

EMILIANA
ORGANIC VINEYARDS

SUSTAINABILITY REPORT 2016





DEAR READERS

Once again, I am pleased to present our Sustainability Report which gives an account of the path we have travelled, and also opens the door to new challenges on which we must continue to focus all our efforts and commitment.

As you know, in Emiliana we do not just believe in organic and biodynamic agriculture as means to create better wines, but also, as a philosophy that tells us how to act with respect. We are passionate about organic agriculture. It moves and inspires us. This is why we are an organic vineyard and are taking a different path from everyone else.

Therefore, we believe it is important to share with you our 2016 journey, from both a social responsibility and environmental perspective, and disclose the indicators associated with our management performance.

This past year, has once again been full of great achievements for Emiliana: celebrating our 30th anniversary and, in addition, being awarded the National Environmental Award in recognition of our trajectory and efforts in recent years in organic farming and sustainable practices.

In 2016, we took on new challenges to improve our organic and biodynamic agriculture. We started work on the measurement and improvement in various aspects in order to understand the key factors that differentiate us in this type of farming, as well as to be prepared for climatic changes that are occurring. In order to do this, we are working with important international consultants to validate the way we operate. We also worked on companywide energy management, in order to be able to reduce our consumption and at the same time, to reduce our greenhouse gas emissions.

In Emiliana we strongly believe that it is our responsibility to demonstrate that a sustainable, organic agriculture that respects nature's cycles, is possible. We have made special efforts to enhance biodiversity, improve our soils and the use of water, as central elements of organic production. We did this through the creation of biological corridors, research on the use of native flora and changes in our irrigation methods. We have started a process of regenerative agriculture, which gives life to the fields, soil and plants where we grow the grapes for our wines, thus obtaining quality products and at the same time improving the welfare of the people.

During the year 2016, we also focused on improving the quality of life of Emiliana's workers and their families. Along with Fair Trade, we continue to work on promoting organic farming and healthy lifestyles within the company and in the communities. The Home

Improvement Fair Trade Project continued to be implemented, benefiting all partners involved. In terms of health, we also supported the most critical cases by managing them with high level specialists and improving attention times.

In terms of financial performance, we ended the year with a 5% increase in total revenue, with a highlight being the increase of 7,62% in income from organic products. Gross profit increased 6,74% and operating profit showed an increase of 20%. Finally, income before tax showed an increase of 5,59%.

I hope to convey, through this report, our spirit to make this company a leader in organic and biodynamic wines, and at the same time, an organization committed to people and the environment. This is a job that involves continuous improvement every day, and that is accomplished with time, effort and dedication; always keeping in mind that a spirit of collaboration and teamwork is the most important.

As I said at the beginning, here we do not only believe in organic and biodynamic agriculture as ways to create better wines, but also, as a philosophy that tells us how to do things with respect. This is why I invite you to read this report and to continue to contribute to the sustainable development of Chile.

CRISTIÁN RODRÍGUEZ LARRAÍN

CEO, Emiliana

July 2017



COMPANY NAME: VIÑEDOS EMILIANA SOCIEDAD ANÓNIMA

TAX PAYER N° 96.512.200-1

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REPORT PROFILE

For the eighth consecutive year, Viñedos Emiliana S.A. provides an account of its economic, environmental and social responsibility management, based on the principles and methodology of the Global Reporting Initiative (GRI). This report has been prepared in accordance with the GRI G4 methodology, under the option "Core". This document discloses the economic-financial, social and environmental performance of the company for the period of 1 January to 31 December 2015, in comparison to previous years, where applicable. The contents of this report were approved by Emiliana's Management Committee.

SUSTAINABILITY REPORTING CONTACTS

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VALUE CHAIN

SUPPLIERS

Grape producers Goods and Services Suppliers 1.2

OPERATIONS

Internal logistics Agriculture Wine making Bottling, Labelling and Packaging

CLIENTS







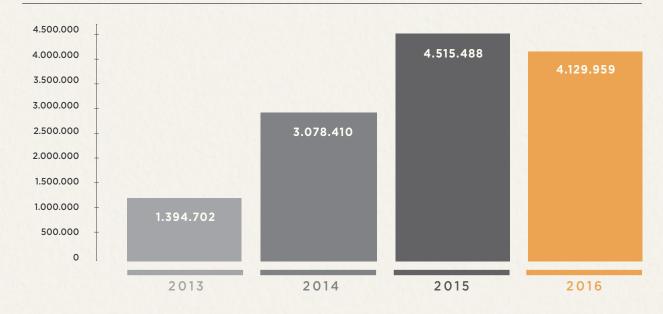




GRAPE PRODUCERS

Year after year we work with organic grape producers, many of whom with which we have maintained long term relationships as strategic partners. We work closely with them, advising on technical aspects such as pest management, fertilizers and machinery. Environmental and social responsibility requirements and initiatives are also communicated in order to involve the supply chain in sustainability projects. It is important to highlight that Emiliana is an important actor in terms of demand for organic grapes as it is a promoter of organic production in Chile.

GRAPE PURCHASES FROM ORGANIC PRODUCERS (IN KG):







1.1 SUPPLIERS

SUPPLIERS OF GOODS AND SERVICES

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

Emiliana's philosophy of caring for its workers and for nature is transmitted to and required by its suppliers. Agricultural services contracts explicitly include compliance with national laws, prohibition of discrimination, freedom of association and assurance of healthy working conditions.

Suppliers of inputs, which consists of companies that develop their products, are required to minimise their environmental impact, resulting in products which are recognised by organic regulations and the biodynamic standard.

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



AGRICULTURE

EQUIPMENT

Tractors Harvesters Weed cutters Leaf strippers

INPUTS

Fertilizers Agricultural products Fuels

SERVICES

Irrigation Water treatment Labour force



WINE MAKING

EQUIPMENT

De-stemming Vats Tanks Pumps

INPUTS

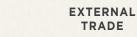
Laboratory items
Casks
Wine making products

SERVICES

Laboratory (Water and Wine analysis) Machinery maintenance Producers of Grapes and Wine Yeasts



PRODUCTION



CUSTOMS AGENCY

INPUTS

Lables, Corks, Bottles, Cases, Partitions, Capsules, Caps, Tapes

SERVICES

Bottling and Packaging

TRANSPORTERS





1.2 OPERATIONS



AGRICULTURE

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



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



BOTTLING, LABELLING & PACKAGING



These processes are subcontracted externally, and they are coordinated by the production area and supervised by the quality control area.

INTERNAL ADMINISTRATION 🖵



Includes all procedures and tasks related to the administrative and human resources management within the company. Due to the distance between some of the operations, good coordination is required between the estates and wineries, as well as with the central headoffice in order to provide a product that complies with quality, social responsibility, environmental protection and profitability standards demanded by the company.







1.3 CLIENTS



include international importers, distribution companies, hotels, restaurants and final consumers. Our clients are distributed in almost 50 countries across 4 continents.







EMILIANA

EMILIANA'S HISTORY

2.2

EMILIANA'S PROFILE

2.3

GOVERNANCE

Ethics and Transparency Corporate Governance Sustainability Governance

ECONOMIC SUSTAINABILITY

Products and Markets Sales and Financial Results





MANIFESTO

In Emiliana we do not just believe in organic and biodynamic agriculture as means to create better wines, but also, as a philosophy that tells us how to act with respect. To be organic is to care for nature, protect the environment and value the people that make it possible for our wines to reach the glasses of those that prefer us. To be organic is to understand that by respecting the earth and its fruits, nature can express itself in an authentic and unique manner.

We are passionate about organic agriculture, it moves and inspires us. This is why we have become an organic vineyard and are taking a different path from everyone else. To realize our dreams, we continue making progress, innovating and working each and every day with efficiency, passion and rigour, with the conviction that the future will be organic.



Aniversary

EMILIANA'S HISTORY

First organic wines were released to the market

COYAM NOVAS

The development of organic and biodynamic agriculture began

COYAM 2001 (1st harvest) obtained the "Best in show" and "Best blend" awards in the First Annual Wines of Chile Awards



IMO certified Emiliana's social responsibility (For Life), its good working conditions and it being a fair and transparent organization.



COYAM

Gê and Coyam wines and the Los Robles Estate certified Carbon Neutral, by TÜV SÜD, Germany

is the second wine in Chile

to be certified Biodynamic



Emiliana chosen as the "Green Winery of the Year" by the English magazine "Drinks Business"



Certified under the Wines of Chile Sustainability Code



Emiliana is chosen as "Vineyard of the Year" by Wines of Chile

1986 1998 2001 2003 2006 2007 2008 2009 2011 2012 2014 2015 2016

Santa Emiliana S.A. Vineyards and Wineries was established

1st winery in Chile and 7th in the world to be certified ISO 14001 (environmental management). Certification of its grapes and organic production systems by IMO Switzerland.





Gê 2003 is the first wine in Chile and Latin America to obtain the biodynamic certification from **Demeter** in Germany





Emiliana achieves 10 years of sustainable agriculture

Emiliana certifies it Fair Trade practices









Certification China





2.1 EMILIANA'S HISTORY

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

Its vineyards, planted across Chile's most important wine making valleys, reflects the harmony between the high quality of its wines, the expression of its origins and the respect for its workers and the environment.

To achieve its objective, Emiliana's team focused its efforts on sustainable production, free of products which are toxic to people and the environment, in order to return control to the earth and also to its workers. It was thus, that little by little the company began its conversion from conventional vineyards to a system of organic and biodynamic agricultural management, alongside the development of social responsibility programs.

A decade later, what began as a dream, became a complete and differentiated portfolio of the highest quality wines.

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

- · IMO Chile for the Organic Markets in the USA, Europe, Brazil, Japan, Korea and Chile, since 1998.
- · COFCC for Organic Production China since 2014.
- Demeter for the Biodynamic market since 2006.
- FLOCERT Fair Trade certification for Fair Trade, since 2011.
- · IMO CHILE, FOR LIFE (FL) certification of Social Responsibility since 2007 and for the FAIR FOR LIFE (FFL) of Fair Trade, since 2011.
- · Wines of Chile Sustainability Code since 2012.
- · DNV ISO 14001:2004 Environmental Management since 2001.
- · Carbon Neutral certified by CarboNZero (Enviro Mark Solutions) and previously TUV SUD for the measurement and neutralization of the Gê and Coyam carbon footprints since 2009.



2.2 EMILIANA'S PROFILE



To be the best organic and biodynamic vineyard in the world, preferred for the high quality of its wines and recognized for its real respect and care for nature and people.



To work with efficiency, passion and excellency to develop high quality and unique wines, based on our experience in responsable and honest organic and biodynamic agriculture, which protects the environment and cares for workers.

VALUES



QUALITY

Search for excellence in all aspects of Emiliana.

PASSION

Commitment, strength and coherence in every action, idea, or project.

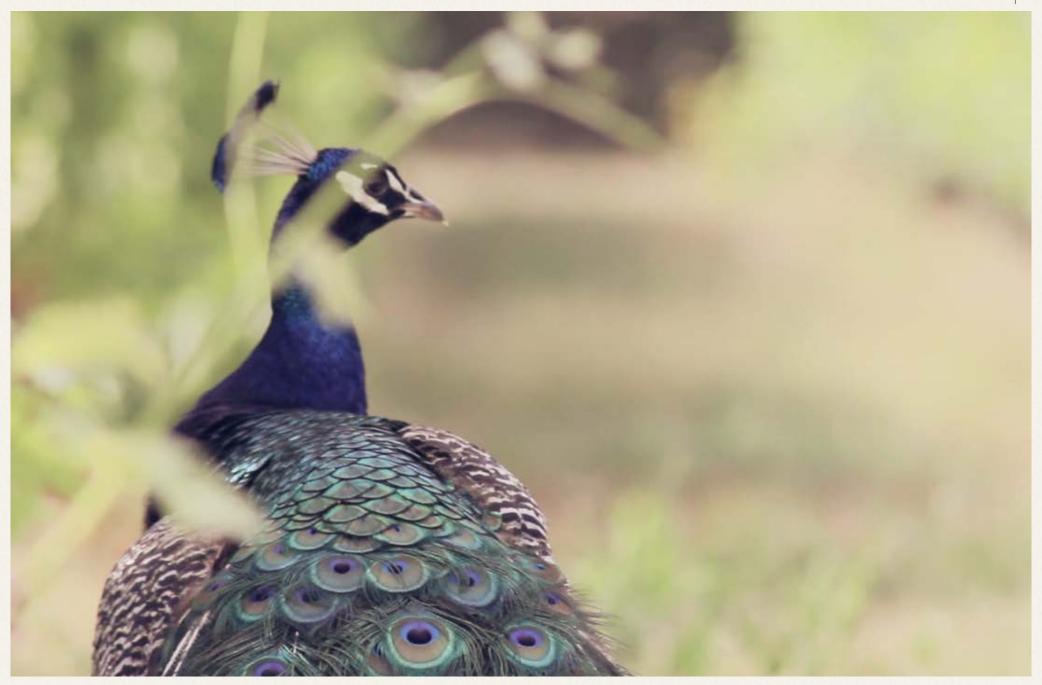
NATU RAL

Respect for nature, authentic, pure and real.

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

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







IN DECEMBER 2016 THE COMPANY HAD PRODUCTION IN 7 AGRICULTURAL ESTATES LOCATED IN THE FOLLOWING VALLEYS:

CASABLANCA VALLEY

267,34 Hás.

32%

MAIPO VALLEY 85,64 Hás.

10%

Maipo has a wine capacity of 4.347.306 liters

> COLCHAGUA VALLEY 321,85 Hás.

39%

CACHAPOAL VALLEY 156,17 Hás. 19%



A TOTAL OF 831

HECTARES



SANTIAGO

CURICÓ

of 18.521.085 liters

3 wine cellars are located in the

Colchagua Valley with a wine capacity

RANCAGUA

WINERY CAPACITY IN LITRES BY TYPE OF WINE CELLAR





	•	1	
ESTATE	Area planted with wine grapes in Ha	Native vegetation (and others) in Ha	Total Surface Area in Ha
CASABLANCA	128,24	16,44	144,68
CORDILLERA	139,10	750,18	889,28
LAS PALMERAS	174,51	14,48	188,99
LINDEROS	49,28	25,72	75,00
LOS MORROS	36,36	10,64	47,00
LOS ROBLES	147,34	655,01	802,35
TOTIHUE	156,17	14,81	170,98
TOTAL	831,00	1.487,28	2.318,28

		STAINLESS			VATS	
WINERY	CEMENT	STEEL	WOOD	CASKS	(EGGS)	TOTAL
PALMERAS	7.706.920	5.893.600	27.000	827.325	15.730	14.470.475
MAIPO	1.899.666	2.447.640				4.347.306
PEDEHUE	2.275.500	860.000				3.135.500
LOS ROBLES		591.960	126.400	170.550	26.200	915.110
TOTAL	11.882.086	9.793.200	153.400	997.875	41.930	22.868.391







2.3 GOVERNANCE



ETHICS & TRANSPARENCY

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

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





CORPORATE GOVERNANCE



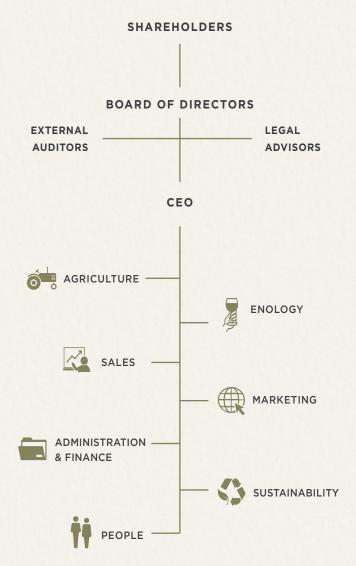
The Company's CEO, who is assigned by the Board of Directors, leads the seven different areas of the business, which are made up of professionals from multiple disciplines all of whome have the necessary qualifications and skills to undertake the work in the different areas of the company.

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

The current Board of Directors was elected by an Extraordinary Shareholders Meeting on 3 November 2015, which was ratified at the Shareholders Meeting held on 26 April 2016.

The Extraordinary Shareholders Meeting on 3 November 2015 renewed the Board in its totality. During this session, the following Directors were chosen: Mr Rafael Guilisasti Gana; Mr José Antonio Marin Jordán; Ms María Isabel Guilisasti Gana; Ms Josefina Guilisasti Gana; Mr Felipe Larrain Vial; Mr Matias Concha Berthet and Mr Fernando Lefort Gorchs. During the Board Session No. 354 of 3 November 2015. Mr Rafael Guilisasti Gana was elected as President of the Board and Mr José Antonio Marin Jordan as Vice-President.

In order to strengthen corporate governance, in 2016 the internal audit department was created to support both the Board of Directors and the administration of the company in improving internal procedures and monitoring compliance.







SUSTAINABILITY GOVERNANCE

Sustainability has been at the centre of the company since its beginning, as part of its workforce and daily processes. We have gradually and continuously developed initiatives related to quality organic and biodynamic production, social responsibility and environmental responsibility. Given the strategic nature of the sustainability initiatives in order to achieve the company's objectives, there is a specific area responsible for sustainability.

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









2.4 ECONOMIC SUSTAINABILITY

PRODUCTS

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

















Carmenere Garnacha/Syrah/ Syrah



Pinot Noir Chardonnay/Viognier/ Marsanne/Roussanne



EMILIANA | Late Harvest

DE ORIGEN

| Premium



















EMILIANA

NOVAS

| Gran Reserva

Sauvignon

Cabernet Carmenere/ Syrah/ Sauvignon Cabernet Mourvedre

Garnacha/

Pinot

Sauvignon Chardonnay Viognier

Sparkling



















Viognier Gewürztraminer

ADOBE

l Reserva



Cabernet Carmenere Merlot

Malhec

Syrah Pinot Noir

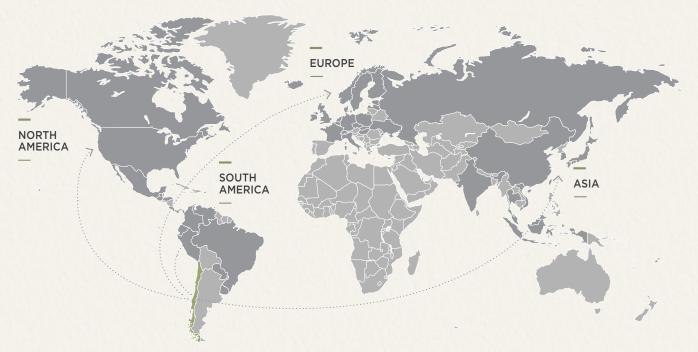
Rosé

Sauvignon Chardonnav









MARKETS

Emiliana operates in Chile and 46 other countries, commercializing its products in: Aruba, Belgium, Bermuda, Brazil, Canada, Chile, China, Colombia, Costa Rica, Chipre, Denmark, Ecuador, Estonia, Finland, France, Germany, Guatemala, Holland, Honduras, Iceland, India, Ireland, Israel, Italy, Japan, Latvia, Malaysia, Maldives, Mexico, Paraguay, Poland, Puerto Rico, Russian Federation, Singapore, Slovakia, South Korea, Sweden, Switzerland, Thailand, Taiwan, Ukraine, United Kingdom, United States, Vietnam, British Virgin Islands and US Virgin Islands.

SALES BY DESTINATION:

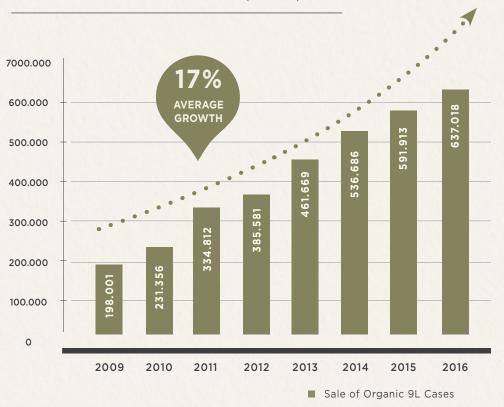
	201	4	2015 2016		6	
ZONE	9 litre Case Units	Sales in USD	9 litre Case Units	Sales in USD	9 litre Case Units	Sales in USD
Europe	400.049	12.777.139	403.101	11.823.021	436.019	12.950.477
Usa	254.253	7.401.466	246.635	7.108.152	209.129	6.261.022
Asia	83.286	3.595.546	85.085	3.158.044	83.285	3.119.787
National	70.661	2.295.980	86.889	2.373.813	109.505	2.946.410
Latam	72.129	2.204.046	74.300	2.201.403	69.136	1.882.823
Canada	29.413	1.656.040	32.969	1.665.338	35.060	1.767.375
TOTAL	909.791	29.930.217	928.979	28.329.771	942.134	28.927.895



SALES AND FINANCIAL RESULTS

Since 2009 Emiliana has maintained an increasing trend in the sale of organic wine, and the consolidation of higher sales in volume and price of organic wines should be highlighted.

ORGANIC BOTTLED WINE SALES (CASES)







BOTTLED SALES ACCORDING TO PRODUCT LINE

	2015		2016	
TYPE	9 Litre Cases	Line Total	9 Litre Cases	Line Total
Organics	591.913	21.130.364	637.018	22.659.111
Reserves	67.299	1.557.110	80.040	1.751.861
Varieties	269.767	5.642.296	225.076	4.516.923
TOTAL	928.979	28.329.770	942.134	28.927.895

BULK SALES

	20	15	2016		
TYPE	Litres	Sales (USD)	Litres	Sales (USD)	
Organic	1.004.936	1.396.279	622.410	870.052	
TOTAL	1.004.936	1.396.279	622.410	870.052	





PACKAGED SALES

	201	5	201	6
TYPE	9 Litre Cases	Sales (USD)	9 Litre Cases	Sales (USD)
Packaged	80.814	1.334.998	113.188	1.882.436

ANNUAL RESULTS

2013	2014	2015	2016	
M\$ 37.503	M\$ 671.488	M\$ 1.373.277	M\$ 1.131.976	

REVENUE AND OPERATING COSTS

	DECEMBER 2015			
	Revenue K\$	Costs K\$		
Wine Sales Bottles and in Bulk	20.336.789	(13.363.164)		
Others (includes charges for royalties)	1.610.037	(1.208.934)		
	21.946.826	(14.572.098)		
	DECEMBER 2015 K\$	DECEMBER 2014 K\$		
Operational Results	1.657.168	1.990.287		
EBITDA	3.049.291	3.326.436		
Financial Costs	(103.221)	(179.082)		
RAIIDAIE (*)	2.945.042	3.048.905		
Results before taxes	1.457.552	1.539.050		
RESULTS AFTER TAXES	1.373.277	1.131.976		





TAXES PAID DURING THE 2014, 2015 AND 2016 PERIOD ARE SHOWN IN THE FOLLOWING TABLE:

ТҮРЕ	2014 M\$	2015 M\$	2016 M\$
SINGLE TAX	142.802	177.853	196.626
FEE RETENTION	21.201	16.722	20.909
PPM	255.160	266.372	253.224
ILA	218.740	326.457	406.274
VAT RETAINED FROM THIRD PARTIES	365	94	371
FOREIGN SHAREHOLDERS	1.455	1.958	15
TOTAL	639.723	789.456	877.419



OUR PEOPLE

3.1

WHO THEY ARE

3.2

TRAINING & **OCCUPATIONAL** SAFETY







WE HAD

WORKERS in December 2015

(29%) (71%)

76%

of the labour force is

PERMANENT



and of these permament workers

ARE UNIONISED

4.180



reduction in LOST DAYS due to accidents



3.1 WHO THEY ARE

TOTAL EMPLOYEES BY AREA

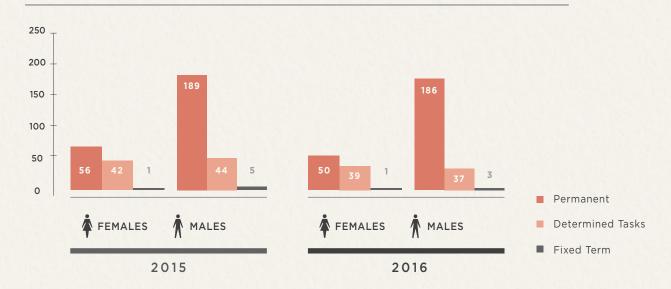
Emiliana's workforce consists of employees who work daily in our vineyards, wineries and offices, thus contributing to the production of our wines. Dignity and improving worker's quality of life is one of Emiliana's cross-cutting objectives which we strive for by maintaining a close and respectful relationship between workers and management.

At the end of the year, Emiliana had a total staff of 337 workers. We strive to hire full time workers and 99.4% of our workforce have full time contracts.

An analysis of our workforce shows that the majority are male, which is justified by the type of industry in which the company operates. We aim to provide our workers with job stability, and the effort we make to hire all workers indefinitely.

AREA	FIXED TERM	PERMANENT	DETERMINED TASKS
ADMINISTRATION	1	66	1
AGRICULTURE	1	109	61
WINE MAKING	2	49	0
PRODUCTION	0	12	14
TOTAL	4	236	76

NUMBER OF WORKERS BY TYPE OF CONTRACT





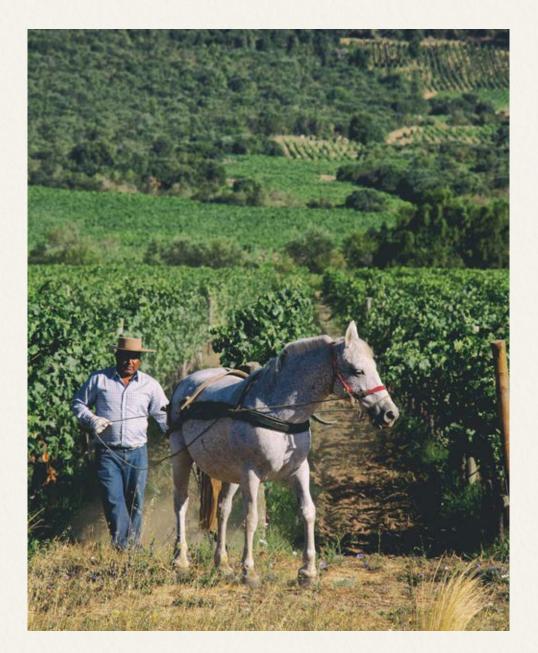
LABOUR FORCE BY GENDER

GENDER		TOTAL 2015	TOTAL 2016
FEMALE	*	99	90
MALE	†	238	226
TOTAL		337	316

Women represent 29,37% and men 70,63& of the total workforce.

LABOUR FORCE BY AGE RANGE

	FEMALE 🏟		MALE 🏌	
AGE RANGE	2015	2016	2015	2016
LESS THAN 30 YEARS	16	16	31	28
BETWEEN 30 AND 40 YEARS	32	26	64	52
BETWEEN 41 AND 50 YEARS	29	30	54	63
BETWEEN 51 AND 60 YEARS	14	11	62	56
BETWEEN 61 AND 70 YEARS	8	7	21	21
OVER 70 YEARS	17-474	-	6	6
TOTAL GENERAL	99	90	238	226





LABOUR FORCE BY YEARS OF SERVICE IN THE COMPANY

	FEM	FEMALE 🛊		MALE /	
YEARS OF SERVICE	2015	2016		2015	2016
LESS THAN 3 YEARS	63	56		82	80
BETWEEN 3 AND 6 YEARS	14	17		45	43
BETWEEN 6 AND 9 YEARS	5	2		6	8
BETWEEN 8 AND 12 YEARS	8	6		10	9
MORE THAN 12 YEARS	9	9		95	86
TOTAL	99	90		238	226

GENDER SALARY GAP IN THE COMPANY

ТҮРЕ	2015	2016
Workers*	73,7	81,3
Professionals and Technicians	87,9	95,2
Managers and Executives	91,2	90,1

* Does not include temporary workers

Note: The % salary gap is equal to the average of the female salaries divided by the average of the male salaries.

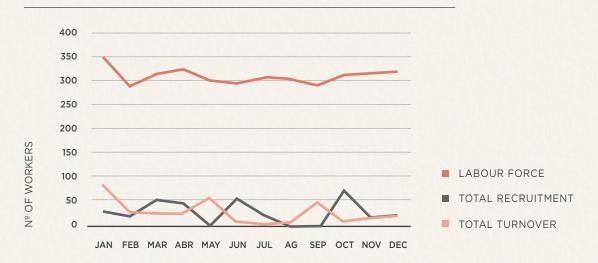




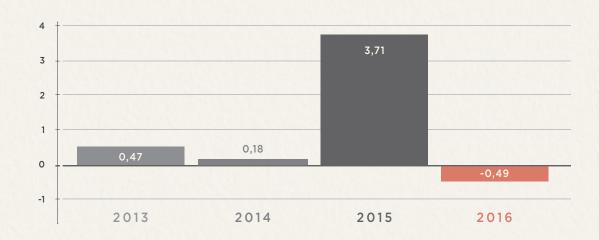
There are 3 trade unions in the company, with which the management works periodically in order to provide solutions to workers needs and requirements. In addition, in Emiliana we have Joint Committees, Bipartite Committees and the Fair Trade Committee, which are all opportunities that allow workers and the company to come together to improve labour conditions. This closeness has allowed for improvements in communication channels and conflict resolution.

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

TOTAL LABOUR FORCE, RECLUITMENTS AND TURNOVER 2016



HISTORIC PERSONNEL TURNOVER (%)







EMILIANA ORGANIC VINEYARDS

3.2 TRAINING AND OCCUPATIONAL SAFETY



TRAINING

Emiliana regularly provides different kinds of training to its workers. The trainings are financed by Emiliana, but also seek support and funding from the Government of Chile, through benefits from the SENCE franchise.

During 2015, the company provided 5 400 hours of training, of which 3 634 made use of the SENCE model. On average, each worker received 16 hours of training over the year.

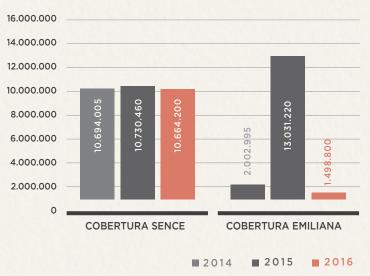
AVERAGE TRAINING HOURS BY GENDER AND AREA

	SE	NCE	EMILI	EMILIANA		AL
GENDER	2015	2016	2015	2016	2015	2016
FEMALE 🛊	10,56	18,8	0,83	1,11	3,88	4,47
MALE *	10,87	20,8	0,80	1,05	2,55	2,81
AREAS						
ADMINISTRATION	25,23	18,75	1,05	1,75	6,93	7,76
WINE MAKING	14,56	15,81	0,74	1,21	1,56	2,5
OPERATIONS	16	4,5	0,67	0,83	4,91	1,08
AGRICULTURE	15,93	26,67	0,82	0,93	2,34	2,66



The company is aware of the interest that its workers have to update their knowledge and skills, and therefore it authorizes courses which are not completely covered by SENCE, requiring Emiliana to take responsibility for the costs.

INVESTMENT IN TRAINING





JOINT COMMITTEES

As part of the Annual Occupational Safety Program developed by a risk preventionist in the company, regular trainings are provided to workers, both in the vineyards and wineries, in order to reduce the number of accidents.

In addition, there are 5 Joint Committees, which hold monthly meetings involving 3 representatives of the company and 3 representatives of the workers in each Committee. These Occupational Health and Safety Joint Committees represent the safety of 100% of the company's workers, regardless of the type of contract.





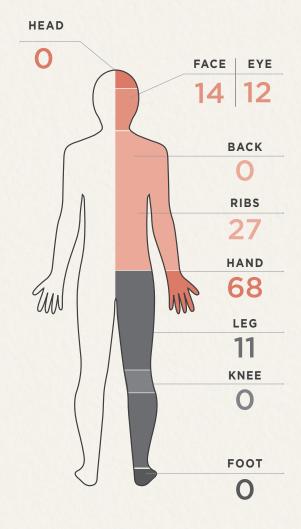


Emiliana is affiliated to the Chilean Safety Association (ACHS), which, through its Assistance Network, provides medical and surgical attention and hospitalization to all workers who suffer a work-related accident, travel accident or occupational disease. Emiliana has never presented fatalities as a result of work accident.

The number of lost days due to accidents decreased by 50,93% in relation to 2015, mainly as a result of increased surveillance, talks and planned inspections in the workplace by the professional expert in risk prevention, in addition to increased awareness of workers regarding self-care. When a worker acquires knowledge and skills related to occupational health and safety, they modify their behavior thus decreasing the risk of an accident at work. For this reason, we believe that it is one of the key tools to develop a preventative culture within our company.

The body area that presents the greatest number of lost days is the hand with 120 days, which is equivalent to 59% of the total number of lost days.

NUMBER OF ACCIDENTS:



NUMBER OF LOST DAYS AND ACCIDENTS

FACILITY	LOST DAYS	ACCIDENTS
BODEGA LAS PALMERAS	7	3
BODEGA LOS ROBLES	21	3
BODEGA MAIPO	30	1
BODEGA PEDEHUE	25	1
FUNDO CASABLANCA	0	0
FUNDO LOS ROBLES	44	2
FUNDO TOTIHUE	5	1
FUNDO LAS PALMERAS	0	0
FUNDO LOS MORROS	0	0
FUNDO LINDEROS	0	0
TOTAL	132	11



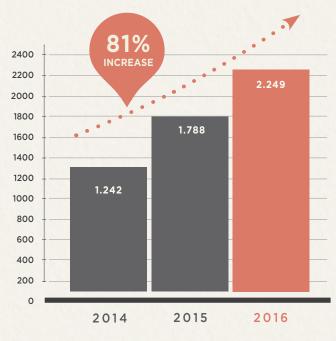
The rate of accidents for the year 2015 was 4.9, which when compared to 2014 showed a decrease of 39,58%. The loss rate also fell 12.80%. Emiliana continues to perform below the generic rate for the wine industry.

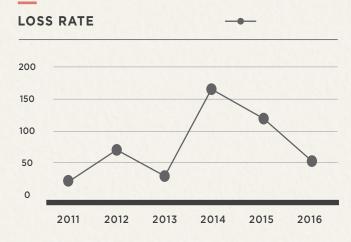
Annually, in every winery, vineyard and all other areas, the Risk Prevention professional conducts: observations, meetings, planned inspections and training in occupational health and safety for the workers, raising awareness on the risks posed by different tasks, correct work methods and prevention measures.

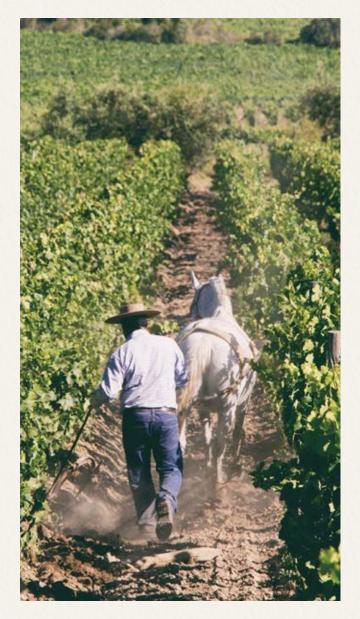
In 2016, a total of 2,248 hours of training were conducted, representing an increase of 25,76% from the previous year.

ACCIDENT RATE 2011 2012 2013 2014 2015 2016

HEALTH AND SAFETY TRAINING HOURS













QUALITY OF LIFE & SOCIAL RESPONSIBILITY

4.1

HEALTHY LIFESTYLE

4.2

EDUCATION

4.3

HOME **IMPROVEMENT**

FAMILY ECONOMIC SUPPLEMENTS

4.5

COMMUNITY SUPPORT





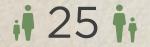
QUALITY OF LIFE & SOCIAL RESPONSIBILITY



MEDICAL **ACTIVITIES**



WORKERS AND



FAMILY MEMBERS BENEFITED

AGREEMENT WITH SENDA

— Prevention & rehabilitation for the **CONSUMPTION of**



DRUGS AND ALCOHOL



WORKERS BENEFITED Advise and guidance on health issues



INTEGRATED **ASSISTANCE** for HIGHLY COMPLEX medical conditions



WORKERS CHOSEN

for complex surgeries with a zero cost agreement equivalent to

\$49.530.621



BIO INTENSIVE ORGANIC **GARDENS**

for workers



COMMITTED WORKERS



BIO INTENSIVE ORGANIC GARDENS

for the community



WORKERS PARTICIPATED



ANNUAL COLLECTIVE SOWING



WORKERS BENEFITED

EDUCATIONAL SCHOLARSHIPS



IN STUDENT

entered reaching a total of

SCHOLARSHIPS for

ANNUAL FEES

Of these

HOME **IMPROVEMENT**



OBTAINING HOMEOWNERSHIP







ENTREPRENEURIAL SUPPORT





WORKER

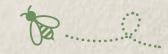
PRODUCTION OF ALPACA & SHEEP WOOL





WORKERS

NATURAL HONEY PRODUCTION



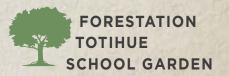
COMMUNITY SUPPORT





for neighbours in Lo Moscoso and La Vinilla

CORPORATE **VOLUNTEERING** Kindergarden Improvement in La Vinilla







4. QUALITY OF LIFE / SOCIAL RESPONSIBILITY

In Emiliana, respect for the quality of life of our workers is part of our corporate mission and as such this is a constant concern. Thus we have policies on benefits, social responsibility and fair trade that contribute to improving conditions for the dignified development of our workers and their families. These policies are reflected in the initiatives we have implemented that cover the main areas of need detected in the company: health, education, housing and a crosscutting focus on supplements for the family economy.

The Human Resources area and the Sustainability area as well as the Fair Trade Committee developed multiple initiatives for the improvement of the quality of life in three strategic pillars: healthy lifestyle, education, and housing. This concern and commitment to the improvement of worker's conditions is reflected by the renewal of Social Responsibility (For Life, IMO) and Fair Trade (FairTrade International and Fair for Life) certifications.

In Emiliana, we are concerned that our Social Responsibility initiatives generate a positive and sustainable impact over time. Thus, it is essential to have adequate resources which ensure the continuity of the current initiatives, allow for the financing of new initiatives and guarantee that our efforts benefit all of our most vulnerable workers alike. For this reason, we have decided that the profits generated by the sale of olive oil produced from olives grown in our organic gardens, will be a source of resources for our Social Responsibility initiatives.





4.1 HEALTHY LIFESTYLE

In Emiliana, initiatives to promote healthy lifestyles include medical activities and agreements, integrated health assistance and support in the case of highly complex medical cases, as well as the development of projects that promote the production of organic food poducts for family diets.



STRATEGIC LINES **OF WORK**

PROJECT

DESCRIPTION



HEALTHY LIFESTYLE

INTEGRATED HEALTH SUPPORT





National Service for the Prevention and Rehabilitation of Drug and **Alcohol Consumption**



Taking into consideration the difficult access to medical specialities in rural areas, we organize visits by medical teams to our farms in order to provide workers and their families with required medical attention.

The agreement with SENDA continued with activities to provide guidance on the prevention of drug and alcohol consumption. This agreement also includes comprehensive support for workers and/or their families who have problems with alcoholism and drug addiction.

Includes professional support and assistance for workers and their families suffering from serious illnesses. In addition, advise is provided on the use of agreements which provide surgeries at zero cost to workers with highly complex medical conditions. Workers were provided with information on illnesses that are included in the Auge Plan and PAD Program.



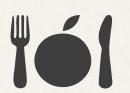
100 workers and 30 family members



STRATEGIC LINES OF WORK

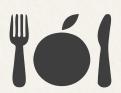
PROJECT

DESCRIPTION



HEALTHY **LIFESTYLE**

HEALTHY DIET AND HABITS



HEALTHY LIFESTYLE

IN OUR OFFICES



WORKERS



ANNUAL COLLECTIVE SOWING





We have assigned areas of our farms and wineries as vegetable gardens for our workers. Each worker is responsible for their piece of land (10-12 m²), where they sow vegetables according to their preference and a Bio-Intensive sowing calender. In addition, we provide them with seeds and training on a monthly basis. The monthly production from these gardens provides for the basic vegetable requirements of a family of four people.

Workers organized in groups of 10 to 20 people are provided with rented or owned plots for the cultivation of potatoes and broad beans, according to the season. In addition to the plot of land, we provide agricultural machinery, organic fertilizers and seeds. The harvest, as well as the labour tasks, are distributed equally amongst the team.

Concerned for the wellbeing or our staff and the prevention of occupational illnesses, we developed a Work Gym Program in our offices in Santiago.

Seeking to instill the consumption of organic vegetables in all our workers, even if they do not have space to have a Bio Intensive vegetable garden, we conducted the first of a series of workshops in Santiago on vegetable gardens in reduced spaces.



104

75

45





4.2 EDUCATION

In Emiliana, Social Responsibility initiatives in education aim to provide opportunities to improve the educational levels of the children of the most vulnerable workers.

For this reason, student bonuses are provided as well as transport assistance for worker's children studying at primary and secondary levels.

In addition, we have continued to work together with the Eduardo Guilisasti Tagle Foundation, financing 100% of the annual fees for tertiary education including technical and professional studies. This includes payment of certain living costs of the students.



SCHOLARSHIPS



IN 2015

7 STUDENTS

were admitted bringing the total to

SCHOLARSHIPS

..... for

ANNUAL FEES

Of these



IN 2016

STUDENT

was admitted bringing the total to

SCHOLARSHIPS

..... for

100% OF

ANNUAL FEES

Of these





4.3 HOME IMPROVEMENT

In relation to the topic of housing, the objectives of the Social Responsibility initiatives implemented in conjunction with the Fair Trade Committee include home ownership and the improvement of housing standards for the most vulnerable workers.

STRATEGIC LINES OF WORK

PROJECT

DESCRIPTION





Concerned for our workers to improve their living conditions, we conducted a survey in Casablanca and Totihue, which aimed to identify their main needs and guide them in the use of resources from the Home Improvement Project.

30



HOME **IMPROVEMENT**



IMPROVEMENT

Materials for home improvement were provided to 243 of our most vulnerable workers.

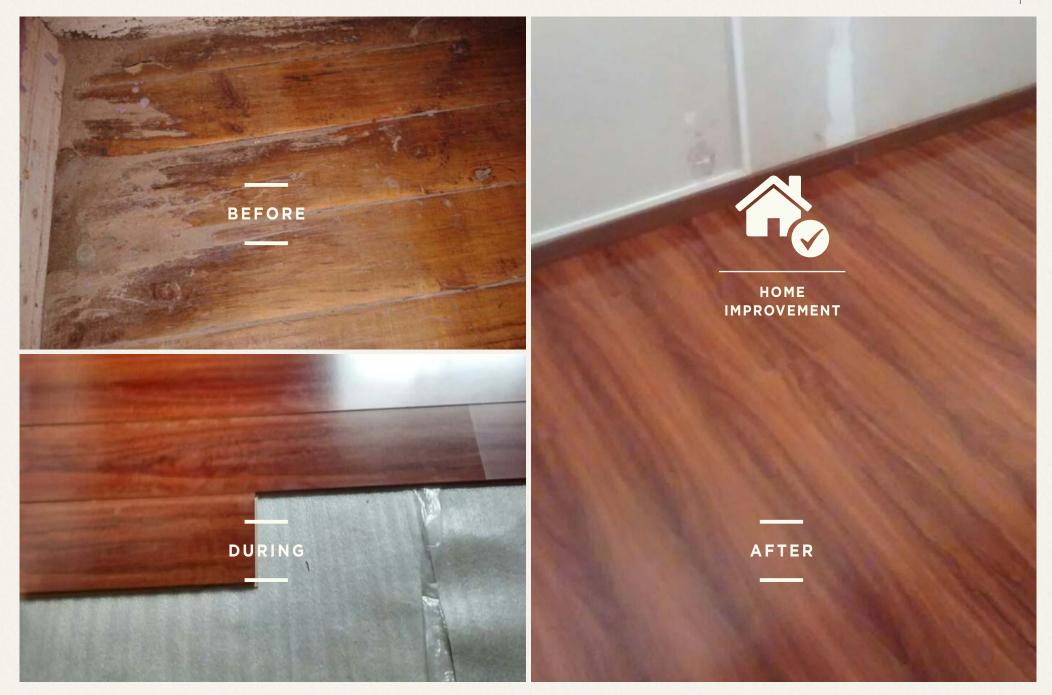
216 workers



INFORMATIVE WORKSHOP

To guide those that don't yet have their own home, a workshop on Requirements, Types and Application for Housing Subsidies was held in Santiago.







4.4 SUPPLEMENTING THE FAMILY ECONOMY

Along with encouraging a healthy lifestyle, increasing access to education and improving housing conditions for our workers and their families, these initiatives help to improve the family economy and reduce their expenditures. In addition, we support the generation of supplementary income for workers and their families through entrepreneurial support.

STRATEGIC LINES OF WORK

PROJECT

DESCRIPTION





PRODUCTION OF BALLS OF SHEEP AND ALPACA WOOL

The project consists of making artesenl balls of wool, obtained from the sheep and alpacas that live on our farms. One of our workers is in charge of producing the wool, labling it and providing it to the Wineshop for sale to tourists. All profits are transferred back to her.



PROMOTING ENTREPRENEURSHIP



We train a group of workers and provide them with beehives on our farms to produce this noble product. The honey is sent to be bottled and sold in our Wineshop with 100% of the profits going to the workers involved in the initiative.



To promote natural management of beehives, a training was conducted on Organic Phytosanitory Management, in which our own beekeepers as well as neighbouring beekeepers participated.







4.5 COMMUNITY SUPPORT

For us, care for the environment and people are critical and we believe that organic agriculture is essential to achieve a healthy planet and society. For this reason, our main line of work in Social Responsibility with our neighboring communities, is to disseminate and promote organic farming and healthy eating, through the implementation of gardens for the cultivation of vegetables for consumption and the teaching of organic agriculture, since we believe that this is fundamental to the learning process in children.

STRATEGIC LINES **OF WORK**

PROJECT

DESCRIPTION



143 preschool

children



COMMUNITY

SUPPORT







Teachers in the Lucerito Nursery School in Nancagua were trained to develop an organic garden, so the children could learn by doing. All materials for the construction and commissioning of the vegetable garden were also provided, as well as ongoing assistance.

We built a vegetable garden in the Suecia School in Totihue, to teach organic agriculture to the students.

Just as we do with our workers, we provide vegetable gardens to our neighbours in Totihue, as well as monthly provisions of seeds and trainings.

28 children between 6 and 12 years old



STRATEGIC LINES **OF WORK**

PROJECT

DESCRIPTION





COMMUNITY **SUPPORT**



CORPORATE **VOLUNTEERING: KINDERGARDEN IMPROVEMENT**





To carry out social activities that involve our employees, we developed the first Emiliana corporate volunteering program, with the objective of having free participation of our workers, dedicating their time, skills and talent to support neighbouring community projects, as well as promoting new skills such as leadership and teamwork.

The result was that six enthusiastic and committed workers from Santiago participated in an improvement project in the Valle de Alberto Nursery School, where a dining room was built, and the façade and patio were painted.

We sponsored the Placilla Rally Mountain Bike Race in 2015.

To encourage children to care for the environment, 50 native trees were donated to the Suecia School in Totihue. The aim, in addition to beautifying the school yard, is that each child is responsible for a few trees, takes care of and waters them, and thus learns the importance that these have for our life.

32 preschool children from La Vinilla

All our neighbours in Lo Moscoso





FAIR TRADE

5.1

PARTICIPANTS

5.2

PROJECTS



5. FAIR TRADE



Fair trade is a form of commercializing products based on social, economic and environmentally ethical criteria. The fundamental pillars of fair trade are dialogue, transparency and respect, and the aim is to safeguard worker's rights, as well as improve living conditions and the well-being of workers, their families, and the community; and finally contribute to sustainable development.

Fair Trade helps workers through projects that are developed with the premium generated by the sale of fair trade wines. Specifically, the premium is a percentage of the price of the wine, which can only be used for the development of a project that will improve the quality of life of the workers or the community.

To manage the premium, we have a Premium Utilization Committee which includes representatives of the workers and the company. This Committee represents the social interests of the most vulnerable workers, is responsible for implementing projects that arise from ideas put forward by the committee, and seeks to improve the quality of life and well-being of our people.

5.1 PARTICIPANTS

MEMBERS OF THE PREMIUM COMMITTEE:



MARCELO SAAVEDRA LAS PALMERAS



LUIS **BECERRA** LOS ROBLES



KATHERINE VEAS LAS PALMERAS



LIDIA **ANDRADE** CASABLANCA



JORGE GUZMÁN LOS MORROS LINDFROS MAIPO **SANTIAGO**



PEDRO MARTÍNEZ TOTIHUE





5.2 PROJECTS

FAIR TRADE PROJECTS DEVELOPED IN 2016:



1. Home Improvement:

This iconic project and main focus point for Emiliana's Fair Trade work, consistes of a monetary fund used to purchase materials for home improvements whilst the workers provide the labour. The project seeks to improve the living conditions of the workers and ensure that all our workers have minimum living standards.



The project consists of a monetary fund for use in any contingency or pre-existing medical issue affecting a worker or their family. It seeks to improve or prevent health problems and improve the quality of life of our workers.



3. Solidarity Fund

The creation of a solidarity fund which will be used to assist any member who suffers a catastrophic event, either related to health, fire or any event that is considered to be catastrophic. It aims to provide assistance to the worker and support the worker in the case of any disaster.



4. Community support

Social projects were financed in 5 neighbouring communities, which is equivalent to more than 24,000 beneficiaries. The projects were:

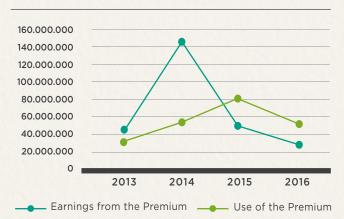
Centro Linderos - Los Morros - Maipo and Santiago:

implementation of a dental room in El Recurso consultancy Casablanca Centre: fencing of the yard and construction of a dining hall in the Alberto La Vinilla kindergarten

Center Totihue: completion of the dressing rooms in Club Deportivo Totihue and a recreation garden at Suecia School Centre Los Robles: construction of a bridge to connect a sector of the community

Center Las Palmeras: implementation of a medical room in Nancagua hospital

FAIR TRADE PREMIUM





The previously mentioned initiatives seek to contribute to improving the quality of life of the workers and their families. These initiatives are promoted by both Emiliana's Social Responsibility line, and the Fair Trade Committee.







The work by both Social Responsibility and Fair Trade are certified processes: For Life and Fair For Life, certified by IMO; Fairtrade certified by FLOCERT. These certifications guarantee that the projects benefit the workers and communities related to Emiliana.



ENVIRONMENTAL RESPONSIBILITY

6.1

CARING FOR NATURE

Caring for nature Our water Our soils

6.2

CLIMATE CHANGE

Carbon footprint **Energy efficient consumption** 6.3

WASTE MANAGEMENT 6.4

KEY **PERFORMANCE INDICATORS**





ENVIRONMENTAL RESPONSIBILITY

CARING FOR NATURE

WASTE MANAGEMENT



605,9 на

destined to

BIODIVERSITY CONSERVATION

which contains mainly



a species with

CONSERVATION

status

For each hectare planted we have

under

CONSERVATION



We have a nursery to propagate

OAK

and other native species

10% of **EACH ESTATE** is destined to **BIODIVERSITY**



17,5 MILLION LITRES OF RESIDUAL WATER

were **REUSED IN** VINE IRRIGATION



This is equivalent to the water use of

PEOPLE IN ONE DAY







1.392.266 KG OF

ORGANIC VINE

WASTE are used in COMPOST

to fertilize the VINEYARDS

KG of PLASTIC IS **RECYCLED**

ELECTRONIC DEVICES RECYLCED



WE RECYCLE KG OF PAPER AND

CARDBOARD

RECYCLED

KG OF GLASS recycled equivalent to of our losses.

CLIMATE CHANGE



WEED CONTROL BY SHEEP



...... generating

534.111 KG OF MANURE





BIOMASS USE



avoiding the emission of

in the Los Robles Winery

····· which is equal to ······



changing

3.139 normal lightbulbs for energy saving bulbs



taking

cars out of circulation for one year



supply

homes with renewable energy



6. ENVIRONMENTAL RESPONSIBILITY

In Emilian, protecting nature, waste management and concerns about climate change are considered priorities in decision making and operations.

Through the development of a preventive and resilient strategy, the company focuses its work on biodiversity and natural resource management on its farms in order to control and decrease the occurrence of diseases and pests in the vineyards, as well as to reduce our impact. For this reason, we also work on studies and projects related to sustainable management and optimization in the management of water, energy and soils. The protection of natural resources and local ecosystems is verified every year through processes of organic and biodynamic certifications. Both certifications enable us to implement the precautionary approach, since they require the use of inputs of natural origin and require the sustainable use of water resources, soil and local biodiversity.

With regards to change climate, we measure the carbon footprint and offset the greenhouse gas emissions of Emiliana's two main wines: Gê and Coyam. In addition, continued efforts are made to reduce energy use and generate energy from renewable sources.

Our final work area is waste management, which focuses on measures to minimize waste generation and promote reuse and recycling at the end of the lifecycle. This approach is applied in our relationship with suppliers, internally and is also considered in the design of our products, extending our management to minimize waste throughout the product cycle.

Based on the involvement and development of these areas of work, we develop voluntary environmental policy commitments. This policy focuses on the following aspects: planning of the production processes with preventive criteria for pollution, managing significant environmental issues, meeting obligatory legal and voluntary requirements adhered to by the Organization, respecting the health of the people and respecting the flora, fauna and other natural resources.

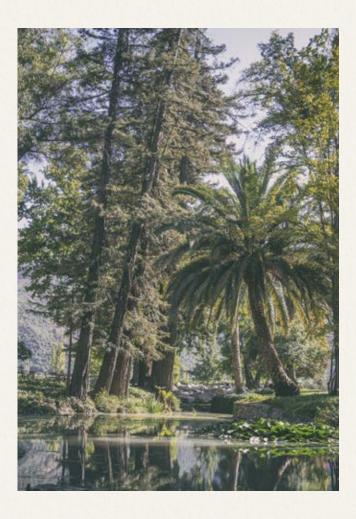






6.1 CARING FOR NATURE





Caring for nature is a fundamental principle of organic and biodynamic production, as well as in agri-ecology. Through more sustainable agricultural practices and the use of natural inputs Emiliana seeks to maintain the biodiversity of the surrounding areas and the interior of our vineyards. This is done in order to maintain healthy ecosystems where ecological processes (also referred to as ecosystem services) directly influence productive zones, such as maintaining soil fertility, pest control, humidity and polinization, amongst others.

PROTECTION OF BIODIVERSITY

We recognize and appreciate the importance of native ecosystems and their processes in our productive activity. For this reason, we manage biodiversity within our vineyards as well as in the surrounding areas. Our operations are in one of the 35 most important biodiversity areas on the planet, with high levels of endemism (species that are found only in this area). This is why we have assigned 605 hectares in one of our vineyards to be conserved and in other vineyards 10% of the land is intended for the management of biodiversity in areas that have been restored and are maintained as biological corridors. In the Los Robles vineyard, it is possible to find the Oak (Nothofagus Glauca) species which is listed as "near threatened" due to its state of conservation. For this reason, from the year 2014 we have been working on the reproduction of this species, along with other native species such as the Quillay.

In order to increase awareness and implement initiatives we work collaboratively on inter-institutional programs. Initially we worked on the "Wine, Climate Change and Biodiversity" program which contributed to awareness raising and knowledge of the local biodiversity inside our premises. We are currently participating in the project "Development of ecosystem services based on functional diversity and auxiliary flora in wine agro-ecosystems", which aims to identify the auxiliary use of native flora within the vineyards, both at the level of coverts as headers.





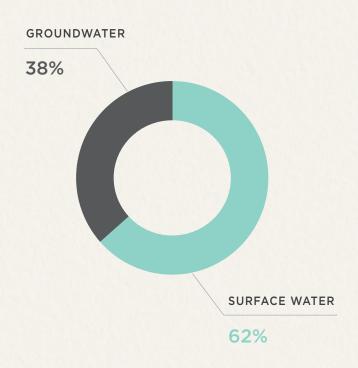




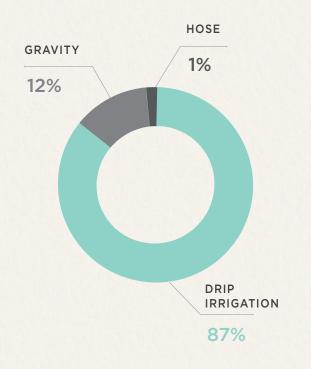
Considering the critical water situation at both local and global levels, in Emiliana we strive to make efficient use of this valuable resource. Our water consumption is associated with specific tasks in the agricultural and winemaking areas, including irrigation of the vineyards and sanitizing of winemaking equipment and machinery. Any extraction of water associated with these purposes, is done so based on our constituted legal rights.

It is important to note that 100% of industrial waste waters are treated and enabled to be used in the irrigation of our vines, thus reducing the additional consumption of water for irrigation. This means that approximately 16 million litres of water are reused in irrigation, reducing the pressure on the water basin.

WATER RIGHTS



DISTRIBUTION OF IRRIGATION HECTARES







Soil is a pillar in Emiliana's production process, as this is what provides support and quality to our wines. In Emiliana, we implement various measures to reduce soil degradation. Mainly we seek to reduce erosion and nutrient loss, as well as the compaction and pollution of our soil. For this, we annually plant covering species between rows to reduce wind and water erosion. We also incorporate the organic matter from the remains of pruning, which adds to the use of compost as a fertilizer and soil improver. To avoid the use of machinery and the compaction of the soil, during the winter time weed control is done with sheep, which enter the fields and whilst eating the weeds they also provide 544.311 kilograms of manure annually to the soil, which is a high quality fertilizer.





6.2 CLIMATE CHANGE



We recognise Climate Change as a current phenomenon which poses a risk to people's lives, ecosystems and productive processes. In Emiliana we strive to reduce our Greenhouse Gas emissions which contribute to the Greenhouse Effect. We do this through the measurement of our carbon footprint, the implementation of energy efficient mechanisms, the use of renewable energy and agriculture practices that reduce emissions and contribute to carbon capture.



CARBON FOOTPRINT

With the aim of measuring and designing actions to reduce the emission of gases that contribute to the Greenhouse Effect, in Emiliana we have worked since 2009 in the measurement of our carbon footprint. Between 2009 and 2014 we compensated our footprint through the purchase of carbon credits approved by the Gold Standard (developed by the WWF), which also contribute to initiatives in developing countries. We measure the corporate carbon footprint and manage its reduction in the different areas of the company.

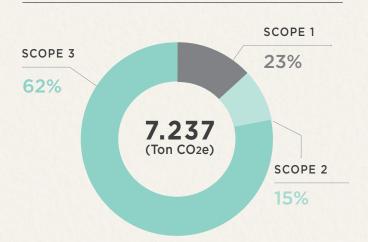


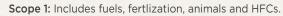




CORPORATE CARBON FOOTPRINT

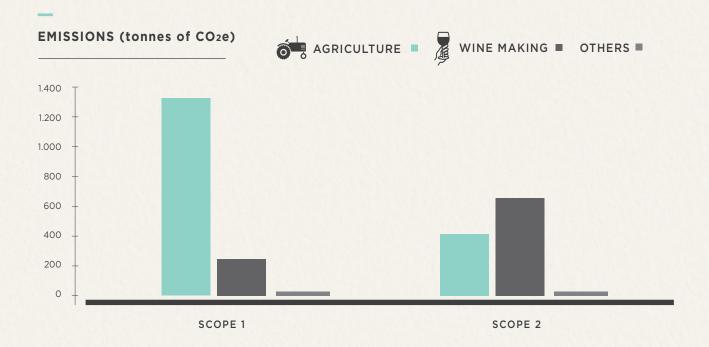
CARBON FOOTPRINT (tonnes of CO2e)





Scope 2: Corresponds to the consumption of electrical energy.

Scope 3: Includes packaging inputs and executive travel (does not include transport).









ENERGY CONSUMPTION AND EFFICIENCY

To date we have implemented several measures to reduce the emission of Greenhouse Gases. We have a biomass boiler, which replaced gas consumption, thus contributing to the decrease of 120 tonnes of greenhouse gases. In addition, we have solar panels for heating domestic water in 4 of our facilities. We use sheep for the weed control which reduces the use of oil in machinery, thus contributing to the reduction of an estimated of 15.5 tons of CO₂ each year.

From the year 2015 we began work on the implementation of an energy management system, with the support of the Chilean Agency for Energy Efficiency. The objective is to monitor energy consumption, minimize use and assess the use of renewable energy, thus contributing to the reduction of Greenhouse Gas emissions.

PROJECT

DESCRIPTION











We have a biomass boiler for the generation of hot water in one of our wine cellars. This mechanism allows for the reduction of more than 50% of the gas consumption associated with this process in the Los Robles vineyard. The boiler is fed using Aromo wood (Acacia melanoxylon), considered to be an exotic species which is highly invasive for the local biodiversity.

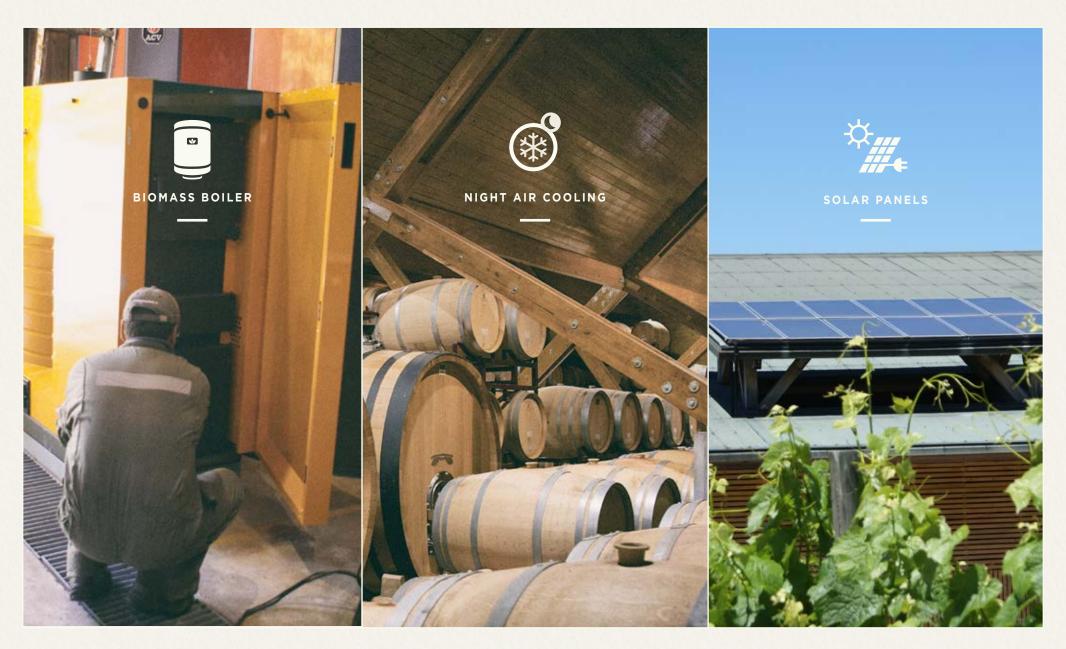
In our cask room we have implemented this system which allows us to make the most of the external environmental temperature and reduce the energy consumption used to control the temperature of the wine casks.

Gradually we are implementing a a solar panel heating system for sanitary water used in our facilities.

Two energy committees were implemented with the Agriculture and Winemaking areas to work together with the aim of reducing consumption and doing so in an efficient manner.

In 2016, we finalised the instalation of an electricity monitoring system in each winery, including the main equipment. Through the use of this tool, we can monitor real-time consumption and develop energy efficiency measures.







6.3 WASTE MANAGEMENT



From its beginnings, Emiliana has applied the approach of the 3 R's for the management of waste. This has led to the reuse of 100% of the organic waste produced in wineries and fields. The organic waste from the wineries, approximately 1,500 tonnes annually, are transferred to composting fields, which are managed for later use as a fertilizer and soil improver in the vineyards. The pruning waste is left on the ground in the vineyards, to increase organic soil matter and 100% of liquid

industrial wastes are treated and reused in irrigation in one of our farms.

In terms of recycling, we have recycling points in the vineyards and wineries where wastes are classified and stored for subsequent shipment to recycling facilities.



12.845 kg OF GLASS RECYCLED



107 kg **TONERS** RECYCLED



6.699 kg OF PLASTIC RECYCLED



340 kg of **ELECTRONIC DEVICES** RECYCLED



10.053 kg OF CARTON RECYCLED



REDUCE - REUSE - RECYCLE





At the product level we strive to reduce contamination through the sustainable design of our wine packaging according to available technology. Packing cases, bottles and corks are made from 100% recyclable materials, which can be recycled by the final consumer.

INPUTS USED IN PACKAGING (KG)

INPU	JTS	2015	2016	RENEWABLE	RECYCLABLE
	BOTTLES	3.818.230	4.174.072	*	SI
		<u> </u>			
53	CARDBOARD BOXES	315.496	465.379	Si	Si
	WOODEN CASES	4.230	1.300	Si	Si
1		<u> </u>			
AND M	CORKS	11.250	12.073	Si	Si
, , , , , , , , , , , , , , , , , , ,				<u> —</u> 1000	
	BOTTLE TOPS	35.465	35.992	No	SI
_					
	CAPSULES	7.391	8.151	No	NO
		-	- -	- N	
	LABELS	60.380	61.498	Si	*
		-	<u> </u>		
##	PARTITIONS	95.615	149.236	Si	Si

^{*} On average, 13% of glass is from a recycled origin.



In terms of sustainability of the products specifically used in bottling, the following should be noted:

INPUTS

DESCRIPCIÓN



BOTTLES

Emiliana, in its constant search for more environmentally friendly inputs, changed 81% of its bottles to Ecoglass Bottles with a weight of no more than 430g per unit. This ia a 5% lighter glass than traditional bottles which reduces GHG emissions in the transport of products.



CORKS

For the Ge and Coyam lines from 2012, Emiliana privileged the use of FSC certified corks. The FSC cork certification guarantees that the cork comes from a tree which is grown and managed under responsible forest management standards which ensure adequate current and future conservation.



LABELS

Currently, based on the new alternatives that are being offered in the market, Emiliana's policy with regards to wine and sparkling wine lables focuses on favoring the use of FSC certified paper - in the same way as corks - which is paper originating from responsibly managed forests. Currently, the Novas, Signos de Origin and Natura lines of wine use FSC certified paper. In the case of the Adobe line of wines, the material used for the lables is made of 30% recycled paper and 70% normal fibre. In addition, the Novas line, the backing used in the lables is PET which allows for post-use recycling.



The largest percentage of cardboard boxes bought by Emiliana focuses on companies that comply with corresponding standards and certifications in the use of raw materials - recycled and recyclable inputs - and the entire productive chain of the products.



The wooden cases used by Emiliana for its Ge and Coyam lines are manufactured with Chilean pine certified by PEFC - Program for the Endoresement of Forest Certification. This program recognises forestry certification systems provided by an international, non-governmental and non-profit organization whose objective is to "promote appropriate environmental, socially beneficial and economically viable management of the world's forests".





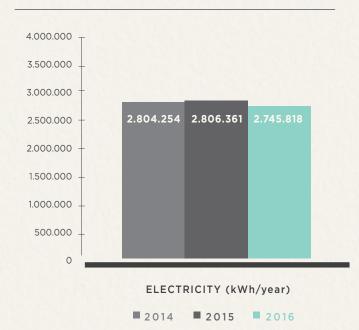
6.4 KEY PERFORMANCE INDICATORS 2016

Below, details on corporate Key Performance Indicators are provided, including energy and water consumption values as well as consumption intensity related to the number of litres of wine produced and the kilograms of grapes harvested.

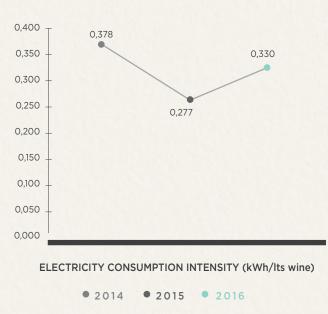
ELECTRICITY



COMPARISON OF ELECTRICITY CONSUMPTION



COMPARISON OF ELECTRICITY **CONSUMPTION INTENSITY**



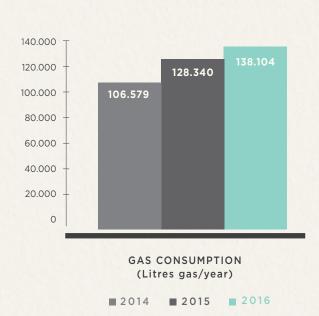
ORGANIC VINEYARDS

ELECTRICITY CONSUMPTION BY AREA

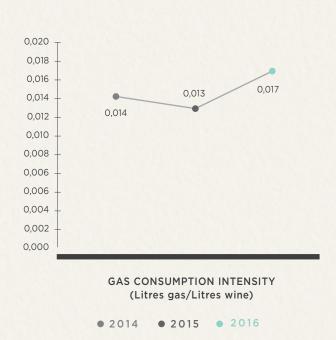




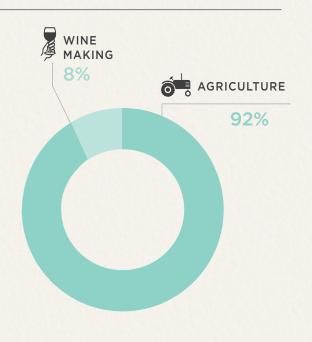
COMPARISON OF GAS CONSUMPTION



COMPARISON OF GAS CONSUMPTION **INTENSITY**



GAS CONSUMPTION BY AREA



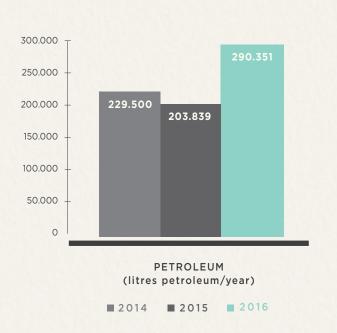


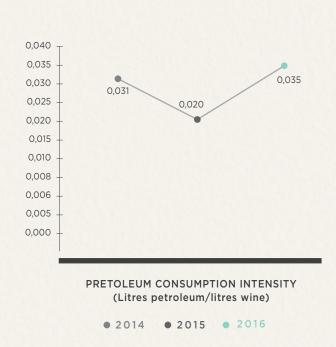


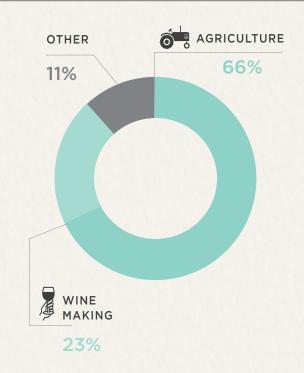
COMPARISON OF PETROLEUM CONSUMPTION

COMPARISON OF PETROLEUM CONSUMPTION **INTENSITY**

PETROLEUM CONSUMPTION BY AREA



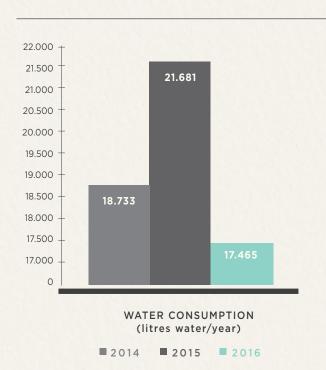




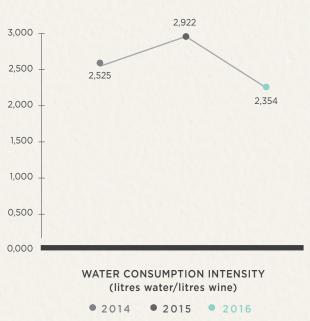




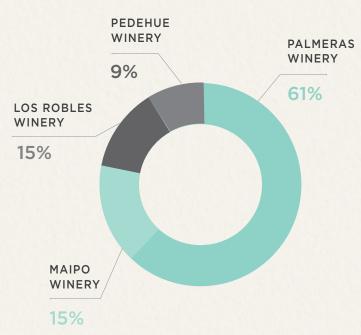
WATER CONSUMPTION WINE MAKING AREA



COMPARISON OF WATER CONSUMPTION **INTENSITY**



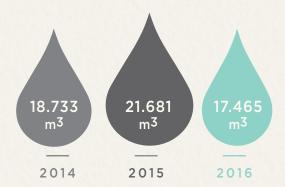
DISTRIBUTION OF WATER CONSUMPTION IN WINE MAKING





COMPARISON OF WATER CONSUMPTION - WINE MAKING AREA





Water is used in the wine making area in order to cleanse different equipment that is used in the productive process.

In 2015 and 2016, the energy intensity of the organization was the following:

INDICADORES CORPORATIVOS

		2015			2016	
WINE PRODUCTION (L)		10.122.75	9		8.309.975	
	Petroleum L	Gas L	Electricity (kWh)	Petroleum L	Gas L	Electricity (kWh)
CONSUMPTION	203.839	128.340	2.806.361	290.351	138.104	2.745.818
CONSUMPTION/ LITRE OF WINE	0,02	0,01	0,28	0,03	0,02	0,33









ABOUT THIS REPORT

CERTIFICATIONS EMILIANA

ORGANIC AND BIODYNAMIC

SOCIAL RESPONSIBILITY AND FAIR TRADE

ENVIRONMENTAL





CERTIFICATIONS





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



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



Certification of the Wines of Chile Sustainability Code

2001

2006

2007

2009

2011

2012

2014

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





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



Emiliana certified its practices as Fair Trade.







Certified CarbonZero





CERTIFICATIONS

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

ORGANIC AND BIODYNAMIC **CERTIFICATIONS**

















NOP

create healthy ecosystems.

BRAZIL

CHILE

JAPAN

KOREA

CHINA

EUROPE

DEMETER

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

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





SOCIAL RESPONSIBILITY AND FAIR TRADE **CERTIFICATIONS**







FAIRTRADE / FOR LIFE / FAIR FOR LIFE

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

Since 2011, Emiliana has been certified Fair Trade and Fair for Life (Fair Trade and Social Responsibility). Since 2012 we are proud to have sold Fair Trade wines and in 2013 we began to develop Projects for the Utilization of the Premium.





ENVIRONMENTAL CERTIFICATIONS



CERTIFICACIÓN CÓDIGO NACIONAL DE SUSTENTABILIDAD DE VINOS DE CHILE

En Emiliana fuimos pioneros en la implementación de esta certificación en el año 2012. Este estándar fue elaborado especialmente para el sector vitivinícola chileno, permitiendo respaldar a nivel nacional la implementación de prácticas sustentables de responsabilidad social y ambiental en Emiliana.



WINE IN MODERATION

Wine in Moderation, is a program with a strong presence in Europe which seeks a moderate consumption of wine as part of a healthy lifestyle.

The program, led by Wines of Chile, establishes principles and actions associated with responsible wine consumption, in order for communications to act jointly with current legislation.

Wine in Moderation states that responsible consumption patterns are perfectly compatible with a healthy lifestyle and wine consumed in moderation by healthy adults does not constitute a health risk nor is it a matter for social concern. However, excessive or irresponsible consumption of wine has negative personal, social or health consequences, and therefore wine producers must promote responsibility, moderation and common sense in consumption, and help consumers make intelligent and responsible consumption decisions.





ABOUT THIS REPORT

MATERIALITY MATRIX

MATERIALITY

LIST OF MATERIAL ISSUES **EMILIANA 2015**



MATERIALITY MATRIX

MATERIALITY

The contents of this report were defined on the basis of the materiality process (march 2015), which considered the internal and external sustainability context of the company. This process allowed us to identify the issues which reflect the main economic, social and environmental impacts of the company and those which are important for our stakeholders.

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

PARTES INTERESADAS:

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

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

THE ANALYSIS INCLUDED THE FOLLOWING **ACTIVITIES:**

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

A TOTAL OF



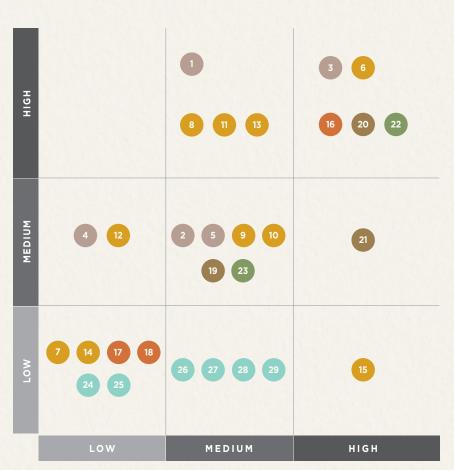
were identified

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



LIST OF MATERIAL ISSUES EMILIANA 2014 AND 2015

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





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

WORKERS

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



- 16 Grape producers
- 17 General suppliers
- 18 Logistics

Impactos económicos, ambientales y sociales para la empresa.



ECONOMIC

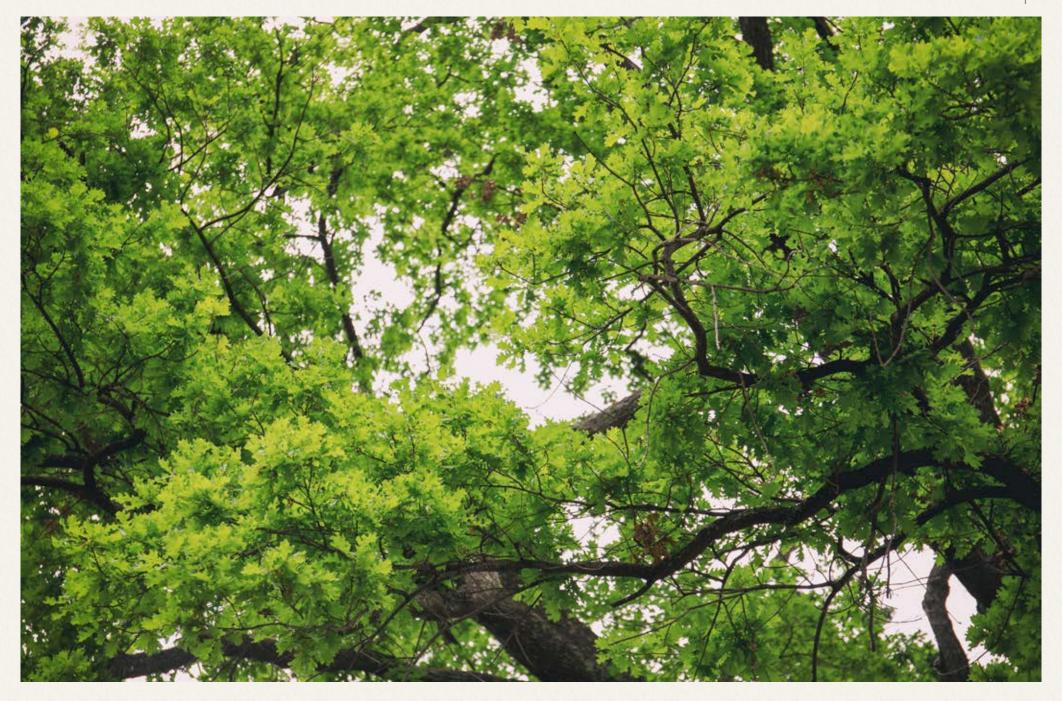
- 19 Efficiency
- 20 Growth
- 21 Brand

CORPORATE GOVERNANCE

- 22 Board commitment
- 23 Public policies

ENVIRONMENT

- 24 Resource use
- 25 Pollution prevention
- 26 Soils
- 27 Climate change
- 28 Vine production
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ABOUT THIS REPORT

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GLOBAL REPORTING INITIATIVE G4



GRI INDEX

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frequency of engagement by type and stakeholder group.	
	The basis for the identification and selection of the stakeholders with whom the organization engages. The organization's approach to stakeholder engagement, including the



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G4-30	Reporting cycle (annual, biennial etc).	5
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G4-32	a) Report the "in accordance" option the organization has chosen	
	b) Report the GRI Content Index for the option chosen	5
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	assurance of the report.	5

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	G4-EN16: Indirect Greenhouse Gas (GHG) emissions (Scope 2). G4-EN17: Otras emisiones indirectas de gases de efecto	82
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General	G4-EN31: Total environmental protection expenditures and investments by type.	27
Environmental	G4-EN34: Number of grievances about environmental impacts	
Grievance	filed, addressed, and resolved through formal grievance	
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		No hemo
		tenido



1aterial Aspects	Indicators	Page
UB-CATEGORY: LABOUR PRACTICES AND DE	CENT WORK	
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	safety committees that help monitor and advise on occupational health and safety programmes.	
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	number of worker-related fatalities, bu region and by gender.	
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31

Customer health and safety

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Supplier Human Rights Assessment	G4-HR11: Significant actual and potential negative human rights impacts in the supply chain and actions taken.	11
Human Rights Grievance Mechanisms	G4-HR12: Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mehcanisms.	No hemos tenido a la fecha
SUB-CATEGORY: SOCIETY		
ocal Communities	G4-SO1: Percentage of operations with implemented local community engagement, impact assessments, and development programmes.	60, 65
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Grievance mechanisms for impacts on society	G4-SO11: Number of grievances about impacts on society filed, addressed, and resolved through	No hemos tenido a la fecha
and an impacts on society	formal grievance mechanisms.	



impacts are assessed for improvement.

G4-PR1: Percentage of significant products and service categories for which health and safety





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