

VIÑA CONCHA Y TORO



Sustainability
Report
2015



Viña Concha y Toro S.A.

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G4-31

For further information or suggestions on how to improve the next report, please contact:

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Papel:

Curious Matter is a novel ecological paper derived from the raw starch extracted from potato waste (upcycling).



VIÑA CONCHA Y TORO | Sustainability
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2015 Milestones and Figures G4-9

"MOST POWERFUL WINE BRAND WORLDWIDE"

for the second consecutive year in the annual ranking prepared by British consultancy Intangible Business

3rd "MOST ADMIRED COMPANY IN CHILE"

in the ranking prepared by PwC Chile and Diario Financiero

4th PLACE "IN THE MERCO RANKING"

among the 100 Companies with Best Corporate Reputation 2015

1st PLACE "IN THE CORPORATE SUSTAINABILITY INDEX 2015"

of Chilean magazine Capital



VIÑA CONCHA Y TORO
recognized in Chile and the world

Included "IN THE DOW JONES SUSTAINABILITY INDEX"

Economic Performance

\$636,194 million
Consolidated sales for the period **+ 9%**

"97%

COMPLIANCE"

in the Sustainability Code certification of Wines of Chile

Economic Performance

\$49,797 Profit
+ 15.7%

1st YEAR OF OPERATION OF THE CENTER FOR RESEARCH AND INNOVATION

A cutting-edge center, a place for knowledge exchange, for the development of applied research and new technologies in viticulture and winemaking





Commitment to the Environment



Green Company of the Year, runner-up in the ranking prepared by The Drinks Business.



48 liters of water used per glass of wine produced, **-60%** than the industry average, which is 120 liters.



100% of vineyards use **drip irrigation**.



3 kWh used per liter of wine produced, **-7%** than 2014.



Best evaluated Chilean company for its approach and transparency regarding Climate Change, Carbon Disclosure Project (CDP).



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



100% of the company's **forests** have **biodiversity inventories**.

Commitment to Local Development



Support and joint work with the **communes of Pirque and Pudahuel** to improve the **surroundings and the quality of life** of its residents.

Commitment to Employees



4,750 Jobs in 2015.



2,721 Employees trained.



71,930 Hours of training.



+ 10% hours of training.



An average of **26 hours** of training per employee.



5 collective bargaining processes.

Commitment to the Supply Chain



Once **99%** of bottles used were **light bottles**, the company incorporated **Eco Glass 2**, which is **6%** lighter.

Commitment to Product Quality



Best Green Launch of the Year, awarded by British magazine The Drinks Business for the work done in **Sunrise**.

Letter from the Chairman

“ With great pleasure we present our fourth Sustainability Report, detailing the company’s work in this area and the initiatives implemented during 2015. ”



Alfonso Larrain Santa María
Chairman of Viña Concha y Toro

G4-1, G4-2

With great pleasure we present our fourth Sustainability Report, detailing the company’s work in this area and the initiatives implemented during 2015. Moving forward with our Sustainability Strategy, we managed to fulfill 93% of the goals set for the period, improving the way we protect and care for the environment, how we manage our workforce, the operation of the supply chain, and our relationship with communities and with customers, all associated with the quality of our products.

Among the main achievements that reinforce our commitment to sustainable development, it is worth mentioning the progress made in measuring our carbon footprint and reaching 99% usage of lightweight bottles, as well as the incorporation of Eco Glass 2, which is 6% lighter. We also managed to implement drip irrigation in 100% of our vineyards, and to recycle or reuse 100% of organic waste. Additionally, the Natural Forest Conservation Program completed the inventory stage, covering 100% of the company’s protected land.

Our work and commitment has been recognized nationally and internationally. In 2015 we were included in the new Dow Jones Sustainability Index Chile, the first local sustainability index developed by the Santiago Stock Exchange and S&P Dow Jones Indices, the most prestigious in this area worldwide. More notably, only 12 IPSA companies were chosen to be part of the DJSI Chile and only two wineries were

included in the Beverage section of the ranking globally, Concha y Toro being one of them. Our company was also the best-evaluated Chilean company for its approach and transparency on climate change by the Carbon Disclosure Project 2015. Nationally, we achieved recertification on the Sustainability Code of Wines of Chile, with an outstanding 97% compliance.

One of the company's most important projects in recent years has been the Center for Research and Innovation (CRI), located in the Maule Region. During 2015 several research projects were initiated and an action plan was defined with five strategic programs to be developed by 2020, which include topics such as plant production, water management and scarcity, quality of grapes and wine, process automation and new product design. The CRI aims to be an open knowledge center for the development of applied research and new technologies in the areas of viticulture and winemaking, creating tools to meet

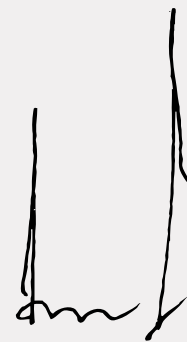
the challenges faced by the sector and generate positive impacts for all players in the industry.

As in previous years, we participated in audits conducted by our major clients, which have high standards in issues relating to ethics, regulatory compliance, environmental performance and protection of labor rights. As a company we value these initiatives, in which we were once again positively assessed, because they help us strengthen and continuously improve our management systems.

In terms of our financial performance, 2015 was a positive year for Viña Concha y Toro, ending with a net profit 15.7% higher than the previous period, and an increase of consolidated sales and sales volumes of 9.1% and 3.4% respectively. Additionally, the Concha y Toro brand and wines received several awards, which have strengthened its reach and presence in 147 countries thanks to the

preference of consumers around the world.

This report reinforces the commitment of Viña Concha y Toro, and all of those who are part of the company, to sustainable development, transparency and the 10 principles of the Global Compact. I invite you to read this report and send us your comments, so we can improve and continue moving forward together on the path of sustainability.



Alfonso Larrain Santa María

Chairman
Viña Concha y Toro

“ Moving forward with our Sustainability Strategy, **we managed to fulfill 93% of the goals set for the period**, improving the way we protect and care for the environment, how we manage our workforce, the operation of the supply chain, and our relationship with communities and with customers, all associated with the quality of our products. ”

About this Report



Fourth Sustainability Report

of the company which covers the economic, social and environmental performance.

In accordance with the G4 Sustainability Reporting Guidelines issued by the Global Reporting Initiative and serves as the Communication on Progress (COP) to the United Nations Global Compact's principles.

Submitted to External Verification of its contents.





About this Report

G4-28, G4-29, G4-30, G4-32

For the fourth consecutive year, Concha y Toro presents its sustainability report, detailing the company's performance in economic, environmental and social issues for the period of January 1 to December 31, 2015.

For the fourth consecutive year, Concha y Toro presents its Sustainability Report, detailing the company's performance in economic, environmental and social issues for the period.

The document has been prepared according to the comprehensive option of the G4 version of the GRI Reporting Guidelines, and responds to the Communication on Progress (COP) on the integration of the Global Compact's principles. The report has been verified by an external auditor.

Scope and boundaries

The report has been prepared on the basis of the company's sustainability strategic pillars, and incorporating the most relevant management aspects during 2015. The information reported and verified according to the GRI G4 version covers the performance of Concha y Toro in Chile, including subsidiary Quinta de Maipo, which groups the operations of Canepa, Maycas del Limarí, Palo Alto and Viña Maipo, as well as subsidiaries VCT Chile and Transportes Viconto, complementing the information published in the Annual Report 2015.

The report does not include information on Viña Cono Sur, Trivento Bodegas y Viñedos, and Fetzer Vineyards, except in the section about generated and distributed economic value, which includes consolidated

information on economic and financial aspects of Viña Concha y Toro, as indicated in the 2015 Annual Report.

The document concludes with an additional chapter that contains information about the management of subsidiaries Cono Sur in Chile, Trivento Bodegas y Viñedos in Argentina, and Fetzer Vineyards in the United States, which manage sustainability independently, based on the company's values and the general guidelines.

Definition of content included in the report

G4-18

The definition of the content of the report was based on the G4 version of the GRI guidelines, which involves a process of reviewing and updating material aspects through the implementation of a survey to employees, suppliers and other stakeholders. They assess the relevance of the issues and the quality of the information reported.

The definition of contents considered the consultation of primary and secondary

sources of information in order to know stakeholders' perception and also determine the sustainability context.

Surveys:

- Internal Interviews: 6 company managers.
- Online Survey: employees, suppliers and other stakeholders, surveying a total of 109 people.
- Prioritization Workshop: 14 people responsible for gathering information within the company.

Opportunities for improvement detected during the 2014 external verification report were also incorporated.

Determining the Sustainability Context:

- Review of internal bibliographic material: considering the Sustainability Strategy and the 2013 Report, in addition to publications in 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).
- Revision of the BSCI Code of Conduct.

G4-48

The above activities resulted in the preliminary prioritization of management issues relating to sustainability, which were validated by the Department of Sustainable Development and Viña Concha y Toro's CEO. The relevant aspects for the company in terms of sustainability are:

G4-19, G4-20, G4-21, G4-27

Relevance

	High
	Medium

Pillar	Material Aspect	Where it matters
Pillar: People		
	Working conditions for temporary workers	Concha y Toro
	Health and safety, and working conditions	Concha y Toro
	Training and Knowledge Center	Concha y Toro
	Labor Relations	Concha y Toro, suppliers and contractors
	Working Environment	Concha y Toro
	Career Development	Concha y Toro
	Promotion of wellbeing and benefits	Concha y Toro
	Wages and bonuses	Concha y Toro
Pillar: Society		
	Community Management: Supporting local development	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: Supply Chain		
	Suppliers management and evaluation (social and environmental)	Concha y Toro
	Promoting sustainability in the supply chain	Concha y Toro, suppliers and contractors
	Supply management	Concha y Toro
	Containers and packaging materials (life cycle)	Concha y Toro, suppliers and contractors
Pillar: Customers		
	Customer Satisfaction	Concha y Toro
	Transparency and Information for Clients	Concha y Toro
	Dissemination and Promotion of Sustainability	Concha y Toro
	Profitability, and economic value generated and distributed	Concha y Toro
	Ethics and anticorruption	Concha y Toro
Pillar: Environment		
	Water footprint	Concha y Toro
	Energy and carbon footprint	Concha y Toro and suppliers
	Waste management	Concha y Toro, suppliers and clients
	Impact of climate change on the business	Concha y Toro
	Pesticides and fertilizers	Concha y Toro
	Biodiversity	Concha y Toro
	Management of agricultural soils	Concha y Toro



Stakeholders

“ To maintain an effective relationship, the company has arranged various communication channels, appropriate to the characteristics of each group. ”

G4-24, G4-26, G4-27

For Concha y Toro it is important to maintain a fluid communication with its stakeholders, in order to know their needs and report on the progress made in meeting the objectives set in its Sustainability Strategy, which was developed and is reviewed taking into account the expectations of its priority stakeholders in

relation to the influence and dependence they have with the organization along the value chain.

To maintain an effective relationship, the company has arranged various communication channels, appropriate to the characteristics of each group.

These mechanisms are an important communication tool that allows updating the Strategy and defining the relevant aspects to report on the Sustainability Report.

Internal Stakeholders

Shareholders and Investors	Employees
	<ul style="list-style-type: none"> • Permanent and temporary • Unions

Communication Mechanisms

<ul style="list-style-type: none"> • Annual Report • Ongoing financial information in the corporate website • 20-F Form 	<ul style="list-style-type: none"> • Internal magazine Nuestra Viña • HR bulletin Nuestra Gente • Sustainable Bulletin • Sustainability Report • Breakfasts with employees
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Topics Of Interest

<ul style="list-style-type: none"> • Profitability • Ethics and Anticorruption • Regulatory Compliance • Product Quality Management 	<ul style="list-style-type: none"> • Environmental Performance • Career development and training • Health and Safety • Work environment and labor relations • Wages and Benefits
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External Stakeholders

Clients	Suppliers	Authorities	Local Communities	Unions and Associations
<ul style="list-style-type: none"> • Distributors 	<ul style="list-style-type: none"> • Suppliers of packing materials 	<ul style="list-style-type: none"> • Agricultural and Livestock Service (SAG) 	<ul style="list-style-type: none"> • Municipalities 	<ul style="list-style-type: none"> • Vinnova
<ul style="list-style-type: none"> • Consumers 	<ul style="list-style-type: none"> • Grape suppliers • Transport service providers • Contractors 	<ul style="list-style-type: none"> • Ministry of Labor • CONAF • Public Entities 	<ul style="list-style-type: none"> • Neighbors 	<ul style="list-style-type: none"> • Wines of Chile

Communication Mechanisms

Distributors	<ul style="list-style-type: none"> • Sustainability Report 	<ul style="list-style-type: none"> • Participation in union activities 	<ul style="list-style-type: none"> • Sustainability Report 	<ul style="list-style-type: none"> • Participation in union activities
<ul style="list-style-type: none"> • Monthly Newsletter 	<ul style="list-style-type: none"> • Technical advice area, grape growers 	<ul style="list-style-type: none"> • Annual Report 	<ul style="list-style-type: none"> • Community Relations delegate (local) 	<ul style="list-style-type: none"> • Annual Report
<ul style="list-style-type: none"> • Mailing Concha y Toro 	<ul style="list-style-type: none"> • Suppliers, Sustainability and Carbon Footprint Program 	<ul style="list-style-type: none"> • Sustainability Report 		<ul style="list-style-type: none"> • Sustainability Report
<ul style="list-style-type: none"> • Focus On magazine 	<ul style="list-style-type: none"> • Continuous communication about ethical issues with contractors 	<ul style="list-style-type: none"> • Participation in the National Carbon Management Program Agreement with CONAF 		<ul style="list-style-type: none"> • Wines of Chile Standards Committee
<ul style="list-style-type: none"> • Corporate website • Customer Satisfaction Survey 				
Consumers				
<ul style="list-style-type: none"> • Social media sites and platforms • Sustainability Report 				

Topics Of Interest

<ul style="list-style-type: none"> • Sustainable products 	<ul style="list-style-type: none"> • Supplies and waste 	<ul style="list-style-type: none"> • Environmental performance 	<ul style="list-style-type: none"> • Participation in cultural activities 	<ul style="list-style-type: none"> • Sustainability
<ul style="list-style-type: none"> • Working conditions 	<ul style="list-style-type: none"> • Energy and carbon footprint 	<ul style="list-style-type: none"> • Regulatory compliance 	<ul style="list-style-type: none"> • Contribution to local development 	<ul style="list-style-type: none"> • Responsible Marketing
<ul style="list-style-type: none"> • Health and Safety 	<ul style="list-style-type: none"> • Working environment and labor relations 	<ul style="list-style-type: none"> • Training 	<ul style="list-style-type: none"> • Protection of the environment 	<ul style="list-style-type: none"> • Innovation
<ul style="list-style-type: none"> • Promotion of responsible drinking 	<ul style="list-style-type: none"> • Product quality 	<ul style="list-style-type: none"> • Use of pesticides and fertilizers 	<ul style="list-style-type: none"> • Community Relations 	<ul style="list-style-type: none"> • Brand and Chilean wine positioning
<ul style="list-style-type: none"> • Product quality management 	<ul style="list-style-type: none"> • Management and evaluation of suppliers 	<ul style="list-style-type: none"> • Working conditions and labor relations 		
<ul style="list-style-type: none"> • Responsibility in the supply chain 	<ul style="list-style-type: none"> • Health and Safety 			



Chapter 1

Company Profile



G4-3, G4-4

Viña Concha y Toro is a leader in the global wine industry. With productive operations in three origins -Chile, Argentina and the United States-, the group has consolidated its global position, being present in 147 countries. Its wines have a highly-regarded image, high preference, and are renowned for their quality, including icons Don Melchor and Carmin de Peumo, Marqués de Casa Concha and Casillero del Diablo, in addition to wines from its subsidiaries Cono Sur and Quinta de Maipo in Chile, and Trivento Bodega y Viñedos and Fetzer Vineyards abroad.

Viña Concha y Toro's actions are guided by certain values that transcend the different levels of the company, and are shared by its Corporate Governance, employees and various subsidiaries. These values govern the implementation of Viña Concha y Toro's business model, seeking to become the

company with greater vertical integration in the global wine industry, offering top-quality products that successfully meet the high demands of customers around the world.

The company has vineyards in the major wine regions of Chile, in addition to winemaking cellars, bottling plants, and a solid distribution network, which has enabled to consolidate its global presence.

G4-5, G4-7, G4-8

As a public limited company, headquartered in Santiago, Chile, Viña Concha y Toro is listed on the Santiago Stock Exchange, and since 1994 also in the New York Stock Exchange. At the close of 2015, its capital consisted of 747 million shares, 60.12% of which belong to 12 major shareholders, the remaining 38.92% being held directly or indirectly by the controlling group¹.

1. G4-13 There have not been changes in the company's structure or new acquisitions during the period. More information about the ownership and the controlling group in the Annual Report, p. 59.





For the second consecutive year, **Concha y Toro** was recognized as **the Most Powerful Wine Brand in the World** Intangible Business Ranking 2015.

1st place
Corporate Sustainability
Index 2015

Index sponsored by Capital magazine.

Viña Concha y Toro was nominated **"Green Company of the year"** (runner-up) and won the **"Best Green Launch of the Year"** award

The Drinks Business Ranking 2015.



Viña Concha y Toro is internationally recognized, present in more than 145 countries.

 **17.7%**
North America

CANADÁ⁴  **ESCALADE**
WINES & SPIRITS

USA²  **EXCELSIOR**
WINES

MEXICO³  **VCT&DG**
MEXICO 

12 Distribution Subsidiaries
2 Sales Offices

USA

 **468 Hectares Planted**
15 Vineyards

Wineries

- Fetzer Vineyards

Argentina

 **1,142 Hectares Planted**
8 Vineyards

Wineries

- Trivento Bodegas y Viñedos

Chile

 **9,194 Hectares Planted**
9 Valleys
52 Vineyards

Wineries

- Concha y Toro
- Viña Cono Sur
- Quinta de Maipo
- Viña Almaviva¹

 **14.3%**
Latin America

BRASIL  **VCT** BRASIL

 **21.8%**
Chile

CHILE  **VCT** CHILE

 **Productive Operations**

1. JV 50% Viña Concha y Toro - 50% Baron Philippe de Rothschild.
2. JV 50% Viña Concha y Toro - 50% Banfi Vintners.
3. JV 51% Viña Concha y Toro - 49% Digrans S.A.
4. JV 50% Viña Concha y Toro - 50% Charton Hobbs.
5. JV 41% Viña Concha y Toro - 41% Mercian Corporation - 18% Mitsubishi Co.

FINLAND ▶ VCT FINLAND
 NORWAY ▶ VCT NORWAY
 SWEDEN ▶ VCT SWEDEN
 UNITED KINGDOM ▶ CYT UK

 **35.5%**
 Europe

CHINA ▶ VCT CHINA
Corporate Sales & Marketing | China & Central Asia

JAPAN⁵ ▶ VCT WINES JAPAN

 **8.9%**
 Asia

SINGAPORE ▶ VCT ASIA
Corporate Sales & Marketing | Asia

 **1.8%**
 Africa

SOUTH AFRICA ▶ VCT AFRICA

Viña Concha y Toro in Chile

G4-6, G4-9

Viña Concha y Toro's main assets in Chile are its vineyards, winemaking cellars and bottling plants, totaling 17,040 hectares of land located in the nine major wine valleys.

Of the total planted vineyards, including some long-term leases in the valleys of Casablanca, Maipo and Colchagua, the

company's arable land totals 10,200 hectares, of which 9,194 hectares are planted.

These lands include the operation of Viña Cono Sur and Almaviva, who like Trivento Bodegas y Viñedos in Argentina and Fetzer Vineyards in the United States manage sustainability independently

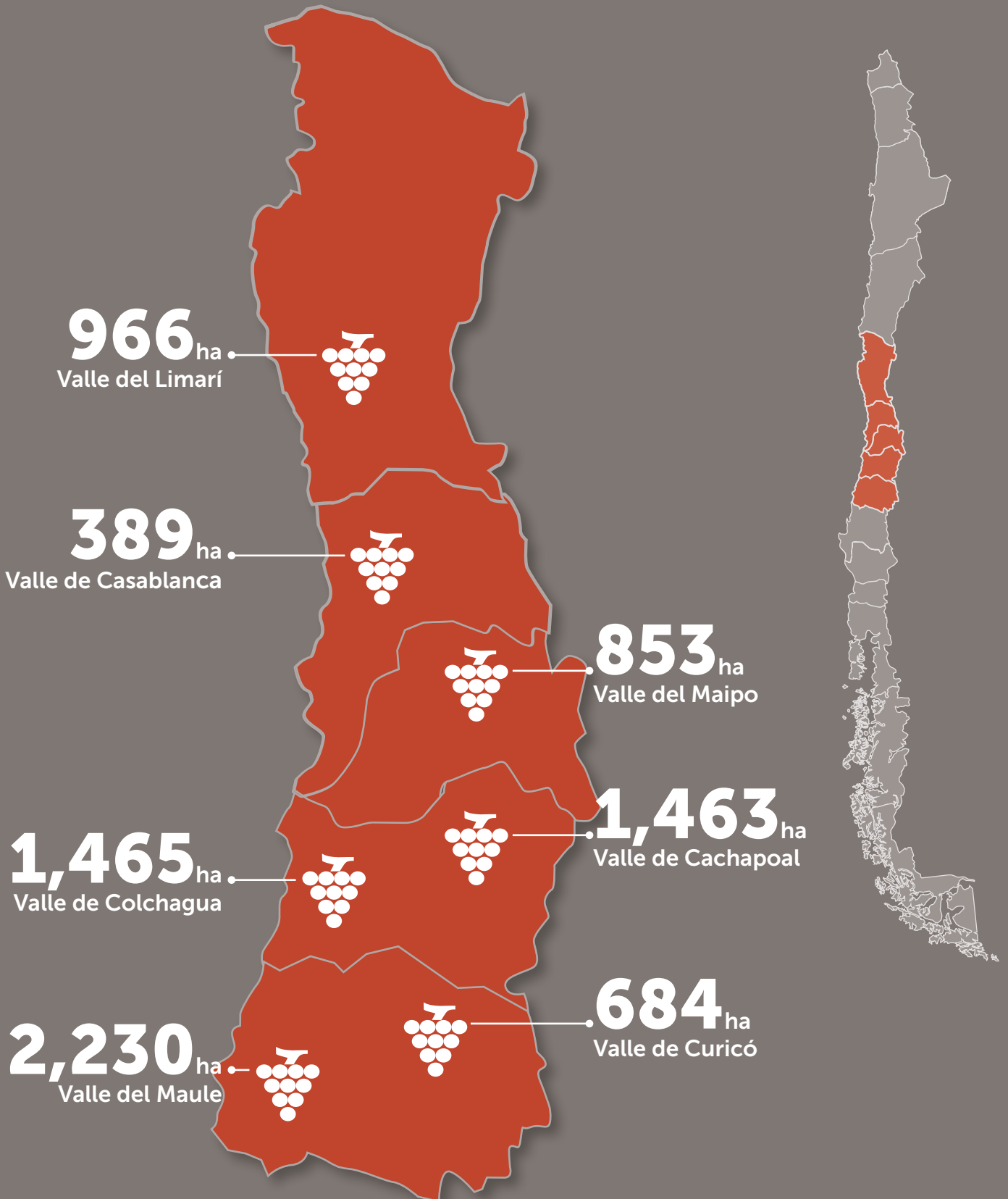
according to the holding's corporate guidelines. Therefore, environmental and social information in this report covers only the performance of Concha y Toro² in Chile, which at December 31, 2015, included:



Trivento Bodegas y Viñedos in Argentina and Fetzer Vineyards in the United States manage sustainability issues independently according to the company's corporate guidelines.



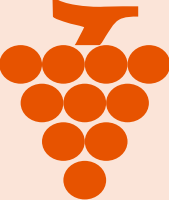

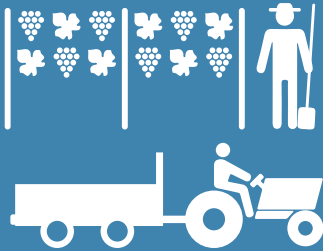
2. Information on Concha y Toro in Chile includes subsidiary Quinta de Maipo, which includes the operations of wineries Canepa, Maycas del Limarí, Palo Alto and Viña Maipo, as well as subsidiaries VCT Chile and Transportes Viconto.

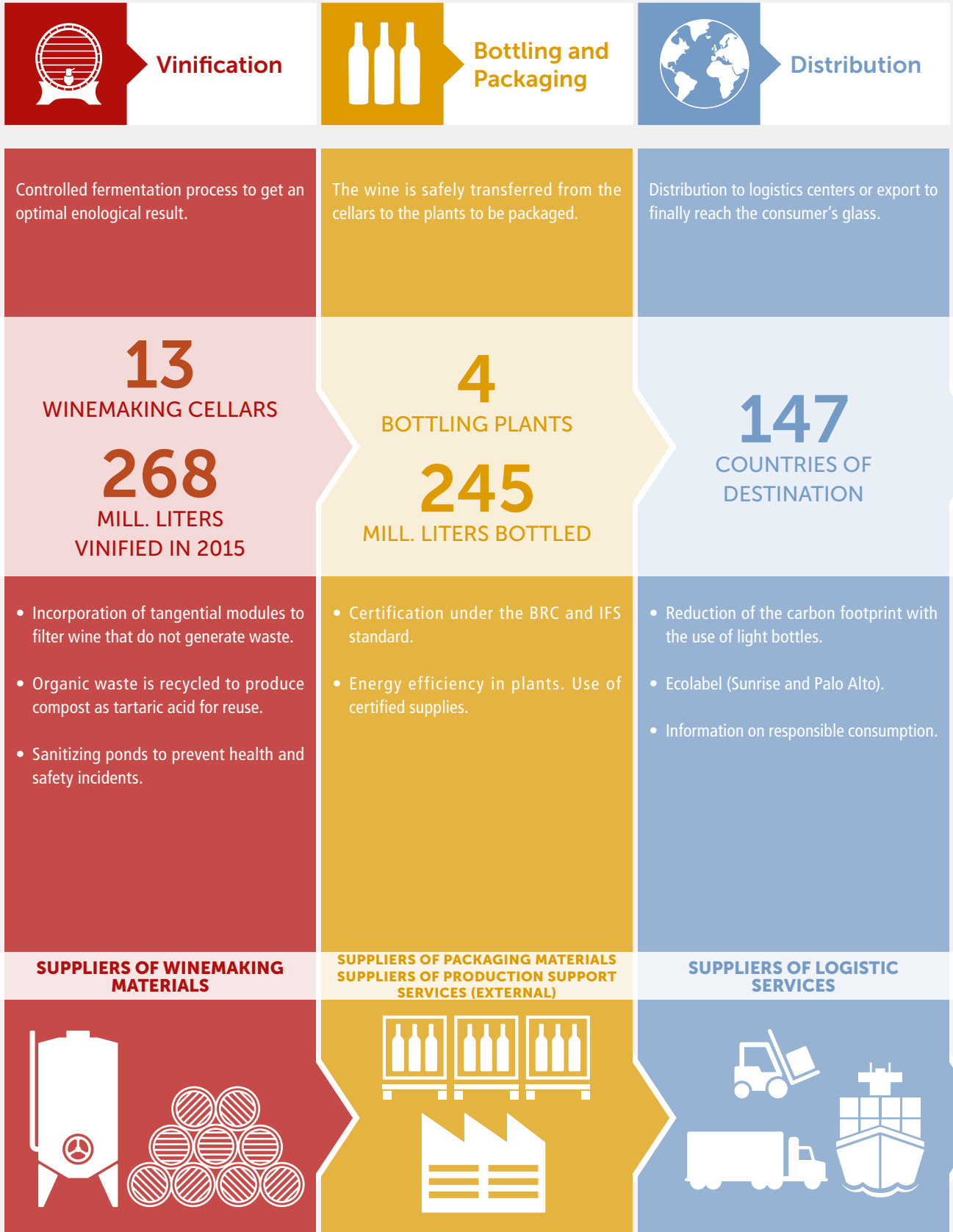
The company has **8,049 hectares** of vineyards in **Chile**.



Production G4-12

Sustainability from the vineyard to the glass

STAGES OF PRODUCTION PROCESS	 Grapevine Growing	 Harvest
DESCRIPTION	<p>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.</p>	<p>The process of collecting and crushing the grapes begins in late March. After harvesting, the grapes are transferred to the tanks in the cellars.</p>
	<p>42 VINEYARDS</p> <p>8,049 HECTARES PLANTED</p>	<p>110 (MILL. KILOS) OWN GRAPES</p> <p>244 (MILL. KILOS) GRAPES FROM THIRD PARTIES</p>
SUSTAINABILITY ASPECT	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • 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.
	AGRICULTURAL SUPPLIERS	GRAPE SUPPLIERS
SUPPLIERS		



Corporate Governance

3rd place in the ranking of Most Admired Chilean Companies 2015.

For its corporate image and the quality of its products.

Ranking by PwC Chile and Diario Financiero

G4-34, G4-38, G4-39, G4-40

Viña Concha y Toro's Board of Directors³ consists of seven members appointed at the Ordinary Shareholders' Meeting based on their experience, knowledge of the industry, skills and professional career. Two of its directors are independent, one of which is elected by the AFPs⁴, and none of the members has an executive position in the company.

The Board leads the company according to the shareholders' best interests. It meets regularly once a month, and extraordinarily when required by the business management.

G4-35, G4-42

The powers of the Board include defining the winery's administrative structure and appointing the CEO, which along with the rest of the senior management are responsible for successfully carrying out the strategic plan and leading the company in accordance with the policies and values approved by the Board.

With the purpose of directing and supervising the senior management and responding to legal requirements, the Board has 4 specific committees, which provide quarterly reports of their findings to the Board.

MEMBERS OF THE BOARD

Alfonso Larraín Santa María
PRESIDENT
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
DIRECTOR
Diplomat

Francisco Marín Estévez
DIRECTOR
Agronomist

Pablo Guilisasti Gana
DIRECTOR
Commercial Engineer



3. More information about the company's Corporate Governance is available in the Annual Report pages 57 – 75.

4. Administrators of Pension Funds in Chile.

Organization Chart

VIÑA CONCHA Y TORO



Board Committees

Name	Members	Function
Directors Committee	<ul style="list-style-type: none"> • Rafael Guilisasti Gana • Jorge Desormeaux Jiménez • Sergio de la Cuadra Fabres 	Responsible for reviewing the financial statements, operations with related parties, compensation plans for managers and executives, as well as proposing candidates for external audit services and monitoring internal control systems, among others.
Audit Committee	<ul style="list-style-type: none"> • Rafael Guilisasti Gana 	Responsible for ensuring compliance with measures to promote investor confidence and market integrity.
Ethics Committee	<ul style="list-style-type: none"> • Sergio de la Cuadra Fabres 	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 Ethics.



Viña Concha y Toro S.A.'s Board of Directors has approved several documents aimed at ensuring proper corporate governance, including:

1. Corporate Governance Code
2. Protocol for Related Transactions
3. Code of Ethics and Conduct
4. Induction Procedure for Directors
5. Policy for hiring consultants
6. Policy for nominating and electing directors

G4-45, G4-46

In addition to their individual functions, the Directors Committee and the Audit Committee are responsible for supervising the proper implementation and monitoring of the Comprehensive Risk Management System. Their findings and conclusions are reported on a quarterly basis to the Board.

On its part, the CEO reports regularly to the Board on the management of major risks, i.e. those related to agricultural production, dependence on suppliers and distributors, possible regulatory changes, competition, and fluctuations in the economy and the market.

The CEO also reports to the Board on the fulfillment of goals and all the relevant matters expressed by the different managers, executive committees and/or main stakeholders.

Board Self-Assessment

G4-44

Seeking opportunities for improvement in the performance and effectiveness of the measures taken by the highest governing body, since 2014 the Board conducts a self-assessment, where each director evaluates the performance of the Board as a whole.

This self-assessment considers the role and effectiveness of the Board's current management, in relation to what is expected, considering the development of the corporate strategy, setting goals, procedures for monitoring and evaluating the organization's performance, regulatory compliance, and ensuring that stakeholders' concerns are being considered.

Corporate Ethics Management

G4-56, G4-57, G4-58

The company has a number of tools and documents for directors, executives and employees of the winery and its subsidiaries to know the principles and ethical values that represent Viña Concha y Toro, as well as the policies and standards that should govern the behavior of all people involved in its business, including the Internal Rules of Procedure, the Code of Ethics and Conduct⁵, the Corporate Ethics Standard, the Protocol for Transactions with Related Parties, and the Crime Prevention Model.

Safeguarding ethical issues is the responsibility of the Office of Compliance, part of the General Corporate Audit department, and the Ethics Committee, who educate employees and define the appropriate behavior according to the company's values and principles, as well as enforce the Code and an ethical management.

The Code of Ethics, which is reviewed annually by the Board, promotes the pursuit

of excellence, integrity and transparency in the relations between the company and its employees, customers and suppliers, in addition to promoting care for the environment, and appropriate ways to use the company's assets and privileged information.

The Corporate Ethics Standard sets out the principles that underpin the company's ethical management system, balancing economic, environmental and social dimensions of business.

G4-41

Conflicts of interest are addressed jointly by the Protocol for Transactions with Related Parties and the Code of Ethics and Conduct, defining the procedures to detect, communicate and manage such conflicts.

Crime Prevention Model

G4-S03, G4-S04

Under Law 20,393 of Criminal Liability of Companies, which aims to prevent money laundering, bribery of national or foreign public officials, and financing terrorism, the company implemented the Crime Prevention Model, which includes a policy and Crime Prevention Officer, appointed by the Board, in addition to a number of procedures for the prevention, detection, response and monitoring of risky situations. The model covers 100% of Concha y Toro's operations.

During 2015, the company developed an e-learning training about the risks associated with Law 20,393, which is expected to be launched and implemented in mid-2016.

Finally, in the last quarter of 2015, the Office of Compliance, in coordination with

the areas responsible for the negotiation and creation of new customers, suppliers and employees, initiated the implementation of a Due Diligence software, called World Check, which allows validating background information globally, both in domestic and foreign subsidiaries, evaluating potential and current customers, suppliers and employees on matters of money laundering, financing terrorism and bribery.

Whistleblower Channel

G4-57, G4-58, G4-S05

All policies and codes that provide guidelines for acting ethically and lawfully are available on Concha y Toro's website, and there is also an e-mail address for questions to the Ethics Committee in case of doubts.

There is also a channel for anonymous and confidential complaints⁶ available on the website, so anyone -employee, customer, supplier, shareholder or third party- can report ethics violations or any issue related to accounting, fraud, asset protection, audits or other internal control matters.

During the period 13 complaints were made and investigated, with no cases of corruption detected.

Type of Complaint	Quantity
Human Resources issues	4
Irregular behavior	4
Irregularities with Clients, Contractors and/or Suppliers	2
Weaknesses in the processes	2
Environmental issues	1

Values that identify Viña Concha y Toro and help it grow:

Excelence

Professionalism

Honesty

Leadership

Transparency

Diligence

Proactivity

Quality

Integrity

Cercanía

Responsabilidad

Viña Concha y Toro was praised by the Global Compact Network Chile in its fight against corruption, for the internal awareness and training campaign on standards of conduct and company values, in the context of the Crime Prevention Model.



5. The Code of Ethics and Conduct is available at: <http://www.conchaytoro.com/wp-content/uploads/2014/06/Codigo-de-Etica-y-Conducta.pdf>

6. The Whistleblower Channel is available at: <http://www.conchaytoro.com/concha-y-toro-holding/informacion-legal-cat/denuncias-anonimas-pt/>.

Sustainability Strategy

Concha y Toro has positioned itself as a world-class player in the wine industry, managing to combine the development of top-quality wines with a sustainable operation that finds its basis in a balanced relationship between economic, social and environmental development.

To maintain its leadership over time, and ensure the development of a production chain in line with its corporate vision, the company developed a Sustainability Strategy,

which consists of six pillars that translate into initiatives with measurable and quantifiable goals.

G4-36

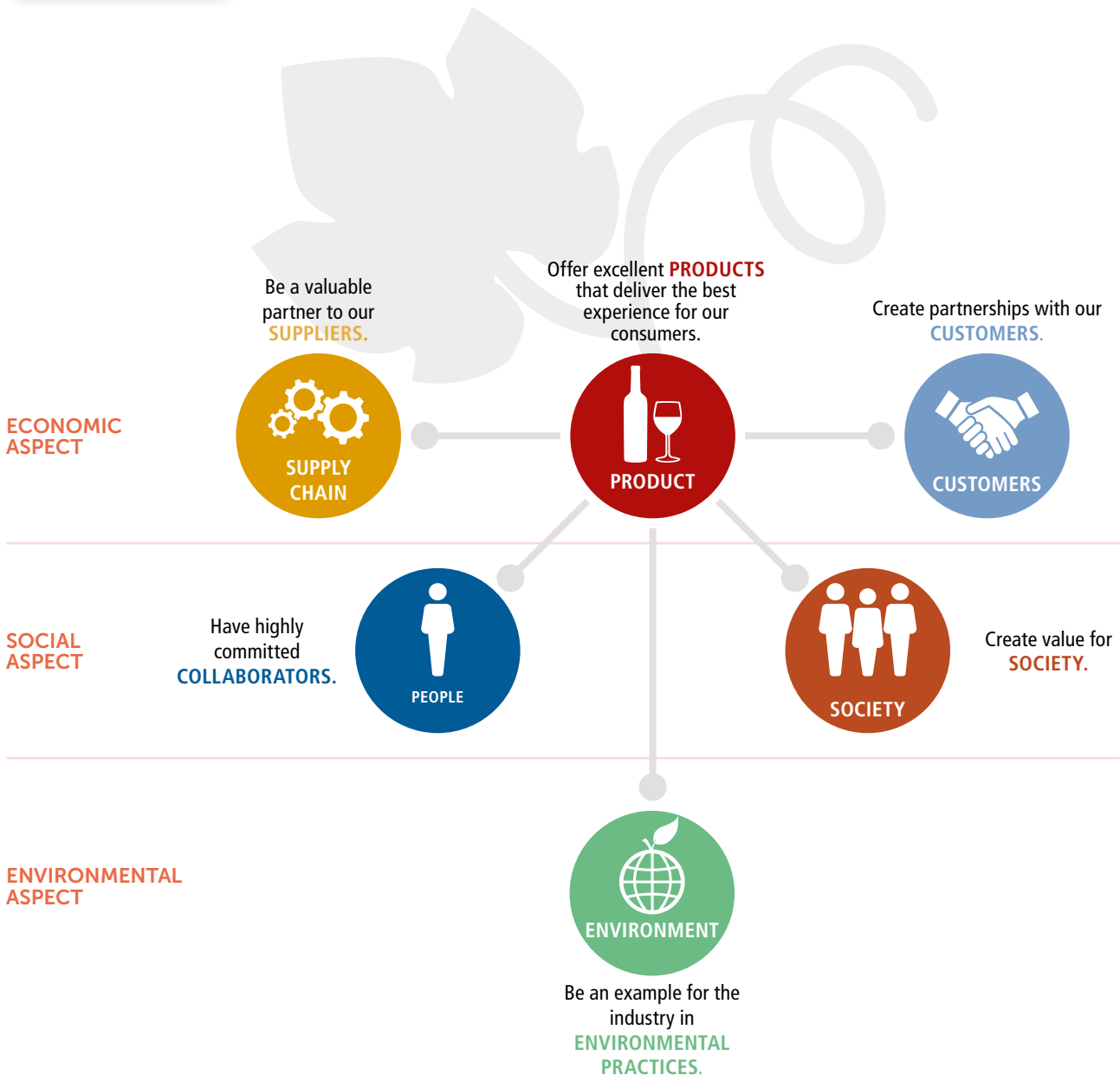
Each pillar is headed by a leader who is responsible for implementing, managing and monitoring compliance with the goals, as well as reporting to the Sustainability Executive Committee, which is composed by the same six business leaders plus the Chief Executive

Officer and the Sustainable Development Manager.

G4-14, G4-37

The Sustainability Strategy was developed considering the most relevant issues and major risks for the company, the industry and Concha y Toro's stakeholders, and covers the performance of its operations in Chile, formalizing the commitment to sustainability as a strategic element of business.

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





Certification and Sustainability

The reputation and recognition achieved by Concha y Toro in Chile and abroad is closely related to the company's commitment to continuous improvement and the quality of its processes and products. In this context, Concha y Toro has adhered to different regulations and standards voluntary or in response to customer requirements, all of which have contributed to assess and enhance the company's sustainability management.

In this line, and with 97% compliance in the recertification audit for the Sustainability Code of Wines of Chile, Concha y Toro reconfirmed its commitment to environmental and social management along the entire value chain of wine. "Certified Sustainable Wine of Chile"⁷.

Additionally, the winery was certified under the Second Clean Production Agreement (APL)⁸ of the wine industry in all its facilities,

Concha y Toro came 4th
in the **MERCO Ranking**

Moving up five positions in the ranking of companies with the best corporate reputation.

1st place in the
Corporate Sustainability
Index 2015

Capital Magazine

satisfactorily complying with 100% of the established goals. This certification aims to encourage and facilitate competitiveness and the improvement of production conditions and environmental performance in the industry, focusing on preventive management in business activities.

This, in addition to the sustainable management of its operations, earned the company to be one of the 12 Chilean

MEMBER OF

Dow Jones
Sustainability Indices

In Collaboration with RobecoSAM 

companies included in the Dow Jones Sustainability Index Chile, the first Sustainability Index of the Santiago Stock Exchange, belonging to the most prestigious family of international sustainability indices.

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

8. More information at: [http://www.cpl.cl/Acuerdos\(APL\)/8-apl-competitividad-y-responsabilidad-en-la-industria-vitivinicola](http://www.cpl.cl/Acuerdos(APL)/8-apl-competitividad-y-responsabilidad-en-la-industria-vitivinicola)

Everyone committed to Sustainability

For Concha y Toro it is crucial that all its employees and workers understand and share its sustainability vision from the moment they join the company. In 2015, 106 employees participated in the induction process, which includes a sustainability module. In addition, 175 seasonal workers took part in the pre-harvest training

program, which also addressed issues of sustainability, environment and efficient use of resources.

Moreover, trainings on the Code of Sustainability were conducted in 64% of plants and winemaking cellars⁹, addressing environmental and social issues such as the efficient use of resources. In addition to this, the company continued strengthening the resource-saving campaign in all its facilities.

Memberships and Associations

G4-15, G4-16

As part of its contribution to sustainable development, Concha y Toro participates in various national and international associations and organizations, which aim to contribute to sustainable development worldwide and in the wine industry in particular.

Associations and Organizations	Mission – Vision	Area of Action
 Water Footprint Network (WFN)	Promote fair and smart use of water.	Environment
 Drinkaware (British organization)	Promote responsible drinking.	Society
 Global Reporting Initiative (GRI)	Empower decision makers, through sustainability standards and stakeholders networks, to take action towards a more sustainable economy.	Economy, Society and Environment
 Bolsa de Clima de Santiago (SCX)	Reduce greenhouse gas emissions (GHG).	Environment
 Asociación Gremial Chilena de Empresas de Bebidas Espirituosas Pro Consumo Responsable (APROCOR)	Promote responsible drinking.	Society
 Instituto de Ecología y Biodiversidad (IEB Chile)	Generate and disseminate knowledge on Chile's natural capital and ecosystems, and promote their conservation.	Environment
 Fundación Chile Unido	Promote family as fundamental at a social and business level.	People
 Asociación de Vinos de Chile	Strengthen the Chilean wine industry; promote responsible drinking and sustainable practices.	Product
 United Nations Global Compact	Promote, disseminate and integrate corporate commitment to sustainable development through 10 principles.	Human Rights, Labor Relations, Environment and Anticorruption
 Consorcio por la Sustentabilidad	Improve the sustainability performance of products, services and consumer habits.	Environment, Society and Product
 Acción RSE	Sensitize and mobilize companies to manage their businesses in a socially responsible manner.	Environment, People and Society
 United Nations Climate Neutral Now	Encourage individuals, businesses and governments to meet the challenge of climate change and contribute to future climate neutrality.	Environment

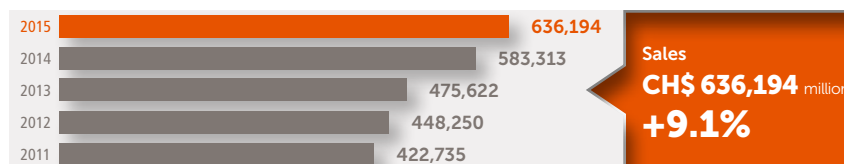
9. Trainings were carried out at the Puente Alto, Cachapoal, Lourdes, San Javier, Chimbarongo and Lontué winemaking cellars, and at the Lontué, Pirque and Vespuccio plants.

Generated and Distributed Economic Value

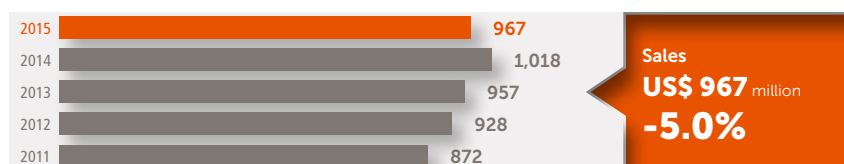
One of the main foundations of Concha y Toro's sustainability is the company's economic health at a global level, considering its production operations in Chile, Argentina and the United States.

2015 was a positive year for the company, despite the slowing economy and increased internal and external volatility. Continuing its investment strategy focused on the premium and above wine segment, Viña Concha y Toro managed to increase its net income by 15.7% over the previous year, totaling Ch\$49,797 million, with consolidated sales of Ch\$636,194,000.

Consolidated Sales (Million CH\$)



Consolidated Sales (Million US\$)



Generated Economic Value

G4-EC1

The company revenues increased by 9.1% during 2015, driven mainly by a 3.4% increase in sales volumes of wine in relation to 2014, and the effects of the exchange rate.

The greatest dynamism in sales was in the premium and above segment, which grew 8.7% in volume, in line with the national and international trend in recent years of consumer preference for higher-priced wines.

Also, the global brand Casillero del Diablo set new milestones this year with an increase in sales of 12.6%, becoming Chile's best-selling wine brand in different markets, most notably in China, where it grew 65%.

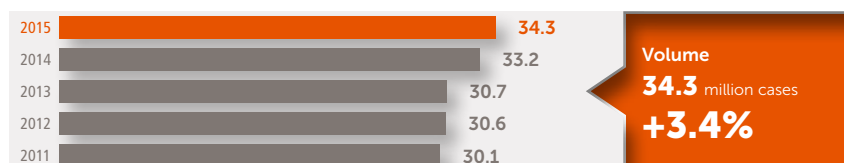
Other key elements of growth in international markets were the company's own distribution, which in 2015 reached 68% of total sales, and the implementation of business and marketing strategies that allowed differentiating the brands.

Distributed Economic Value

The company's value chain consists of different stages and processes, each involving various actors, among which the economic value generated during the period is distributed.

In this context, operating expenses include payments to suppliers and contractors in

Consolidated Volume



Generated, Distributed and Retained Economic Value (Thousand Ch\$)¹⁰

	2014	2015	Variation
Generated Economic Value	591,084,529	644,620,700	9%
Sales Revenues	583,313,064	636,194,074	9%
Other Revenues	7,771,465	8,426,626	8%
Distributed Economic Value	561,551,879	612,186,456	9%
Operational Costs	446,642,401	487,043,714	9%
Remuneration of Employees	74,655,728	79,657,498	7%
Payments to Capital Providers	27,393,779	28,812,406	5%
Community Investment	112,871	154,746	37%
Taxes	12,747,100	16,518,092	30%
Retained Economic Value	29,532,650	32,434,244	10%

the supply chain for goods and services provided.

The salaries of employees and workers correspond to income and benefits agreed in employment contracts.

Payment to capital providers refers to resources given to those who contribute economically to the company's growth. These are divided into financial institutions that receive payment for bank loans and other financial expenses, and shareholders who receive profits annually. In 2015 dividends totaling Ch\$15 billion were distributed, and the company decided to keep as dividend policy the distribution of 40% of net income, excluding that generated by Fetzer Vineyards.

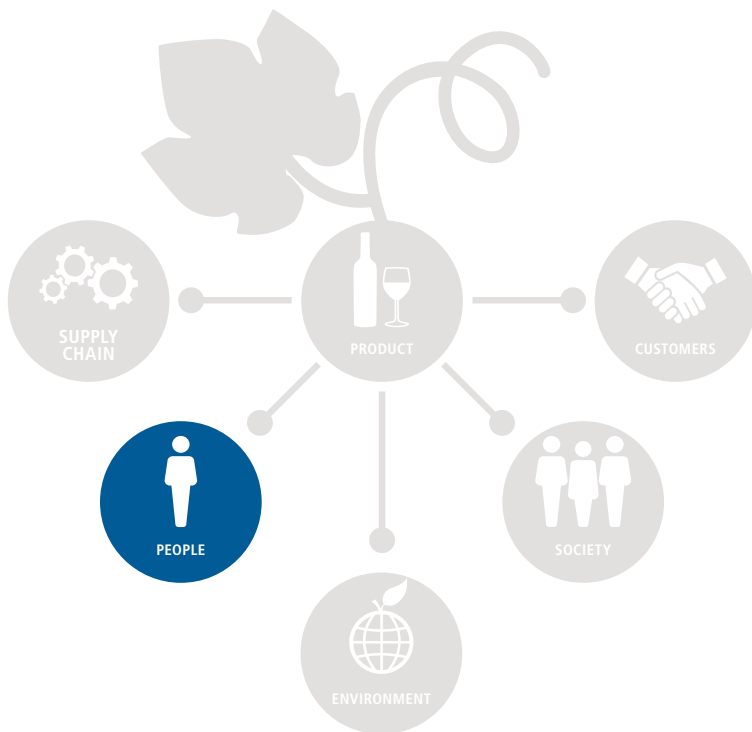
Community investment consists of contributions and investments the company makes to various social programs and donations related to education, quality of life, health and environment in the winery's neighboring towns. In 2015 this contribution grew by 37% over the previous year.

Finally, the contribution to the State corresponds to income tax, which during 2015 increased by 30% compared to 2014, accounting for the growth and good results in the period.

10. The EC1 indicator is calculated taking into account Viña Concha y Toro's Consolidated Financial Statements.

Chapter 2

People



Concha y Toro is leader in the global wine industry, consolidating its position with presence in 147 countries. This is thanks to the work and commitment of its employees, with which it seeks to create long-term relationships of trust in order to maintain its leadership and continue to deliver products that meet the high demands of an increasingly competitive market.

For this reason, the winery has focused on strengthening its internal organizational structure and improving labor relations, its employees' commitment, learning and development opportunities, and internal communications through measurable and quantifiable goals that are assessed every year.



4,750
Jobs in 2015.

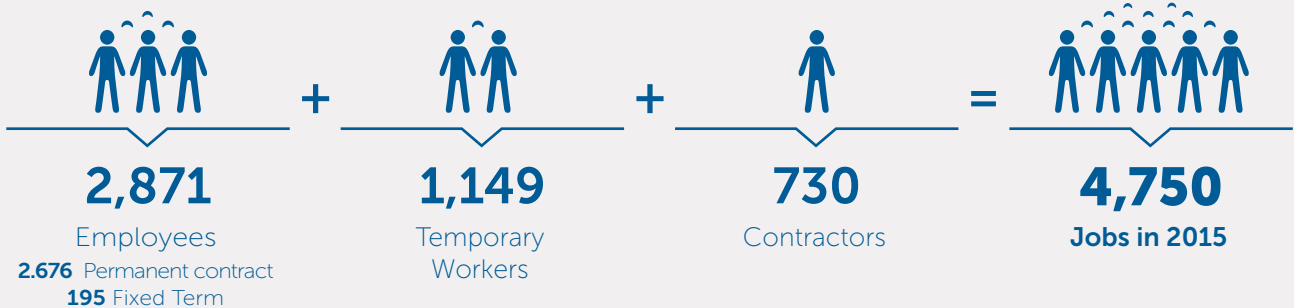
26 hours
average training
per employee.

71,930
Training Hours.



Workforce

“ In 2015, Concha y Toro’s workforce was made up of 2,871 employees in Chile, mainly in the central area of the country. ”



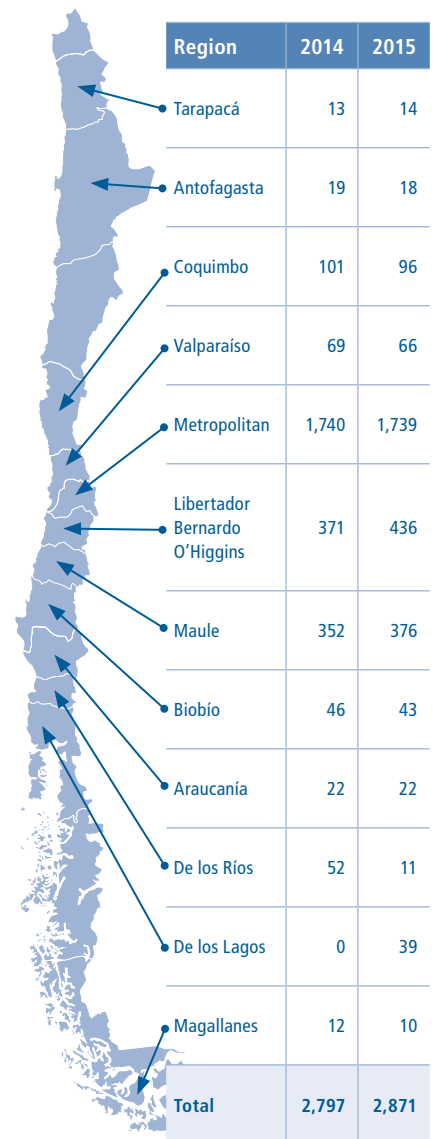
G4-10

In 2015, Concha y Toro’s workforce was made up of 2,871 employees in Chile, mainly in the central area of the country. At December 31, 61% was in the Metropolitan Region, 15% in the O’Higgins Region and 13% in the Maule Region.

Of the total employees, 93.2% had a permanent contract, and in terms of gender distribution, 22% of the workforce were women, not exceeding 17% in the case of managerial and executives positions.

The average monthly number of temporary workers was 1,149 people, working in the different stages of winemaking, while 730 people played supporting roles through contractors in jobs such as food services, cleaning, security, production, gardening and recycling. In the case of temporary workers, the percentage of women was 30% of the total, and in the case of contractors, 55%.

Average Personnel (Fixed Term and Permanent) per Region



Viña Concha y Toro Average Personnel

Type of Contract	2014			2015		
	Women	Men	Proportion	Women	Men	Proportion
Permanent	555	2,079	94%	588	2,088	93%
Fixed Term	44	119	6%	47	148	7%
Total	2,797	100%	2,871	100%		

Average Personnel per Category

Job Position	2014		2015	
	Women	Men	Women	Men
Managers, Assistant Managers and Executives	19	81	19	98
Professionals and Technicians	250	461	276	498
Administrative Staff	187	440	205	426
Salespeople	27	204	32	194
Operators	116	1,012	103	1,021
Total	2,797	2,871		

Average Personnel – Temporary Workers

	2014			2015		
	Women	Men	Total	Women	Men	Total
Contractors	355	328	683	402	328	730
Temporary	375	886	1,261	337	812	1,149

Temporary Workers

“ Temporary workers have played a key role in the industry, participating in different stages of the production cycle, particularly in the harvesting process and specific agricultural tasks. ”

G4-10

Given the nature of the wine business, historically temporary workers have played a key role in the industry, participating in different stages of the production cycle, particularly in the harvesting process and specific agricultural tasks. Aware of the importance of their work, Concha y Toro provides safe and beneficial conditions for them through various initiatives focused on their needs.

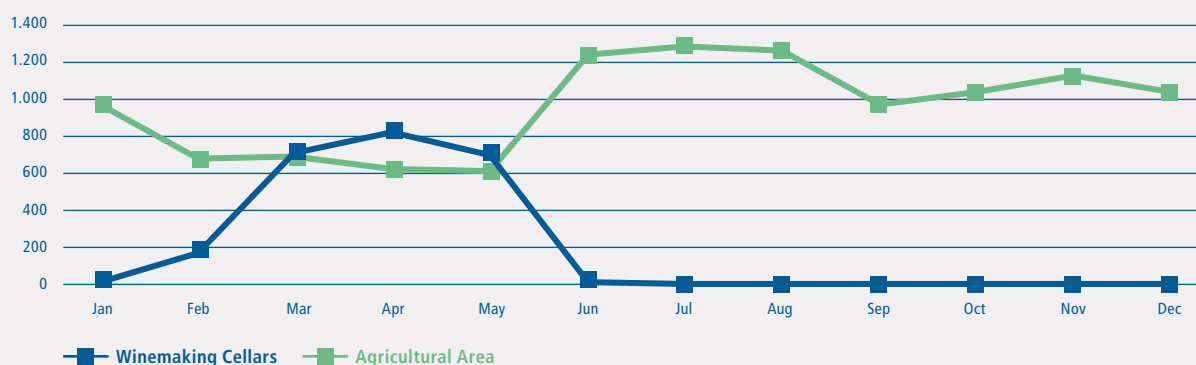
For seasonal workers in the harvest process the company offers courses that complement their induction process, depending on the work they perform. The topics covered in

these courses are related mainly to four areas: factors affecting the quality of wine; good practices in occupational safety and health; sustainable production in winemaking cellars; and self-management and proactivity.

In addition to this, seasonal workers receive bonuses for night shifts, performance and end of harvest, depending on their job position. They also have food benefits at the company's cafeteria, are provided with shuttle buses or payment of public transport, and receive a monthly gift card between March and June to purchase food in supermarkets.

Temporary workers in the agricultural area are mainly employed during the stages of pruning, green management of the vineyard and harvesting, as well as for the development of planting projects that require specialized personnel. In terms of benefits, they have access to those of the Compensation Fund with which the company has an agreement, and receive a bonus on Christmas and on the National Holiday.

Temporary Personnel 2015





Talent Management

“ With the conviction that a leading company needs to foster the skills and abilities of its employees, Concha y Toro is committed to support them in their personal and professional development. ”

With the conviction that a leading company needs to foster the skills and abilities of its employees, Concha y Toro is committed to support them in their personal and professional development. The company has a strategic goal, and provides opportunities for training, innovation and professional growth to maximize their potential and development.

Annual training plan and Knowledge Center

G4-LA10

The Annual Training Plan was conceived as a process of continuous learning, structured according to the training requirements identified by each management. The Plan currently runs

parallel to the trainings developed at the Knowledge Center.

G4-LA9

In 2015 the average training per employee was 25 hours per year, decreasing by 15% in the number of people trained, but increasing 10% in terms of hours of training compared to 2014.

Training 2015

		Executives	Professionals and Technicians	Administrative Staff	Operators	Salespeople	Total
N° of employees trained	Women	6	101	20	500	24	651
	Men	2	195	50	1,739	84	2,070
	TOTAL						2,721
Hours of Training	Women	131	3,165	1,251	14,060	832	19,439
	Men	24	3,651	1,050	46,784	982	52,491
	TOTAL						71,930¹¹
Average hours of training per employee	Women	31					
	Men	25					
	TOTAL	25					

11. Considers Scholarships, Knowledge Center and Training Plan.

Also, seeking to improve its employees' knowledge, the company has a scholarship program that covers part of the annual fees for graduate degrees or certificates, and even 100% in some cases. In 2015, a total of 39 employees benefited from this program, twelve more than in 2014, totaling 27,514 hours of education.

The Knowledge Center is an internal school for the professional development of Concha y Toro's employees, giving continuity to all technical and relational knowledge provided, through a curriculum of courses focused on standardization and competition in different areas.

The programs provided by the Knowledge Center cover topics relating to technical, security, relational and behavioral content ranging from the development of personal, organizational and teamwork skills, including issues related to quality and safety standards, to trainings on process management, logistics, packaging and maintenance, among others.

During 2015, the Knowledge Center implemented 16 training programs, six more than in 2014, increasing the participation of employees by 32%, which meant the participation of 1,258 people. Also, the amount of training hours increased by 43%, totaling 14,190 hours.

To enhance the work done through the Center, Concha y Toro decided to establish a program of "Custom-made Diplomas" in partnership with prestigious universities. In 2015 it developed the Diploma in Autonomous Maintenance of Industrial Processes,

"We are committed to encouraging the technical and personal development of our people to the level they deserve. We care about every detail, especially creating a partnership with a university known for its excellence in technical subjects"

Cecilia Cobos
Human Resources Manager

which was implemented by Universidad de Santiago, and aims to level the knowledge of operators of different production lines and areas: unpalletizing, bottling, packaging, and labeling. The Diploma was developed in collaboration with the Operations Department in Pirque, and will have 63 students until May 2016.

In economic terms, training activities carried out under the Annual Training Plan, including scholarships, plus those conducted by the Knowledge Center, meant an investment of Ch\$380 million, 7% more than in 2014.

so in 2015 it continued working on the process of implementing a performance evaluation to measure the fulfillment of objectives and competencies based on certain criteria. In 2015, 332 employees -242 men and 90 women- were evaluated under this system.

Also, internal mobility options are provided in two ways: one open and another one closed. The first is available for the entire company, through open applications, while the second is generated when a vacancy is offered to a specific employee.

Career Development

G4-LA11

For Concha y Toro it is important to create opportunities for internal development,

"Aperra con tus Ideas",



To encourage and recognize internal innovation, the Human Resources Management launched in 2015 the "Aperra con tus ideas" campaign. Through a cross-cutting campaign to which all employees are invited to participate, this project seeks to highlight and reward ideas that contribute to productivity and cost reduction in all areas of the company.

Participants submit their proposals through forms, which are evaluated by a committee composed of the Human Resources Manager, the CEO, the Department Manager and the applicant's direct boss.

31 ideas were submitted in 2015, 4 of which were rewarded for improving productivity and efficiency at work, granting their creators an additional basic salary. There were also 10 honorable mentions, which were rewarded with a special dinner for two.

People Management

“During the last two years the Corporate Leadership Program has sought to generate and improve internal relations capabilities focused on the organization’s leaders.”

Fulfilling the strategic objectives depends on the commitment of each and every person who is part of Concha y Toro. That is why the company carries out various initiatives to build constructive labor relations based on trust, respect and teamwork.

In this context, during the last two years the Corporate Leadership Program has sought to generate and improve internal relations capabilities focused on the organization’s leaders, to ensure that they have technical and social skills to lead teams successfully. The training workshops are aimed at Concha y Toro’s managers and supervisors. During 2015, 55% of leaders participated in the program, and for 2016 the company expects to train 100% of them.

During 2015, along with working on improving the results of the previous year’s evaluation, the company conducted a training workshop and carried out internal and external evaluations.

Measuring Engagement

In order to know employees’ level of engagement and satisfaction, in 2014 Concha y Toro commissioned an external company to conduct a biennial evaluation, whose results were analyzed in 2015 both at a company level, and specifically by management, department, estate, winemaking cellar and plant.

At management level, the results were presented together with a reflection on the main aspects for improvement, based on which action plans were generated and supplemented with the training needs detected by each management.

As a result, the main measures taken were: strengthening the Performance Management System; communication between managers, head of departments and employees; recognition mechanisms; benefits; communication and adaptation of objectives to each management; closeness to senior management; and training processes.

Relations with Unions

Concha y Toro recognizes and respects the right to organize and collective bargaining, encouraging collaborative work and harmonious relations with all employees and their unions, both within the company and throughout its supply chain.

During 2015 two unions were dissolved and there was also a 2% decline in the unionization rate because of rotation. Beyond these figures, the company closed the year with 8 active unions, representing 28% of the company’s average workforce. Also, on average 31% of employees are covered by a collective agreement or contract.

Thanks to the joint work between the company and its unions, there were 5 collective negotiations with the unions of VCT Chile, the winemaking cellar in Chimbarongo, the Lontué and Lourdes plants, and Transportes Viconto.

Promoting wellbeing and benefits

Aiming to improve people’s quality of life, Concha y Toro develops various activities to encourage physical and psychological wellbeing. For this, there are 10 local quality of life committees responsible of coordinating various activities and promoting dialogue between the winery and its employees.

During 2015 there were several celebrations to recognize employees’ contribution to the company, including two lunches at the end of the harvest, which gathered more than a thousand people coming from Limarí to Maule, and where 25 employees were rewarded for their commitment, dedication and excellence. In addition, the company organized a lunch with more than 700 employees from the areas of Operations, Winemaking, Supply Chain and Transportes Viconto to recognize and acknowledge the daily work they do.

Number of Unionized Employees

Union	2014	2015
Sindicato Unificado	432	402
Sindicato Comercial Peumo	144	155
Sindicato Planta Lontué	111	134
Sindicato Nueva Esperanza Peumo	44	0
Sindicato Fundos Lourdes y Sta. Raquel	27	0
Sindicato Lourdes	28	29
Sindicato Bodega Chimbarongo	27	32
Sindicato Transportes Viconto	14	15
Sindicato San José Don Melchor	10	0
Sindicato Bodega Cachapoal	2	20
Total	839	787

G4-11

Number of Employees Under Collective Agreement or Contract

Collective Agreement and Contract	2014	2015
Contrato Sindicato Unificado	461	435
Siglo XXI (Anexo Contrato)	235	165
Convenio Sindicato Lontué	108	131
Contrato Sindicato Comercial Peumo	79	72
Convenio Sindicato Nueva Esperanza Peumo	44	0
Convenio Sindicato Lourdes y Sta. Raquel	27	0
Convenio Sindicato Lourdes	33	37
Convenio Sindicato Chimbarongo	29	32
Contrato Sindicato Transportes Viconto	14	15
Convenio Sindicato San José Don Melchor	10	0
Convenio Sindicato Bodega Cachapoal	0	22
Total	1,040	909

Some Benefits for Full-Time Employees

-  Supplemental Health Insurance
-  Collective Health Insurance Plan (Isapre)
-  Health, recreation, and cell phone benefits
-  Discounts on company products
-  Recreation days for employees and their families
-  Bonuses



Moreover, every year the winery honors employees with 35 years at the company, who in 2015 were 28 people from different subsidiaries and departments.

Also, the company provides psychological, physical, economic and family benefits, such as health prevention programs, drug and alcohol prevention programs, competitive funds, sports championships and benefits, and holiday programs for employees' children, among others.

Employee Support Program

In June 2015 the company implemented the Employee Support Program, which offers employees counseling on sensitive matters affecting their wellbeing and that of their families. The program includes free psychological therapy sessions and telephone counseling on legal and financial matters. Although this initiative is aimed at employees, exceptions are possible for family members when warranted. Since its implementation, the program has provided effective counseling in 121 cases between June and December.

Wages and Bonuses

Fair and competitive wages are a must for any world-class company that seeks to create and maintain the commitment of its people. Therefore, Concha y Toro defines remuneration considering internal and external factors. The Remuneration Policy provides the internal equality

G4-LA13

Percentage Ratio of Women's Wages Relative to Men's Wages in Concha Y Toro

Job Category	2014		2015	
	Base Salary	Average Salary ¹²	Base Salary	Average Salary
Managers and Assistant Managers	90%	90%	94%	90%
Professionals and Technicians	88%	88%	81%	81%
Administrative Staff	98%	94%	91%	88%
Salespeople	112%	76%	91%	80%
Operators	87%	92%	73%	72%
Total	95%	88%	86%	81%

factor per job position, while researches relating to the labor market, taking into consideration peer companies, are used to define competitive compensations that allow the company to have employees of the highest level.

Remuneration is composed of a base salary that includes monthly and annual compensation, and a variable one that considers bonuses, commissions, overtime and incentives.

The Remuneration Policy considers gender equity in pay, in line with the principle of non-discrimination to which the company adheres. However, in practice there are differences that can be explained by several reasons not attributable to gender. For example, in the professionals and technicians job category the difference is related to the increased presence of women in technical positions with lower pay; and in the case of salespeople, historically men have a better performance, increasing their

variable salaries due to the fulfillment of business goals.

The gender disparity is similar to that at the national level, which according to the Superintendency of Pension Funds was 15.5% in 2015, something that undoubtedly represents a challenge for the organization.



In 2015, the company created the Customer Service Performance Bonus (**Bono de Gestión SAC**), which awards the excellence of the personnel providing daily customer service.

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



Health, Safety and Workplace Conditions

“ It is worth noting the consolidation of the Health and Safety Department in 2015 after growing sharply in the previous period. Today it has an outstanding professional team of engineers specializing in risk prevention and paramedics. ”

G4-LA8

The management of health and safety is responsibility of the Department of Risk Prevention, which works on the basis of pillars and action plans focused on educating employees about the proper ways to perform their work, teaching them to analyze and assess risks and dangers. In addition, it has to generate statistical information and work plans to reduce the accident rate, and develop specific training workshops according to the

criticality of risks, the accident rate and legal requirements.

It is worth noting the consolidation of the Health and Safety Department in 2015 after growing sharply in the previous period. Today it has an outstanding professional team of engineers specializing in risk prevention and paramedics, and a standardized work program, enabling progress in matters of legal

compliance, document management, training, emergency care and management in the field.




Additionally, ethical standards in matters of hygiene, safety and occupational health of clients such as the Nordic Monopolies, WALMART, TESCO, and Woolworth, among others, were incorporated into the Occupational Health and Safety Management System.



“ In early 2015, the company launched the campaign “**Eight key tips for your and everyone’s safety**”, as part of the campaign “**Eight Golden Rules of Safety**”, which seeks to raise awareness among employees on key safety concepts at the workplace. Eight basic guidelines were established, each identified with a specific color for easy reading and recognition. ”


G4-LA7

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.	Possible skeletal-muscle diseases	Job position studies and implementation of Musculoskeletal Trauma Protocol, according to the Ministry of Health's manual, together with the ACHS. Use of PPE and mechanized transport.
		Sensorineural hearing loss (Occupational deafness)	Adjusting line speeds to avoid bottles from clashing with one another, 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.
 Operators	Application of pesticides.	Potential lung, respiratory diseases	Implementation of Pesticide Protocol (Pesticide Management System). Personnel that applies, rations and manipulates is under medical monitoring by the ACHS, with annual medical checkups; use of personal protection equipment (PPE).
 Operarios	Storage of hazardous substances, dosage and handling.	Potential lung, respiratory diseases	Exposed personnel are under annual medical monitoring by the ACHS and there is a job position quality assessment implemented. Personnel is provided with PPE, according to their job, and they are trained in Handling and Storage of Hazardous Substances.

Main Figures

G4-LA6

 The agreement signed with the Chilean Safety Association (ACHS) in 2014, which aims to reduce accidents and days lost by 50% in Concha y Toro, resulted in a reduction of the accident rate by 18% in 2015. However, and mainly due to the decrease in the company's workforce, the average working days lost rate increased over the previous year, although in practice the number of days of medical leave due to occupational accidents fell by 88 days.

Particularly in the case of Transportes Viconto, the accident rate dropped by 32% due to a lower number of accidents, while its average days lost rate increased dramatically due to an accident that implied 125 days of leave.

VCT Chile also reduced its accident rate, but by 12% compared to 2014.

Occupational illnesses are directly addressed by the ACHS, who incorporates those employees to the Medical Monitoring Program.

G4-LA5

Finally, in 2015, and in partnership with the ACHS, Concha y Toro began

“This initiative goes hand in hand with the change in safety culture we are promoting. We do not want joint committees to just comply with the law, we want to go further. Our intention is to strengthen them to be autonomous and to propose and implement improvement plans that will directly benefit everyone who works at the company”

César Mayorga
Chief of the Risk Prevention Department

the certification process of the joint committees in the company. This will give greater autonomy to the 45 joint committees in Concha y Toro's different working areas, such as winemaking cellars, plants and offices. During the year, eight committees received training

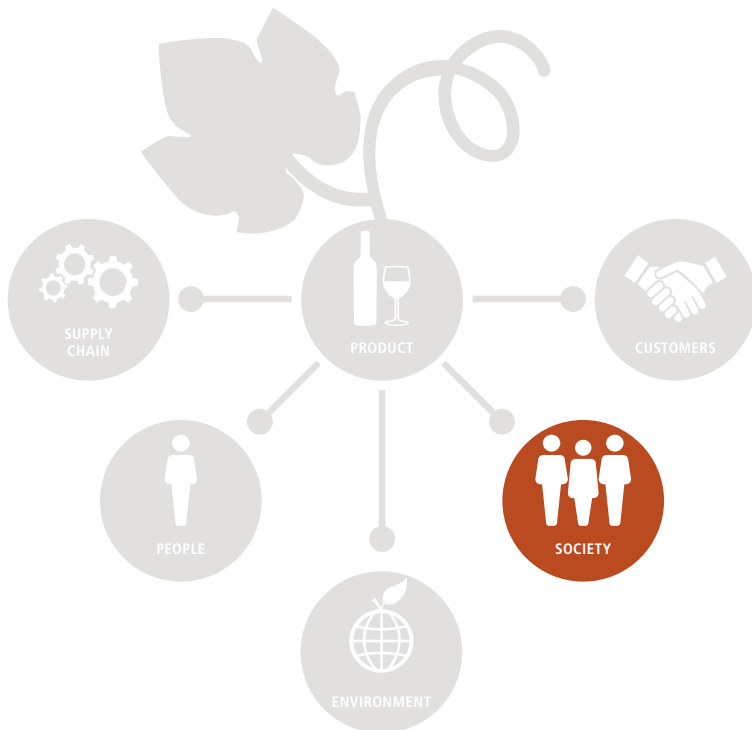
to be certified, providing them with the necessary tools to be autonomous and generate projects relating to occupational safety and health that benefit all employees.

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 2013	237	2,484	5.6	69
Total 2014	196	3,146	6.4	76
Total 2015	174	3,071	5.3	93

Chapter 3

Society



Aware of being a major player in the global wine industry, Concha y Toro is committed to being a company that creates value for society and the environment in which it

operates, being a fundamental aspect of its sustainability strategy.



16 small grape growers

benefited by the Productive Alliances Program.

3 international seminars

in the CRI opened to stakeholders.

38 scholarships awarded

through the company's Scholarship Program.





Support for Local Development

“ The company seeks to support local development through projects and initiatives aimed at the generation and transfer of skills and knowledge, creating value in the social, economic and productive environment in which it operates. ”

The company seeks to support local development through projects and initiatives aimed at the generation and transfer of skills and knowledge, creating value in the social, economic and productive environment in which it operates.

In this context, in 2014 the company launched, together with the National Institute of Agricultural Development (INDAP), the Productive Alliances program, which aims to strengthen local suppliers of grapes through technical, commercial and agricultural management advice. The program began with a group of 16 small grape growers, and during 2015 the company carried out technical visits in the field to design traceability records at a farm level, provide phytosanitary management advice, and train growers in developing a management plan to increase productivity. It also provided advice on pruning, nutrition and a repopulation program for “país” grapevines, as well as support when applying to INDAP investment programs.

Additionally, during the year the company conducted talks and presentations on topics of interest relating to wood, risk management, sustainability and a digital literacy workshop, which was attended by 12 “país” grape growers. At the end of the growing season, the average yield in kilos of grapes exceeded the set goal by 59.5%, reaching 12.4 tons per hectare.

The consolidation of the Center for Research and Innovation (CRI) implied opening to the community and incentivizing students’ interest in science and research. In 2015 there was a special emphasis on carrying out activities with technical institutes and schools, as well as in conducting talks with students from three leading universities in the country, and carrying out working sessions with Consorcio I+D de Vinos de Chile, UC Davis Chile, and businesspeople in the VII Region.

Also, the CRI organized three international seminars open to the community, and

Of the total number of visits to the **Center for Research and Innovation** in 2015, more than half were from outside the company¹³, positioning itself as a place where different actors in the wine sector can meet and exchange knowledge.

several working sessions with Government bodies (CORFO, FIA, ProChile, INE and SAG) as well as internal technology transfer activities together with the Agricultural and Technical managements.

13. The total of attendees to all CII initiatives was 1,084 people, 594 of which were from outside Concha y Toro.

Given the importance of education for the social and professional development of people, **Concha y Toro has maintained its commitment to this matter through its Scholarship Program, which helps finance higher education studies of low-income youth.**

In 2015, it maintain the resources and number of scholarships granted for studies at Fundación Juan Pablo II and Las (5 and 20 respectively); while the Concha y Toro scholarship managed by Fundación Eduardo Guilisasti Tagle continued funding the 13 students who obtained it in 2014.



Finally, the CRI's Strategic Plan 2016-2020 developed in 2015 includes the development of five strategic lines of work with a total of 50 initiatives, whose results will directly benefit the community and the wine industry in general.

Community Management

G4-S01

In order to establish relationships of trust and mutual respect with its neighbors, Concha y Toro has established a procedure that allows channeling initiatives, requests and concerns raised by the inhabitants of the neighboring districts and towns. Under this procedure, each estate, winemaking cellar or plant has a delegate of Community

14. Chief of winemaking cellar, plant or estate manager.

Relations¹⁴, who receives requests and channels them to the appropriate department, delivering a response within five working days.

G4-S02

In terms of impact, none of the company's operation centers generate significant negative impacts on local communities; on the contrary, it is constantly seeking to develop activities and programs that generate positive impacts, supporting civic-cultural initiatives valued by its neighbors.

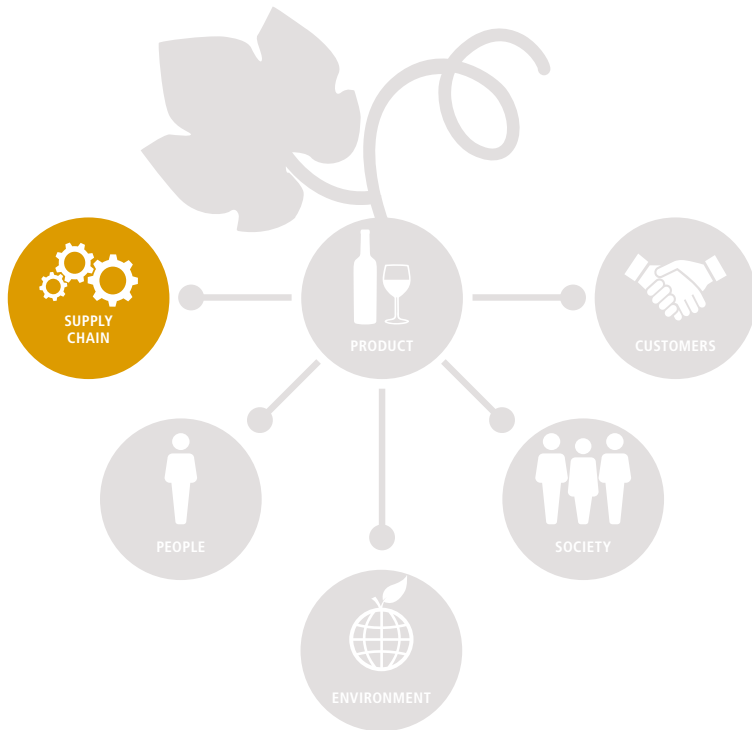
In 2015 the company allocated resources to the development of investment initiatives in the communes of Pirque and Péncahue. In the first one, it helped reopen the

municipal library through the donation of furniture and outdoor equipment, as well as public parking spaces for bicycles. In Péncahue, it launched a project called "A New Image for Corinto", which seeks to give value to the town and the work of its inhabitants.

Also, on the 100-year anniversary of the Talca-Constitución railway branch, Concha y Toro took part in the celebration and, to thank the local community, donated a limited edition of 300 bottles of Palo Alto wine, from the Maule Valley, which was offered to all the guests at the ceremony.

Chapter 4

Supply Chain



Concha y Toro wines reach the table of consumers around the world thanks to the coordinated action, work and commitment of both internal collaborators and all members of its supply chain.

The supply chain strategic pillar is developed around three main focuses. The first seeks to convey the way Concha y Toro works to its suppliers, supporting them through guidelines that contribute to a management based on ethical and sustainable practices. Then, the

supply focus centers on internal work, to make operational and logistical processes more efficient. And finally, the sustainable focus seeks to transfer good social and environmental practices to suppliers, supporting them to improve their management.

Seeking to be a strategic partner rather than a client, the company manages specific improvement projects, organizes annual meetings with strategic suppliers, and leads a Supplier Development Plan.

G4-EC9

Concha y Toro Suppliers

Suppliers	2013		2014		2015	
	Number	Percentage of Expense	Number	Percentage of Expense	Number	Percentage of Expense
Foreign	450	2%	486	3%	392	4%
Domestic	6,198	98%	7,107	97%	5,330	96%
Total	6,648	100%	7,593	100%	5,722	100%



13 Suppliers

of packaging were audited for second time upon ethical and sustainable requirements.

99%

of total bottles used were lightweight.

96%

of total suppliers were domestic.





Optimization of Supplies and Raw Materials

“Optimizing internal processes, supplies and raw materials management is very important both to generate internal efficiencies and savings and to promote synergies with all those who are part of the supply chain.”

Optimizing internal processes, supplies and raw materials management is very important both to generate internal efficiencies and savings and to promote synergies with all

those who are part of the supply chain. In this context, in recent years Concha y Toro has committed to review and improve its processes.

During 2015, due to the improvement of purchases planning, which began in 2014 with the consolidation of the department specifically created for this purpose, there

was a decrease of 54% in the amount of obsolete supplies in relation to the previous year.

Additionally, in the second half of 2015 the “Delivery Windows for Suppliers” project (Ventanas de Entrega a Proveedores) was completed in the company’s three production plants. This initiative consists in scheduling deliveries at specific times, and has reduced delivery times and truck queues. For suppliers, these efficiencies involve savings in transport costs, freight and improvements in the quality of life of drivers, allowing them to organize their lunch hours and end of workday.

This, together with the process of quarterly projections issued every month by the Department of Supplies Planning, has improved release rates of production orders.

Aiming to create a simpler and more centralized purchasing model, with strategies that leverage the competitiveness of the winery, in 2015 a new Purchasing Management Department was created to manage the company’s purchases in Chile, with the exception of those in charge of the Negotiations Management, purchases of goods and services specific to the Agricultural Management, and purchases of grapes and wine.

Frost in 2013 caused a decrease in the quantity of grapes available for the 2014 period. In 2015, there was a significant increase of both grapes and other supplies used in the production process due to greater demand for wine and the company’s growth.







As a goal for 2016, Concha y Toro expects to achieve a better balance between price and working capital, improve assertiveness in projections and capitalize on economies of scale with such projections.

Release Rates of Production Orders



	Pirque		Lo Espejo		Vespucio	
	2014	2015	2014	2015	2014	2015
3T	85,8%	87,0%	87,0%	89,2%	73,9%	72,7%
4T	82,8%	91,4%	89,5%	92,6%	84,5%	82,5%
Totales	84,3%	89,2%	88,2%	90,9%	79,2%	77,6%

Main Supplies for Production








Stage 1: Grapevine Growing and Care (Agriculture)

Supply or Material	2013	2014	2015	Variation
 Fertilizers (tn)	1,588	1,801	1,151	-36%
 Fertilizers (lt)	1,222,389	1,743,279	431,797	-75% ¹⁵
 Herbicides (tn)	19.1	14.6	5.6	-62%
 Herbicides (lt)	34,872	43,004	60,204	40%
 Phytosanitary (tn)	881.3	702	746	6%
 Phytosanitary (lt)	27,579	24,186	34,090	41%









Stage 2: Grape Harvest

Supply or Material	2013	2014	2015	Variation
 Own grapes (tn)	104,547	83,555	109,512	31%
 Grapes from third parties (tn)	245,475	200,346	243,643	22%

Stage 3: Vinification (Winemaking)

Supply or Material	2013	2014	2015	Variation
 Additives (tn)	488	680	861.6	27%
 Filtering Products (tn)	634.1	524.5	568	8%
 Gases (tn)	943	908	888	-2%
 Washing Sanitizing Products (tn)	341.8	298	336	13%
 Preservatives (tn)	155.7	179.5	216	20%
 Nutrients (tn)	91.4	90	103	14%
 Clarifiers (tn)	88.9	85.6	74.6	-13%

Stage 4: Bottling and Packaging

Supply or Material	2013	2014	2015	Variation
 Bottles (tn)	76,012	77,239	87,432	13%
 Labels (tn)	257	209	318	52%
 Corks (tn)	390	358	415	16%
 Capsules (tn)	99	100	111	11%
 Caps (tn)	315	443	567	28%
 BIB (tn)	353	371	422	14%
 Tetra Pak (tn)	1,214	1,221	1,218	0%
 Cases and Partitions (ton)	8,611	7,301	7,749	6%

15. This difference is explained by a change in the formulation and source of liquid fertilizers.



Promoting sustainability in the Supply Chain

“ For Concha y Toro sustainability is a way of doing business, considering not only internal management but also the way the company behaves and relates with its supply chain. ”

For Concha y Toro sustainability is a way of doing business, considering not only internal management but also the way the company behaves and relates with its supply chain. Through the Code of Conduct for Suppliers the winery extends its ethical framework to its suppliers, aiming to build relationships based on mutual trust and transparency. The Code applies to all suppliers and contractors, as well as their respective employees, agents and subcontractors.

For each type of supplier, the company has adopted different approaches that aim to make progress in excellence through three initiatives: the Suppliers, Sustainability and Carbon Footprint Program, created by the winery; the BSCI Code of Conduct, a requirement of international customers; and finally, the Sustainability Code of Wines of Chile, to which the company adheres voluntarily.

Evaluation of Suppliers

In the context of the Suppliers, Sustainability and Carbon Footprint Program, developed in 2011, every year Concha y Toro assesses the environmental and social practices of its main packaging suppliers, in addition to

requesting them to measure and verify their carbon footprint. In 2015, 13 suppliers of dry supplies submitted their product carbon footprint to Concha y Toro, measured and verified by an external party.

Also, under the same program, in 2015 the company conducted the second audit of compliance with the basic level of the Ethics and Sustainability Requirements Standard for Suppliers, created by the company, in line with Concha y Toro's Code of Ethics and Conduct and Code of Conduct for Suppliers. An external auditor assessed 13 suppliers, and later gave each recommendations and action plans to improve their performance.

G4-EN33, G4-LA15, G4-HR5, G4-HR6

Overall, the results were positive, finding space for improvement mainly in suppliers' declarations of principles and procedures

regarding labor, social and human rights issues, which were resolved satisfactorily. In 2016 the company expects to audit compliance with the intermediate level of the standard.

Additionally, during 2015 Concha y Toro was subject to five client audits. External service providers also participated in these five audits, being audited as part of the company's personnel. These included: Prosegur, Aramark, LPS, Grupo Norte, Roquefort, Proactiva and GPS, as they all have personnel working on the company's premises.

Finally, in 2015 the company organized three training workshops with suppliers. These aimed at strengthening the non-conformities or deficiencies found in the Supplier Development Program audits, in the areas of quality, legality and safety.

G4-EN32, G4-LA14

Suppliers according to internal categories	% Evaluated		Type of Evaluation
	2014	2015	
Grape	22%	28%	Sustainability Code
Packaging Materials	94%	92%	Ethics and Sustainability Requirements Standard
External Services	94%	100%	BSCI Code

Materiality Assessment

G4-EN27, G4-EN28, G4-EN2

An important part of the environmental impact of Concha y Toro’s products comes from containers and the packaging of its wines. That is why the winery works closely with suppliers, supporting and encouraging initiatives that help reduce its impact through the use of potentially recyclable, recycled and environmentally friendly supplies.

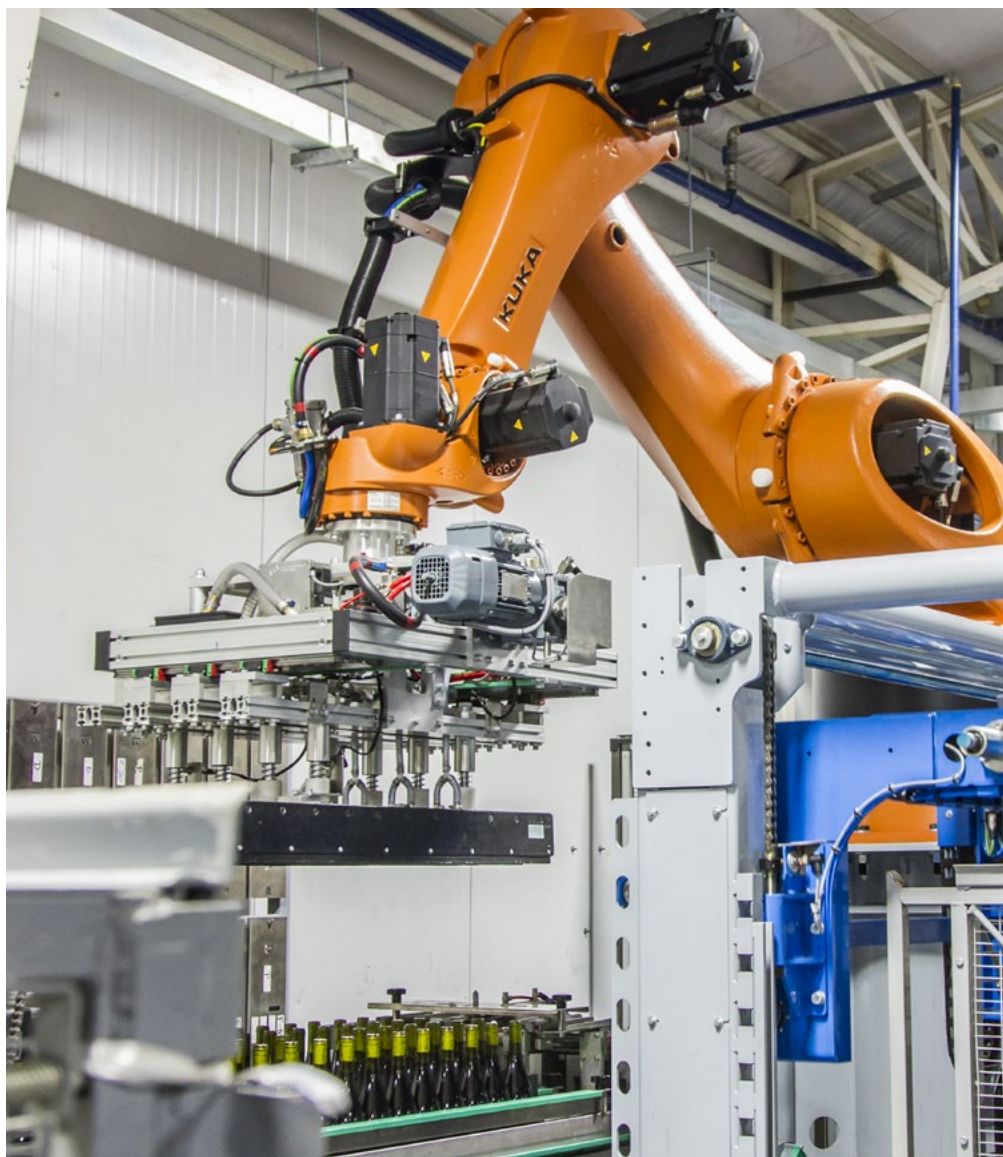
In this sense, in terms of materiality it is worth noting that a fraction of the labels and corks, and 100% of tetra packaging are FSC certified. Also, labels providers use Estate Label 100 or Estate Label 12 papers, which contain 100% and 30% recycled material respectively; and 27% of the corks used are natural oak corks, 100% recyclable.

With respect to cardboard boxes, some of the products use recycled paper and cardboard, which also has SFI certification, and all partitions are made with 100% recycled cardboard fiber.

Finally, bottles are responsible for 27% of the company’s total emissions. In this regard, during 2015 the company consolidated the use of lightweight bottles, with 99% of bottles used being light bottles, and it also incorporated the use of Eco Glass 2 to its production, which is 6% lighter than the previous generation.

Additionally, during the last quarter of 2015 Concha y Toro, along with one of its suppliers, made the decision to discontinue the use of one of the three types of bottles used for wine, reducing both production costs and environmental impact, which results in fewer emissions per bottle.

Training	Hours	Attendees	Suppliers
Risk Assessment II	16 hours	19 attendees	11 suppliers
Cause Analysis	16 hours	19 attendees	10 suppliers
Applied Risk Workshop	8 hours	17 attendees	10 suppliers



Supplies - Bottles

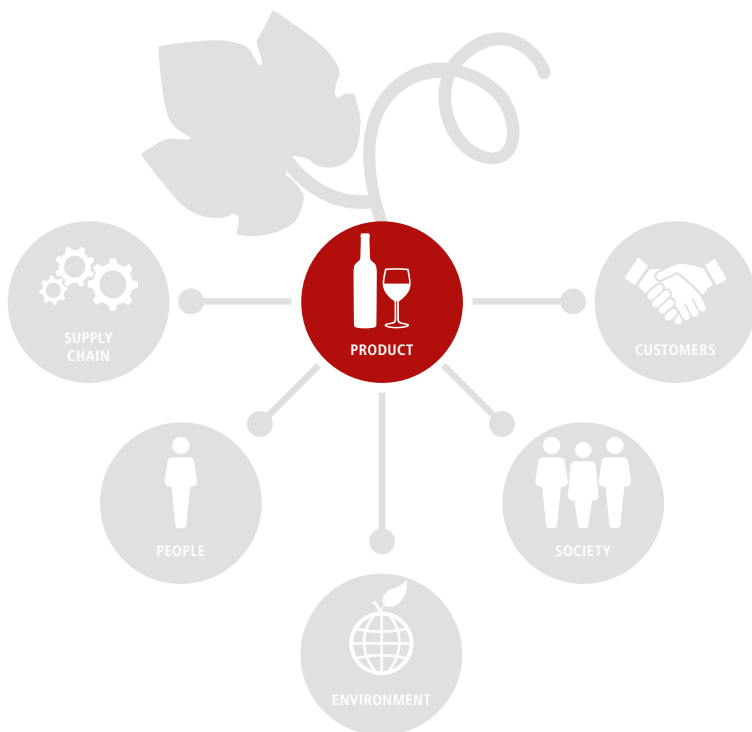
	Measure	2014	2015	% Recycled
Bottles (Total)	Million	170	193	
Light Bottles	Million	160	191	25%
Percentage of Light Bottles		95%	99%	

Scenarios with and without light bottles

Scenarios	2013	2014	2015
Current (Ton.)	76,021	77,239	87,432
Without light bottles (Ton.)	86,463	87,841	100,080
Difference	-10,442	-10,602	-12,648

Chapter 5

Product

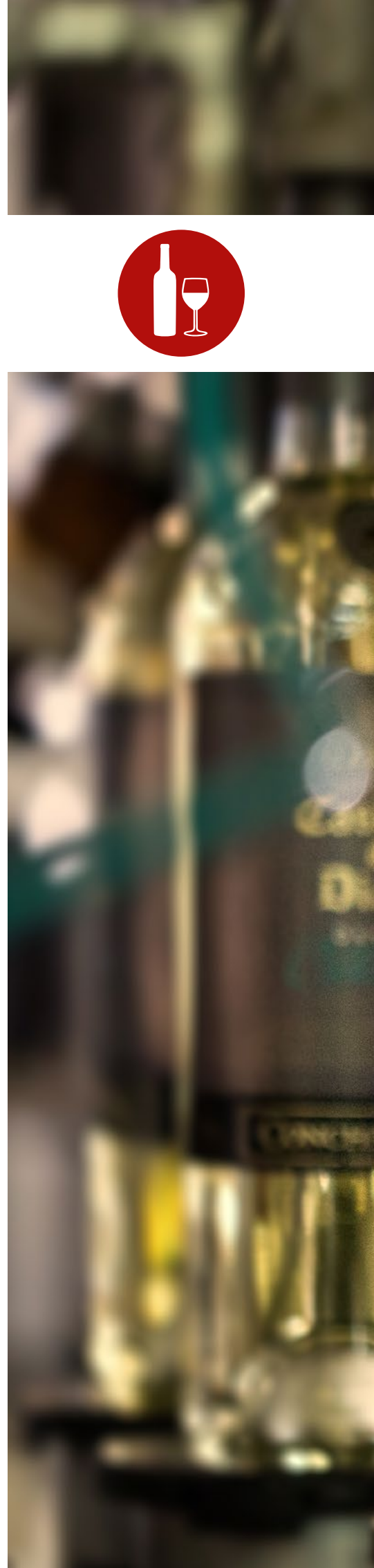


Viña Concha y Toro has developed a broad portfolio of products, participating in all market segments. Through its various brands and wine lines, the company invites consumers worldwide to have new and pleasurable experiences.

The company is constantly investing in brand building and searching for new styles for the most demanding consumers, always supported by the excellence of

its wines, which is partially due to the compliance with strict quality and safety standards.

The Product pillar of the Sustainability Strategy aims to offer wines of excellent quality that provide the best experience to consumers, strengthening the company's leadership around innovation, quality and responsible communication of its products' attributes.



50 initiatives

of R&D in Strategic Plan of Center of Research and Innovation.

BRC and IFS Certifications,

with the highest level of approval,
ensuring products quality.

100% of Carbon Footprint

of Sunrise were neutralized at global level.

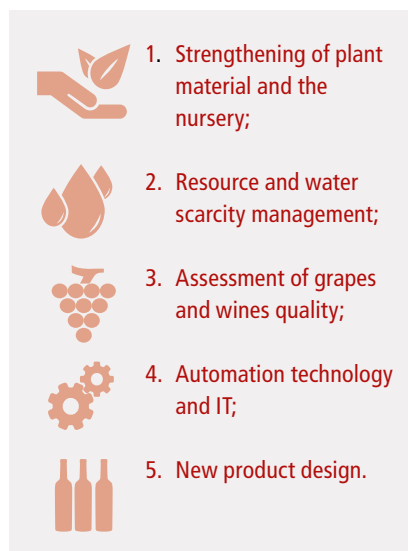


Center for Research and Innovation

“ Since 2014 Concha y Toro has the Center for Research and Innovation (CRI), whose purpose is the dissemination, extension and transfer of knowledge and technology. ”

Committed to excellence and innovation, since 2014 Concha y Toro has the Center for Research and Innovation (CRI), whose purpose is the dissemination, extension and transfer of knowledge and technology, along with being a space to meet with the community and employees. The CRI consists of an agricultural and enological laboratory, an experimental winemaking cellar and an extension center.

As 2015 was its first year of operation, the CRI focused on implementing the infrastructure, equipment and technological capacity, along with the creation of work teams for the operating and research areas. In addition, it worked on defining a 2016-2020 Strategic Plan, which considers more than 50 R&D initiatives, gathered in five programs:



During this same period the Center also began to successfully develop the first research and R&D projects, as well as extension activities, which convened a large number of attendees and produced results of great interest to the organization and the industry in general. These included:

- In applied research in the areas of viticulture and winemaking, the use of alternative fungicides and the development of winemaking techniques with new technologies to enhance sensory characteristics of wine.
- In R&D, projects for clonal identification and wood disease, developed in collaboration with UC Davis. Vineyards were sampled for the first time, and the Center worked together with teams at Universidad Andres Bello for the extraction of genetic material, which will be sent to the United States to start sequencing processes. In the wood disease project, after developing a sample plan, samples from diseased plants, with symptoms, were extracted from Concha y Toro's main estates to be analyzed in the United States.
- In the extension area, there were three major international seminars open to farmers in the area, with speakers from the United States and Australia, focused on the country's main wine-related issues. In addition, the Center conducted a study focused on millennial consumers at a national level, and began developing a study at international level.

Agreements and Partnerships

Looking to generate national and international networks that contribute to the goal of encouraging cooperation and enhancing the results of the CRI's work, the company has developed agreements and partnerships with research centers and universities, including the **UC Davis Chile - Life Sciences and Innovation Center** and the international network of enological and viticulture researchers **OENOVITI INTERNATIONAL**, led by the Scientific Institute of Vine and Wine (ISVV) and coordinated by the University of Bordeaux.

Also, since 2001 the winery has an agreement with **Mercier Groupe**, the largest producer of vines in France. The agreement for "Technical Assistance and Supply of Goods" is intended to provide a reference point for the technical production of grafted plants. The partnership has allowed obtaining top-quality genetic materials (clones) of different varieties, which are the basis of Concha y Toro's future plantations.

Additionally, in 2015 Concha y Toro joined **VIGNO**, Vignadores de Carignan, with the purpose of disseminating and promoting this variety and the image of Chile as a producer of wines of the highest international standards.

To generate synergies with the world of academia and research the CRI has an Intern Program, which every year admits graduate students to prepare their thesis. This initiative creates opportunities for joint work between the Center and renowned researchers and institutions. At December 2015, the CRI was working with two national universities and five foreign ones.

Future Challenges

In the middle of the year the CRI's agricultural-oenological laboratory suffered a fire that damaged part of its facilities, forcing to halt its operation. So, the biggest challenge for 2016 is the re-implementation of the laboratory and the establishment of a molecular biology laboratory.

Also, in the medium and long term the Center expects to develop cross-cutting strategic R&D programs, through inter-management committees and technology transfer projects.



“ During 2015 the Center for Research and Innovation became a visible face of the company, receiving visits from around the world and from different industries. A total of 1,084 people visited the premises of the CRI, 594 of which were people from outside the company. ”



Quality Management

“ Quality management is an ongoing process, based on the safety and organoleptic characteristics of the grapes used in each product, and is a key element of business sustainability. ”

G4-PR1

A fundamental part of Concha y Toro's reputation and recognition is based on its commitment to quality assurance in processes and products, which is set in its Corporate Quality Policy.

Quality management is an ongoing process, based on the safety and organoleptic characteristics of the grapes used in each product, and is a key element of business sustainability.

The company has a Quality Management System to ensure the quality of its wines, using standardized processes, protocols, an HACCP system, verification systems, and internal and external control systems. All this is validated by international certifications and standards, such as the British Retail Consortium (BRC) and the International Food Standard (IFS).

The first step in this process is choosing a combination of soil, climate and varieties, according to the type of wine it wants to produce -Blend, Generic, Varietal, Premium, Super Premium or Ultra Premium-, considering performance (in terms of yield per hectare) is an important element for differentiation.

Production determines the quality of each level of grapes, which is controlled through pruning and proper management. Specifically, proper nutrition, irrigation and phytosanitary management allow having healthy grapes in appropriate quantities for the expected wines. Also, the definition of the harvest dates plays an important role in the quality of the grapes, which is why they are carefully determined.

Since the quality of the grapes also depends on its genetic potential, Concha y Toro reproduces its own plants to control their availability and quality for the development of its own projects. The joint venture with the Mercier Nursery in France allows the company to have access to the best in the world in terms of genetic material of *Vitis vinifera*.

The Nursery, which began operating in 2001, currently produces over 1.3 million plants of different varieties, covering the demand for all planting and/or vineyards renewal projects. The use of technology has allowed 78% of the company's total harvest to be mechanized, equivalent to 86.8 million kilos of grapes.

As for the grapes from vineyards externally managed, Concha y Toro's technical department provides guidelines to its producers to ensure appropriate quality standards. This is verified through analyzes conducted by external technical bodies.

Among the major milestones of the period, it is worth noting the launch of the process control project in the Vespucio bottling line, called "Quality Cells" ("Células de Calidad"), which is expected to be implemented in the rest of the company's bottling plants in 2016.

Additionally, as part of the company's continuous improvement process, in 2015 the "Kaizen PQ Plan" was launched at the Vespucio plant. This initiative aims to increase product quality and establish a standardized methodology for evaluating quality, focused on the product lines destined to the main Asian markets. The development and implementation of this project began in the Vespucio plant, but the company expects to replicate it in the Pirque and Lo Espejo bottling plants in 2016.

A third important event in this area was the Winemaking Convention 2015, in which



Concha y Toro's and Trivento's winemaking teams got together to share experiences in light of the 2015 harvest, review the results of research, and come up with new projects for the future. Thus, the challenge for both wineries is to grow along with oenological development, around concepts of automation, efficiency and quality.

Certifications in plants and winemaking cellars

G4-PR1

During 2015 three Concha y Toro facilities underwent the recertification audit process for the British Retail Consortium (BRC) standard and the International Food Standard (IFS), with the highest level of approval.

The Global Standard for Food Safety certification is developed by British retail, while the International Food Standard (IFS) comes from German, French and Italian retailers. Both standards, recognized worldwide, seek to standardize the quality, safety and compliance with legal obligations of food products. Since 2010 the Lo Espejo, Vespucio and Pirque plants, along with the winemaking cellar in Lontué, have been certified in both standards. In 2015 recertification processes were conducted in the Lontué winemaking cellar and the Vespucio plant, achieving the highest grades in both.



to develop common standards for the assessment of sustainability in the life cycle of products, and promote the exchange of experiences and best practices among various stakeholders.

Food Defense

With the adhesion of Concha y Toro to the international initiative Food Defense in 2014, the company undertook a work plan, which was implemented during 2015. The main actions carried out included monitoring and updating risk matrices properly formalized and supported in its network.

Food Defense simulations were also carried out in each facility, and new parking lots were built in Pirque, distinguishing between those intended for the tourist area with those in the productive area, to reduce inappropriate traffic. In addition, a CCTV surveillance system video was enabled, sensitive and critical processes such as uncorking were normalized, and coordination meetings between departments were held, involving and training internal and external personnel.

G4-PR2

Fortunately, and thanks to all measures and monitoring carried out to ensure the quality of products, there were no breaches of regulations or voluntary codes during the 2015 period.

On the other hand, Concha y Toro is part of the Sustainability Consortium, a public-private collaborative initiative that seeks

Responsible Marketing

“ Concha y Toro is one of the founding companies of Drinkaware, a nonprofit organization whose mission is to promote responsible drinking. ”

G4-PR3

A key part of Concha y Toro's business sustainability is the production and sale of its products, which is closely related to marketing and promotion activities.

G4-PR6

Concha y Toro is one of the founding companies of **drinkaware**, a nonprofit organization whose mission is to promote responsible drinking, providing accessible and objective information. In addition, the company participates in the Association of

 Spirits Companies Pro Responsible Consumption (Asociación Gremial de Empresas de Bebidas Espirituosas Pro Consumo Responsable - APROCOR), a national organization formed by the main representatives, importers and producers of alcoholic beverages in Chile.

G4-PR4, G4-PR7

In terms of labeling, Concha y Toro strictly complies with the regulations in force in each of the countries of destination of its products. In 2015 Concha y Toro did not receive any significant fine or penalty for infractions relating to product information and labeling, advertising or promotion.¹⁶

Market Intelligence

2015 was the year of consolidation of the Market Intelligence Department, created in 2014 to meet the internal need for regular and timely information on the performance and perception of the company's brands in the markets of destination.

The goal for 2015 was to consolidate the management and working methodology of the area, which resulted in the generation of standard reports to facilitate updating and distributing information, and building a strong collaborative relationship with commercial and marketing executives, reducing uncertainty in decision-making.



The **SBX Brut** advertising campaign was awarded the gold medal at the **Berlin Wine Trophy**, in Germany.

This campaign, carried out in points of sale and supermarkets, promoted responsible drinking.

For 2016 the Department expects to increase the number of product lines tested in markets before being launched.

Also, the third version of the Torotrac will be carried out to track the health of Concha y Toro brands.



16. In 2015, the company received a fine for 10UTM.

Sustainable Products

“ Beyond Concha y Toro’s commitment to the sustainability of its production and the results of this, the company has developed wines with particular characteristics that seek to reduce the negative impact and contribute to environmental and social initiatives. ”

Sunrise

Sunrise has become an iconic Concha y Toro product in terms of sustainability, by internally offsetting **100% of its carbon emissions globally**. In 2015 it neutralized **10,946 tons of CO₂**, which was achieved throughout the entire production process of wine, from grape growing to the product arriving to its port of destination.

Concha y Toro received the “**Best Green Launch of the Year**” award, granted by renowned British magazine **The Drinks Business**, for the work done in Sunrise.



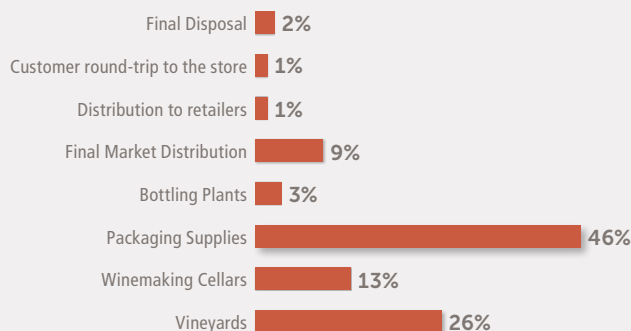
Terrunyo Carmenere

During 2015, Concha y Toro measured the carbon footprint of its product¹⁷ Terrunyo Carmenere 2012, calculating GHG emissions attributable to the entire life cycle.

The operational activities considered included the El Llano and Peumo estates, the Cachapoal and Puente Alto winemaking cellars, and the Pirque bottling plant. In terms of clients, it considered 28 markets. The measurement also considered primary packaging, i.e., bottle, cork, label and capsule, and secondary packaging, which includes wooden cases, cardboard, and partitions.

The results for the calculation of GHG emissions of Terrunyo Carmenere gave a total of 1.7 kg of CO₂e per bottle of Terrunyo Carmenere 2012 produced.

Distribution of Terrunyo Carmenere’s Carbon Footprint



17. Following the guidelines set forth by the ISO 14067 standard “Carbon Footprint of Products”.



Palo Alto received a **Special Commendation** in the **"Best Green Launch Award"** of The **Drinks Business** magazine for its **"Bosque Palo Alto"** campaign in **Patagonia**.

Palo Alto

Palo Alto is a wine that contains strong sustainability attributes, related to its production as well as to the wine's characteristics and brand management.

During 2015 it continued treating water and organic solid waste, incorporated the use of environmentally friendly material at points of sale, and used lighter bottles (13% less glass), and boxes and labels made of recycled materials.

In terms of certifications, it received the certification of sustainable winery from Wines of Chile, and maintained its Organic Certification from the Institute for Market Ecology (IMO).

In terms of projects, the Bosque Palo Alto Project in Chilean Patagonia continued during 2015, planting 10,000 trees. Additionally, the winery took on the conservation of 282 hectares of natural forest in the Villa Alegre vineyard, in the Maule Region.

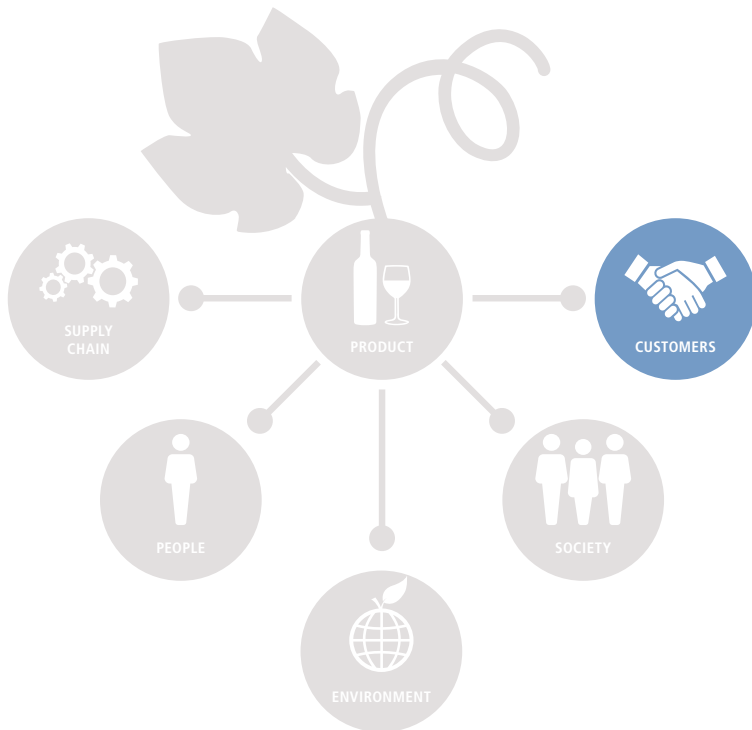
Along with the above, the main focus in 2015 was on the implementation of an innovative campaign called "Enjoy Wine, Give Water!" This project consisted of the construction of water towers to help communities with difficult access to drinking water, which was promoted on social networks and points of sale in more than 35 countries.

In terms of marketing, this product was distributed in 17 markets, with Latin America leading in sales in 2015.



Chapter 6

Customers



For Concha y Toro, to maintain trusting relationships with its customers in Chile and in the 147 countries of destination of its exports is a key element for the company's sustainability.

As a leader in the wine industry, the company aims to build partnerships with its customers.

For this, it has committed to optimize the efficiency of its processes and to work together with customers to continuously improve social, governance and environmental standards, both in Concha y Toro and the rest of the supply chain.



147 markets
of destination.

100% of dissemination
to commercial areas and clients on the
Distributors Relationship Model.

10 Ethical Audits
of clients.





Efficiency in the Supply Chain

Logistics and distribution focus on reducing process losses, managing product loss, inventory differences, obsolescence, reprocesses and compensation to customers.

For Concha y Toro, the production of high quality wines that meet consumers' expectations is as important as the satisfaction of its customers. With a philosophy of continuous improvement, the winery is constantly reviewing and looking for new ways to make the logistics chain more efficient in order to deliver its products on time and in the agreed amounts.

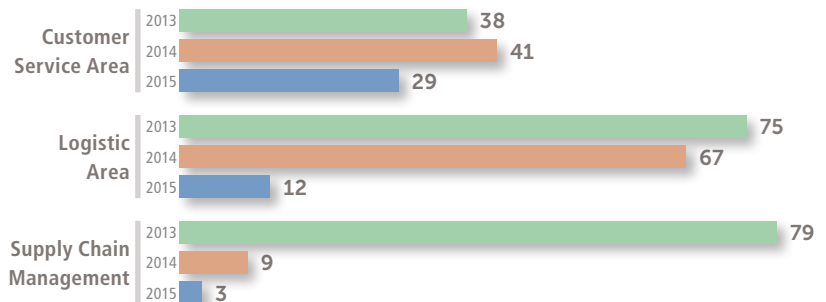
Logistics and distribution focus on reducing process losses, managing product loss, inventory differences, obsolescence, reprocesses and compensation to customers.

Since 2013, the Order Intelligence Unit (Unidad de Inteligencia de Pedidos - UIP) coordinates the activities of the Supply,

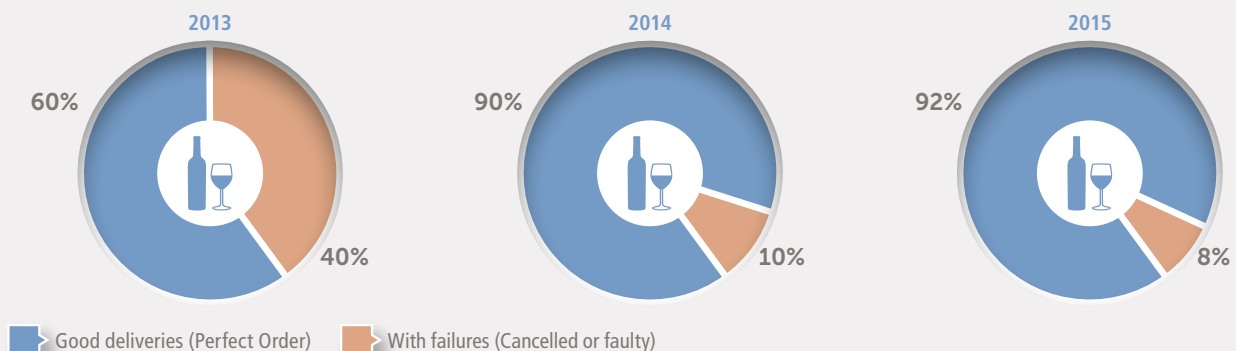
Planning, Traffic, Capacity, Programming and Customer Service areas, and is in charge of analyzing the arrival of supplies, wine stocks and plant capacity at a company level on a weekly basis. All this to achieve a better Perfect Order Index (PPI), that is, orders that meet the total requested cases in the stipulated time frame.

Since the creation of the UIP, significant progress has been made in this area, going from a percentage of 60% of good deliveries in 2013 to 92% in 2015. Furthermore, this has also resulted in a sharp decline in the number of complaints received, which in total were down 62% compared to 2014.

Decline in the Number of Complaints per Management and Area



Classification of Orders





Customer Satisfaction

“ Same as every year, through an external company Concha y Toro invited its clients who made more than one purchase in the previous period to answer an online survey about their degree of satisfaction and loyalty to the company. ”

G4-PR5

Same as every year, through an external company Concha y Toro invited its clients who made more than one purchase in the previous period to answer an online survey about their degree of satisfaction and loyalty to the company.

367 customers were invited to participate in the last survey, of which 26% responded.

Among the main results, it is worth mentioning a significant improvement in loyalty. The percentage of loyal customers -those who are satisfied, intend to continue being customers and would also recommend to Concha y Toro to others- grew from 36% to 52%.

There was also a significant decline in the perception of problems in the company, from

42% to 24%. Finally, the main opportunities for improvement are related to packaging labeling and stock.

The results of this survey provide valuable information for the company, which is then used to make improvements in the management on the medium-term.





Clients Audits

“ In order to ensure good practices and sustainability, Concha y Toro is audited annually, either at the request of customers or in the context of certifications on ethical, social, environmental, health and safety aspects. ”

In order to ensure good practices and sustainability, Concha y Toro is audited annually, either at the request of customers or in the context of certifications on ethical, social, environmental, health and safety aspects. Specifically in 2015 the company underwent ten customer audits, seven ethical and three technical.

Given the high demand for information on sustainability and ethics aspects, in 2014 Concha y Toro created its own Corporate Ethics Standard based on a matrix that consolidates the company’s internal principles and values, international standards, and customers’ own standards. In its first year of implementation, the work focused, internally, on the four

bottling plants -Pirque, Vespuccio, Lo Espejo and Lontué-, and on external service companies Prosegur, Aramark, LPS, Cogan Grupo Norte, Roquefort, GPS and Proactiva.

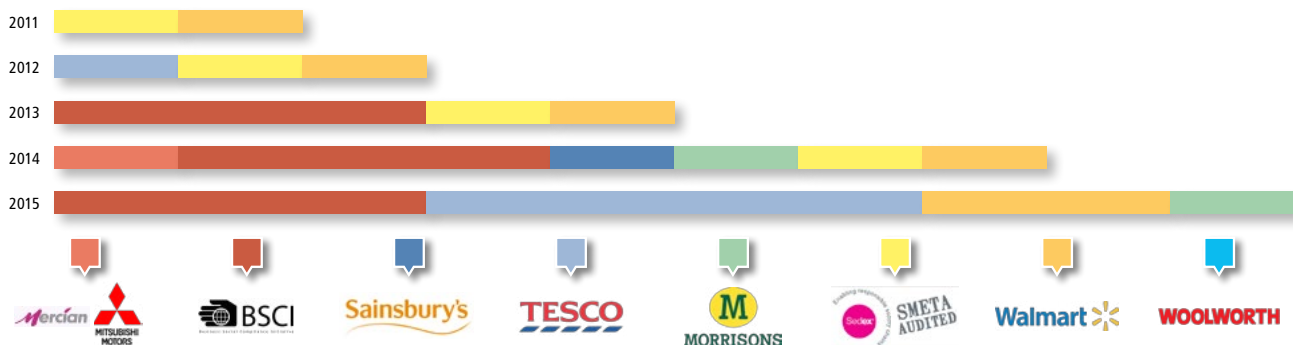
In 2016 the company expects to implement this standard in all estates and wineries, and to externally verify its implementation both in Concha y Toro and in associated service companies.

It is worth noting that even before the implementation of the Ethics Standard, Concha y Toro’s Corporate Audit area conducted annual internal audits through the Audit Management system. These helped identify opportunities for

improvement in performance, which have been gradually implemented by the company.

in 2015 the company underwent **ten** customer audits, seven ethical and three technical

Summary of Clients Audits





Sustainability Dissemination and Promotion

“ During 2015, the company focused on disseminating and providing training on this standard in the commercial departments for the Northern Zone, Southern Zone, Asia and United States in order for them to share it with their distributors in 2016. ”

Convinced that sustainability helps create and maintain value for society, and in pursuit of a healthy coexistence between organizations, in 2014 Concha y Toro defined the principles that will guide the business relationship with its customers, creating its Distributor Relationship

Model, based on the Code of Ethics and Conduct.

During 2015, the company focused on disseminating and providing training on this standard in the commercial departments for the Northern Zone,

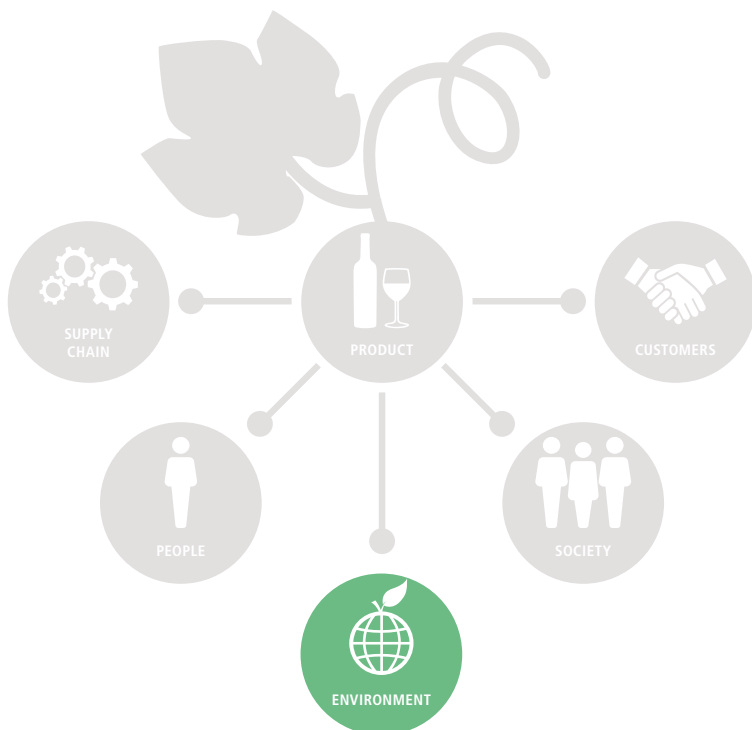
Southern Zone, Asia and United States in order for them to share it with their distributors in 2016. This, understanding that compliance should be the result of the shared commitment of each of Concha y Toro's employees and its distributors.

Distributor Relationship Model

1. Share and commit to the vision and goals of Viña Concha y Toro and its subsidiaries.
2. Carry out business under the ethical principles of Viña Concha y Toro and its Subsidiaries, 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. Having a sound financial situation that allows participating in all market segments and with all the brands of Viña Concha y Toro and its Subsidiaries given for distribution.
5. Use an efficient supply model.
6. Having an excellent performance with customers.
7. Adhere to the ILO's 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 the various stakeholders.
9. Minimize negative effects on the environment, adhering to the highest sustainability standards.
10. Maintain good communication with Viña Concha y Toro and its Subsidiaries to share business information or report behaviors that violate this Decalogue.

Chapter 7

Environment



G4-14

With the dual purpose of achieving sustainability in its operation and leadership in the industry, Concha y Toro has set as a strategic goal to be a leader in environmental practices in the wine industry. The company has focused on rational and responsible use of water and energy, two of its main production supplies, aware of the impact that climate change is having in the availability of these resources.

The company is also committed to the protection of biodiversity, the optimum management and treatment of solid

and liquid waste, and maintaining a comprehensive system of certification that allows improvement of all its processes.

G4-EN31

With this conviction, Concha y Toro has made significant investments to protect the environment, for an approximate total of Ch\$2,500 million. This effort has been reflected in the fact that during the period the company did not receive fines or penalties relating to violations of current environmental regulations in Chile.



48 liters of water per wine glass,

60% lower than the industry average which reaches 120 liters.

100% of vineyards
with drip irrigation.

100% of natural forests

of the company have biodiversity inventories.





Water Footprint

“ Since 2010, every year Concha y Toro measures its water footprint in order to achieve an efficient water management. ”

Since 2010, every year Concha y Toro measures its water footprint in order to achieve an efficient water management, generating savings plans, setting goals for reducing consumption, and evaluating new technologies and processes to achieve greater efficiencies throughout the production process. During 2015 the company's water footprint was measured and externally verified under the methodologies of the Water Footprint Network¹⁸ (WFN) and ISO 14046.

The water footprint 2015, calculated according to the WFN methodology,

considered 100% of Concha y Toro's operations in Chile -42 estates, 11 winemaking cellars and 4 bottling plants-, plus all water used in its supply chain.

G4-EN9, G4-EN10

In 2015, the total water collection reached 24,750 thousand m³, from 41 surface sources and 37 underground sources, which do not adversely affect protected areas or local communities. The company does not use recycled or reused water for its operations. Since 2015, 100% of the cultivated land is irrigated using drip system. Additionally, the company increased the number of projects

under Dream drop control mode, a system that allows more efficient management of equipment and reduces the hours of overwatering.

Increased use of operational and irrigation water in 2015 is mainly explained by the company's growth. However, the water network that the Pirque plant used until 2014 was replaced by well water in 2015 and that also contributed to the increase in the use of water.

Water Consumption

G4-EN8

	m3/year	2014	2015	Variation
Water for Irrigation	m3/year	21,401,427	24,021,425	12%
Water for Operations	m3/ year	661,687	728,269	10%
Drinkable Water	m3/ year	172,459	124,833	-28%
Total	m3/ year	22,235,573	24,874,527	12%

18. Components of the Water Footprint:

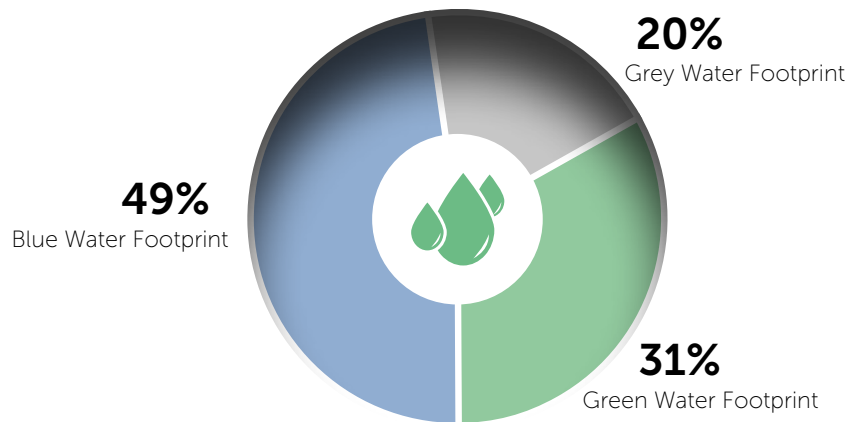
- Green water: all water from rainfall entering the system that does not return to the system because it is incorporated into the product.
- Blue Water: all the water that enters the system from surface and/or underground water sources that does not return to the system because it is incorporated into the product.
- Grey Water: all the water that needs to be added to discharge water to dilute pollutant concentrations until its quality is equal to that when it entered the system.



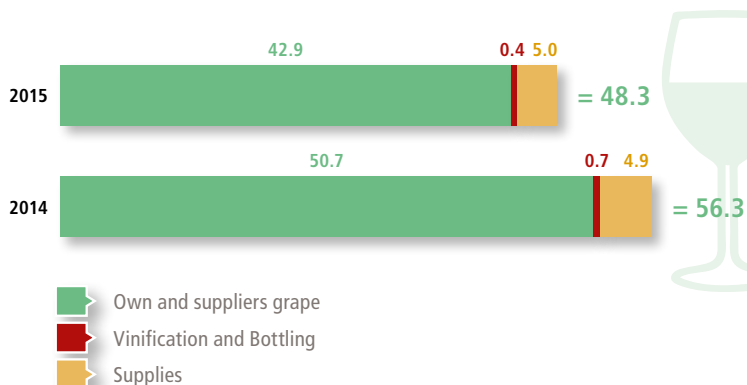
Water Recirculation – Lourdes Winemaking Cellar

As an example of innovation, an electromechanical employee at the Lourdes winemaking cellar created a water recirculation system for the vacuum pump used to filter lees. By adapting some of its parts, it was possible to reduce daily water consumption from 28,800 to 400 liters of water, also managing to lower the water temperature at the outlet of the pump, keeping it at its optimum temperature.

Water Footprint Components



125 ml Glass of Wine (liters of water)



The average amount of water used to produce a **125 ml** glass of Concha y Toro wine is **48 liters**, while the industry average is **120 liters**.

According to the WFP methodology





Climate Change

“ Concha y Toro -through the Center for Research and Innovation (CRI), in partnership with the “UC Davis Chile - Life Sciences and Innovation Center”- is developing a research line on how to adapt to climate change. ”

G4-EC2

One of the main threats to the wine industry worldwide is climate change, which by making global temperature to rise it might cause droughts that will directly affect the time of ripening of the grapes, generating changes in harvest dates, and affecting their quality, fermentation and other characteristics.

Anticipating this problem and seeking to make a contribution to solving it, Concha y Toro -through the Center for Research and Innovation (CRI), in partnership with the “UC Davis Chile - Life Sciences and Innovation Center”- is developing a research line on how to adapt to climate change, from the perspective of irrigation and water resources optimization. Along with this research, both institutions have conducted together seminars with renowned international speakers, seeking to raise awareness of this global problem among different social actors.

Energy

Given the strategic relevance of energy in the production of wine, Concha y Toro makes and promotes various initiatives to measure and reduce its consumption within the company and throughout its supply chain.

In 2015, the consumption of fuel and electricity grew in proportion to the company’s growth. However, there was a variation of 102% on gasoline consumption, which is explained by the fact that this year the calculation incorporated the fuel for trucks used in visits to customers in Chile by VCT Chile, which was 606,000 liters of fuel.

With regard to external energy consumption, which represents 85% of total energy consumption required for the

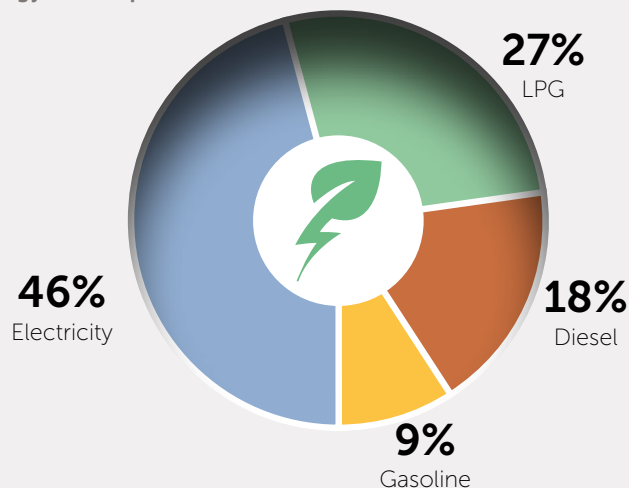


Concha y Toro was the **best evaluated** Chilean company for its approach and transparency in climate change by the **Carbon Disclosure Project (CDP)**, an organization that promotes companies’ performance on this area.



Concha y Toro was certified under the Sustainability Code of Wines of Chile, with 97% compliance.

Internal Energy Consumption



production and distribution of Concha y Toro products, there were significant variations compared to the previous period. These variations are mainly explained by the incorporation of new sources of consumption, such as transportation of wine, transport from bottling plants to distribution centers, transport from bottling plants to Concha y Toro, and wood used for the production of wines (chips, hogshead staves, foudres).

G4-EN6

Aiming to reduce energy consumption, in 2015 the company replaced some boilers at the bottling plants, which together with achieving an increase in energy efficiency of 13%, reduced emissions by using LPG instead of diesel.

As for the use of lights, efficiencies were also achieved in the areas of logistics and operations. In the latter, there were also changes in the CIP (Clean in Place) system of the water tanks and associated equipment, which allowed recovering hot water, and consuming less water and energy to heat water. In addition, measures were taken in the area of winemaking through efficiencies in shifts.

G4-EN3

Internal Fuel Consumption

Type of Fuel	Unit of Measure	2013	2014	2015	Variation
Gasoline	Thousand lt	561	556	1,121	102%
Oil	Thousand lt	2,888	2,418	2,335	-3%
LPG	Thousand lt	3,143	3,129	3,355	7%
Total in lts	Thousand lt	6,592	6,103	6,811	12%
Total	Tera Joule	204	187	209	12%

Internal Energy Consumption

Area	Unit of Measure	2013	2014	2015	Variation
Agriculture	MWh	10,471	10,463	11,302	8%
Winemaking Cellars	MWh	21,225	20,820	22,373	7%
Operations	MWh	13,538	14,307	14,926	4%
WTC	MWh	402	410	391	-5%
TOTAL	MWh	45,636	46,000	48,992	7%
TOTAL	Tera Joule	164	166	177	7%

G4-EN4

External Energy Consumption

Relevant energy consumption in production	Unit	2013	2014	2015	Variation
Packaging supplies	Tera Joule	1,202	1,207	1,235	2%
Winemaking supplies	Tera Joule	689	644	796	24%
Transportation of products (exports)	Tera Joule	544	523	578	11%
Transportation of own and purchased grapes	Tera Joule	74	55	124	125%
Domestic transportation of products	Tera Joule	35	45	59	32%
Transportation of Wine	Tera Joule	-	-	75	
Transportation to Distribution Centers	Tera Joule	-	-	13	
Transportation from plants to Concha y Toro	Tera Joule	-	-	31	
Business Travel	Tera Joule	18	20	37	85%
TOTAL	Tera Joule	2,095	2,070	2,947	18%



G4-EN5

3 kWh were used for every liter of wine produced in 2015. 7% less than in 2014.

Carbon Footprint

Concha y Toro understands the carbon footprint as a measurement of its impact on global warming and a management tool that allows to improve its environmental performance and a more efficient use of resources.

G4-22

In 2015, the carbon footprint increased compared to 2014, due both to the growth of the company's operation and the inclusion of new emissions sources in the calculation methodology. Because of this, direct Greenhouse Gas (GHG) emissions increased by 10%, while emissions of Scope 2 and Scope 3 grew by 2% and 18% respectively.

Direct emissions come mainly from the use of land in agricultural activities and fuel consumption in stationary sources, such as boilers and generators, and mobile sources such as agricultural equipment and machinery.

Compared to 2015 figures, the variation of 32% in emissions from mobile sources is explained by the increase in the company's operation, and the inclusion of emissions from new vans for customer visits.

The increased of 34% in fugitive emissions is due to the increase in the recharging of various refrigeration equipment. In general, recharges occur every 2-3 years, and 2015 was a more intense year in this respect.

In the case of Scope 3 emissions, variations for this period are mainly explained by the adjustment of emission factors used for transport. In addition, for packaging supplies the company began using local emission factors provided by suppliers for most supplies, which tend to register an increase in emissions. Finally, the 2015 measurement includes new emission sources from transportation, which have not been considered before.

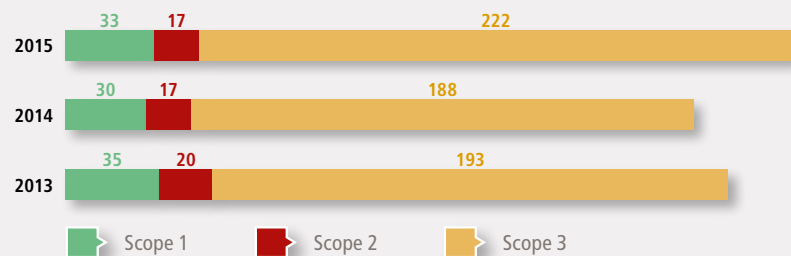
G4-EN19

The company has constantly sought to reduce its carbon footprint, focusing its efforts on the supply chain, where the greatest amount of emissions is concentrated. In this regard, the main initiatives proposed by Concha y Toro have to do with reducing the weight of its supplies and, when possible, minimizing their use.

Emissions per Scope Concha y Toro 2015



Concha y Toro consolidated carbon footprint per scope (Tthousand TCO₂e)



G4-EN15

Direct Emissions of Greenhouse Gases (Scope 1)

Source	Unit of Measure	2013	2014	2015	Variación
Combustion from mobile sources (vans, trucks, tractors and cranes)	tCO ₂ e	7,305	6,544	8,638	32%
Combustion from stationary sources (boilers, generators and other stationary machines)	tCO ₂ e	7,328	6,723	6,338	-6%
Fugitive emissions (leaks of refrigerant gases)	tCO ₂ e	7,124	4,547	6,110	34%
Use of Fertilizers	tCO ₂ e	2,811	2,351	2,221	-6%
Use of Land	tCO ₂ e	10,499	9,949	9,794	-2%
Total	tCO₂e	35,067	30,114	33,102	10%

G4-EN16

Indirect Emissions of Greenhouse Gases (Scope 2)¹⁹

Source	Unit of Measure	2013	2014	2015	Variation
Electric energy consumption	tCO ₂ e	19,528	16,560	16,951	2%
Total	tCO₂e	19,528	16,560	16,951	2%

G4-EN17

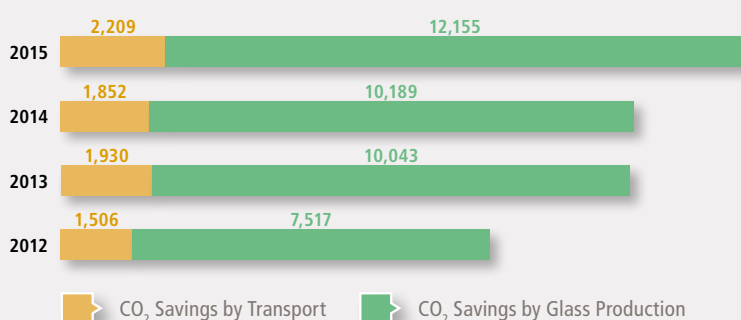
Other Indirect Ghg Emissions (Scope 3)

Source	Unit of Measure	2013	2014	2015	Variation
Packaging Supplies	tCO ₂ e	90,649	91,016	93,099	2%
Business Travel	tCO ₂ e	1,349	1,529	2,792	83%
Transportation of products (exports)	tCO ₂ e	41,020	39,425	43,586	11%
Domestic transportation of products	tCO ₂ e	2,624	3,420	4,468	31%
Transportation of own and third party grapes	tCO ₂ e	5,599	4,124	9,313	126%
Transportation of Wine	tCO ₂ e	-	-	5,632	
Transportation to Distribution Centers	tCO ₂ e	-	-	964	
Transportation from plants to Concha y Toro	tCO ₂ e	-	-	2,326	
Winemaking Supplies	tCO ₂ e	51,972	48,539	60,002	24%
Total	tCO₂e	193,213	188,053	222,182	18%

19. The emission factor measured in tCO₂e/MWh was 0.432 in 2012, 0.360 in 2013 and 0.346 in 2015, down 4%.



Annual Emission Reduction by use of Light Bottles



G4-EN18

The intensity of emissions per bottle of wine showed a **decrease of 4%, to 1 KgCO₂e per 750cc bottle.**

It must be noted that if the 2015 footprint was calculated keeping the 2014 scope, there would be a decrease in the intensity of emissions per bottle of 5%.

In this context, it has carried out various initiatives such as the progressive implementation of lightweight bottles, which in 2015 meant a decrease of more than 14 thousand tons of CO₂e; and decreasing the weight of partitions, which in 2015 became massive in much of the company's portfolio, reducing 327 tons of cardboard, equivalent to 296 tCO₂e.

In addition, in 2015 the company made some changes to the mix of containers used in its operation, increasing the amount of larger containers. This resulted in a decrease of 9% in emissions from land transport, because fewer trips were needed to transport these materials.

Regarding emissions of ozone-depleting substances, the significant increase observed in 2015 corresponds to recharges made to refrigeration equipment.

Emission Reduction

Initiative (type and description)	Unit	2013	2014	2015
Use of Light Bottles	tCO ₂ e	11,973	12,041	14,364
Reduction of partitions' weight	tCO ₂ e	0	0	296
Total	tCO₂e	11,973	12,041	14,660

G4-EN20

Emissions of Ozone-Depleting Substances

Refrigerant	2013		2014		2015		Variation
	Consumption (kg)	Emissions (t CO ₂ e)	Consumption (kg)	Emissions (t CO ₂ e)	Consumption (kg)	Emissions (t CO ₂ e)	
HCFC-22	3,162	5,723	1,827	3,307	2,662	4,818	46%
HFC-141b	82	59	109	79	-	-	-100%
Total	3,244	5,782	1,936	3,386	2,662	4,818	42%

G4-EN21

NO_x, SO_x and other Significant Atmospheric Emissions

	Measure (Kg)	2013	2014	2015	Variation
SO _x	Kg	6,177	5,320	4,032	-24%
No _x	Kg	66,455	56,572	71,285	26%
MP10	Kg	1,799	1,549	1,903	23%
CO	Kg	49,202	47,079	87,286	85%
TOTAL		123,633	110,520	164,506	49%



Waste Management (high relevance)

Concha y Toro's Sustainability Strategy puts emphasis on the optimal management of hazardous and non-hazardous waste.

Concha y Toro's Sustainability Strategy puts emphasis on the optimal management of hazardous and non-hazardous waste, both solid and liquid, each of which requires different methods of treatment and disposal.

Solid Waste

Each of the company's facilities has the responsibility of managing hazardous waste, whether it is a bottling plant or a winemaking cellar, which have a temporary storage warehouse from where they must arrange its removal and disposal with authorized companies. The main hazardous waste materials from the production process are detergents and chemicals containers, used oil, fluorescent tubes, jars of paint and contaminated sand, among others.

During 2015 the company carried out an electronic waste campaign in offices,

winemaking cellars and plants, which included training on proper disposal and the provision of containers to recycle batteries, toners, cartridges and cell phones, among others.

On the other hand, non-hazardous waste resulting from the bottling process, such as glass, cardboard, plastic and scrap, is removed from the source and transferred to the plant's storage facility.

G4-EN23

Tons of Waste: Packaging Material

Material	2013	2014	2015	Final Disposal
Glass	908	1,392	1,270	Sold to Cristalerías Chile for recycling
Plastic	268	228	273	Sold to SOREPA, PROACTIVA and Industrial Waste Collector for recycling or reuse
Cardboard	862	962	980	Sold to SOREPA, PROACTIVA and Industrial Waste Collector for recycling or reuse
Total	2,038	2,582	2,524	

Tons of Waste: Organic Material

Name of Waste	Treatment Method	2013	2014	2015	Final Disposal
Pomace and stems	Recycle	30,316	25,041	33,338	Sold to third party for recycling
Lees	Recycle	3,891	4,710	4,931	Sold to third party for recycling
Pomace and stems	Reuse	15,574	13,572	21,826	Winery's land through solarization
Total		49,781	43,323	60,095	

Initiatives for reusing or recycling supplies

In 2015 Concha y Toro developed various initiatives to support its suppliers in the reuse of various supplies.

The company established a collection center in the Pirque plant to store the rolls used to transport wine labels, materials that are then returned to suppliers for reuse. It also began storing and returning the boxes where these rolls are transported, in addition to the trays used to transport wine sealing capsules.

Additionally, the company developed a computer donation and recycling program with two foundations, delivering about 10,000 kilos of electronic equipment to Recycla and about 100 computers such as notebooks, desktops and other electronic equipment to Chilenter.

Liquid Waste

G4-EN22

In 2014, Concha y Toro established the Department of ILW, under the Department of Sustainable Development, in charge of managing the company's industrial liquid waste, using the necessary technology to ensure compliance with applicable laws and regulations.

Most industrial liquid waste from the winery's operation is handled in the five treatment plants owned by the company. The remaining is accumulated in dams and used for irrigation with sprinkler systems, or are treated by an external provider specialized in this area.

G4-EN24, G4-EN26

In 2015, there were no spills and no evidence of water bodies affected by the company's operation.

Particularly, the Nueva Aurora winemaking cellar implemented some systems to improve its ILW management. It recirculated water used in vacuum filters for filtering fresh and dry lees, decreasing water consumption by about 15,000 liters during the peak time of the harvest (March-April). Also, it improved canals and installed mesh filters to reduce the amount

of solids that reach the ILW plant, which decreased the BOD of ILW.

G4-EN29

In 2015, the company managed 100% of its solid and liquid waste, and there were no fines or sanctions for non-compliance with current environmental regulations.

New Technologies

Concha y Toro is making efforts to minimize losses within its various processes, incorporating technologies that increase efficiency and productivity, while reducing the impact on the environment.

In particular, it has been migrating to filtration technologies for wines that do not use filtering soils, which reduces the subsequent disposal of these soils and the amount of wine trapped in soils that before needed to be treated. From 2010 to 2015, the use of filtering soils went from 231 tons to 65 tons, which means a decrease of 72%.

The adoption of solar hot water systems to supply sanitary installations grows every year, and the incorporation of modern and safer oil tanks minimizes the risk of soil contamination with hydrocarbons.

Other initiatives that have generated greater efficiencies are: 58% increase in productivity of pre-pruning equipment in the last four years; replacement of three underperforming pole drilling machines for a high-performance one; increase in the amount of wire installed per day, from 18,000 to 41,916 meters; duplication of work on a tractor to halve the number of rides; and the coupling of implements to prune on time and make phytosanitary applications at the right moment, which has a direct impact on the health of the vineyard and the amount of chemicals required. It is worth noting that thanks to this only in the Maipo Valley it was possible to avoid the lease of approximately 140 hectares.

Industrial Liquid Waste (ILW)

Facility	Volume [thousand m3]				Treatment/ Quality	Destination
	2013	2014 ²⁰	2015	Variación		
San Javier	29.6	32.0	43.6	36%	Biological treatment	Inland surface water
Chimbarongo	101.2	79.2	106.9	35%	Physicochemical treatment	Third Party - Contract with Biodiversa
Curicó	16.4	17.7	25.7	46%	Physicochemical treatment	Disposal system: Sprinkle irrigation
Lourdes	42.4	38.2	32.4	-15%	Biological treatment	Inland surface water
Lontué	168.6	164.6	191.3	16%	Biological treatment	Inland surface water
Mercedes-Lolol	9.6	7.5	12.0	60%	Physicochemical treatment	Disposal system: Sprinkle irrigation
Peralillo	3.0	2.1	1.7	-17%	Physical treatment	Disposal system: Sprinkle irrigation
Cachapoal	23.5	21.0	26.4	26%	Biological treatment	Inland surface water
Pirque	197.7	208.2	168.3	-19%	Biological treatment	Inland surface water
Puente Alto	26.3	23.7	21.2	-10%	Physicochemical treatment	Third Party - Contract with EcoRiles
Nueva Aurora	15.6	17.7	15.6	-12%	Physicochemical treatment	Disposal system: Sprinkle irrigation
Lo Espejo	139.8	73.0	59.0	-19%	Physicochemical treatment	Third Party - Contract with EcoRiles
Vespucio ²¹	40.0	25.9	24.5	-5%	Physicochemical treatment	Third Party - Contract with EcoRiles
TOTAL	813.7	710.7	728.6	3%		

20. For 2014, figures considered discharge measurements carried out on at the plant. In the case of Nueva Aurora, Puente Alto, Peralillo, Las Mercedes and Curicó, water consumption is used as ILW discharge rate.

21. For 2013, water consumption data was used.



Biodiversity

“ The presence of different species of flora and fauna inhabiting Concha y Toro’s natural forests and water courses proves the excellent state of preservation of its natural heritage. ”

The conservation of biodiversity is of great importance for the company. The presence of different species of flora and fauna inhabiting Concha y Toro’s natural forests and water courses proves the excellent state of preservation of its natural heritage, which coexists with the production of quality wines with unique and sustainable characteristics.

G4-EN12, G4-EN13

The company’s Natural Forest Conservation Program seeks to provide a framework for the protection of more than 3,270 hectares of sclerophyllous natural forest and scrub in its various estates. This program considers the registration with the National Forest Corporation (CONAF) of the area corresponding to this ecosystem, which obliges not to exploit this resource and, voluntarily, know and improve its condition.

In 2015 the company made an inventory of the flora and fauna in Santa Raquel, a 37-hectare estate, and the results showed

Inventoried Area - December 2015

Estate	Area (ha)		
	2013	2014	2015
Peumo	476	476	476
Rauco	458	458	458
Villa Alegre	283	283	283
Idahue	1,515	1,515	1,515
Rucahue	106	106	106
Ucúquer	235	235	235
Lourdes	-	77	77
Palo Santo	-	84	84
Santa Raquel	-	-	37
Total Inventoried	3,073	3,234	3,272
Total Natural Forest	3,272	3,272	3,272
Percentage of Forest Inventoried	94%	99%	100%

an excellent state of preservation of the natural heritage.

The company has inventoried 100% of its estates with natural forest, and in each of them it found about 100 species of vascular plants. Species with the greater coverage

are Boldo, Espino, Tevo, Quillay, Peumo, Tralhuén and Litre, in addition to Mora (Blackberry), which also has significant coverage.

As for animal species (fauna), there were no significant differences in the different



taxa between the inventoried estates, Idahue being the one with the highest faunal variety, with 67 species, while Villa Alegre has the lowest, with 32 species. Birds are the taxonomic group that makes the difference in terms of species richness between the different inventoried estates.

G4-EN14

The number of threatened species is almost the same in the different properties (8.8 species on average), the Ucuquer estate having 13 species. During 2016 the company will develop conservation plans for the whole area of natural forest in order to protect its biological diversity, ecosystems, soils and watercourses.

Another important initiative was Concha y Toro's first Workshop on Biodiversity,

Animal Species in Natural Forest

Estate	N° of Species				Type of Specie			
	Reptiles	Birds	Mammals	Amphibians	Endemic	Native	Introduced	Domestic
Peumo	3	36	5	-	7	33	2	2
Rauco	2	37	3	1	4	35	1	1
Villa Alegre	3	27	2	-	4	26	2	-
Idahue	3	53	9	2	8	54	5	-
Rucahue	4	33	14	-	4	37	10	-
Ucuquer	4	46	10	2	7	51	4	-
Lourdes	3	49	10	1	5	52	6	-
San Raquel	3	37	9	1	4	41	5	-
Palo Alto	3	40	9	1	6	41	6	-

to which all employees were invited, and whose objective was to show them the company's natural heritage, the results of the biodiversity inventories, and to visit part

of the 476 hectares of natural forest at the Peumo estate.



G4-EN11

In 2015 the company completed the inventory of 100% of the natural forest it owns with the support of the Institute of Ecology and Biodiversity (IEB). This gives way to specific management plans for the **3,272 hectares of natural forest**, which have been registered with CONAF.

Pesticides and Fertilizers

“ The company manages agricultural lands looking, first, to control of pests and diseases, and secondly, to prevent soil erosion. ”

G4-EN1

The company manages agricultural lands looking, first, to control of pests and diseases, and secondly, to prevent soil erosion. The use of pesticides in agricultural processes is explained by the presence of pests and diseases that threaten the quality and/or quantity of grapes, while the use of fertilizers allows optimal development of the vineyards for the production of quality grapes and in the appropriate amount to the variety and oenological goal.

All fertilizers and pesticides application programs made by the company are according to the “General guidelines for planting a new vineyards” of the Agriculture and Livestock Service (SAG), a document that includes all aspects and restrictions for a planting project, considering the protection of the soil and the personnel in charge of executing this work.

Concha y Toro’s strategy for the integrated management of pests and diseases seeks to minimize the use of pesticides. Knowing the biological cycles of harmful species, allows




a rational use and rotation of pesticides, resulting in a more effective control of pests. Every phytosanitary program to protect the health of the vineyards begins with knowing the different diseases and pests affecting the vine. All programs are also based on the experience and expertise of the professional teams in charge of the vineyards and of the department of Technical Management, which develops the programs.

All pests and diseases are identified through frequent monitoring during the phonological stages susceptible to various pests, but not in all cases it is necessary to control them. This is part of the Integrated Pest and Diseases Management system, which seeks to make applications only under necessary conditions, always using the less toxic products for an effective control.

Finally, and given that Concha y Toro is certified under the Second Clean Production Agreement (APL2) of the wine industry, all its facilities meet this protocol, ensuring the best environmental performance of the industry.



Use of Phytosanitary Products

Product	Unit	2014	2015
 Fertilizers	Tons	1,801	1,151
 Herbicides	Tons	14.6	5.5
 Other phytosanitary products	Tons	702	746
Total			



 CENTRO DE INVESTIGACIÓN INNOVACIÓN

F1R3

APLICAR CAL

Fechas: 22-03/29-03/05-04
12-04/19-04/26-04/03-05

Hilera: 139-140





Chapter 8

Sustainability in Subsidiaries

Subsidiaries Viña Cono Sur in Chile, Trivento Bodegas y Viñedos in Argentina and Fetzer Vineyards in the United States manage sustainability issues independently, according to the values and general guidelines set by the

company's Board of Directors. Thus, this section of the report aims to provide a comprehensive and concise view of these subsidiaries' management.



Viña Cono Sur

certified under ISO 9001, 14001, 50001 and OHSAS 18001.

Trivento Bodegas y Viñedos

certified under BRC standard since 2009, during 2015 obtained a A+ qualification.

Fetzer Vineyards

B Corp certification, making it the largest wine company in the world to achieve it.





Viña Cono Sur

■ Since its inception, Viña Cono Sur has been deeply committed to sustainable development, convinced that the production of high quality wines can go hand in hand with environmentally friendly practices. ■

Viña Cono Sur S.A. was founded in 1993 with the vision of producing expressive and innovative premium wines. Its name represents wines made in the Southern Cone of America, on whose eastern edge lays Chile and its wine valleys.

Since its inception, Viña Cono Sur has been deeply committed to sustainable development, convinced that the production of high quality wines can go hand in hand with environmentally friendly practices. In 2015 the winery was recertified in the Code of Sustainability of the wine industry and began the process of certifying all its estates with the second Clean Production Agreement (APL).

Additionally, Cono Sur is certified under the ISO 9001, 14001, 50001 and OHSAS 18001 standards.

In terms of personnel, it has 207 permanent employees and 184 temporary ones, of which 30% are women.

Sustainable Development

In order to monitor and strengthen sustainable management, every two months the company holds a meeting with senior management



1,159 hectares in Chile



10 estates



1 winemaking cellar

- With tanks for 23 million liters
- Barrels for 1.6 million liters



Sales 2015

- 4.82 million cases

to review issues related to the integrated management system and sustainability. Heads of Department, Assistant Managers and Managers involved in different areas of the organization participate in the meeting to review the status of the tasks defined in the system, goals and objectives, audit results, state of action plans for improvement, and occupational health and safety results, among others. As a result, new actions, objectives and strategy changes can be defined, all of which are validated by the General Manager.

It also has a policy and code of conduct, in addition to its own sustainability report 2013-2014, available on its webpage www.conosur.com

Vineyard Management and Sustainable Practices

Sustainability and innovation have marked Cono Sur's management, which has stood out for being pioneer in the organic production of grapes. In 1998, together with its policy

to move from conventional to sustainable agriculture, it began implementing a system that favors the use of natural alternatives for fertilization, and pest, diseases and weeds prevention and control. This agricultural system works with environmentally friendly clean and healthy policies.

Through sustainable cultivation the winery aims to avoid the use of non-natural elements, using geese, sheep, various insects and plants. The environment becomes a self-regulating system, and the fruit is cultivated in a cleaner and healthier manner.

At May 2015 the winery had an area of 199.38 hectares certified under organic management and 92.46 hectares in a transition process, mainly in the Colchagua and San Antonio valleys.

Water Management

Through its Management Policy, Viña Cono Sur is committed to the efficient use of all resources. Moreover, water usage being a significant environmental aspect, it conducts training for employees on its efficient use, permanently monitoring consumption and performance indicators.

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

Energy Management and Carbon Footprint

Viña Cono Sur has an energy management system based on the ISO 50001 standard. It has worked intensely on monitoring and measuring all significant energy consumption, for which it has continued installing monitoring and measurement devices.

In 2015, the company conducted studies to determine on-site energy consumption in the irrigation system of the Santa Elisa estate, approving for 2016 the installation of a system to monitor online energy consumption and flows delivered by sector.

As for the carbon footprint, there was a decrease of total emissions to 6,538.36 Tons CO₂e, mainly in Scope 3, both in the mandatory and the additional. The decrease is mainly related to packaging materials, since fewer cases of bottled wine were shipped. This also affected the total weight transported, resulting in decreases in freight by ship.

Energy Consumption

Place	Electricity kW	LPG	Gasoline l	Diesel l
El Encanto	700,924	512	10,515	12,320
El Centinela	68,165	9,106	6,993	10,407
Campo lindo	287,591	6,045	6,621	22,837
Peralillo	495,868	48,731	9,332	54,551
Santa Elisa	268,011	0	9,894	56,249
San Rafael	40,335	0	461	9,086
La Espuela	137,240	2,604	10,328	23,553
Winemaking Cellar	1,891,870	141,085	37,800	39,380
Santiago Office	19,444	0	690	0
Total	3,909,448	208,083	92,634	228,383

Carbon Footprint

Scope	2014-2015	2013-2014
Scope 1	1,998.13	1,843.75
Scope 2	1,407.40	1,480.36
Scope 3	12,672.10	14,047.31
Scope 3 additional	21,878.02	27,122.59
TOTAL	37,955.65	44,494.01

Waste Management

Proper waste management, both hazardous and non-hazardous and food waste, is done through companies authorized and specialized in waste treatment or disposal. For over two seasons the winery has been replacing impregnated wood poles for metal ones, in order to eliminate these types of structures that are difficult to decompose and dispose, as it is hazardous waste.

Viña Cono Sur has joined the agreement that Viña Concha y Toro has with Biodiversa, committing to ensure that liquid industrial waste²² is properly treated and released to surface watercourses, according to current regulations. In the period 2014-2015 these exceeded 43,000 m³.

As for pesticide containers, 100% is subjected to triple rinse technique and then delivered to an authorized company (COPEVAL) for temporary storage and subsequent final disposal.

Finally, vegetal and organic waste from pruning is crushed both between rows and on the roads to reduce the emission of particulate matters (soil dust) from the circulation of vehicles, and also to improve soil conditions by adding organic matter. In the case of pomace and stems, they are dispatched by the technical area to the field for solarization, located within the Santa Elisa estate, where they are treated and managed for use in organic vineyards. Lees and filtering soils are destined to a company that incorporates them in its process.

Suppliers Management

In 2015 grape suppliers were audited based on the conditions provided by the Sustainability Code of Wines of Chile, and there was constant monitoring to ensure the requested improvements were made. Also, trainings on occupational health and safety were conducted for some grape suppliers. Additionally, the winery continued working together with its suppliers to improve relations and make progress in terms of sustainability.

Human Resources

To meet the winery's objectives, it is important to have capable and motivated employees. In 2015, on average each employee had 14.71 hours of training.

Health and Safety

The commitment of Cono Sur to ensure the health, safety and welfare of its employees has obtained excellent results between 2013 and 2015. This is demonstrated by the reduction of the additional contribution rate to the agency of occupational safety administration, which decreased from 1.97% to 1.63%. The commitment for next years is to continue working on generate preventive awareness on all workers.

22. Drinking water entering the winemaking cellar is discharged as ILW after being used mainly in cleaning processes.



Trivento Bodegas y Viñedos

As Argentina's wine brand with the largest coverage, in less than 10 years Trivento has positioned itself in more than 100 markets around the world, being one of the 5 largest exporters in the country.

Since 1996 Trivento produces quality wines that reflect the character of the winds blowing in the sunny and arid lands of Mendoza, leaving their mark in the vineyards and wines.

As Argentina's wine brand with the largest coverage, in less than 10 years Trivento has positioned itself in more than 100 markets around the world, being one of the 5 largest exporters in the country. Its broad portfolio, which includes brands Trivento Eolo, Trivento Golden Reserve, Trivento Amado Sur, Trivento Reserve and Trivento Tribu is continually recognized in wine competitions and magazines in the most prestigious markets.

Its eight estates, located in the best wine-growing areas of Mendoza, including Uco

Valley, Oasis Luján-Maipú and Oasis Este, provide a wide variety of topographies and microclimates, elements that make it possible to achieve the best expression of each varietal.

Sustainable Development

Trivento shares Concha y Toro holding's conviction that it is possible to produce wines of the highest quality while caring



Trivento is certified under the BRC food safety standard since 2009, and in 2015 it was graded A+.



1,111 hectares of vineyards



8 estates with

- Valle de Uco
- Oasis Luján-Maipú
- Oasis Este



2 winemaking cellars

- winemaking cellars in Argentina with a total capacity of 16.4 million liters.



1 bottling plant in Argentina



Sales 2015

- 2.6 million cases.



Workforce

- Its personnel is made up of 92 women and 240 men.

One of the initiatives undertaken by the company was the use of ultrasonic humidifiers in the barrel room, which by replacing the spraying system previously used, allowed a decrease in water consumption.

In addition, it improved thermal insulation in the storage area for finished wines by replacing the old original coverage of sinusoidal sheet for metal panels with Polyisocyanurate Insulation Foam (PIR) core. This allowed complete isolation of the area, which resulted in significant energy savings.

For 2016 the company has planned to replace LPG (liquefied petroleum gas) used on boilers for natural gas, since the combustion of natural gas is the cleanest and least polluting.

Waste Management

In order to generate less waste, the company has implemented a waste sorting system, 68% of which is recycled in designated plants. During 2015 68,320 kilos of cardboard, 166,529 kilos of glass and 22,220 kilos of plastic were recycled.

As for liquid waste, there are treatment plants in both wineries, and particularly in the case of Bodega Tres Porteñas it is reused for irrigation.

Human Resources

In terms of internal and community relations, the company's main strategy revolves around the development, education and wellbeing of its employees, promoting vital balance in three areas: work, personal and family life.

Trivento has a program to support employees in completing their secondary education, and also a comprehensive training program. Additionally, it develops programs to encourage a healthy quality of life and work-family conciliation.

for the environment and people's wellbeing, fostering its employees' performance and building beneficial relationships with neighboring communities. In this sense, the company aims to carry out its activities in harmony with its surroundings, from the management of the vineyards to the delivery of the final product.

Vineyard Management and Sustainable Practices

To manage its vineyards Trivento uses agrochemicals authorized by the competent authority. At Finca Los Vientos, and within the framework of an R&D project, the company produces liquid fertilizer (nitrogen, phosphorus, potassium) for all vineyards. This not only allows reducing transport but also associated costs, considering that only during 2015 200,000 liters of fertilizer were produced.

In addition to artificial fertilizers, the company produces compost from pomace and then applies it in its own vineyards. Thus, it creates a virtuous cycle in which it takes advantage of waste resulting from winemaking for composting and soil fertilization.

Regarding the irrigation of the vineyards, all the company's cultivated area is irrigated through drip system, a method that allows savings of 50% compared to flood irrigation.

Water and Energy Management

In 2015 the company carried out various measures to reduce its water and energy consumption. During the year it used 120,900 m³ of water and 4,959,600 kWh for the overall operation.



Fetzer Vineyards

“ With over 40 years of experience, Fetzer Vineyards has been a pioneer in sustainable practices, leading the trend in the California wine industry and the world. ”

With over 40 years of experience, Fetzer Vineyards has been a pioneer in sustainable practices, leading the trend in the California wine industry and the world. The winery focuses its practices in the restoration and regeneration of ecosystems and communities, while producing quality wines, and ensuring the health and wellbeing of its employees, generating development and growth for all its stakeholders.

Its goal is to become a Net Positive company by 2030, which means eliminating or offsetting all negative impacts by that year and produce only positive impacts, improving its corporate footprint. The company joined the Net Positive Project to have their support in this important goal.

Sustainable Development

For decades, Fetzer Vineyards has been practicing sustainable agriculture, using cover crops, composting, reforestation to protect biodiversity, and using cattle grazing to regenerate soil and the environment. In addition, the winery committed to being a carbon neutral company and joined the United Nations Climate Change Now program.

With these new commitments, the company has taken important steps to become a sustainable business model around the world.

In 2015, Fetzer developed a new sustainability strategy under the concept of “moving towards sustainability”, aiming to revitalize and regenerate ecosystems and communities. With this new vision, the position of Sustainability Manager in Fetzer changed to Director of Regenerative Development.

Vineyard Management and Sustainable Practices

Fetzer Vineyards began implementing sustainable and organic practices since the early eighties, and has continued with this approach over time by adopting new and innovative initiatives that have allowed it to produce grapes of undisputed quality. These methods have helped to ensure the health and quality of agricultural soils, wines and ecosystems in the long term.

All the vineyards that Fetzer owns in Mendocino County are managed only with organic practices, certified by the CCOF, and their grapes are used to produce Bonterra wines, the largest production of organic wine in California.

Fetzer’s soil management practices have allowed protecting and maintaining oak forests and riverside habitats of nearly 45% of its properties, which contributes to the absorption of carbon dioxide and the environment’s resilience to climate change.



2 winemaking cellars

- In California



1 bottling plant

- In California



Sales 2015

- 2.5 million cases



Workforce

- 284 permanent employees
- 40 temporary employees

Regarding the management of pests and weeds, Fetzer Vineyards develops organic and integrated practices, which means using the same natural environment to prevent and control its appearance in the vineyards. With regard to the first, the winery is regularly monitoring and keeping record of pests and beneficial organisms, and conducting climate analysis, in order to generate healthy ecosystems and habitats for beneficial insects and fight potential pests naturally. In the case of weeds, measures such as sheep grazing on dormant months, before the outbreak of insects, are some of the initiatives implemented by the company. Thus, natural resources and materials are carefully preserved and used, minimizing the use of non-agricultural elements.

Water Management

Fetzer has incorporated several water-saving measures both in the winemaking and bottling processes. Particularly, it has implemented various initiatives in the supply cleaning process.

An example of this is the use of ozone to clean barrels, which saves water, and also hoses in the winery have been retrofitted with nozzles to use less water. This initiative started in 2001 and has achieved savings of more than two million gallons of water per year. Water consumption in 2015 was 4.85 gallons of water per gallon of wine produced in the Hopland winemaking cellar.

It is worth mentioning that the company has its own water treatment facilities, in which it uses aeration.

Energy Management and Carbon Footprint

Fetzer Vineyards has been a pioneer and leader in adopting energy conservation methods and the use of renewable energy (defined as "green energy") in the Hopland winemaking cellar. In fact, Fetzer was the first winery to operate 100% on renewable energy in 1999. 20% of the energy consumed comes from its own solar panels and energy the rest is purchased from a wind power generating company.

Since the nineties, the company has developed various projects of energy conservation and efficiency, which involve the installation of efficient lighting, improved insulation of wine tanks, and efficiency in the transport of energy.

As for the carbon footprint, Fetzer Vineyards publicly reports its emissions of greenhouse gases (GHGs) since 2005. From that year until now, the company has reduced its total emissions by about 50%. This has earned it many awards and recognition, such as being invited to participate as a panelist at the UN COP21 conference on climate change held during the business forum in Paris in December 2015.

During 2015 energy consumption was 5,302,767 kWh, of which 2.36 kWh were co-generated, and its direct GHG emissions (Scope 1) were 1,553 tonCO₂e, while indirect emissions (Scope 2) were 262 tonCO₂e.

Waste Management

During 2015, 99.1% of the total waste generated by the company was not disposed of in landfills, but recycled and reused.

In 1990, Fetzer Vineyards set itself the ambitious goal of zero waste, which made it a pioneer in the development of methods for recycling, reusing and reducing materials. Since then the company has had an outstanding performance in this area, as it has reduced by 97% the total waste sent to landfill since 1990.

The various initiatives in this area not only include organic waste from the winemaking process, but also those additional supplies such as cardboard, plastic and glass. An example of this is the coordinated work done with suppliers for the return and reuse of packaging and distribution materials such as pallets, boxes and trays.

Suppliers Management

The company has a supplier evaluation program to assess their supply chain in terms of quality (ISO), sustainability and service.

Fetzer Vineyards encourages its suppliers to adopt the winery's practices in terms of reducing, reusing and recycling materials. The company makes an effort to purchase recycled and recyclable packaging products and materials, and it also returns some packaging materials to suppliers for reuse.

By 2015, 100% of labels were recycled (approximately 10 million labels). Additionally, 38% of glass used is made from crushed glass, part of which is generated internally.

Human Resources

During 2015, Fetzer Vineyards provided a total of about 4,930 hours of training, including 1,520 hours are leadership training and 3,408 hours of safety training. This meant an average of 18.7 hours of training per person in the year.

Continuous improvement is one of Fetzer Vineyards' core values, so providing opportunities for learning and growth through education is a strategic imperative for the company. The winery has developed programs to develop technical knowledge



In 2015 was awarded the B Corp certification, making it the largest wine company to achieve it.

and skills at work, strategic trainings for managers and leaders, as well as robust and safe training on equipment and processes.

Each employee receives 12 hours of job-specific training per year. Additionally, 904 hours are dedicated to training in the safe use of mechanical equipment necessary to perform their tasks. During 2015, 25 employees graduated from a language program developed specifically for the company's needs, incorporating technical vocabulary needed in the industry.

As part of Fetzer's commitment to its employees and their families, and the communities in which they live, the company offers a range of programs to provide quality of life, education, continuous improvement and corporate volunteer activities.

Health and Safety

In order to ensure safe work environments, the company is constantly conducting training workshops and diagnostics to reduce risk and promote the health and safety of employees and visitors.

For this, Fetzer holds monthly meetings with health and safety committees, in addition to maintaining an ongoing dialogue with them. It also creates campaigns to promote and reinforce a safe behavior. In addition, the company promotes healthy lifestyles for its employees and their families, through education and participation in related activities, focused on good nutrition and exercise.

During 2015, the company recorded 17 accidents resulting in injury or illness, two of which resulted in lost time.

External Assurance Report



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INDEPENDENT REVISION REPORT VIÑA CONCHA Y TORO S.A.

SUSTAINABILITY REPORT 2015

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

Dear Mrs. Lira,

Hereby, you can find the outcomes of the revision of Viña Concha y Toro S.A. Sustainability Report 2015 according to the following aspects:

Scope

- ✓ Limited security revision of the contents and indicators' adaptation of the 2015 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 2015 Sustainability Report, in order to know the principles, systems and management approaches applied during the report elaboration.
- ✓ Analysis of the adaptation of the 2015 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 2015 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 GRI 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-EN28	G4-EN29	G4-EN31	G4-EN32	G4-EN33
G4-LA5	G4-LA6	G4-LA7	G4-LA8	G4-LA9	G4-LA10	G4-LA11
G4-LA13	G4-LA14	G4-LA15	G4-S01	G4-S02	G4-S03	G4-S04
G4-S05	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 2015 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 2015 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.
- We have developed our work according to the Independence norms established in the Code of Ethics of the IFAC.
- The conclusions of the verification made by Deloitte go for the last version of the 2014 Sustainability Report received on June 17, 2016.
- 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 2015 Concha y Toro Sustainability Report.



Fernando Gaziano.

Partner

June 20, 2016

GRI Index and Global Compact

General Standard Disclosures

Code	Section / Comments / Reference	Page	External Assurance
Strategy and Analysis			
G4-1	Letter from the Chairman	8 and 9	✓
G4-2	Letter from the Chairman	8 and 9	✓
Organization Profile			
G4-3	Company Profile	16	✓
G4-4	Company Profile	16	✓
G4-5	Company Profile	16	✓
G4-6	Viña Concha y Toro in Chile	20	✓
G4-7	Company Profile	16	✓
G4-8	Company Profile	16	✓
G4-9	2015 Milestones and Figures Viña Concha y Toro in Chile	20	✓
G4-10	Workforce Temporary Workers	34 and 35	✓
G4-11	Relations with Unions	38	✓
G4-12	Inductive Process	22	✓
G4-13	Company Profile	16	✓
G4-14	Sustainability Strategy Environment	28	✓
G4-15	Memberships and Associations	30	✓
G4-16	Memberships and Associations	30	✓
Material Aspects and Boundaries			
G4-17	Annual Report pages 74 and 75 http://www.conchaytoro.com/wp-content/uploads/2016/04/Memoria-Anual-Vin%CC%83a-Concha-y-Toro-SVS.pdf		✓
G4-18	Definition of contents included in the Report	12 and 13	✓
G4-19	Determining the Sustainability Context	13	✓
G4-20	Determining the Sustainability Context	13	✓
G4-21	Determining the Sustainability Context	13	✓
G4-22	Carbon Footprint	74	✓
G4-23	There have been no changes to the scope or boundaries		✓
Stakeholders Engagement			
G4-24	Stakeholders	14	✓
G4-25	Stakeholders were defined according to the criteria of influence and dependence while defining the sustainability strategy. Each year, along with the strategic objectives, stakeholders are evaluated with the same criteria.		✓
G4-26	Stakeholders	14	✓
G4-27	Stakeholders	13 and 14	✓
Determining the Sustainability Context			
Report Profile			
G4-28	About this report	12	✓
G4-29	About this report	12	✓
G4-30	About this report	12	✓
G4-31	Cover		✓
G4-32	About this report	12	✓
G4-33	External Assurance Report	90	✓
Governance			
G4-34	Corporate Governance	24	✓
G4-35	Corporate Governance	24	✓
G4-36	Sustainability Strategy	28	✓
G4-37	Sustainability Strategy	28	✓
G4-38	Corporate Governance	24	✓
G4-39	Corporate Governance	24	✓
G4-40	Corporate Governance	24	✓
G4-41	Corporate Ethics Management	27	✓
G4-42	Corporate Governance	24	✓

Code	Section / Comments / Reference	Page	External Assurance
G4-43	Through the CEO, the Sustainability Committee informs the Board of Directors on matters relating to the company's sustainability management.		✓
G4-44	Board Self-Assessment	26	✓
G4-45	Corporate Governance	26	✓
G4-46	Corporate Governance	26	✓
G4-47	The Board of Directors discusses these issues in ordinary and extraordinary sessions.		✓
G4-48	Determining the Sustainability Context	13	✓
G4-49	Through the CEO, the Sustainability Committee informs the Board of Directors on matters relating to the company's sustainability management.		✓
G4-50	Annual Report pages 58 - 61		✓
G4-51	Annual Report pages 57 and 58		✓
G4-52	Annual Report pages 57 and 58		✓
G4-53	Annual Report pages 57 and 58		✓
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	Corporate Ethics Management	27	✓
G4-57	Corporate Ethics Management Whistleblower Channel	27	✓
G4-58	Corporate Ethics Management Whistleblower Channel	27	✓

Specific Standard Disclosures

Code	Page / Comments / Reference	Global Compact Principle	External Assurance	External Assurance
Ethics and Anticorruption				
Management Approach				
G4-SO3	Crime Prevention Model	27	10	✓
G4-SO4	Crime Prevention Model	27	10	✓
G4-SO5	Whistleblower Channel	27	10	✓
Profitability, and Generated and Distributed Economic Value				
Management Approach				
G4-EC1	Generated Economic Value	31		✓
Regulatory Compliance				
Management Approach				
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.			✓
Workforce and Working Conditions for Temporary Workers				
Management Approach				
Own: Temporary Workers	Temporary Workers	35	6	✓
Labor Relations and Work Environment				
Management Approach				
G4-HR4	No operations have been detected where the exercise of collective association could be affected.		2 and 3	✓
Wages and Bonuses				
Management Approach				
G4-LA13	Wages and Bonuses	39	6	✓
Training and Knowledge Center				
Management Approach				
G4-LA9	Annual Training Plan and Knowledge Center	36		✓
G4-LA10	Annual Training Plan and Knowledge Center	36		✓

Code	Page / Comments / Reference	Global Compact Principle	External Assurance	External Assurance
Career Development				
Management Approach				
G4-LA11	Career Development	37		✓
Promoting well-being and benefits				
Management Approach				
Own: Wellbeing programs and Benefits	Promoting wellbeing and benefits	38		✓
Health, Safety, and Workplace Conditions				
Management Approach				
G4-LA5	Main Figures	41	3 and 6	✓
G4-LA6	Main Figures	41		✓
G4-LA7	Main Figures	41	2	✓
G4-LA8	Health, Safety, and Workplace Conditions	40		✓
Community Management: Support for local development				
Management Approach				
G4-S01	Community Management	45		✓
G4-S02	Community Management	45		✓
Suppliers Management and Evaluation (Social and Environmental)				
Management Approach				
G4-EC9	Supply Chain	46		✓
G4-LA14	Evaluation of Suppliers	50	3, 4, 5 and 6	✓
G4-LA15	Evaluation of Suppliers	50	3 and 6	✓
G4-HR5	Evaluation of Suppliers	50	5	✓
G4-HR6	Evaluation of Suppliers	50	4	✓
Supply Management				
Management Approach				
G4-EN1	Pesticides and Fertilizers	80	8	✓
Containers and Packaging Materials				
Management Approach				
G4-EN2	Materiality Assessment	51	8 and 9	✓
G4-EN27	Materiality Assessment	51	8 and 9	✓
G4-EN28	Materiality Assessment	51	8 and 9	✓
Promoting Sustainability in the Supply Chain				
Management Approach				
G4-EN32	Evaluation of Suppliers	50	7 and 8	✓
G4-EN33	Evaluation of Suppliers	50	7, 8 and 9	✓
Innovation				
Management Approach				
Own: Innovation Initiatives	Center for Research and Innovation	54	9	✓
Quality Management				
Management Approach				
G4-PR1	Quality Management Certifications in plants and winemaking cellars	56 and 57		✓
G4-PR2	Food Defense	57		✓

Code	Page / Comments / Reference	Global Compact Principle	External Assurance	External Assurance
Sustainable Products				
Management Approach				
Own: Sustainable Products Description	Sustainable Products	59	8 and 9	✓
Responsible Marketing				
Management Approach				
G4-PR3	Responsible Marketing	58		✓
G4-PR4	Responsible Marketing	58		✓
G4-PR6	Responsible Marketing	58		✓
G4-PR7	Responsible Marketing	58		✓
Customer Satisfaction				
Management Approach				
G4-PR5	Customer Satisfaction	65		✓
Transparency and Information to Clients				
Management Approach				
Own: Clients Audits	Clients Audits	66	1, 2, 3, 8 and 10	✓
Sustainability Dissemination and Promotion				
Management Approach				
Own: Sustainability Dissemination Programs	Sustainability Dissemination and Promotion	67	9	✓
Water Footprint				
Management Approach				
G4-EN8	Water Footprint There is no information regarding the percentage of water from surface and underground sources.	70	7, 8 and 9	✓
G4-EN9	Water Footprint	70	7, 8 and 9	✓
G4-EN10	Water Footprint	70	7, 8 and 9	✓
Impact of Climate Change on the Business				
Management Approach				
G4-EC2	Climate Change	72	7, 8 and 9	✓
Energy and Carbon Footprint				
Management Approach				
G4-EN3	Energy	73	7, 8 and 9	✓
G4-EN4	Energy	73	7, 8 and 9	✓
G4-EN5	Energy	73	7, 8 and 9	✓
G4-EN6	Energy	73	8 and 9	✓
G4-EN7	Not applicable			
G4-EN15	Carbon Footprint	74	7, 8 and 9	✓
G4-EN16	Carbon Footprint	74	7, 8 and 9	✓
G4-EN17	Carbon Footprint	74	7, 8 and 9	✓
G4-EN18	Carbon Footprint	75	7, 8 and 9	✓
G4-EN19	Carbon Footprint	74	7, 8 and 9	✓
G4-EN20	Carbon Footprint	75	7, 8 and 9	✓
G4-EN21	Carbon Footprint	75	7, 8 and 9	✓

Code	Page / Comments / Reference	Global Compact Principle	External Assurance	External Assurance
Waste Management				
Management Approach				
G4-EN22	Liquid Waste	77	7, 8 and 9	✓
G4-EN23	Solid Waste	76	8	✓
G4-EN24	Liquid Waste	77	8	✓
G4-EN25	No hazardous waste is transported	77	8	✓
G4-EN26	Liquid Waste	77	7, 8 and 9	✓
G4-EN29	Environment Liquid Waste	77	7 and 8	✓
Soil Management, Use of Pesticides and Fertilizers				
Management Approach				
G4-EN1	Pesticides and Fertilizers	80	7, 8 and 9	✓
Biodiversity				
Management Approach				
G4-EN11	Biodiversity	79	7 and 8	✓
G4-EN12	Biodiversity	78	7 and 8	✓
G4-EN13	Biodiversity	78	7 and 8	✓
G4-EN14	Biodiversity	79	7 and 8	✓



SUSTAINABILITY
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