery and its main suppliers of packaging materials signed an Agreement on Reducing Emissions of Greenhouse Gases (GHG), through which they agreed to reduce their emissions by 15% by 2020.

Additionally, the company continued working with suppliers in the measurement and verification of the carbon footprint of their products, and conducted a group bidding for the carbon footprint verification service, seeking to achieve better prices for suppliers.

MATERIALITY ASSESSMENT

G4-EN2
G4-EN33
G4-EN27
G4-EN28

For Viña Concha y Toro it is very important to work with suppliers who share its concern for the environment through the use of potentially recyclable supplies, made of recycled and environmentally-friendly materials. During 2014, specific requirements regarding the materiality of supplies were incorporated into the Standard of Ethic and Sustainability Requirements for Suppliers, which will allow auditing their performance continuously.

Regarding materiality analysis, we continued gathering information on environmental and social practices of major suppliers of packaging materials, among them labels, corks and Tetra packages, which have **FSC²⁶ certification**. In addition, suppliers of labels use Estate Label 100 and Estate Label 12, which contain 100% and 30% of recycled material respectively. As for corks, 34% was made of natural cork oak, which is 100% post-consumer recyclable.

Suppliers of cardboard boxes use recycled paper and cardboard for the manufacture of some of the products delivered to the winery, and are certified SFI²⁷. Additionally, all partitions used by the company are made of 100% recycled cardboard fiber.

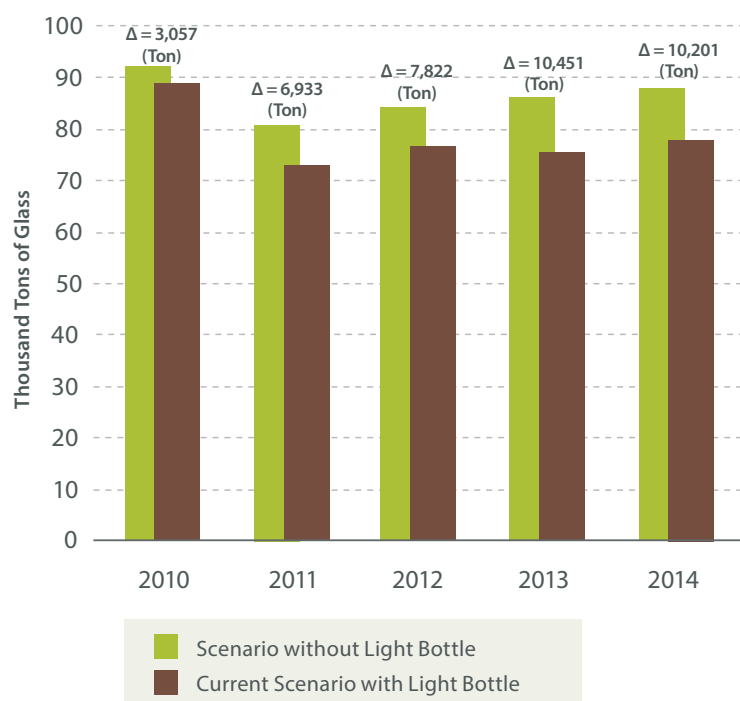
Also, 90% of bottles used during 2014 are light bottles, which contain 25% recycled material and weigh on average 14% less than traditional bottles. The progressive implementation of light bottles has reduced the consumption of glass by 38,463 tons between 2010 and 2014.

²⁶ Certification indicating that raw materials come from sustainably managed forests.

²⁷ Sustainable Forestry Initiative, which promotes sustainable forest management.

SCENARIOS:

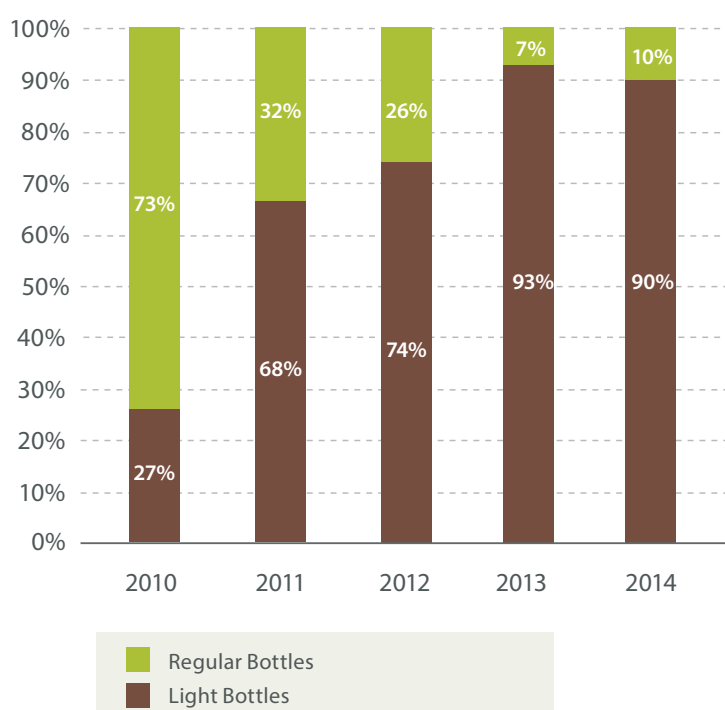
CURRENT V/S WITHOUT LIGHT BOTTLE



BOTTLES USED PER TYPE

Year	Total Bottles (million)	Light Bottles (million)	Percentage of Light Bottles
2010	183.1	48.6	27%
2011	161.5	109.3	68%
2012	170.9	126.8	74%
2013	168.3	156.7	93%
2014	169.5	152.1	90%
Accumulated Total	853.3	593.5	70%

BOTTLES USED



LIGHTWEIGHT BOTTLE
VIÑA CONCHA Y TORO



PRODUCT



PRODUCT

One of Viña Concha y Toro's main goals is to offer excellent products that provide the best experience to consumers, satisfying their tastes and expectations. To accomplish this, it has developed a broad portfolio of wines, participating in different product categories and providing innovative solutions to consumers' increasingly demanding needs.

Through the pillar "Product" the company seeks to strengthen its leadership, standing at the forefront of consumer trends, focusing on innovation, quality and responsible communication of its products' attributes.



CASILLERO DEL DIABLO
BRANDING HALL OF FAME



MARQUÉS DE CASA CONCHA
CABERNET SAUVIGNON 2014

“To have a portfolio of brands and wines to satisfy current customers needs, and innovate to adapt to future consumption trends”.

INNOVATION AT VIÑA CONCHA Y TORO

This year was marked by a very important event for Viña Concha y Toro: **The inauguration of the Center for Research and Innovation (CII)**. With an initial investment of more than US\$ 5 million, this project was conceived to develop applied research and new technologies in the areas of viticulture and winemaking, becoming a place for the creation, exchange and dissemination of knowledge for the wine industry. This project is under the tax benefit of CORFO's R&D Tax Incentive Act, an important stimulus for investment in this area.

Located in Pencahue, in the Maule Valley, just 20 kilometers from the city of Talca, the CII has a modern 1,500 m² modular building, which includes: A state-of-the-art agricultural and enological laboratory; units for molecular biology, foliar and soil analysis, and propagation of in vitro cultures; an experimental winery that allows the vinification of about 200 tons of grapes, equipped with industrial technologies to work at different scales of winemaking; and an Extension Center which has a large and modern auditorium, and a tasting and sensory experimentation room.

The CII is led by a team of top researchers focused on research related to genetic material, viticulture, winemaking processes,

product design and market. Their work methodology will allow quantifying the economic and social impact of projects developed at the Center, improving agricultural and winemaking processes by making them more efficient and sustainable.

One of the key objectives is to build strategic partnerships and/or agreements with other organizations and entities to enable the development of networks in Chile and the world. **Currently, the CII has agreements for scientific research with Consorcio I+D Vinos de Chile, Mercier Group (France), and UC Davis (US).**



CENTER FOR RESEARCH
AND INNOVATION



LINES OF RESEARCH AT THE CENTER FOR RESEARCH AND INNOVATION

- Characterization of agronomic and enological aptitudes of clones and patterns according to conditions, compatibilities, productive potential, and resistances.
- Research and improvement of agricultural production systems; water-soil-plant relationship, trellis systems, fertilization, agrochemicals, mechanizations, etc.
- Research, analysis and evaluation of enological processes.
- Explore opportunities for diversification of raw materials to generate new areas of development.

The Center for Research and Innovation represents the company's long-term growth strategy, where innovation in products, practices and adapting technologies is a key component to create value and strengthen the company's leadership.



QUALITY MANAGEMENT

G4-PR1

Viña Concha y Toro is committed to guaranteeing the quality of all its products, as it is a key component of the company's reputation and sustainability. Its management is recognized each year by various international awards that position it among the most prestigious companies in the world.

G4-PR2

The winery's corporate policy focuses on the quality, safety, traceability and continuous improvement of products. Also, it has a Quality Management System that guarantees optimum conditions in each stage of production through standardized processes, protocols, a HACCP (Hazard analytical critical control point) system, verification systems, and internal and external controls²⁸.

This way, the company meets the highest international quality standards, maintaining its certification under the British Retail Consortium (BRC) and the International Food Standard (IFS).



QUALITY MANAGEMENT IN THE AGRICULTURAL AREA

Quality management in agriculture begins with the right combinations of soil, climate and grape varieties, together with an appropriate determination of harvest dates, as well as proper nutrition, irrigation and phytosanitary management of vineyards to yield healthy grapes and in the right amounts.

Since the quality of the grapes depends in part on their genetic potential, Viña Concha y Toro has its own nurseries, which allows the company to ensure the genetic characteristics of the grapes used to make its products. The Rauquén nursery has been in operation since 2001 and currently produces 2.5 million plants of different varieties, meeting the company's demand

for planting and/or renewal of vineyards. The agreement with Mercier Nurseries in France ensures the excellence of the genetic quality of *vitis vinifera*.

Moreover, 77% of the grapes are harvested mechanically, which allows obtaining optimum quality, by harvesting at the right time of maturity. Mechanization is also helpful in face of the growing shortages of manpower in the industry.

²⁸ During 2014, no complaints were filed for violations of rules relating to the impact of the company's products in the health and safety of consumers.

FOOD DEFENSE

In 2014 Viña Concha y Toro joined Food Defense, an international initiative to prevent intentional contamination of food by physical, chemical, biological or radiological agents. Joining this initiative became a requirement for certification under the BRC and IFS standards.

To implement the recommendations of Food Defense, the winery established a specialized management team, responsible for defining the vulnerabilities of each facility and establishing corrective measures to mitigate the underlying risks. Among the most important actions taken, it is worth mentioning the overall improvement in surveillance systems, access controls and inspection of unidentified correspondence.

FOOD DEFENSE IS BASED ON A SAFE BEHAVIOR

- I** follow work and safety procedures
- I** examine the place I work in and the areas around me
- I** keep calm in face of any incident and comply with emergency procedures
- I** am on the lookout for any suspicious person or material
- I** report any suspicious activity to my supervisor
- I** organize all ingredients, supplies and finished goods, and keep them safe



RESPONSIBLE MARKETING

Viña Concha y Toro's corporate responsibility extends to marketing and promotional activities. The winery is one of the founders of Drinkaware, a nonprofit organization based in the United Kingdom, whose mission is to promote responsible drinking by providing accessible and objective information and tools²⁹.

Similarly, at a national level the company participates in APROCOR, Trade Association of Spirits Companies Pro Responsible Consumption, consisting of the main representatives, importers and producers of alcoholic beverages in the country³⁰.

With the purpose of promoting the development of tools to manage and reduce environmental and social impact associated with consumer products, in late 2014 the winery joined The Sustainability Consortium, a collaborative public-private initiative that aims to develop common standards to assess sustainability in the life cycle of products. This partnership allows the exchange of experiences with various stakeholders regarding best practices to minimize negative impact along the value chain.

drinkaware



LABELING

G4-PR3

Viña Concha y Toro strictly complies with all legal requirements related to product information and labeling in the various countries of destination, fully complying with the strictest regulations in each zone where it operates and distributes its products. For example, the United States, Canada and the European Union require detailing the content of sulfites; in Latin America, responsible alcohol consumption messages are displayed on the label, and in the European Union, it is necessary to incorporate a number of logos associated with recycling and responsible drinking.

G4-PR6

Because the marketing of wine has restrictions for underage consumption, both the company's website and social networks have filters to prevent advertising the winery's products to that population.

G4-PR4

During 2014, the winery did not received fines or sanctions relating to product information and labeling, or for reasons related to advertising or promotion.

G4-PR7

²⁹ For more information, visit <https://www.drinkaware.co.uk/>.

³⁰ Comercial Peumo is a member of the Board of APROCOR. For more information, visit: <http://www.aprocor.cl/>.

SUSTAINABLE PRODUCTS

Sustainability is a commitment that has been incorporated into the identity of Viña Concha y Toro's products. The company stands at the forefront of the industry in this matter and promotes the sustainable attributes of its products to meet the requirements of consumers increasingly committed to the environment and new market trends.



SUNRISE

Sunrise has positioned itself as the main sustainable brand of Viña Concha y Toro, and a means to communicate the company's progress and activities in terms of sustainability. It has gained recognition for being **the first carbon neutral wine globally, through internal reductions in the company, which neutralizes its CO₂ emissions throughout the production process, from the cultivation of grapes to the final product sent to each destination.** During 2014 a total of 11,550 tons of CO₂e were neutralized.

The brand's new promotion strategy, focusing on key markets, explains the growth of 6% in sales compared to 2013, managing to export more than 819,000 9-liter cases to 63 countries.



SUNRISE

In 2014 the brand signed a strategic partnership with the Wildlife Conservation Society (WCS), one of the largest NGOs in the world working on the conservation of flora and fauna, to support the Karukinka project, which seeks to protect biodiversity in Patagonia and Tierra del Fuego, in Chile.

Sunrise is contributing through the dissemination of the initiative, producing a video that chronicles the work of this NGO and its project in southern Chile, which was broadcast on social networks and had over 140,000 views. Moreover, Sunrise gave a monetary contribution to support the work of the organization.



SUNRISE
CARBON NEUTRAL



SUNRISE
AND KARUKINKA

PALO ALTO

The image of Palo Alto is linked to native trees in the Maule Valley (espino), representing the winery's commitment with its land and the conservation of the natural heritage, developing sustainable practices and various conservation initiatives.

The winery developed the project Bosque Palo Alto (currently active) with Fundación Patagonia Sur for the preservation and reforestation of endemic species in the Chilean Patagonia.

The Palo Alto Orgánico wine has IMO certification (Institute for Market Ecology). Moreover, the winery uses sustainable supplies such as light bottles, and cases and labels made of recycled material. During 2014, it reached 17 countries with 9,771 9-liter cases, increasing sales by 62% over the previous year.

BOSQUE PALO ALTO PROJECT

- Conservation of 282 hectares of native forest in the vineyard of Villa Alegre, Maule.
- Planting more than 10,000 trees in the California Valley, Chilean Patagonia.
- Awarded the Special Commendation in the "Best Green Launch Award" category by Drinks Business magazine.



PALO ALTO
MAULE VALLEY



RANGE
PALO ALTO



FRONTERA

The Frontera Specialties line seeks to strengthen the rural identity of Chile, promoting different grape varieties typical of the country, so they can be known and enjoyed by consumers around the world.

With 5 varieties (País, Pedro Jiménez, White, Red and Carmenere), Frontera Specialties opens opportunities for small producers, rescuing traditional farming practices that transcend generations. During 2014, it sold a total of 79,398 9-liter cases.

The País variety -also called Mission, Criolla and Negra-, comes mainly from small producers located in the coastal drylands of the VII and VIII Regions, in places where there is no irrigation and the main source of water is rain. The Pedro Jiménez variety develops in the Mediterranean climate of the IV Region, and most of it is being grown in the sunny Limarí Valley, handpicked by local producers.

MARKET INTELLIGENCE

During 2014 the company created the Department of Market Intelligence in response to the need for regular and timely information regarding the performance and perception of brands in target markets.

The Department supports the Marketing and the Exports managements, facilitating the implementation of the marketing strategy and the process of decision-making to better reach the final consumer, find market opportunities and develop new products. In 2014, the Torotrack 2014 study was developed to measure the health of different brands in 14 markets and provide valuable information regarding competition in the global market.



FRONTERA
SPECIALTIES



CUSTOMERS

CUSTOMERS

From its inception, Concha y Toro's strategy has focused on exports, allowing to continuously open new markets, currently reaching more than 145 destinations.

Viña Concha y Toro's customers are essential for the development of the company's business strategy and are part of its Sustainability Strategy. The winery aspires to create strategic alliances with its customers, building relationships based on trust and mutual growth.

The strategic foci of the "Customers" pillar aim at meeting the demands and requirements of our clients, by knowing their particular needs and efficiently managing the logistics chain. Also, the company is constantly looking for opportunities for knowledge transfer on good commercial and sustainable practices.



“To be a benchmark for our importers for our ability to understand the market and its needs, given our global experience”.

EFFICIENCY IN THE SUPPLY CHAIN AND CUSTOMER SATISFACTION

G4-PR5

The reputation of Viña Concha y Toro is based on its broad portfolio of wines, with well-positioned brands in different product categories, a strong distribution network and the development of strategic long-term relationships, which together with a successful brand building has allowed reaching the final consumer with world-class products.

The winery has more than 350 direct clients in 145 countries, the main being distributors and retail companies. The company focuses on being efficient along the supply and distribution chain, in order to contribute to each customer's commercial and logistics management, and improve inventory levels, availability of products at the points of sale, and responsiveness to market changes.

Accordingly, during 2014 the company worked on optimizing the logistics area, rethinking functions and processes in order to reduce losses and optimize shipments, establishing more effective internal controls to reduce inventory differences and manage obsolescence.

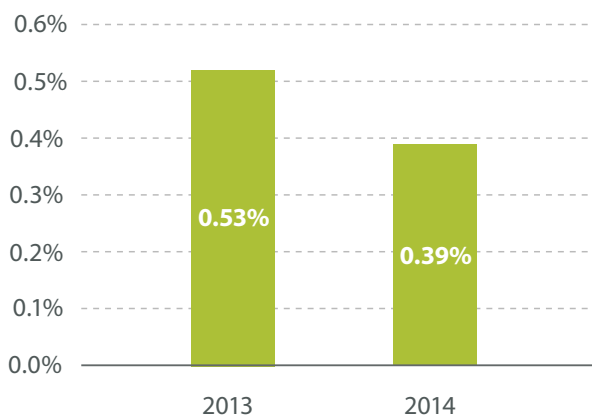
The Order Intelligence Unit, created in late 2013, is a commission that coordinates the areas of Supply, Planning and Customer Service to schedule the arrival of supplies, balance wine stocks and plant capacity at a company level and on a weekly basis, to improve deliveries, which are measured by the Perfect Order Index (IPP).

As a result of these efforts, the company managed to reduce process losses by 60% during 2014. In addition, the total of shipments was reduced by 16% through better coordination in the transport of products from one facility to another, resulting in positive impacts on the availability of transport and fuel consumption. Regarding complaints from customers, there was a significant improvement in

2014, with a reduction of 27% on complaints relating to 9-liter cases. This is mainly due to improvements in production and delivery.

To have better knowledge of customers' degree of satisfaction with its services and products, every year the company hires an external specialist to conduct a survey to all customers who have purchase orders with the company in the last year. The results are analyzed and presented to each of the responsible areas to review the causes of complaints or dissatisfaction, and determine appropriate action plans.

PERCENTAGE OF COMPLAINTS REGARDING 9-LT CASES



PERFECT ORDER INDEX (IPP – ÍNDICE DE PEDIDO PERFECTO)

Seeking to provide an optimal and personal service experience to its customers, Viña Concha y Toro strives to ensure the “perfect delivery” of its products, which implies delivering orders on time, in the right quantities and conditions, marking a difference in increasingly competitive markets.

To this end, the company developed the Perfect Order Index (IPP, for its acronym in Spanish), which measures factors such as on-time delivery and the adequacy of the amounts delivered to those requested. Perfect Orders are those that include all cases requested and delivered on time; Imperfect Orders, when the delivery

is on time but in the wrong quantity (5 or more cases difference); and Fallen Orders, when shipments arrive late and are rescheduled (lack of production, delayed shipment, logistical complications, etc.).

By 2013 the company’s IPP showed a level of compliance of 60.2%, which evolved positively during 2014, closing the year with a record 89.9% of perfect deliveries, considering a total of more than 15,000 deliveries.



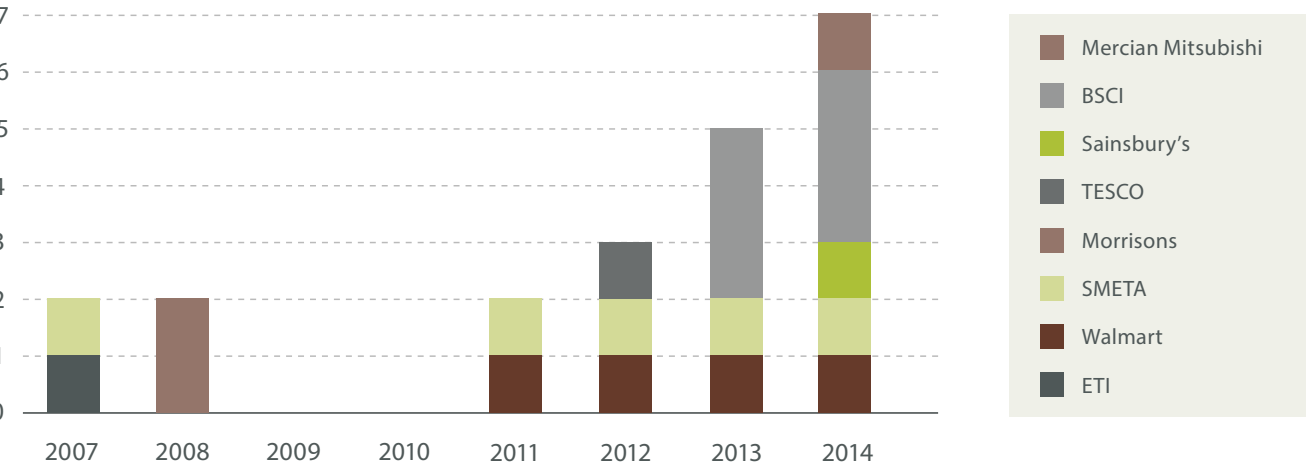
CLIENT ETHICAL AUDITS

Viña Concha y Toro's clients have expressed their interest in learning more about and evaluating the company's performance in terms of sustainability, and since 2007 external ethical audits have been conducted in the company to ensure compliance with standards and commitments undertaken by it.

During 2014 seven audits were carried out, focusing on compliance with ethical and policy standards, and the protection of labor, social and environmental rights. Each audit provides a plan of action when any gap is detected, and the company's Corporate Audit Area is responsible for verifying its effective implementation.

Due to growing interest from customers, the winery has taken the initiative to extend this assessment to the supply chain. In late 2014, six of its main suppliers began auditing processes: Aramark, LPS, GPS, Roquefort, Cogan and Prosegur. The initiative was welcomed by those companies, which are already working together with the Corporate Audit Area on an improvement plan. By 2015, the company expects to conduct ethical audits to its main service providers.

ETHICAL AUDITS SUMMARY VIÑA CONCHA Y TORO 2007-2014



During 2014, the company worked with a multidisciplinary group on consolidating its own Ethical Standard, which incorporates the main principles and requirements of different ethical standards to which the company subscribes (BSCI, Smeta, Walmart, etc.), defining the relevant indicators to maintain and promote the company's Ethical Management System.

SUSTAINABILITY DISSEMINATION AND PROMOTION

Concha y Toro aims to become an agent of change, sharing and disseminating its experience among stakeholders throughout the entire value chain. It is committed to the dissemination and promotion of best practices in sustainability and corporate social responsibility.

In this regard, during 2014 it worked on the drafting of a document to raise awareness and engage customers, particularly distributors, with the company's vision and objectives, its fundamental principles and values.

This is embodied in the "Distributor Relations Policy" which sets out 10 principles to be observed in commercial relations. The document will be distributed among the company's distributors during 2015, with the purpose of increasing their commitment to meeting the winery's standards.



MODEL OF DISTRIBUTORS RELATIONSHIP

Viña Concha y Toro, the largest exporter of wine in Latin America and one of the most renowned and important brands worldwide, aspires to be a leading global brand in the the wine industry.

Through this Decalogue, Viña Concha y Toro sets out the principles on which it holds this commercial relationship:

1	Share and commit to the vision and goals of Viña Concha y Toro.
2	Carry out business under the ethical principles of Viña Concha y Toro, with a strong governance system and leaving no space for bribery and corruption.
3	Comply with laws, rules and regulations of the country where it operates, and with the company's internal codes.
4	Have a sound financial situation that allows participating in all market segments and with all the brands of Viña Concha y Toro given for distribution.
5	Use an efficient supply model.
6	Have an excellent performance with customers.
7	Adhere to ILO fundamental conventions, and provide a healthy and safe work environment for all employees.
8	Maintain a good relationship with the social environment, through dialogue and collaboration with various stakeholders.
9	Minimize negative effects on the environment, adhering to the highest standards of sustainability.
10	Maintain good communication with Viña Concha y Toro to share business information or report behaviors that violate this Decalogue.

Compliance with this model, and the Code of Business Conduct and Ethics, are the basis for achieving excellence in the quality of products and services. Compliance must be the result of personal commitment of each and every employee at Viña Concha y Toro and Distributors.





PEOPLE



PEOPLE

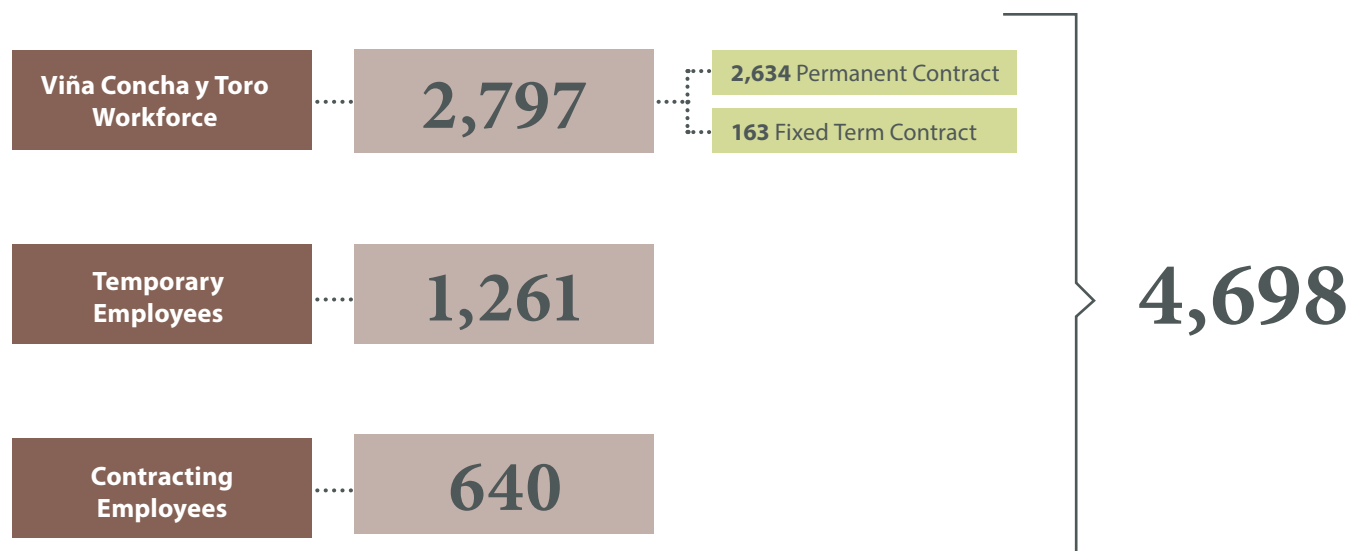
Viña Concha y Toro's reputation and leadership is based on the work and commitment of its employees, which are fundamental to achieve the company's strategic business objectives and vision. The winery seeks to build long-term relationships based on trust to maintain its leading position in the wine industry and meet the challenges of an increasingly competitive global market.

To do this, the company has decided to strengthen its organizational structure and promote opportunities for personal and professional development, strengthen leadership and teamwork, improve labor relations, internal communication and the quality of life of its employees.



“To build a long-term relationship with our employees”.

WORKFORCE



G4-10
G4-LA12
G4-22

In 2014, the average workforce of Viña Concha y Toro was 2,797 people, of which 94% were under a permanent contract. Also, 21% of the workforce is comprised of women³¹. In general, there is a higher concentration of employees in the central area of the country, particularly in the Metropolitan Region (62%), followed by the Libertador Bernardo O'Higgins Region (13%) and the Maule Region (13%).

One of the particularities of the wine industry is the significant presence of seasonal workers to support the various stages of winemaking. During 2014, the average number of temporary workers was 1,261 per month -30% of which were women- carrying out agricultural and harvesting tasks.

In addition, the company had the support of more than 680 employees from contracting companies per month during the year, providing production, food, security, cleaning and recycling services, among others.



³¹ The calculation of workforce for the Sustainability Report 2013 was at December 31. This year we considered the average calculation for the year. That explains the change from the previous year.

VIÑA CONCHA Y TORO AVERAGE PERSONNEL

Type of Contract	2014		
	Women	Men	Proportion
Permanent	555	2,079	94%
Fixed Term	44	119	6%
Total	2,797		100%

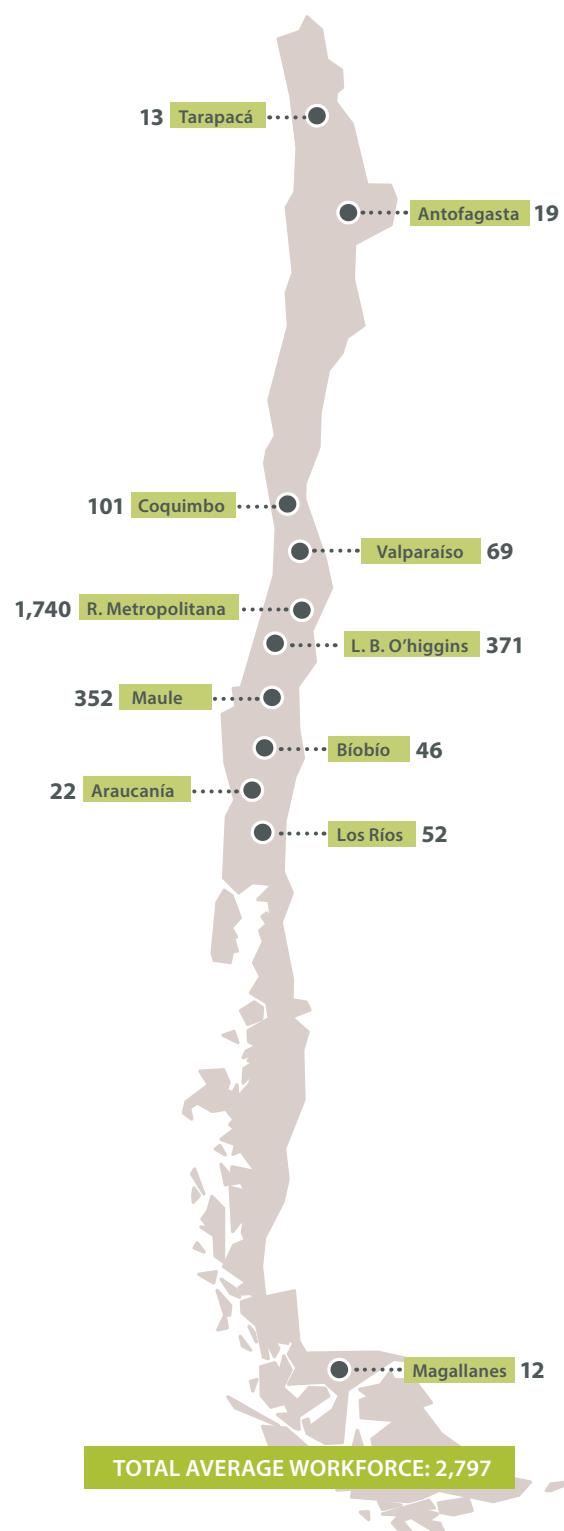
VIÑA CONCHA Y TORO AVERAGE PERSONNEL

Per category	2014	
	Women	Men
Managers, Assistant Managers and Executives	19	81
Professionals and Technicians	250	461
Administrative Positions	187	440
Salespeople	27	204
Operators	116	1,012
Total	2,797	

AVERAGE PERSONNEL - TEMPORARY WORKERS

	2014	
	Women	Men
Temporary Workers	375	886
Total	1,261	

WORKFORCE BY GEOGRAPHIC AREA



TEMPORARY WORKERS

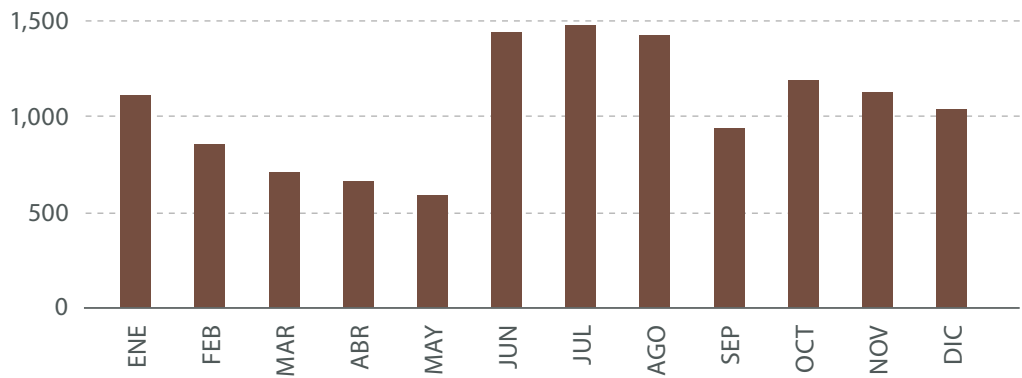
Due to the significant presence of temporary workers during the year, Viña Concha y Toro is committed to continue improving working conditions consistent with its standards.

Temporary personnel that supports agricultural work is hired mainly during the times of pruning, management of the vineyards and harvesting, as well as in planting projects. These tasks are seasonal, since they consider a limited period of the production cycle.

Depending on the time of year and location, an agricultural seasonal worker can be hired for various tasks during the year. On the other hand, they have access to the benefits of the Compensation Fund, and receive a bonus on Christmas and on the National Holiday.

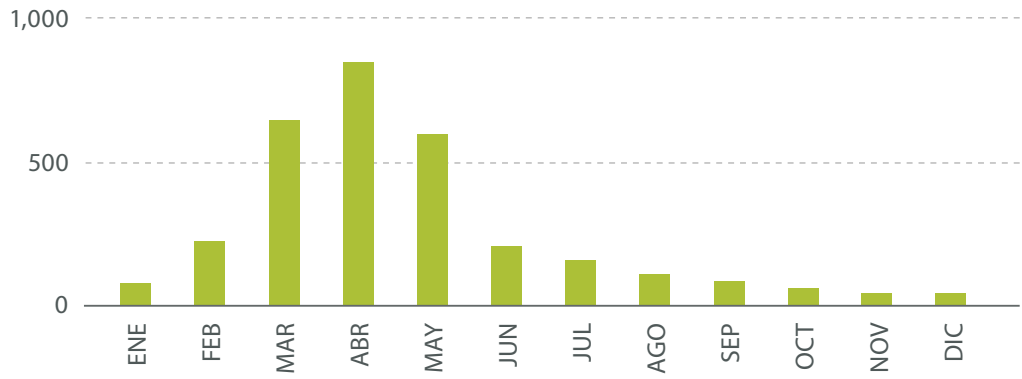


TEMPORARY PERSONNEL AGRICULTURAL AREA 2014



EL BOLDO ESTATE - PRUNING SEASON

TEMPORARY PERSONNEL HARVEST 2014



Most of the activities carried out by seasonal workers hired at harvest time by the Winemaking Area -support duties in the winemaking cellars- are done between March and June, depending on each cellar. Usually winemaking cellars that produce white wine receive most of the temporary workforce between February and April, while those that produce red wine have a harvest season which runs between March and June.

Harvest workers are trained at the beginning of the season. The training covers risk prevention and sustainable management topics relevant for the performance of their duties, such as: cleaning of tanks and trucks, transportation of wine and application of enzymes, among others. The work is done within the working hours established by law, as well as overtime, if required.

To ensure proper working conditions for temporary workers in terms of health and safety, the winery strictly complies with all legal regulations, ensuring their access to health care and the Mutual Insurance Society that protects them in case of an accident at work.

BENEFITS FOR TEMPORARY HARVEST WORKERS

1. Weekly performance bonus for operators, production assistants and technicians.
2. End of harvest bonus.
3. Monthly gift card for purchases at supermarkets, between March and June.
4. Bonus per night shift worked.
5. Food service in the cafeterias.
6. Shuttle buses or payment of public transport.



LABOR RELATIONS

Viña Concha y Toro seeks to maintain close relations with its employees based on mutual respect, through ongoing and open communication, to develop a good work environment. In order to do so, it has designed a labor relations strategy that aims to facilitate dialogue and understanding within the organization.

It promotes direct communication between employees and their manager, strengthening leadership in finding solutions and identifying opportunities for improvement. Additionally, the company's human resources personnel are responsible for providing guidance and responding to employees' inquiries and/or suggestions.

Another dialogue mechanism developed during 2014 were the breakfasts with employees, where they can discuss their perspective on various topics of interest, raise concerns and make suggestions to improve the working environment.

One of the foci in the area of human resources during 2014 was the implementation of the Corporate Leadership Program, which sought to provide its participants with different tools and techniques to strengthen their leadership skills, and lead teams efficiently towards achieving the organization's goals. The program was initially implemented in the areas of winemaking, operations and at Comercial Peumo, and included 5 modules of work:

- Self management
- Communication for successful leadership
- Work environment management
- Networking
- Solving conflicts, motivating others.

Viña Concha y Toro promotes equal opportunities and treatment within the organization, regardless of ethnicity, gender, religion, nationality, marital status, age, political opinion, sexual orientation or disability. These principles of non-discrimination are enshrined in its Code of Ethics.

WORK ENVIRONMENT

To measure employees' satisfaction with their job, in 2014 the winery conducted an engagement survey through an external company. 2,050 employees responded to the survey, representing 73% of the annual average personnel. The aspects evaluated positively include: identification of employees with the company, good working relations between colleagues and leadership, and clarity in the roles and responsibilities.

Among the areas for improvement, there is a demand for greater opportunities for career development, strengthening internal communication channels and a better balance between personal and work life. These results are being evaluated in order to develop a plan to improve these aspects.

RELATIONS WITH UNIONS

The company recognizes the right of association and collective bargaining of all employees, both internal and external. Currently there are 10 unions representing the winery's employees, including the union at the Cachapoal cellar that was created in 2014, representing 31% of the average personnel. Moreover, 43% of the company's employees are under a collective agreement or contract.

During 2014, the winery maintained a smooth relationship with the unions, carrying out 14 monthly meetings with their representatives.

The existence of initiatives that protect the right to organize of all employees in the supply chain is one of the aspects evaluated in the implementation of the BSCI Code of Conduct, ensuring employees are informed of their right to freely join the organization they choose, without this having a negative impact on them. We did not identify any facility or supplier where freedom of association may have been at risk.

NUMBER OF UNIONIZED EMPLOYEES

Union	2013	2014
Unificado	506	432
Comercial Peumo	148	144
Planta Lontué	94	111
Nueva Esperanza Peumo	52	44
Fundos Lourdes y Sta. Raquel	29	27
Lourdes	28	28
Bodega Chimbarongo	25	27
Transportes Viconto	14	14
San José Don Melchor	10	10
Bodega Cachapoal	-	2
Total	906	839

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G4-HR4

NUMBER OF EMPLOYEES UNDER COLLECTIVE CONTRACT OR AGREEMENT

Collective contracts and agreements	2013	2014
Contrato Sind. UNIFICADO	484	461
Siglo XXI (Anexo Contrato)	237	235
Convenio Sindicato Lontué	94	108
Contrato Sindicato Comercial Peumo	85	79
Convenio Sindicato Nueva Esperanza Peumo	52	44
Convenio Sindicato Lourdes y Sta. Raquel	29	27
Convenio Sindicato Lourdes	28	33
Convenio Sindicato Chimbarongo	25	29
Contrato Sindicato Transportes Viconto	14	14
Convenio Sindicato San José Don Melchor	10	10
Total	1,058	1,040

WAGES

G4-LA13

The remuneration of Viña Concha y Toro's employees consists of a base salary and incentives for excellence and efficiency, along with a number of allowances, bonuses and benefits provided by the company. The Bonus of Excellence that rewards employees' performance in the areas of Operations, Supply Chain and Winemaking is particularly noteworthy. This incentive is variable and could increase compensation up to 15% of basic salary, depending on the achievement of certain parameters of productivity, quality, and safety and risk prevention.

Viña Concha y Toro's remuneration policy aims to maintain internal equity for positions of the same hierarchical level, and external equity in relation to similar companies that operate on the market. Internal differences respond to the diversity of each category of employment, within which there are employees with different responsibilities and occupational and educational characteristics.

While there are differences in wages to the detriment of women, this disparity is lower than the national average, where according to the Office of the Superintendent of Pensions was 20% in 2013³².

For salespeople, the differences are mainly found in variable remunerations and respond to meeting business goals.



PERCENTAGE RATIO OF WOMEN'S WAGES RELATIVE TO MEN'S WAGES IN VIÑA CONCHA Y TORO³³

Job Category	2013		2014	
	Base Salary	Average Salary ³⁴	Base Salary	Average Salary
Managers and Assistant Managers	89%	95%	90%	90%
Professionals and Technicians	87%	88%	88%	88%
Administrative positions	98%	91%	98%	94%
Salespeople	107%	60%	112%	76%
Operators	88%	90%	87%	92%

³² For more information, see Principles Integration System Report of the Global Compact 2014.

³³ Does not include personnel from the Agricultural Area.

³⁴ The average salary is the average of the year (base salary + variable) of all the personnel by category.

TALENT MANAGEMENT

The company's leadership is based, among other things, on the continuous investment in the training and development of its employees, a cornerstone of the organization. During 2014 training was considered a strategic focus, increasing the number of courses available and hours of induction, technical training, language and leadership courses.



TRAINING

In order to have employees with the skills and knowledge necessary to work at a leading global company, Viña Concha y Toro develops training programs according to the working reality of the different job positions. The winery also develops programs for skills management and continuous education, while promoting a better employability of its employees. The workshops are structured based on the training requirements identified by the heads of each area, which are reflected in an annual training plan.

During 2014 a total of 3,202 employees were trained (including seasonal workers), totaling 65,700 hours of training, with an average of more than 16 hours of training per employee. Compared to 2013, the number of people trained doubled and there was an increase of 30% in the hours of training.

G4-LA9

G4-LA10

TRAINING 2014 ³⁵						
		Executives	Professionals and Technicians	Administrative positions	Operators	Salespeople
No. of employees trained	Women	10	469	104	291	17
	Men	39	760	164	1,303	45
	TOTAL	3,202				
Hours of training	Women	200	12,048	2,372	4,818	614
	Men	994	14,967	3,482	24,937	1,269
	TOTAL	65,700				
Average hours of training per employee ³⁶	Women			20.59		
	Men			14.80		
	TOTAL	16.19				

³⁵ The breakdown of the hours of training for the 2013 Sustainability Report was based on other job categories. This year we decided to reformulate these categories to make them more homogeneous in their internal composition. For comparability reasons, the table does not include information from 2013.

³⁶ Average number of hours in relation to the total number of employees (including temporary workers).

G4-22

Training efforts focused on the development of technical courses (in production, administration, finance and trade), and the corporate scholarship program, which during 2014 benefitted a total of 50 employees (19 beneficiaries in 2013). A significant number of hours of training were conducted through e-learning and language e-classes.

Since 2013, the company's training policy was boosted by the launch of the Knowledge Center (CDC, for its acronym in Spanish), an internal training school that seeks, through a process of continuous training, to develop Concha y Toro's employees' functional skills in different work areas.

During 2014, the Center increased its training programs from 4 to 10, on subjects such as Pneumatics, Food Defense, Introduction to Warehouse Management, Industrial Electricity, Lubrication, Metrology, Winemaking Cellars Management, among others. 954 people participated in these trainings (794 more than in 2013) totaling 9,939 hours of training, a much higher figure than the 1,700 hours recorded a year earlier. The CDC also worked on the development of the curricula for the winery's main management areas, to be implemented in 2015.

Innovation is a key element of the company's strategy and positioning in the industry, so it seeks to encourage its employees to generate innovative ideas, promoting the development of a creative mindset. An example of this is the Innovation Award created by the Agricultural Area, which in its second version was divided into three categories: Improvements in machine design, innovation in administrative and organizational processes, and innovation in processes. First place went to the "Knowledge Portal" (Portal de Conocimiento), which allows saving and sharing information on processes and best practices in the Agricultural Area. The second place went to the "Staples for Assembling Poles" project (Corchetes para Unión de Postes), which promotes reusing broken poles and the use of recycled wire.

CAREER DEVELOPMENT

To ensure that all employees have the chance to develop effectively, the scope of the performance evaluation process was extended to all the company personnel. In addition, the measuring tools were improved, incorporating the analysis of the candidates' corporate, personal and technical skills.

Internal mobility is managed through two programs: An open program, where any employee can apply, and a closed program, in which managers propose the employees.

The process is being implemented and a total of 34 employees were evaluated by December 2014.

PROMOTING WELLBEING

The winery is constantly searching for more and better benefits for its employees. The Quality of Life Committee provide opportunities to meet and talk with employees, and seeks to encourage wellness and work and family life conciliation. In this sense, the company has implemented programs to meet its employees' diverse emotional, physical, economic and family needs, such as competitive funds, sports championships, winter and summer vacation programs, among others.

COMUNÍCATE PROGRAM

The Comunicate program provides free guidance, counseling and telephone psychotherapy to company employees and their families, with nationwide coverage for situations of low or medium complexity. It was implemented in 2014, managing to assist 274 employees, which represents 183 hours of assistance and an investment of 6 million pesos.

ALCOHOL AND DRUGS PROGRAM

During 2014 an alcohol and drug program was implemented at the Vespucio plant, with the aim of promoting reflection and awareness regarding the impact of alcohol and/or drug abuse among employees and its effects on their personal, family and work life. In addition, for employees with consuming issues, the company has, through a solidarity agreement, a particular program that includes diagnosis, individual, group and family therapy, toxicological monitoring and psychiatry controls, as appropriate for each type of treatment. This program, which is co-funded with SENCE franchise, has benefited 125 employees. In 2015 the company expects to expand the scope of the program to the plants in Lo Espejo and Lontué, and design and implement a corporate policy on responsible consumption of alcohol and drugs.

SOME BENEFITS FOR FULL-TIME EMPLOYEES:

- Supplemental Health Insurance
- Collective Health Insurance Plan (Isapre)
- Health, recreation, and cell phone benefits
- Discounts on company products

G4-LA2



HEALTH AND SAFETY

G4-LA5

G4-LA8

One focus of the People pillar of the sustainability strategy is the proper management of employees' health and safety. The company is attentive to the needs of its employees and maintains a close relationship and open dialogue with them.

The Department of Risk Prevention, which strongly increased its personnel in 2014, is responsible for implementing the corresponding initiatives, monitoring progress, and implementing corrective measures when required.

The initiatives implemented include: Joint work plan with the ACHS³⁷, which aims to reduce by 50% the accidents in the company and by 50% lost days resulting from these accidents by 2016.

Other highlights of 2014 relating to Health and Safety included:

- The development of a risk and exposure to hazards assessment for certain areas and job positions.
- Specific training in health and safety.
- Joint Committees on Health and Safety at all facilities (there are 36 Joint Committees covering 88% of the winery's employees³⁸).
- Implementation of Emergency Brigades (first responders to emergencies).
- The definition of the company's Golden Rules, to be implemented in 2015, which seek to create a culture of risk prevention at the corporate level. In the first stage, they were implemented in the bottling plants and at Comercial Peumo.



³⁷ Chilean Safety Association (Asociación Chilena de Seguridad).

³⁸ Viña Concha y Toro complies with Supreme Decree 54 and has Joint Committees on Health and Safety in all its facilities with more than 25 employees.

The company's efforts in this matter made it possible to reduce the number of accidents by 10%. However, days lost increased over the previous year, due to 3 accidents resulting in over 900 days lost. By restructuring the area the company seeks to accelerate the standardization of management systems, improve on-site control in matters relating to Occupational Safety and Health, and further reduce accident rates.

The accident rate of subsidiaries Comercial Peumo and Transportes Viconto in 2014 was 2.37 and 11.66, respectively, and their rate of working days lost was 33 and 244, respectively.

In Chile, the accident rate for 2014 was 4%, which shows there is still space for improvement. The management of occupational health and safety is particularly critical in two of the company's business units, due to their activities: Transportes Viconto, which slightly reduced its accident rate and increased its working days lost rate, and Comercial Peumo, which managed to slightly reduce both this year.

The employees health and safety monitoring program, designed together with the ACHS, includes regular medical evaluations and trainings for those employees that are most exposed.

G4-LA6

G4-LA7

HEALTH AND SAFETY STATISTICS - VIÑA CONCHA Y TORO S.A.

Period	Occupational Accidents	Days lost due to occupational accidents	Accident Rate	Average working days lost
Total 2012	248	2,955	6.67	79
Total 2013	202	2,531	5.41	67
Total 2014	182	2,923	5.28	84

IDENTIFIED RISKS TO HEALTH AND SAFETY

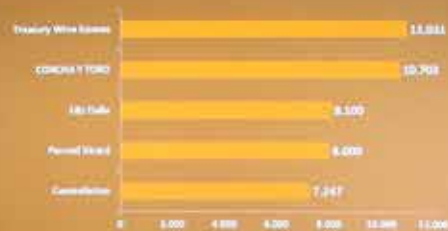
Type of Employee	Type of Work	Risk of Disease	Main Mitigation Measures
Operator at the bottling line	Change of format, visual control, adjustments, quality control	Sensorineural hearing loss (Professional Deaf)	Adjusting line speeds, change of noisy equipment and machines, use of hearing protection, medical monitoring together with the ACHS, and implementation of hearing management system according to the PREXOR protocol.
Agriculture	Application of pesticides	Potential lung, respiratory diseases	Pesticides management system, medical monitoring (together with ACHS) for personnel that works on application, dispensing and handling, annual medical checkup, use of personal protection equipment (PPE).
Operators	Manual handling of repetitive loading	Possible skeletal-muscle diseases	Implementation of the ACHS' Musculoskeletal Trauma Protocol applied to Work (TMERT) and development of improvement plans.
Operators	Storage, dosage and handling of hazardous substances	Potential lung, respiratory diseases	Personnel under medical monitoring together with the ACHS, qualitative evaluation of job positions, use of PPE, training on handling and storage of dangerous substances.



SOCIETY

NUESTRO MODELO DE NEGOCIOS

2ª entre viñas con mayor superficie de viñedos plantados:



SOCIETY

Viña Concha y Toro is committed to creating value for the society and environment in which it operates, trying to be a contribution to the development and quality of life of the surrounding communities.

Its social policy has focused on supporting projects in four areas: Training and Extension, Local Employment, Education, and Quality of Life.



SUPPORT FOR LOCAL DEVELOPMENT

Besides being a source of direct and indirect employment, the company seeks to promote the development of local communities and the wine sector through projects and initiatives that contribute to building capabilities and knowledge transfer.

During 2014, the company **opened the Center for Research and Innovation (CII)**, designed for applied scientific research and the development of new technologies in the areas of viticulture and winemaking. The project's main lines of work put a strong emphasis on knowledge dissemination and extension. So from its own business and experience, Viña Concha y Toro aims to generate value for the wine industry in Chile and the world.

The CII's Extension Area provides employees, producers, suppliers, universities and community members with opportunities for training and technology transfer, contributing to the efficiency, competitiveness and sustainability of the industry and local economies. During 2014 various activities, seminars and workshops were carried out, with the participation of more than 460 people within and outside the company.

“To share knowledge and capabilities with our surrounding community, contributing to a better quality of life”.

G4-S01



VIÑA CONCHA Y TORO
CENTER FOR RESEARCH
AND INNOVATION

PRODUCTIVE ALLIANCES PROGRAM HIGHLIGHTS 2014:

- Program launch.
- Diagnostic Survey for producers.
- Talk on “wood diseases”.
- Soil Analysis.
- Advice for producers, recommending Spring Fertilization Plan.
- Topographic survey of each property.
- Visit of specialist in risk prevention.
- Analysis of the vine leaf.
- Talk on Sustainability and Environmental Policy.
- Supporting submission of projects to the Investment Development Program (PDI) of INDAP.

Another important milestone in 2014 was the launch of the **Productive Alliances Program**, an initiative developed together with the National Institute for Agricultural Development (INDAP), through a three-year agreement with this institution, benefiting 20 small grape growers in San Javier and Cauquenes, in the Maule Region.

The program provides technical, commercial and agricultural management advice to small farmers, in order to improve competitiveness in the value chain and product quality, and strengthen the relationship between the company and small farmers. This initiative seeks to contribute to greater social equity in the country's agricultural sector, particularly in the areas where Viña Concha y Toro operates.



COMMUNITY MANAGEMENT

In order to build and sustain relationships based in trust, transparency and respect, for the common good, the winery has established communication channels to gather the concerns and needs of the community. Each town has a Community Relations delegate, who receives the concerns and/or requests from the community and passes them on to the appropriate department, ensuring a response within five working days.

During 2014 the winery participated in and supported various civic and cultural activities taking place in the towns surrounding its operations. It took part in various charity events and traditional fairs, demonstrating its commitment to culture and community integration. Also, a monetary donation was made to the Santa Cristina Neighborhood Board to support the paving of the main access to this community.

Additionally, the company continued working with the town of Corinto, in Pencahue³⁹, through an initiative to beautify the commune, with a work plan that includes improvements in road infrastructure, public spaces and signage, to promote tourism and the wellbeing of its residents. It also continues supporting the Ferro Unido Corinto soccer school, which seeks to educate and develop skills in children between 7 and 15 years old through sports.

COMMITMENT TO EDUCATION

Aware that education is key for social mobility and professional performance, Viña Concha y Toro has kept its Scholarship Program, awarded through various institutions, helping to finance higher education studies for low-income youth.

During 2014 a total of 40 scholarships were awarded: 15 scholarships for University and Technical Studies managed by Fundación Eduardo Guilisasti Tagle, to support the education of children of employees of the winery and its subsidiaries; 20 monthly scholarships at Escuela Agrícola Las Garzas, a professional technical education institution for young people from farming families; and 5 scholarships for university studies awarded by Fundación Juan Pablo II, which helps people with high economic needs to study at Chilean universities.



³⁹ Viña Concha y Toro has conducted an impact assessment in 100% of its operations through influence radius analysis.

GENERATED AND DISTRIBUTED ECONOMIC VALUE

G4-EC1

Financially, 2014 was a successful year for Viña Concha y Toro: Profits increased by 30% compared to 2013, surpassing the one million mark in sales, climbing to fourth place among the world's largest wine companies, and being named the most powerful wine brand worldwide.

SALES

US\$1,018

MILLION

+6.4%

SALES

Ch\$583,313

MILLION

+22.6%

VOLUME

33.2

MILLION CASES

+8.2%

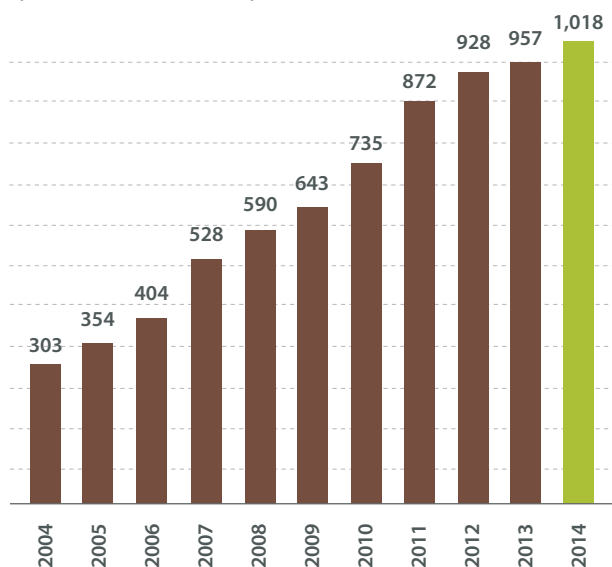
EARNINGS

Ch\$43,051

MILLION

+29.8%

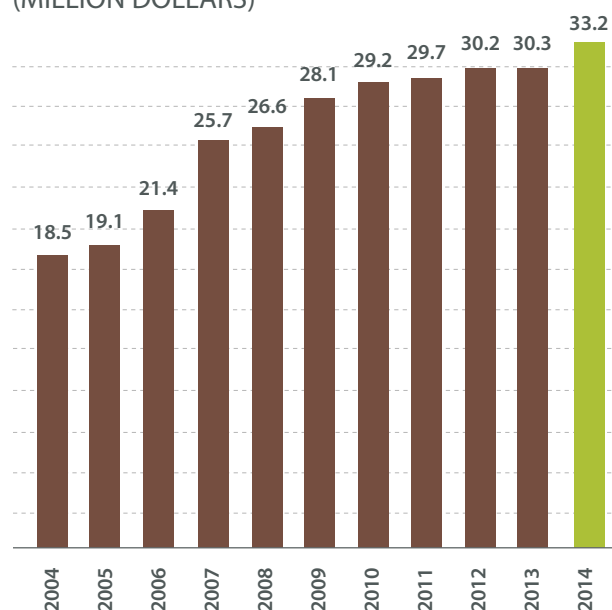
CONSOLIDATED SALES (MILLION DOLLARS)



13%

AVERAGE
ANNUAL
GROWTH

CONSOLIDATED SALES (MILLION DOLLARS)



6%

AVERAGE
ANNUAL
GROWTH

GENERATED ECONOMIC VALUE

Consolidated revenues of Viña Concha y Toro rose 23% as a result of higher sale volumes both in exports and the Chilean domestic market, as well as better prices.

Wine sales in foreign markets, which include exports from Chile, Argentina and the United States, increased 28.4%, totaling 23.7 million 9-liter cases, with an average export price from Chile of US\$ 31.3 per case. Sales in the Chilean market rose by 4.8% due to an increase in wine sales volume.

GENERATED, DISTRIBUTED AND RETAINED ECONOMIC VALUE			
	2013	2014	Variation
GENERATED ECONOMIC VALUE	493,720,433	591,084,529	20%
Sales revenues	475,622,285	583,313,064	23%
Other revenues	18,098,148	7,771,465	-57%
DISTRIBUTED ECONOMIC VALUE	472,236,449	561,619,353	19%
Operational Costs	393,645,097	463,337,871	18%
Remuneration of Employees	46,645,987	58,073,128	24%
Payments to Capital Providers	23,085,017	27,393,779	19%
Community Investment	98,342	112,871	15%
Taxes	8,762,006	12,747,100	45%
RETAINED ECONOMIC VALUE	21,483,984	29,465,176	37%

DISTRIBUTED ECONOMIC VALUE

The economic value generated is distributed among the various stakeholders involved in the value creation process through the payment of goods and services provided by suppliers and contractors throughout the supply chain; wages and benefits to employees; payments to capital providers and distribution of dividends among shareholders; and payment of taxes to the State.

In particular, operating costs mainly correspond to sale and distribution costs, including payment to suppliers and contractors involved in the value chain. The payment of wages to employees shows an increase of 24% in 2014, which includes payments of salaries and benefits.

Meanwhile, capital providers are those who provide resources for the winery's growth, i.e. financial institutions and shareholders. In 2014, the company maintained its dividend policy, distributing 40% of net income, excluding that generated by the subsidiary Fetzer Vineyards. During the period, dividend payments totaled more than 12 billion pesos. Payment to financial institutions included payments of bank loans and other financial expenses.

Community investment considers specific projects related to education, health and environment in towns surrounding the winery's operations, including various scholarship programs and donations, such as those for Escuela Agrícola Las Garzas, and those given by Fundación Juan Pablo II and Fundación Educacional Eduardo Guilisasti Tagle.

Finally, due to higher revenues during 2014, Viña Concha y Toro's contribution to the Treasury in terms of income taxes was 12,747 million pesos, which represents an increase of 45% compared to the previous year.



ABOUT THIS REPORT

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This document is Viña Concha y Toro's third annual sustainability report, which includes information about the winery's economic, social and environmental performance for the period from January 1 to December 31, 2014. It has been prepared according to the comprehensive option of the G4 version of the GRI Reporting Guidelines. Also, it has been subjected to the GRI Materiality Matters check and an external assurance of the contents of the report, which assesses the quality of information and the preparation process⁴⁰.

Also, it is the first Communication on Progress (COP), which accounts for the integration of the principles of the Global Compact in the company's operation.

SCOPE AND BOUNDARIES

The report has been designed based on the company's strategic pillars in terms of sustainability and the relevant aspects of its management. The information covers Viña Concha y Toro's performance in Chile, incorporating subsidiary Quinta de Maipo, which groups the operations of Canepa, Maycas del Limarí, Palo Alto and Viña Maipo, as well as subsidiaries Comercial Peumo and Transportes Viconto, complementing the information published in the Financial Report. Information on Viña Cono Sur, Trivento Bodegas y Viñedos and Fetzer Vineyards is not included.

The economic and financial information included in the corresponding section is based on the consolidated information from Holding Concha y Toro in its 2014 Annual Report⁴¹.

At the end of this report there is an additional chapter with information on the performance of subsidiaries Viña Cono Sur in Chile, Trivento Bodegas y Viñedos in Argentina, and Fetzer Vineyards in the United States, who manage sustainability issues independently, according to the values and general guidelines set by the Board of Directors.

⁴⁰ See letter of external assurance, pg. 104.

⁴¹ Environmental and social information provided does not include subsidiaries Trivento Bodegas y Viñedos in Argentina, Fetzer Vineyards in the US and Viña Cono Sur in Chile, except for the company's economic performance data, which is based on the information published in the Annual Report. There were no significant changes in scope and coverage over the previous report.

DEFINITION OF CONTENTS INCLUDED IN THE REPORT

The definition of the contents of the report was based on the G4 version of the GRI guidelines. This process included a review of material aspects, through a survey conducted to employees, suppliers and other stakeholders, who evaluated the relevance of the topics addressed and the quality of the information reported. Opportunities for improvement identified during the external assurance process for the 2013 report were also incorporated.

The content definition process included carrying out a number of activities and surveys to primary and secondary sources of information that provide insight into the perception of stakeholders and help determine the sustainability context.

SURVEYS:

- Internal interviews: 9 of the company's top managers.
- Online survey: Employees, suppliers and other stakeholders, surveying a total of 154 people.
- Prioritization workshop: 25 people in charge of collecting information within the company.

DETERMINING THE SUSTAINABILITY CONTEXT:

- Benchmark for industry best practices: Considering four of the most important wine associations worldwide and three leading companies representing the alcohol industry.

- Review of internal bibliographic material: Considering the sustainability strategy and the report for the year 2013, in addition to publications in internal journals and newsletters.

- Review of Sustainability Topics by Sector of the GRI guide.

- Ten Principles of the Global Compact.

- Review of the Sustainability Code of Wines of Chile.

- Review of the Clean Production Agreement (APL 2).

- Review of the BSCI Code of Conduct.

- Review of press material.

As a result of these activities, the company developed a preliminary list of priority issues related to sustainability management, which was reviewed and validated by the Sustainable Development Area. The relevant sustainability aspects for the company are:

● **High**

● **Medium**

● **Low**

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MATERIAL ASPECTS VIÑA CONCHA Y TORO

	MATERIAL ASPECT	WHERE IT MATTERS
	PILLAR: ENVIRONMENT	
	Water footprint	Concha y Toro
	Energy and carbon footprint	Concha y Toro and Suppliers
	Waste management	Concha y Toro, Suppliers and Clients
	Management of agricultural soils	Concha y Toro
	Impact of climate change on the business	Concha y Toro
	Pesticides and fertilizers	Concha y Toro
	Biodiversity	Concha y Toro
	PILLAR: SUPPLY CHAIN	
	Suppliers management and evaluation (social and environmental)	Concha y Toro
	Containers and packaging materials (life cycle)	Concha y Toro, Suppliers and Clients
	Promoting sustainability in the supply chain	Concha y Toro, Suppliers and Contractors
	Supply management	Concha y Toro
	PILLAR: PRODUCT	
	Innovation	Concha y Toro
	Quality Management	Concha y Toro
	Sustainable Products	Concha y Toro
	Responsible Marketing	Concha y Toro
	PILLAR: CUSTOMERS	
	Customer Satisfaction	Concha y Toro
	Transparency and Information for Clients	Concha y Toro, Clients
	Dissemination and Promotion of Sustainability	Concha y Toro
	Profitability, and economic value generated and distributed	Concha y Toro
	Ethics and anticorruption	Concha y Toro
	Regulatory compliance	Concha y Toro
	PILLAR: PEOPLE	
	Working conditions for temporary workers	Concha y Toro
	Health and safety, and working conditions	Concha y Toro
	Career development	Concha y Toro
	Training and Knowledge Center	Concha y Toro
	Labor Relations	Concha y Toro, Suppliers and Contractors
	Work environment	Concha y Toro
	Promotion of well-being and benefits	Concha y Toro
	Wages and bonuses	Concha y Toro
	PILLAR: SOCIETY	
	Community Management: Supporting local development	Concha y Toro



STAKEHOLDERS

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Concha y Toro has determined and prioritized its stakeholders, engaging them in its Sustainability Strategy. This responded to the influence and dependence that the company had on each actor along the value chain, classifying them based on whether they are internal or external stakeholders.

The company maintains various channels of communication and dialogue with each group, seeking to understand their perception of and expectations on the winery, to manage more effectively the way it engages with them. The topics addressed and analyzed in the report are a result of the above, and are presented according to their relevance for the different stakeholders.

INTERNAL STAKEHOLDERS	
SHAREHOLDERS AND INVESTORS	EMPLOYEES » Permanent and Temporary » Unions
COMMUNICATION MECHANISM	
» Annual Report » Ongoing financial information in the corporate website » 20-F Form	» Internal magazine Nuestra Viña » HR bulletin Nuestra Gente » Sustainable Bulletin » Sustainability Report » Breakfasts with employees » Meetings with unions
TOPICS OF INTEREST	
» Profitability » Ethics and Anticorruption » Regulatory Compliance » Product Quality Management	» Environmental Performance » Career development and training » Health and Safety » Work environment and labor relations » Wages and Benefits

EXTERNAL STAKEHOLDERS				
CLIENTS	SUPPLIERS	AUTHORITIES	LOCAL COMMUNITIES	UNIONS AND ASSOCIATIONS
» Distributors » Consumers	» Suppliers of packaging materials » Grape suppliers » Transport service providers » Contractors	» Agricultural and Livestock Service (SAG) » Ministry of Labor » CONAF » Public Entities	» Municipalities » Neighbors	» Vinnova » Wines of Chile
COMMUNICATION MECHANISMS				
Distributors » Monthly Newsletter » Mailing Concha y Toro » Focus On magazine » Corporate website » Customer Satisfaction Survey Consumers: » Social media sites and platforms » Sustainability Report	» Sustainability Report » Technical advice area, grape growers » Suppliers, Sustainability and Carbon Footprint Program » Continuous communication about ethical issues with contractors	» Participation in union activities » Annual Report » Sustainability Report » Participation in the National Carbon Management Program » Agreement with CONAF	» Sustainability Report » Community Relations delegate (local)	» Participation in union activities » Annual Report » Sustainability Report » Standards committee of Wines of Chile
TOPICS OF INTEREST				
» Sustainable products » Working conditions » Health and Safety » Promotion of responsible drinking » Product quality management » Responsibility in the supply chain	» Supplies and waste » Energy and carbon footprint » Working environment and labor relations » Product quality » Management and evaluation of suppliers » Health and Safety	» Environmental performance » Regulatory compliance » Training » Use of pesticides and fertilizers » Working conditions and labor relations	» Participation in cultural activities » Contribution to local development » Protection of the environment » Community Relations	» Sustainability » Responsible Marketing » Innovation » Brand and Chilean wine positioning



INDEPENDENT REVISION REPORT VIÑA CONCHA Y TORO SUSTAINABILITY REPORT 2014

Mrs.
Valentina Lira
Deputy Manager of Sustainable Development
Viña Concha y Toro S.A.

Hereby, you can find the outcomes of the revision of Viña Concha y Toro S.A. Sustainability Report 2014 according to the following aspects:

SCOPE

- Limited security revision of the contents and indicators' adaptation of the 2014 Sustainability Report according to the G4 version of the GRI guidelines for Sustainability Reports, related to the organizational profile and material indicators arisen from the materiality process developed by the Company following the GRI-G4 criteria related to economic, social and environmental dimensions.

STANDARDS AND ASSURANCE PROCESS

We have carried out our task according the guidelines of the International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000) issued by the International Auditing and Assurance Standard Board (IAASB) of the International Federation of Accountants (IFAC).

Our review has consisted in an enquiring process to different units and management areas of Concha y Toro, which have been involved in the developing process of the report, as well as in the application of analytic procedures and checking tests, which are described in the following items:

- Meeting with the Concha y Toro Sustainable Development team which has led the materiality process.
- Meetings with external consultant Company in charge of the elaboration of the 2014 Sustainability Report, in order to know the principles, systems and management approaches applied during the report elaboration.
- Analysis of the adaptation of the 2014 Sustainability Report's contents to the GRI-G4 guideline recommendations and the review of the indicators included in the report in order to verify that they are aligned with the established protocols in GRI-G4. We also check whether the character of not applicable or not material indicators is justified.
- Verification, through checking tests of quantitative and qualitative information according to the GRI-G4 indicators included in the 2014 report, and its adequate gathering from the data provided by Concha y Toro information sources, included in the Report.

CONCLUSIONS

- The assurance process was based in the indicators established in the materiality process carried out by Concha y Toro. Once those indicators were identified, prioritized and validated they were included in the report. The reported and verified indicators appear in the following table:

GRI G4

BASIC GENERAL INDICATORS						
G4-1	G4-2	G4-3	G4-4	G4-5	G4-6	G4-7
G4-8	G4-9	G4-10	G4-11	G4-12	G4-13	G4-14
G4-15	G4-16	G4-17	G4-18	G4-19	G4-20	G4-21
G4-22	G4-23	G4-24	G4-25	G4-26	G4-27	G4-28
G4-29	G4-30	G4-31	G4-32	G4-33	G4-34	G4-35
G4-36	G4-37	G4-38	G4-39	G4-40	G4-41	G4-42
G4-43	G4-44	G4-45	G4-46	G4-47	G4-48	G4-49
G4-50	G4-51	G4-52	G4-53	G4-56	G4-57	G4-58

BASIC SPECIFIC INDICATORS						
G4-EC1	G4-EC2	G4-EC9	G4-EN1	G4-EN2	G4-EN3	G4-EN4
G4-EN5	G4-EN6	G4-EN7	G4-EN8	G4-EN9	G4-EN10	G4-EN11
G4-EN12	G4-EN13	G4-EN14	G4-EN15	G4-EN16	G4-EN17	G4-EN18
G4-EN19	G4-EN20	G4-EN21	G4-EN22	G4-EN23	G4-EN24	G4-EN25
G4-EN26	G4-EN27	G4-EN29	G4-EN32	G4-EN33	G4-LA2	G4-LA5
G4-LA6	G4-LA7	G4-LA8	G4-LA9	G4-LA10	G4-LA11	G4-LA12
G4-LA13	G4-LA14	G4-LA15	G4-SO1	G4-SO2	G4-SO3	G4-SO4
G4-SO5	G4-HR4	G4-HR5	G4-HR6	G4-PR1	G4-PR2	G4-PR3
G4-PR4	G4-PR5	G4-PR6	G4-PR7	G4-PR9		

- On the basis of GRI-G4 procedures, nothing has come to our attention which causes us to conclude that the selected data for the year ended 31 December 2014 have not been prepared in all material respects in accordance with the GRI-G4 Reporting guidelines.

IMPROVING OPPORTUNITY REPORT

Additional to this letter, Deloitte is presenting to Concha y Toro a special report including improvement opportunities in order to reinforce management aspects, and the ability of the Company in the elaboration of future sustainability reports.

CONCHA Y TORO DIRECTION AND DELOITTE RESPONSIBILITIES

- The preparation of the 2014 Sustainability Report as well as its content is under Concha y Toro responsibility, which is in charge of the definition, adaptation and maintenance of the management and internal control systems from which the information is obtained.

- Our responsibility is to emit an independent report based on the applied procedures in our review.

- This report has been prepared exclusively by Concha y Toro interest, in accordance with the terms established in the Engagement Letter.

- The conclusions of the verification made by Deloitte go for the last version of the 2014 Sustainability Report received on August 25, 2015.

- The scope of a limited security revision is essentially inferior to a reasonable audit or security revision, thus, we do not give any audit opinion about the 2014 Concha y Toro Sustainability Report.



Fernando Gaziano.
Socio
Agosto 25, 2015.

GRI CONTENT INDEX

GENERAL STANDARD DISCLOSURES

CODE	PAGE / COMMENTS / REFERENCE	EXTERNAL ASSURANCE
Strategy and Analysis		
G4-1	6	✓
G4-2	6, 21	✓
Organization Profile		
G4-3	Cover	✓
G4-4	15	✓
G4-5	Cover	✓
G4-6	15	✓
G4-7	Pg. XXX Annual Report, pg. 54, 55 and 62: http://bit.ly/1lxX1qM	✓
G4-8	12	✓
G4-9	16	✓
G4-10	77, 80	✓
G4-11	83	✓
G4-12	18, 51	✓
G4-13	There have been no significant changes in the period covered by the report.	✓
G4-14	35	✓
G4-15	32	✓
G4-16	32	✓
Material Aspects and Boundaries		
G4-17	Annual Report, pg. 62: http://bit.ly/1lxX1qM	✓
G4-18	99	✓
G4-19	99	✓
G4-20	99	✓
G4-21	99	✓
G4-22	36, 77, 78, 85	✓
G4-23	98	✓
Stakeholders Engagement		
G4-24	102	✓
G4-25	102	✓
G4-26	102	✓
G4-27	102	✓
Report Profile		
G4-28	98	✓
G4-29	98	✓
G4-30	98	✓
G4-31	Cover	✓
G4-32	98	✓
G4-33	98	✓

CODE	PAGE / COMMENTS / REFERENCE	EXTERNAL ASSURANCE
Governance		
G4-34	20	✓
G4-35	20	✓
G4-36	28	✓
G4-37	28	✓
G4-38	20	✓
G4-39	20	✓
G4-40	20	✓
G4-41	24	✓
G4-42	20	✓
G4-43	Through the General Manager, the Sustainability Committee informs the Board of Directors on matters relating to the company's sustainability management.	✓
G4-44	22	✓
G4-45	21	✓
G4-46	21	✓
G4-47	The Board of Directors discusses these issues in ordinary and extraordinary	✓
G4-48	99	✓
G4-49	Through the General Manager, the Sustainability Committee informs the Board of Directors on matters relating to the company's sustainability management.	✓
G4-50	Annual Report, pg.. 51-54: http://bit.ly/1lxX1qM	✓
G4-51	Annual Report, pg. 51: http://bit.ly/1lxX1qM	✓
G4-52	Annual Report, pg. 51: http://bit.ly/1lxX1qM	✓
G4-53	Annual Report, pg. 51: http://bit.ly/1lxX1qM	✓
G4-54	The company has decided this is confidential information.	
G4-55	The company has decided this is confidential information.	
Ethics and Integrity		
G4-56	24	✓
G4-57	26	✓
G4-58	26	✓

SPECIFIC STANDARD DISCLOSURES

CODE	PAGE / COMMENTS / REFERENCE	GLOBAL COMPACT PRINCIPLE	EXTERNAL ASSURANCE
Ethics and Anticorruption			
Management Approach			
G4-SO3	25	10	✓
G4-SO4	25	10	✓
G4-SO5	25, 89	10	✓
Water Footprint			
Management Approach			
Own	36	7, 8 and 9	✓
G4-EN8	36	7, 8 and 9	✓
G4-EN9	36	7, 8 and 9	✓
G4-EN10	36	7, 8 and 9	✓
Impact of Climate Change on the Business			
Management Approach			
G4-EC2	35, 38	7, 8 and 9	✓
Energy and Carbon Footprint			
Management Approach			
G4-EN3	39	7, 8 and 9	✓
G4-EN4	40	7, 8 and 9	✓
G4-EN5	40	7, 8 and 9	✓
G4-EN6	39	8 and 9	✓
G4-EN7	Not applicable	7, 8 and 9	✓
G4-EN15	41	7, 8 and 9	✓
G4-EN16	41	7, 8 and 9	✓
G4-EN17	41	7, 8 and 9	✓
G4-EN18	44	7, 8 and 9	✓
G4-EN19	43, 44	7, 8 and 9	✓
G4-EN20	44	7, 8 and 9	✓
G4-EN21	44	7, 8 and 9	✓
Waste Management			
Management Approach			
G4-EN22	46	7, 8 and 9	✓
G4-EN23	45	8	✓
G4-EN24	46	8	✓
G4-EN25	46	8	✓
G4-EN26	46	7, 8 and 9	✓
Management of Agricultural Soils			
Management Approach			
Own	48	7, 8 and 9	✓
Pesticides and Fertilizers			
Management Approach			
G4-EN1	48	7 and 8	✓

CODE	PAGE / COMMENTS / REFERENCE	GLOBAL COMPACT PRINCIPLE	EXTERNAL ASSURANCE
Biodiversity			
Management Approach			
G4-EN11	48	7 and 8	✓
G4-EN12	48	7 and 8	✓
G4-EN13	48	7 and 8	✓
G4-EN14	49	7 and 8	✓
Promotion of Sustainability in the Supply Chain			
Management Approach			
G4-EN32	55	7 and 8	✓
G4-EN33	56	7, 8 and 9	✓
Own	55	7, 8 and 9	✓
Own	56	7 and 8	✓
Management and Evaluation of Suppliers (Social and Environmental)			
Management Approach			
G4-12	51		✓
G4-EC9	51		✓
G4-LA14	55	3, 4, 5 and 6	✓
G4-LA15	55	3 and 6	✓
G4-HR5	55	5	✓
G4-HR6	55	4	✓
Supplies Management			
Management Approach			
G4-EN1	47, 52	8	✓
Containers and Packaging Materials			
Management Approach			
G4-EN2	56	8 and 9	✓
G4-EN27	56	8 and 9	✓
G4-EN28	56	8 and 9	✓
Own	56	8 and 9	✓
Innovation			
Management Approach			
Own	60	9	✓
Quality Management			
Management Approach			
Own	62	7 and 8	✓
Own	62		✓
Own	63		✓
G4-PR1	62		✓
G4-PR2	62		✓

GENERAL STANDARD DISCLOSURES

CODE	PAGE / COMMENTS / REFERENCE	GLOBAL COMPACT PRINCIPLE	EXTERNAL ASSURANCE
Responsible Marketing			
Management Approach			
Own	64	8 and 9	✓
G4-PR3	64		✓
G4-PR4	64		✓
G4-PR6	64		✓
G4-PR7	64		✓
Sustainable Products			
Management Approach			
Own	65, 66, 67	8 and 9	✓
Own	67		✓
Customer Satisfaction			
Management Approach			
Own	70		✓
G4-PR5	70		✓
Transparency and Information for Clients			
Management Approach			
Own	72	1, 2, 3, 8 and 10	✓
Promotion and Dissemination of Sustainability			
Management Approach			
Own	73	9	✓
Workforce and Working Conditions for Temporary Workers			
Management Approach			
Own	80		✓
G4-10	77, 80	6	✓
G4-LA12	77	6	✓
Labor Relations			
Management Approach			
Own	82		✓
Own	82		✓
G4-11	83	3	✓
Work Environment			
Management Approach			
Own	82		✓
G4-11	83	3	✓
G4-HR4	83	2 and 3	✓
Wages and Bonuses			
Management Approach			
G4-LA13	84	6	✓

CODE	PAGE / COMMENTS / REFERENCE	GLOBAL COMPACT PRINCIPLE	EXTERNAL ASSURANCE
Training and Knowledge Center			
Management Approach			
G4-LA9	85		✓
G4-LA10	85		✓
Career Development			
Management Approach			
G4-LA11	86		✓
Promotion of Well-being and Benefits			
Management Approach			
Own	87		✓
Own	87		✓
Own	87		✓
G4-LA2	87	6	✓
Health and Safety, and Working Conditions			
Management Approach			
G4-LA5	88	3 and 6	✓
G4-LA6	89		✓
G4-LA7	89	2	✓
G4-LA8	88		✓
Community Management: Supporting Local Development			
Management Approach			
G4-SO1	91	1 and 2	✓
G4-SO2	There were no known significant negative impacts on communities.	1 and 2	✓
Profitability, and Economic Value Generated and Distributed			
Management Approach			
G4-EC1	94		✓
Regulatory Compliance			
Management Approach			
G4-EN29	35, 45	7 and 8	✓
G4-PR9	During the period, there were no significant fines or sanctions for noncompliance with laws and regulations relating to the provision and use of products.		✓



CENTRO DE
INVESTIGACIÓN
E INNOVACIÓN



SUSTAINABILITY IN THE SUBSIDIARIES

Below is information related to the management of sustainability at subsidiaries Viña Cono Sur in Chile, Trivento Bodegas y Viñedos in Argentina, and Fetzer Vineyards in the United States, who manage sustainability issues autonomously according to the values and general guidelines set by the Board of Directors.

VIÑA CONO SUR

Founded in 1993 with the vision of producing premium, expressive and innovative wines, Viña Cono Sur has achieved an important position in the international market. Its wines have received major quality awards worldwide, and for second consecutive year the winery was selected the second most admired winery in South America by British magazine Drinks International.

Today, Cono Sur is one of the largest producers of Pinot Noir in the world, it was the first winery to produce and export Chilean Viognier, and it produces the first Riesling to obtain Designation of Origin from the Biobío Valley.

In terms of its workforce, in 2014 it employed on average 187 people with permanent contracts, and 197 seasonal workers. 27% of its total personnel were women.



Sales 2014:

4.8

million cases with a turnover of

US\$130

million (8% growth).

Strong brand presence in key countries like the UK, Japan and Canada.

1,162

hectares planted in estates in the V, VI and VII Regions of Chile.

Winemaking cellar located in Chimbarongo, VI Region of Chile, with tank capacity of

23.5

million liters.

Total capacity in barrels of

1.2

million liters, approximately.

CERTIFICATIONS AND STANDARDS



SUSTAINABLE DEVELOPMENT

To ensure quality, a sustainable and environmentally-friendly management, good working conditions and the wellbeing of the community in general, the winery strictly complies with the regulations applicable to its production processes. It also has an integrated management policy, which covers the winery's commitments regarding compliance with labor laws, occupational safety and health, work environment management, as well as compliance with its own code of conduct, Viña Concha y Toro's Code of Ethics and Conduct, and any other code it voluntarily adheres to, such as the BSCI Code of Conduct.

VINEYARD MANAGEMENT AND SUSTAINABLE PRACTICES

For Viña Cono Sur, organic management and sustainable agriculture have become a way of life in the vineyards, where there is a special relationship with the land, resulting in clean and natural wines. Organic production means that the fruit is grown without using chemicals, while sustainable agriculture avoids them. Both require the help of animals (mainly sheep and geese), insects and a self-regulating ecosystem.

In 1999 the winery began an organic wine project on 40 hectares at the Colchagua Valley. After 3 years, it produced its first wine from organic grapes. Since then, different varieties have been added to the organic production program, which today comprises 210.4 hectares.

WATER MANAGEMENT

The use of water at Viña Cono Sur's estates is mainly determined by the conditions of the valleys in which they are located. Land with coastal influence uses less water than estates located in the inland valleys.

All farms have a drip irrigation system, which optimizes water consumption.



ENERGY MANAGEMENT AND CARBON FOOTPRINT

The winery has increased its electricity consumption in the wine cellar since 2012, due to extensions made in the facilities. However, the relationship between electricity consumption and the amount of wine produced has been lower, reducing energy intensity by 6.7% over 2013.

To improve the management of energy consumption, in 2014 the winery started installing electricity meters in equipment/processes with significant energy consumption. It also added telemetry equipment to all those meters that were already installed. The purpose is to be able monitor consumption online, not in person, on a daily basis, through electrical consumption software.

Viña Cono Sur measures its carbon footprint since 2009, which allows forecasting emissions and implementing management measures. In 2010 Cono Sur became the first winery in America to certify its GHG emissions report. Cono Sur's last measurement of its carbon footprint (2013-2014) was 44,732 Ton of CO₂e, 4% higher than in the previous period. 92% of emissions correspond to Scope 3, that is, to indirect emissions from third parties.

WASTE MANAGEMENT (RECYCLING AND REUSE)

Viña Cono Sur is certified under the Clean Production Agreement. Therefore its waste is managed through specialized companies authorized for its treatment or disposal.

Liquid industrial waste (LIW) generated by the company is transported and processed by Biodiversa. In 2014, the winemaking cellar discharged 33,690 M³ of LIW, 11% less than in 2013. Also, 100% of pesticide packaging undergoes a triple rinse technique and is then transported to an authorized company (COPEVAL) for temporary storage and subsequent disposal.

SUPPLIER MANAGEMENT

As part of the requirements of the Sustainability Code of Wines of Chile, the company has audited two grape growers, determining that they comply with the provisions of such code. Also, as part of its integrated management system, every year Viña Cono Sur evaluates its suppliers with an increased risk of causing environmental impacts, such as suppliers of chemicals, fuels and hazardous substances.

HUMAN RESOURCES

The winery has gradually increased the number of hours of training for its personnel in order to meet the competency needs detected in the respective performance evaluations. During 2014, the company conducted 2,922 hours of training.

Furthermore, to promote efficient and responsible work, the winery gives performance bonuses (monetary benefit) to its employees, in addition to a series of non-monetary benefits.

HEALTH AND SAFETY

The winery has a Prevention Department, in charge of the health and safety of employees. In addition, all the company's estates with more than 25 employees have a Joint Health and Safety Committee, representing 83% of the total personnel.

During 2014, there were 32 accidents, which resulted in an accident rate of 7.44 for the period. Given the large number of lost days (405 days lost, with an average working days lost of 92), the winery decided to hire a full-time expert in risk prevention to improve the occupational safety and health management system.



TRIVENTO BODEGAS Y VIÑEDOS

Since 1996 Bodega Trivento produces quality wines that reflect the character of the winds blowing in the sunny and arid land of Mendoza. It currently owns eight estates located in the best grape growing areas of Mendoza, the most important wine region of Argentina, offering a wide variety of topographies and microclimates that allow achieving the best expression of each grape variety.

Trivento has become Argentina's largest global wine brand, present in over 100 markets worldwide. In less than 10 years, the company is among the five largest exporters of Argentina. Its broad portfolio is continuously receiving awards in international competitions and magazines.

In terms of personnel, the average number of employees in 2014 was 466 people. Also, about 47 people were hired during harvest season in the cellar with a 4-month contract (on average), and 60 people were hired in the Agricultural Area with a three-month contract (on average).

BODEGA
TRIVENTO
ARGENTINA

Sales 2014:

US\$45

million (8% growth).

Specialized chamber with

4,000

French and American oak barrels
used for wine aging.

1,143

hectares in eight estates located in the
Uco Valley, the Luján-Maipú
oasis, and the East oasis.

Bottling plant with

3

production lines for glass bottling,
a production line for bag in box,
and another for manual tasks.

2

Winemaking cellars equipped with
state-of-the-art technology.

CERTIFICATIONS AND STANDARDS



SUSTAINABLE DEVELOPMENT

The company seeks to make all its processes and actions harmonious to their surroundings, environmental-friendly and to make rational use of natural resources from the vineyard to the final product. The development, education and wellbeing of people has been set as a priority, so the company works with the surrounding communities and also promotes a healthy balance of work, personal and family life among its employees.

VINEYARD MANAGEMENT AND SUSTAINABLE PRACTICES

Trivento ensures customer satisfaction and preference by monitoring, controlling and improving its processes, guaranteeing the quality and safety of its products from the vineyard to the final consumer. In all practices, the health and safety of employees, the environment and the community are top priorities.

Sustained success is achieved through people, so the winery promotes a culture of zero incidents, zero waste and zero defects.

Trivento Bodegas y Viñedos' quality management system is certified under the BRC food safety global standard, version 6. The production processes were certified Grade "A" from 2009 until 2013,

when the company decided to participate in an unannounced audit plan, obtaining, in 2014, the highest level of certification granted by this standard: "A +".

WATER MANAGEMENT

During 2014 the winery decided to have a sectioned water consumption measurement. It has also begun implementing actions to reduce water consumption in different areas of the Processing Plant and the Winemaking Cellar. In addition, all the company's estates have drip irrigation and flow meters at each output.

An effluents plant was installed at the Tres Portañas cellar, which has permission for irrigation, to reuse water. Also, a barrel washing machine was incorporated at the Maipú cellar and the Processing Plant, which has lower water consumption per barrel than the equipment previously used.

In 2015, the winery intends to start doing water management training and awareness activities, and it will also invest in two automatic pool washers, changing hydro washers and adding more pistol nozzles to prevent water loss through open taps and hoses.

ENERGY MANAGEMENT AND CARBON FOOTPRINT

With the purpose of reducing energy consumption, the company has planned a series of energy saving activities for 2015. In addition, the winery measures its carbon footprint throughout its supply chain.

The calculation of the company's GHG emissions in 2013 totaled 27,743 tons of CO₂e, 87% of which comes from indirect sources of emissions, in particular of Scope 3.

Sustained success is achieved through people, so the winery promotes a culture of zero incidents, zero waste and zero defects.



WASTE MANAGEMENT (RECYCLING AND REUSE)

All Trivento facilities separate glass, plastic and cardboard for recycling at specialized recycling plants. In 2014 the amount of recycled material over total waste was 69%.

Trivento complies with Law 24,051 of Hazardous Waste of Argentina, which defines and regulates generators and operators, carriers, and treatment or disposal plants. Hazardous wastes are handled by maintenance personnel, stored in a specially designated place in the cellar, and then transported to authorized treatment plants.

SUPPLIER MANAGEMENT

The company promotes sustainable practices among its suppliers, providing its Code of Ethics and Conduct to all those involved in the supply chain. It carries out an annual meeting with all suppliers where it shares indicators, best practices and procedures in terms of quality and accountability according to the company's general policy.

Moreover, it periodically informs suppliers about their level of compliance in quality, level of service and other indicators.

HUMAN RESOURCES

The winery's growth must go together with the development of each of its employees. For them to be able to balance work, personal and family life is a priority for the company, so it develops various programs and activities to reconcile these three areas.

A training plan is developed annually according to the needs identified by the management and HR. During 2014 the company conducted more than 10,000 hours of training among its employees, an average 29.83 hours per person based on the total workforce, excluding agricultural personnel.

Moreover, the winery has a semi-attendance educational program on its premises for employees who have not completed high school. Since 2008, 50 people have been able to get their diploma.

HEALTH AND SAFETY

There is an occupational illness prevention team in charge of health and safety at the winery. There is also a team of Occupational Medicine, which provides first response care in case of accident. In addition, the winery has an office for a medical specialist who sees all types of consultations, accidents or injuries two hours a day from Monday to Friday.

Each area of the company has a Safety Sub-Committee and a Safety General Committee in which the Management and the Occupational Health and Safety team participate. During 2014, the accident rate was 5.33, with a total of 34 accidents.

FETZER VINEYARDS

Since its founding in 1968, Fetzer Vineyards has been a pioneer of California winemaking. Its history is one of ever-evolving quality and innovation and a progressive, hands-on approach to Earth-friendly practices.

Working in harmony with nature and with the utmost respect for the human spirit, Fetzer is committed to the continuous growth and development of its people, the quality of its wines, and the care of the planet.

Since 1990, Fetzer Vineyards has been tracking and reducing waste sent to landfills. Through company-wide efforts Fetzer Vineyards has reduced that waste by 97% all while doubling wine production. In 1999, Fetzer Vineyards became the first winery in California to go totally green.



Sales 2014:

US\$140
Million

469.44
Hectares planted in the USA, in

12
owned vineyards and

3
leased from third parties.

2
winemaking cellars located in Hopland and Paso Robles, CA.

Bottling plant in Hopland, CA.

CERTIFICATIONS AND STANDARDS



SUSTAINABLE DEVELOPMENT

Fetzer Vineyards is a true pioneer and leader in implementing sustainable practices, and started this approach in the 1980s, long before the term “sustainable” became popular. For over two decades, the company has developed practices that are environmentally-friendly, socially responsible, and economically viable – as a core way of doing business and part of the culture among the employees at Fetzer. Bonterra Vineyards emerged in 1990, produced at the Fetzer winery, and was first released in 1992 as one of the early pioneers in growing organic winegrapes. Bonterra has become the number one selling brand of wines in the US that is made with organic grapes. Fetzer and Bonterra have continually developed innovations aimed to benefit the planet and people, while creating great quality wines.





VINEYARDS MANAGEMENT AND SUSTAINABLE PRACTICES

Organic: All of the vineyards/grapes that Fetzer and Bonterra farm in Mendocino County are farmed with certified organic practices. The total acreage farmed by Fetzer/Bonterra in Mendocino County is 960 acres, and all of the grapes from these vineyards are used for the Bonterra brand. Fetzer/Bonterra is the largest producer of organic winegrapes in California.

Biodynamic: The McNab, Butler, and Blue Heron Ranches are three of the ranches for the Bonterra brand, and they are certified Biodynamic by Demeter, as well as certified organic.

Certified Sustainable: All of the wineries and vineyards owned by Fetzer have been certified by the California Certified Sustainable Winegrowing program since 2010.

Balance: Pruning and canopy management are undertaken with focused attention on achieving optimal balance of the vines and fruit. Leaves and shoots are removed as appropriate, to ensure adequate flow and circulation of air, and to permit adequate light for even ripening of the fruit, and to minimize potential for disease and pests.

WATER MANAGEMENT

Fetzer uses many methods to conserve water and protect water quality in the vineyards and winery.

In 2012, Fetzer Vineyards adopted the use of a new cleaning product, called Peracetic acid, for the wine tanks, which requires less rinsing. This resulted in the reduction of 140,000 gallons of water annually in the winery, and reduces the energy needed to pump the water.

Fetzer also started removing the lees (yeast residues) from wine tanks since 2012, and shipping this by product to a company called Lees Solution, which purchases the lees to make spirits and vinegar. The removal of the lees greatly reduces the solids from the waste water stream at Fetzer and the biological oxygen demand (BOD). This process requires considerable work by the cellar team, but results in important water quality benefits.

Fetzer is actively involved in promoting water conservation in the community and among wine industry colleagues, furthermore Fetzer Vineyards has built several storage ponds over the past few years to extract water from local rivers when water levels are high, and store and use this water during dry periods when river levels are low.

ENERGY MANAGEMENT AND CARBON FOOTPRINT

All electricity used for Fetzer's main winery operations in Hopland comes from renewable energy sources. In fact, Fetzer was the first winery in California to purchase 100% green energy for all winery operations in 1999.

In 2006 Fetzer installed one of the wine industry's largest photovoltaic systems, which is 900 KW. It consists of 4300 panels, and covers 75,000 square ft. This installation involves a power purchase agreement with MMA Renewable Ventures. The panels, on top of the red barrel room and warehouse, have a potential capacity to generate 1.1 million kwh/year. The array has a potential capacity to generate approximately 80% of the energy used to run the bottling facility.

In 2005, Fetzer Vineyards became a founding member of the California Climate Action Registry (CCAR), and was the first wine company to publicly report greenhouse gas emissions with this organization, since beginning to report greenhouse gas emissions, Fetzer Vineyards gas reduced total greenhouse gas emissions by over 50%.

WASTE MANAGEMENT

In 1990, Fetzer set an ambitious aim for "Zero waste" sent to the landfill, and was an early pioneer in the wine industry for developing recycling practices, reusing materials, and reducing the use of materials. Since then, the company achieved a remarkable level of reduction, achieving 97% reduction in the amount taken to the landfill between 1990 and 2014. In 2014, Fetzer Vineyards became the first Zero Waste certified wine company in the world, receiving a Platinum level certification from the U.S. Zero Waste Business Council. Fetzer Vineyards has implemented several reduction and recycling practices to achieve a 98.5% diversion rate in 2014, meaning 98.5% of all materials used were diverted from the landfill.

SUPPLIER MANAGEMENT

Fetzer Vineyard's purchasing department has a "Supplier Performance Management Program," that includes sustainability guidelines for purchasing materials used in production.

In practice, this means that several methods are used to incorporate sustainability in decisions:

Fetzer provides a survey to major vendors to ask questions about their sustainable practices and performance. The responses are considered when making decisions on purchases.

Fetzer makes strong efforts to purchase products and packaging materials that are recycled and recyclable.

Fetzer also returns some kinds of packaging materials to vendors, so that they can be reused. Packing materials returned to vendors include boxes for labels and capsules, rubber bands.

HUMAN RESOURCES

2014 Training Numbers – 10,726 total hours of training (35.2 hours average training per employee)

Fetzer Vineyards places a great emphasis on training and developing our employees and provides a variety of programs throughout the organization. The company has a dedicated training budget to support such training requests.

At a functional level, Departments provide Standard Operating Procedure (SOP) training specific to each position. Operatives receive additional training on specific equipment, procedures, and tools. On a monthly basis, employees attend Safety Training. Topics vary and learning can be applied in both the workplace and home settings.

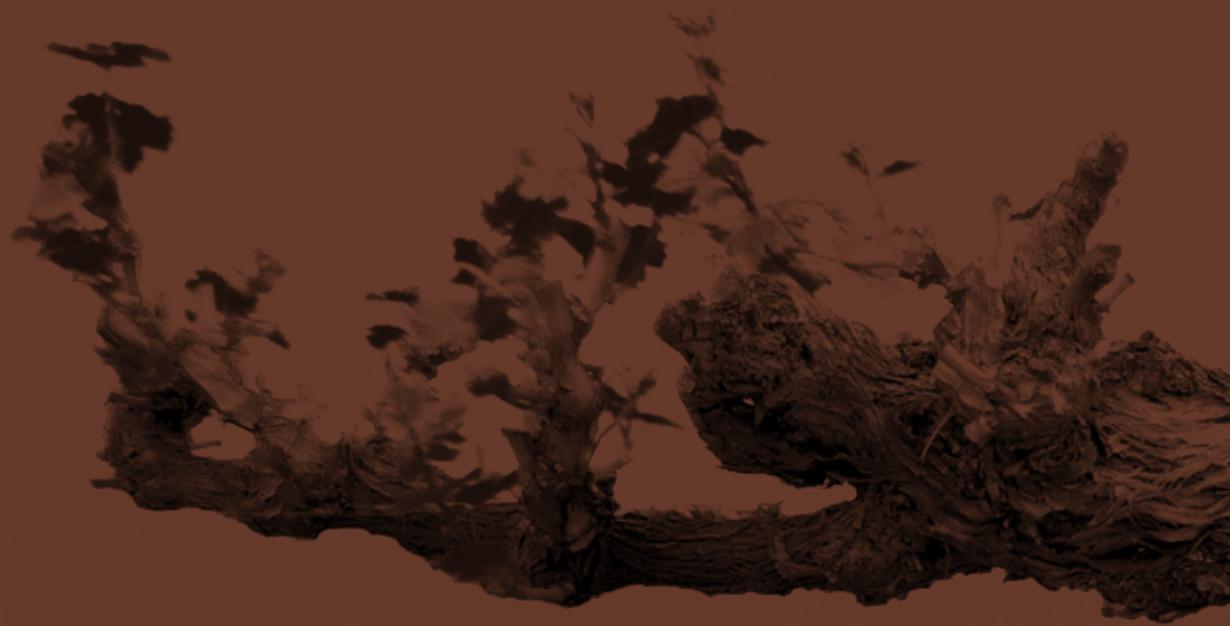
HEALTH AND SAFETY

Fetzer conducts safety training on a monthly basis in all production locations. In 2014 Fetzer conducted approximately 185 various safety trainings of which 1000 man hours were on training for equipment like tractors and lift trucks.

Fetzer conducts monthly hazard audits where it look for items that can cause injuries or that may jeopardize life safety during an emergency. In 2014 the company completed 15 department inspections which resulted in 121 findings and 100% of those findings have been corrected.

There is a very strong safety culture which is built on communication, awareness, recognition and education. The employees understand that it is their responsibility to report unsafe conditions that they may encounter in their day. In 2014 the employees turned in 100 Unsafe Conditions and Practices currently 98% of those have been corrected.

VIÑA CONCHA Y TORO



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