

A large, two-story house with a dark, gabled roof and a balcony is shown at night. The house is illuminated from within, with warm yellow light glowing from the windows and the balcony. The balcony has a white railing. The house is surrounded by dark foliage and a lawn. The sky is a deep blue.

# SUSTAINABILITY REPORT 2023





# SUSTAINABILITY REPORT 2023



# Message from Cono Sur CEO

Last year, 2023, was a very challenging one for the wine industry, not only in Chile but around the globe. The post-pandemic period was marked by higher shipping and input costs, which, combined with a slowdown in the economy and in consumption, presented us with a complex economic scenario in different markets.

In the face of this difficult international context, Viña Cono Sur adopted measures necessary to ensure our efficient operation, and thereby to maintain a competitive position with our customers. Working closely with our business partners, we developed products and brands to connect with our consumers around the globe. An example of this was the Chilean launch of Patagonia brand, aligned with our Sustainability pillar by contributing 1% of sales is earmarked for conservation and protection in Chilean Patagonia.

This and all other measures remained focused on safeguarding our corporate pillars, which guide the decisions we make regarding our team, suppliers, customers, the community, and the environment. Our commitment to Sustainability continued to be our hallmark, reflected in such achievements as JAS organic certification from Japan for both our agricultural area and the Chimba-

rongo winery. This new seal joins the company's current organic certifications under the NCh (Chile), NOP (USA), and other standards (Korea and China).

Along the same lines, we expanded the area certified as 100% organic to 285.9 hectares, distributed among our Campo Lindo (49.23 ha), El Encanto (56.66 ha), Las Lomas (47.26 ha), Las Lomitas (12.22 ha), and Santa Elisa (120.53 ha) estates. An additional 126 hectares are currently in the process of transitioning to organic. The company also continued to work on enhancing the efficiency and productivity of our estates, with investments in plant updates and on securing the water supply.

As part of our goal to manage our Carbon Footprint, we now obtain 100% of our electricity from renewable energy, a major part of which comes from our six photovoltaic plants, which together have an installed capacity of 1.3 MW. Five of these plants are installed in our winegrowing estates and one, the largest, on the roof of our winery.

Another of our successes in this area over the past few years has been the gradual replacement of our LPG-powered forklifts with electric ones. Today, 88% of the forklifts used in our winery are electric, which has allowed us to reduce our use of LPG in the winery by close to 90%. Also





in line with our sustainable vocation, Cono Sur is continuing to set goals for reducing fossil fuel use, obtaining our electricity from renewable sources, and expanding our own energy generation with photovoltaic plants.

The winery, meanwhile, strengthened its commitment to reducing water use in the winemaking process by designing and implementing better cleaning protocols, reinforcing staff commitment, and changing operational methods. Thanks to these efforts, in 2023 we consumed less water every month than in the same month in 2022.

Looking at production, thanks to the incorporation of new equipment and the optimization of work methods, the winery achieved a record yield for white varieties, which approached that of the reds.

In regard to tourism, the company

advanced its plan to boost this area, most importantly with the inauguration of the Ocio winery, to commemorate the winery's icon wine as well as Cono Sur's 30th anniversary. This project aimed to improve technical and architectural aspects of the winery while elevating the tourist experience in relation to our Ultra Premium wines.

In 2023, the excellence and quality of Cono Sur's portfolio once again received international recognition from different wine publications and critics. The 2022 vintage of Ocio, our icon wine and finest expression of Pinot Noir, was honored with a 95-point score by the Alistair Cooper Wine Guide by Catad'Or, published by the renowned British wine critic and Master of Wine of the same name.

Descorchados, Latin America's most prestigious wine guide, directed by wine writer and critic Patricio Tapia, gave 20 Barrels

Sauvignon Blanc 2023 a score of 97 points and named it the "Best Casablanca" wine and "Best Sauvignon Blanc" (in a tie). This wine was also recognized internationally with a Silver Medal at The Global Sauvignon Blanc Masters 2023, a competition organized by the prestigious British media outlet The Drinks Business. Our cool-climate Syrahs also received acclaim for their exceptional quality. Single Vineyard Syrah 2020 was honored with a gold medal at The Drinks Business event, Global Syrah Masters, a competition notable for its blind tasting that focuses exclusively on this variety, regardless of its origin, with emphasis on style and value for money. Our 2020 vintage 20 Barrels Limited Edition Syrah received a Grand Gold Medal at the Catad'Or 2023. The Decanter World Wine Awards 2023 gave an enormous boost to our organic wines, awarding 94 points to





Organic Cabernet-Carmenere-Syrah 2021, which places it among the globe's top five organic wines. This reinforces our conviction that ecological production adds value to our organic lines, in which quality is always first and foremost.

None of these achievements would be possible without the coordinated work of our team, which focuses unflaggingly on excellence and places our customers, consumers, community, and environment at the center of our actions.

Through this report, we want to highlight how far we have come in 2023, as well as the challenges that have arisen as we respond to the needs of our surroundings and illuminate our path towards a more sustainable future. Lastly, this

document has been prepared in accordance with the GRI 2021 standards and their updates.

Thomas Domeyko  
CEO Viña Cono Sur

**“Descorchados, Latin America’s most prestigious wine guide (...) gave 20 Barrels Sauvignon Blanc 2023 a score of 97 points and named it the “Best Casablanca” wine and “Best Sauvignon Blanc”**







# Contents

## 1 Company Profile 8

1.1	General information	9
1.2	Legal structure	10
1.3	Domestic and international operations	10
1.4	Our brands and products	11
1.5	Mission and Vision	12
1.6	Corporate governance and senior management	13
1.7	Corporate policies	14
1.8	Mechanisms for addressing business ethics issues	15
1.9	History of Cono Sur	18
1.10	Wine industry overview	22
1.11	Legal and regulatory framework	22
1.12	Location, distribution, and production system	23
1.13	Markets	25
1.14	Viña Cono Sur in figures	27
1.15	Value chain	28
1.16	Suppliers	30
1.16.1	Strengthening commercial relations	30
1.16.2	Fair and timely payment	32
1.17	Identification and analysis of operational risks and opportunities	32

1.18	Sustainability Committee	33
1.19	Legal compliance	34
1.20	Safeguarding information	34
1.21	Current certifications	35
1.22	Economic performance	38

## 2 About this report 40

2.1	Objective, scope and term of the report	41
2.2	Report contents	42
2.3	Material topics	42
2.4	Review and validation	43
2.5	Viña Cono Sur materiality matrix	43

## 3 Stakeholders and communication 44

3.1	Stakeholders	45
3.2	Corporate communications	46
3.3	Communications on sustainability	47
3.4	Social networks	48



## 4 Our products and consumers 49

4.1	Quality wines	50
4.2	Sustainable practices in grape and wine production	52
4.3	Labels and labeling requirements for the final product	54
4.4	Responsible marketing	55
4.5	Responsible wine consumption	55
4.6	Customer satisfaction	56

## 5 Environment 57

5.1	Efficient use of resources	58
5.1.1	Energy	58
5.1.2	Water usage and consumption	63
5.1.3	Materials	65
5.2	Carbon Footprint	67
5.2.1	Emission intensity	69
5.3	Waste generated	69
5.3.1	Liquid industrial waste	70
5.4	Biodiversity	71

## 6 Work force & employees 72

6.1	Workforce and turnover rate	73
-----	-----------------------------	----

6.1.1	Source of employment	74
6.2	Occupational health and safety	75
6.2.1	Occupational health and safety management system	75
6.2.2	Accidents and lost time injury rate (LITR)	75
6.2.3	COVID 19 health crisis	77
6.2.4	Joint health and safety committees	77
6.2.5	Fines, penalties, and inquiries related to occupational health and safety	78
6.3	Freedom of association and collective agreements	78 79
6.4	Education and training	80
6.5	Working conditions, workplace environment, and employee benefits	80
6.5.1	Health and safety conditions	80
6.5.2	Salaries	81
6.5.3	Workplace environment	82
6.5.4	School Completion programs	82
6.5.5	Scholarships	83
6.5.6	Quality of life and employee benefits	

## 7 Community 86

7.1	Community outreach	87
7.2	Environmental and social impact on the community	91





1

# COMPANY PROFILE



# 1.1 General information

Since its founding in 1993, Cono Sur's vision has been to produce expressive and innovative premium wines, while at the same time maintaining a firm environmental and social commitment. The responsible use of resources, the wellbeing of our workers, compliance with regulations applicable to our production processes, and harmonious coexistence with local communities have been the cornerstones of our corporate development.

**Company name**

Viña Cono Sur S.A.

**RUT**

86.326.300-k

**Address**

Avenida Nueva Tajamar 481 Torre Norte, Piso 5, Of. 505.  
Las Condes. Santiago, Chile.

**Phone:**

(56-2) 2 476 5096

**Web Site**

[www.conosur.com](http://www.conosur.com)



## 1.2 Legal structure

Viña Cono Sur is a wholly owned subsidiary of Viña Concha y Toro. It operates autonomously and independently; however, Concha y Toro provides general services such as administration, accounting and treasury, and manages the company's accounting and tax obligations. The bottling process is also outsourced to Viña Concha y Toro.

## 1.3 Domestic and international operations

**Agricultural production**  
Wine grapes

1. **El Encanto estate.** San Felipe, Valparaíso Region. Chile
2. **Campo Lindo estate.** Leyda, San Antonio, Valparaíso Region. Chile
3. **Las Lomas, Las Lomitas and Las Hijuelas estates.** Peralillo, O'Higgins Region. Chile
4. **Santa Elisa and San Rafael estates.** Chimbarongo, O'Higgins Region. Chile
5. **La Espuela and El Estribo estates.** San Clemente, Maule Region. Chile
6. **Mulchén estate.** Mulchén, Bio-Bio Region. Chile

**Processing.**  
**Vinification.**

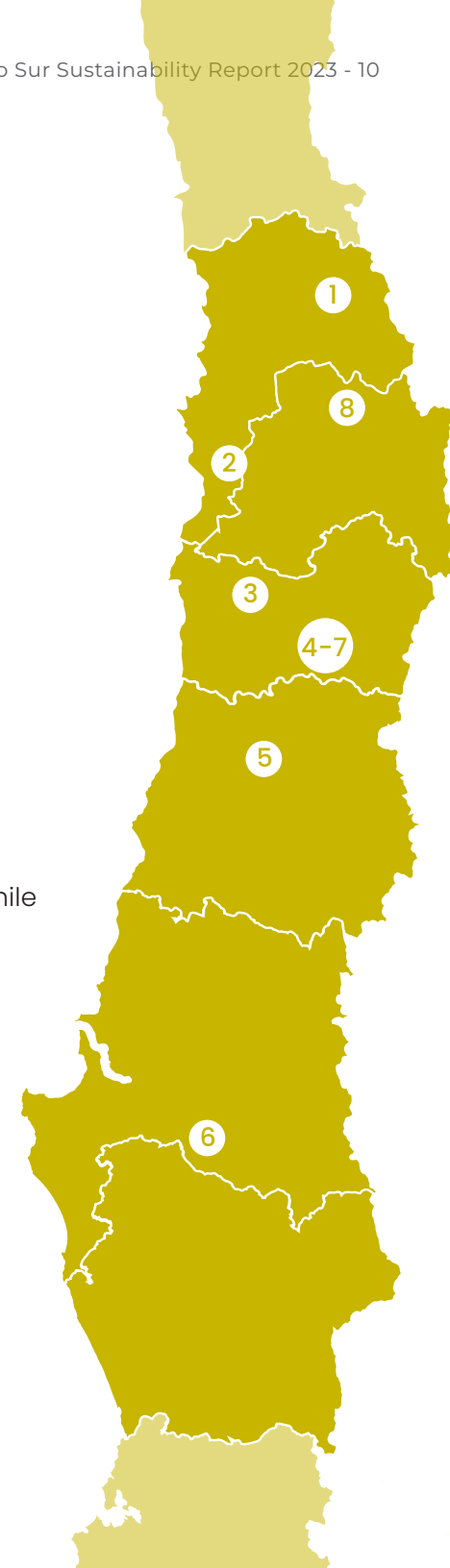
7. **Winery.** Santa Elisa estate, Chimbarongo, O'Higgins Region. Chile

**General management, marketing, sales and exports.**

8. **Head Offices.** Las Condes, Santiago, Metropolitan Region. Chile.

**Sales. Commercial offices**

- Europe Commercial Office.** Lanildut, France.  
**Asia Commercial Office.** Shanghai, China





# 1.4 Our brands and products



## BICICLETA RESERVA

A brand that shows Chile's diversity through all its varieties and whose trademark bicycle represents Cono Sur's sustainable philosophy.



Wines made in balance with nature. Organic grapes, grown ecologically in harmony with their environment.



## VALLEY COLLECTION *Selected Origins* RESERVA ESPECIAL

A wine of exceptional character in which each variety represents the best of its valley of origin.



## 20 BARRELS

Limited edition wines made exclusively with a selection of the best barrels from each vintage.



## SPARKLING WINE

Wines that embody the cosmopolitan spirit of their consumers--those who know how to enjoy every moment.



## SILENCIO

Showing the greatest potential of Cabernet Sauvignon from the Maipo Valley.



## SINGLE VINEYARD

Wines inspired by our own terroirs and origins. Each variety is grown in a particular style and comes from a precisely chosen valley, estate, and blocks.



## O ( I O )

Chile's first ultra-premium Pinot Noir. Given a 95-point score three times by Robert Parker.

## New brands added on 2023



### PATAGONIA

Incorporated in 2023, this brand was born with the purpose of conserving Chilean Patagonia; it protects and preserves the region's original, pristine, and wild natural environment by allocating 1% of sales to different conservation projects<sup>2</sup>.



### GREEN SOCIETY

Green Society<sup>3</sup>, new in 2023, is a brand that represents the rigorous conservation work and sustainable practices that Viña Cono Sur carries out in its vineyards to protect the native flora and fauna and foster biodiversity and a balanced ecosystem.

## 1.5 Mission and Vision

### MISSION

Our mission is to **sustainably produce wines of the highest quality in each segment**, striving to build high value brands that satisfy our consumers around the world. In our actions, **we are guided by special concern for the efficiency of our processes**, caring for the environment, profitability for our shareholders, respect in our interpersonal relationships, and the well-being of our workers, suppliers, distributors, and the community in which we operate.

### VISION

Our vision is to **become a wine producer that is a global benchmark for quality, sustainability, and innovation**, with a focus on Pinot Noir and white wines, especially aromatic ones, that will lead us in building Chile's next global premium brand.



<sup>2</sup> For more information about the brand, visit [www.patagoniaconservation.com](http://www.patagoniaconservation.com)

<sup>3</sup> For more information about this brand, visit [www.greensocietywines.com](http://www.greensocietywines.com)

## 1.6 Corporate governance and senior management

The company is managed by a CEO, who, along with the executive team, is responsible for implementing the strategic lines defined by the Board of Directors. The Board consists of four directors appointed by Concha y Toro Holding.

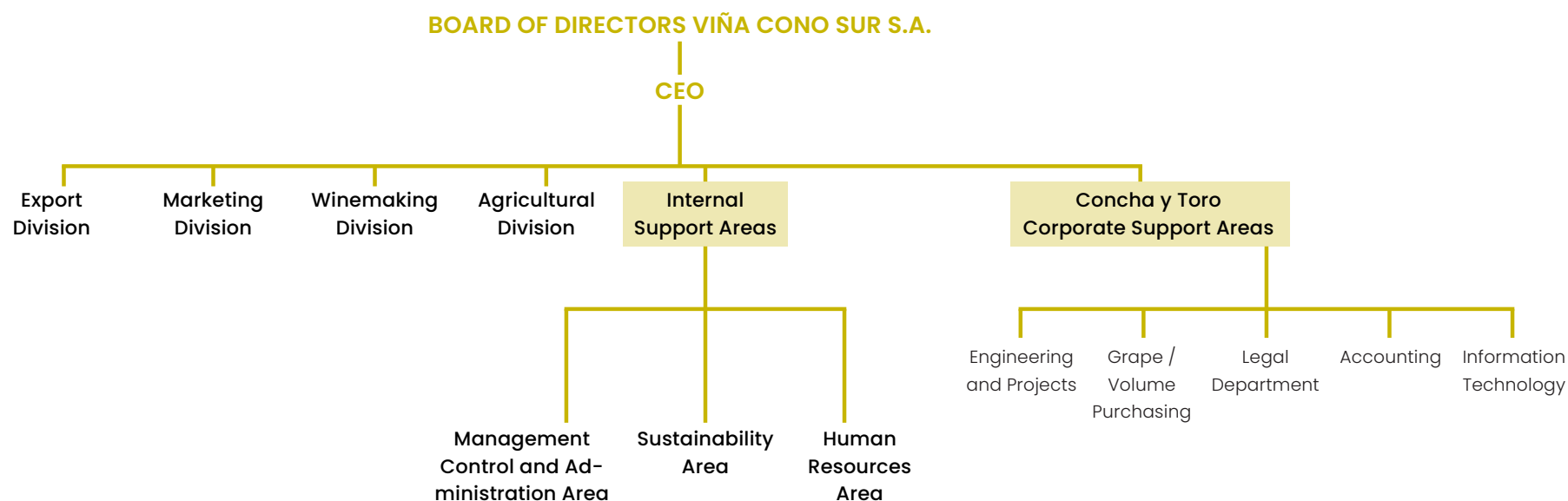


Figure 1: Cono Sur Organizational Structure.

At the operational level, Cono Sur's production, administration, sales, and export areas are independent from the parent company. A few activities, however, are managed and/or provided by Concha y Toro Holding, including the design and implementation of engineering projects, accounting and taxation, purchasing of grapes

and large consignments of inputs, and hardware maintenance and IT support.

The bottling process is also outsourced to Concha y Toro's Pirque and Vespucio plants, both in the Metropolitan Region.



## 1.7 Corporate policies

As a framework for defining environmental, social, and quality goals and objectives, Viña Cono Sur has an Integrated Management Policy<sup>4</sup> that allows the company to establish specific commitments consistent with its sustainability strategy, including those associated with voluntary agreements the winery has entered into.

Cono Sur's Code of Conduct sets out the standard of behavior expected from all those who are part of the company. The Code is aligned with the corporate Code of Conduct and Ethics of Viña Concha y Toro

S.A. and its subsidiaries.

Both the Integrated Policy and the Code of Conduct are available to stakeholders and the community at large through the website and other channels. They are also disseminated internally to all those who are part of Viña Cono Sur through training and print publications available in our productive areas.

Additionally, every person who joins the company receives a copy of the Internal Order, Health, and Safety Regulations, which establishes the company's main rules for

achieving a safe and healthy workplace. In addition, there is a specific regulation, defined by the Concha y Toro holding company, that is exclusively for external contractors performing work within the organization.

*4: Download Viña Cono Sur's Integrated Management Policy here: <http://www.conosur.com/sustentabilidad>.*





## 1.8 Mechanisms for addressing business ethics issues

### Topic

### Claims received in the 2023 period

#### Human Rights

Based on the provisions of Chilean Law 20,968, the standards outlined by the Business Social Compliance Initiative (BSCI) Code of Conduct, and the Universal Declaration of Human Rights, Viña Cono Sur has established its own Code of Conduct and Internal Health and Safety Regulations.

In 2023, no reports or complaints related to human rights violations were received from company staff, suppliers, or associates.

#### Non-discrimination

As stipulated in its Integrated Management Policy, Code of Conduct, and Internal Order, Health and Safety Regulations, Viña Cono Sur does not discriminate on the basis of race, color, religion, nationality, gender, age, political affiliation, disability, sexual orientation, marital status or ethnicity.

In 2023, no reports or complaints of discrimination were received from company staff, our suppliers or associates.

#### Exploitation and child labor

Although Chilean law allows the hiring of minors over 15 and under 18 years of age with the prior written consent of their parents and notarized authorization, in line with its Code of Conduct and Internal Regulations, Viña Cono Sur hires only legal adults (18+) at its different production sites.

In 2023, no cases related to child labor or exploitation were reported at any of Viña Cono Sur's operational sites.

#### Forced Labor

Forced labor is defined in International Labor Organization (ILO) Convention No. 29 as "all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily." Viña Cono Sur categorically rejects forced labor and adheres to the aforementioned Convention, which has been communicated through its Code of Conduct.

The company had no cases of forced labor in 2023.

#### Indigenous rights

At Viña Cono Sur, no incidents related to the violation of indigenous rights were recorded during the period. The company currently has one worker of indigenous descent, as certified by CONADI (Corporación Nacional de Desarrollo Indígena).

No such cases were brought forward in 2023.



## Topic

## Claims received in the 2023 period

### Grievance Mechanisms

Viña Cono Sur has several different channels set up to enable workers to register a complaint about any activity that interferes with a healthy workplace environment and to address employee requests to improve their working conditions.

Formal complaint mechanisms are set out in the Internal Regulations and in the Cono Sur Code of Conduct.

All complaints received are referred to the Human Resources area and the corresponding area managers. An internal team is then formed to investigate the matter, and the results are conveyed into a plan of action.

In 2023, one such internal complaint was received and investigated by the Human Resources area in accordance with existing protocols.

Based on this, a suitable action plan was prepared and implemented to ensure the timely and effective resolution of the matter.

### Ethical Business Behavior

In accordance with Law No. 20,393, which establishes the criminal liability of legal entities for the crimes of money laundering, financing of terrorism, and bribery of national or foreign public officials, the company expressly prohibits any conduct that may give rise to criminal charges, including acts committed by partners, controllers, directors, officers, senior executives, representatives, those who perform administrative or supervisory duties, and any company employee or external party representing the company. This prohibition is set out in Cono Sur's Code of Conduct. All employees have a contract addendum attesting to their compliance with Law No. 20,393.

In 2023, there were no reported cases at the company associated with offenses punishable under Law No. 20,393.

### Partisan Politics

Viña Cono Sur does not belong to any political party, nor does it express alignment with any in particular, leaving its employees entirely free to choose whichever party best represents them. As a result, the company also does not make financial contributions of any kind to political parties or related institutions.

In 2023, no claims or complaints of discrimination or harassment due to political beliefs were brought forward.

### Corruption

Cono Sur's Code of Conduct expressly affirms that, "All those who are part of Cono Sur are expected to take no part in acts of Corruption. Accepting personal benefits or financial compensation from any customer, supplier, or other person, natural or legal, seeking to establish business relations with the organization, is not allowed."

In 2023, there were no reported cases associated with acts of corruption.

### Free Competition

Cono Sur competes ethically with all industry players, both locally and globally.

In 2023, no legal actions were brought forward related to the company's participation in monopolistic practices or against free competition.



Through its official website, Viña Cono Sur offers internal and external stakeholders a direct channel<sup>5</sup> for registering anonymous complaints.

Each complaint is handled confidentially and referred to the legal department for analysis, in order to determine what action is needed.



Link for registering anonymous complaints: <https://www.conosur.com/canal-de-denuncias/>.



## 1.9 History of Cono Sur



### Viña Cono Sur S.A.

Cono Sur created as a subsidiary of Viña Concha y Toro to conquer the export market for fine wines from Chile.

### Organic vineyard management

Cono Sur launches an organic wine-growing project in the Colchagua Valley.

### CarbonNeutral® Delivery

First winery on the globe to obtain this status by neutralizing carbon emissions from the shipment of finished product to destination markets.

### Sustainable development area created

- Carbon footprint calculated for the entire organization.
- Introduction of ultralight bottles (for Bicicleta wines) to reduce greenhouse gas emissions.

1993

1998

2000

2002

2007

2008

2009

### Integrated vineyard management

Cono Sur moves from conventional to integrated vineyard management.

### ISO 9.001 & ISO 14.001 certification

First winery in South America to obtain both ISO 9001 and ISO 14001 certification.

### Wine, climate change and biodiversity project

In partnership with the Institute for Ecology and Biodiversity (IEB), Cono Sur launches a project to multiply native flora and fauna.

### Chilean wine producer of the year

Viña Cono Sur is chosen Chilean Producer of the Year at the Internacional Wine & Spirit Competition in England.

### Green company of the year

Viña Cono Sur named Green Company of the Year by British magazine The Drinks Business.

### National sustainability code

Cono Sur fulfills all three areas of the National Sustainability Code: green (vineyards), orange (social), and red (wineries and bottling plants).

### Cono Sur in the top 10

The British publication, Drinks International, places Cono Sur 10th in its annual ranking.

### "Engaging Consumer of the Year"

British magazine Harpers names Cono Sur "Engaging Consumer of the Year."

## 2010

### ISO 14064 certification through CEMARS®

Cono Sur becomes the first winery in the Americas to be certified under the ISO 14064-1 standard, positioning it as a leader in environmental protection.

## 2011

### BSCI code of conduct

Cono Sur becomes the first wine producer in South America to meet the requirements of the BSCI international standard.

## 2012

## 2013

### Wine Spectator TOP 100

Cono Sur Organic Cabernet Sauvignon–Carmenere 2011 earns 91 points and is ranked 44th among the world's 100 best wines.

## 2014

### OHSAS 18.001 & ISO 50.001 certification

The two certifications strengthen the winery's commitment to the wellbeing of its employees and the efficient use of energy.

## 2015



**Wine Spectator  
TOP 100**  
Cono Sur Bicicleta Pinot  
Noir ranks N°1 in sales.

**Ocio Pinot Noir 2014 featured  
in Wine Advocate**

Distinguished Wine Advocate critic Luis Gutiérrez includes Ocio Pinot Noir 2014 on his list of the 50 best wines of 2017, with a score of 95 points.

**Energy Efficiency  
Gold Seal**

Cono Sur becomes one of the first wineries to receive this distinction in 2017.

**International recognition for energy  
efficiency**

The Clean Energy Ministerial (CEM) forum awards Viña Cono Sur international honors for implementing effective energy efficiency measures.

**“For Life” certification  
from Ecocert**

This Social Responsibility Certification affirms that Cono Sur’s employees enjoy secure and fair working conditions.

**2015–2016**

**2016**

**Corporate Sustainability  
Award 2016**

Awarded by the Federation of Chilean Industry (SOFOFA), the Universidad Adolfo Ibáñez’ Centre for Business Sustainability, and Revista Capital.

**2017**

**2017–2018**

**“Chilean Wine  
Producer of the Year”**

Viña Cono Sur named Chilean Wine Producer of the Year at The International Wine & Spirit Competition.

**2018**

**Vegan certification**

Viña Cono Sur's organic wines are certified vegan under the V-Label.

**ISO 45.001**

The winery transitions to ISO 45001 certification from OHSAS 18001, originally obtained in 2014.

**AMORIM Sustainability Award**

Awarded to Cono Sur by the UK publication The Drinks Business.

**National Sustainability code**

Cono Sur receives Purple Area Certification under the National Sustainability Code after fulfilling all 4 areas of this standard.

**2019****Gold medal at Brit Competition**

Viña Cono Sur wins a BRIT gold medal for its sustainable vitivinicultural practices.

**2020****2021****B Corp Certification**

Cono Sur Winery obtains B Corporation certification.

**2022****2023****Ocio Winery**

Opening of the OCIO Winery as part of Cono Sur's 30th anniversary celebrations.



## 1.10 Wine industry overview

Viña Cono Sur's operations are concentrated in Chile, a country with some 138,139 hectares planted to vine. Of these, slightly more than 129,000 correspond to vinifera varieties, with the O'Higgins and Maule regions accounting for about 73% of the national total<sup>6</sup>.

In terms of exports, Chile ranks first in Latin America and fourth in the world, with shipments totaling 682 million liters sent to 142 countries in 2023<sup>7</sup>.

Chile's wine industry is fragmented. As of December 2023, the registry of Chilean wine exporters listed 327 companies

that together recorded shipments to 137 countries. The leading Chilean wine export markets are China, the United Kingdom, the United States, Brazil, and Japan, which together accounted for nearly 60% of all exports in 2023.

The globe's traditional and historic winegrowing regions continue to dominate, with Italy, Spain and France exporting a total of 54.9 Mhl of wine in 2023, 56% of total wine exports by volume globally. In terms of consumption, the United States remains first, followed by France, Italy, and Germany. Together

they account for 37% of total wine consumption globally.

To improve its position in the international market, the Chilean industry has focused its efforts on premiumizing the origin of its wines to increase average prices. To achieve this objective, it has invested in developing new vineyards and valleys, expanding sustainable practices, implementing new grape handling techniques, and promoting and expanding coverage in foreign markets, mainly in Asia, Europe, the United States, Canada, and Brazil.

Cono Sur ranks fourth in Chile

in terms of sales volume, with close to 4 million cases<sup>8</sup> in 2023 and shipments to 50 countries on 5 continents.

“Chile is the main wine exporter in Latin America and 4th worldwide”

## 1.11 Legal and regulatory framework

Viña Cono Sur is part of the alcoholic beverage industry. In Chile, alcohol production and marketing is regulated by Law No. 18,455, known as the Alcohol Law, and by Decree 78 and Decree 464. Law No. 19,925 on labeling is also applicable to this industry, along with its

respective regulations, which establish the form and content of product labels.

The company complies with all sectoral legislation, as well as with the entire legal framework applicable to matters within its scope and purview, including tax regulations for the sale and

distribution of alcohol, agricultural production, and organic production, among others.

Viña Cono Sur is regularly inspected in Chile by the Agriculture and Livestock Service, the Superintendency of the Environment, the Regional Health Ministry Secretary (SEREMI), the

Internal Revenue Service, the Labor Directorate, and other agencies.

6: Based on the latest Catastro Vitícola Nacional, 2022, published by SAG (Chilean Agriculture and Livestock Service).

7: Based on statistics from the Asociación Gremial Vinos de Chile.

8: 9-liter cases.



## 1.12 Location, distribution, and production system<sup>9</sup>



With a total of 1,188.54 hectares of vineyards distributed among different valleys of Central Chile, from Valparaíso Region in the north to Bio-Bio Region in the south, Viña Cono Sur has access to terroirs capable of providing the

finest expression of certain grape varieties, allowing the company to achieve the best quality in each variety and category of wine it produces.

Thirty-five percent of the total vineyard area is managed or-

ganically, allowing the winery to reduce the use of agrochemicals and incorporate low-impact environmental management.

In 2023, there was no major variation in the total area allocated to winegrowing

compared to the previous year. There were only minor temporary variations due to the uprooting and replacement of vines.

*9: Agricultural production and winemaking are the productive units most relevant to the topics covered in this report.*

Overview of Cono Sur vineyards:

Estate	Vineyard area			Main varieties
	Integrated Management	Organic Management	Estate total	
El Encanto	46,64	50,40	97,05	Cabernet Sauvignon, Carmenere, Syrah, Malbec, Aspirant Bouschet, Cabernet Franc, Petite Syrah, Tempranillo Grenache, Mourvedre, Petit Verdot, Carignan.
Campo Lindo	32,16	49,23	81,39	Pinot Noir, Sauvignon Blanc, Syrah.
Santa Elisa, San Rafael	164,42	123,46	287,88	Pinot Noir, Cabernet Sauvignon, Sauvignon Blanc, Chardonnay, Syrah, Viognier, Aspirant Bouschet, Marselan.
La Lomas, Las Lomitas, Las Hijuelas	214,02	87,87	301,89	Cabernet Sauvignon, Chardonnay, Carmenere, Syrah, Merlot, Malbec, Viognier, Arinarnoa, Cabernet Franc, Tempranillo, Grenache, Petit Verdot, Carignan.
La Espuela. El Estribo	138,31	104,92	243,23	Pinot Noir, Cabernet Sauvignon, Sauvignon Blanc, Chardonnay, Merlot Gewürztraminer, Marselan, Sangiovese..
Mulchén	177,10	0	177,10	Pinot Noir, Sauvignon Blanc, Chardonnay, Riesling, Gewürztraminer, Pinot Grigio.
<b>Total</b>	<b>772,66</b>	<b>415,88</b>	<b>1,188,54</b>	

*Table 1: Vineyard area distribution by estate, year-end 2023, conventional and organic management*

The winery is located in the Santa Elisa Estate in the city of Chimbarongo, 160 km south of Santiago. Operational planning and all necessary wine production processes are carried out there. The estate also houses administrative offices that provide various support services.

Storage capacity dropped slightly in 2023 from 2022, owing to the retirement of 956 oak barrels that had reached

the end of their useful life. At the end of 2023, the winery's total capacity was 39.8 million liters, 0.59% less than the previous year.

The following table shows the distribution of storage capacity by type of vessel:



Storage capacity	2022		2023	
Type of vessel	Quantity of vessels (units)	Capacity (in liters)	Quantity of vessels (units)	Capacity (in liters)
Stainless steel tanks	525	20.122.230	531	20.268.915
<b>Total stainless steel</b>	<b>525</b>	<b>20.122.230</b>	<b>531</b>	<b>20.268.915</b>
Concrete eggs	8	14.400	8	14.400
Epoxy cement tanks	90	17.895.620	89	17.691.620
<b>Total Cement</b>	<b>98</b>	<b>17.910.020</b>	<b>97</b>	<b>17.706.020</b>
Foudres and wooden vats	27	102.400	27	102.400
Barrels	8.366	1.904.275	7.410	1.725.550
<b>Total Wood</b>	<b>8.393</b>	<b>2.006.675</b>	<b>7.437</b>	<b>1.827.950</b>
<b>Overall total</b>	<b>9.016</b>	<b>40.038.925</b>	<b>8.065</b>	<b>39.802.885</b>

Table 2: Distribution of storage capacity, 2022 and 2023.


Commercial, marketing, and export processes are handled by our head office in Santiago, Chile.

# 1.13 Markets

Description of the target market for each product line:

## SILENCIO

 +45 years old  
Wine connoisseurs

 Educated, sophisticated consumers who appreciate fine, high quality wine at social gatherings.


## 0 ( 1 0

 +45 years old  
Wine connoisseurs and collectors

 Educated, sophisticated consumers who appreciate premium quality wine.


## 20 BARRELS

 +35 years old  
Knowledgeable wine consumers

 They value the authenticity and origin of the products they consume and know their value.


## SINGLE VINEYARD

 +34 years old  
Generation Treaters

 They are wine connoisseurs or simply have a strong preference for fine and unique wines.


## VALLEY COLLECTION *Selected Origins* RESERVA ESPECIAL

 Adventurous wine drinkers or  
Connoisseurs

 A category for consumers looking for quality with oenological content. A high value wine to enjoy on a special occasion.


## SPARKLING WINE

 Generally female consumer

 A distinct category of wine that includes female consumers and encompasses different drinking occasions: at nightclubs, parties, and other nightlife activities.




 Environmentally conscious  
women and men

 Made for those who seek the benefit of nature's purity and a balanced life.

## BICICLETA RESERVA

 Millennials women and men

 The lifestyle to which many consumers aspire, especially our target public.





## New additions

### PATAGONIA



Consumers between 30 and 55 years old  
Mature consumers



They like to explore new products. Working men and women who lead very active lives and have awareness of and concern for the environment, seeking to do their part for the planet.

### GREEN SOCIETY



Consumers between 30 and 55 years old  
Mature and conscious consumers



Consumers with purchasing power who are concerned about the environment; the Green Society brand is aligned with their climate goals.

## Destination markets

In 2023, Viña Cono Sur shipped directly to 50 countries on five continents.

The United Kingdom remains the main destination market, with two million cases<sup>10</sup> sold, representing nearly 51% of the company's total.

The EMEA zone<sup>11</sup> reached just over one million cases, with Poland and the Netherlands accounting for the largest share, 27.64% and 18.95% of total exports to this zone, respectively.

In the Americas, 437,000 cases were received, representing 11.07% of Cono Sur's total exports. Canada continued as

the largest buyer, with 71.53% of shipments to this market.

The domestic market in Chile maintained a very low share in 2023, with just over 80,000 cases sold, equal to 2.04% of the company's total volume.

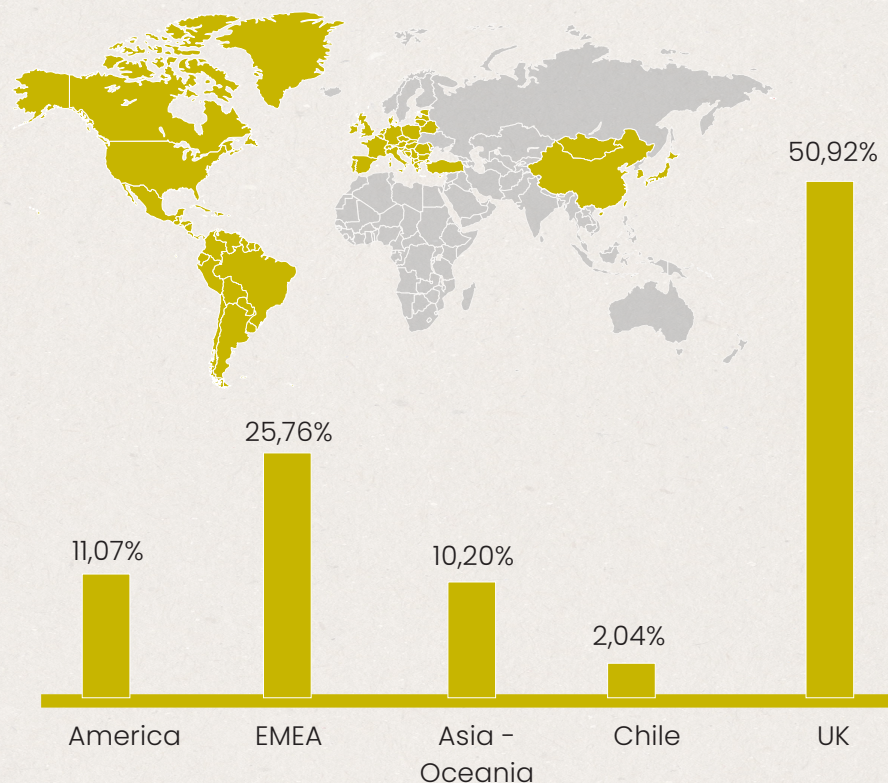


Figure 2: Sales distribution by destination market, 2023, by volume.

<sup>10</sup>: 9-liter cases or equivalent.

<sup>11</sup>: (Europe, the Middle East, and Africa). Geographical designation referring to Europe, the Middle East and Africa. For the purposes of this report, EMEA does not include the United Kingdom. Given its importance, this market is analyzed separately and specifically.



# 1.14 Viña Cono Sur in figures

	Unidad	2022	2023
Permanent staff	Workers	182	189
Seasonal staff	Workers	129	88
Total area of Cono Sur's own vineyards	Hectares	1,211,42	1,188,54
Total capacity of the winery	Liters	40.038.925	39.802.885
Total grapes vinified <sup>12</sup>	Kg	34.098.997	26.812.834
Total wine obtained	Liters	25.335.429	20.564.411
Destination markets	No. of countries	54	50
Total sales by volume	9-liter cases	4.879.253	3.945.873
<b>Total assets</b>	<b>Thousands of CLP</b>	<b>114.750.661</b>	<b>124.173.569</b>



Table 3: Overall figures, Viña Cono Sur, 2022 and 2023.

12. Including estate-grown grapes and those from third party producers.



# 1.15 Value chain



## AGRICULTURAL AREA

### Agricultural Production

Cultivating our own vineyards is a **key element of Cono Sur's business model**, as it allows us greater control over attaining the required quality of grapes and over our operational security, as it ensures our supply of raw material for winemaking. **The company has vineyards with a diverse array of origins, varieties, microclimates, and soils.** These, combined with production planning and quality controls applied throughout the season, allow us to obtain the best quality grapes in each category and variety.

**Nearly 30% of the area planted to vine is managed organically**, which involves additional controls for guaranteeing a product 100% free of agrochemicals.

The company complements its own production by purchasing grapes from independent growers.

Suppliers that provide agricultural products and inputs to our estates. All must pass an initial selection process, then are evaluated annually to remove any that do not meet Cono Sur's standards.

- **Reuse of waste in organic grape** growing through the application of stabilized pomace and stems.
- **Responsible use** of fertilizers and agrochemicals
- **Rational water** and energy use

Each stage in the value chain is supported by the company's core areas, including Administration, Communications, and Sustainability, as well as by Concha y Toro Holding departments such as Finance, People, Information Technology, and Taxation. Each of these provides service with excellence to create the conditions necessary to achieve the company's mission.



## WINEMAKING AREA

### Vinification

**The winemaking process takes place at the Cono Sur winery**, in the Santa Elisa estate in Chimbarongo. There, we have a storage capacity of close to 40 million liters. The harvest season begins in February each year, initiating the production process that will result in Cono Sur's distinctive wines.

In the 2023 harvest, **a total of 26.8 million kilograms of grapes from different valleys of Chile were processed**, 56.4% of them estate-grown grapes, while the remaining 43.6% was supplied by 50 third-party producers from 101 productive units.

All of the grapes received in the 2023 vintage **were processed in the winery on the Santa Elisa estate in Chimbarongo**, in O'Higgins Region.

During the harvest, a series of controls were followed in the crushing, fermentation, aging, and winemaking operations in general, to achieve the best quality in each grape variety and line of wine.

Suppliers that provide products, winemaking supplies, and production and maintenance services to the winery.

All must pass an initial selection process, then are evaluated annually to remove any that do not meet Cono Sur's standards.

- **Winemaking waste is recycled** and sent to specialized companies to be used as raw material or to be treated and subsequently returned to the land.
- **Rational water and energy use**





## BOTTLING

### Bottling

Process carried out by Concha y Toro at its plants in Pirque and Pudahuel municipalities, in the Metropolitan Region.

**Each of these production plants maintains the highest quality and safety standards**, allowing us to obtain a final product that is safe to consume and satisfies our customers' demands.

Both plants are currently certified for quality and safety under the international BRC and IFS Food standards.

**Process carried out by Concha y Toro Holding**, which has an extensive network of suppliers of packaging materials and supplies.

- **Use of traceable supplies**
- **IFS and BRC certified.**
- **Eco-friendly inputs**
- **Waste management in the packaging process** complies with applicable environmental regulations.



## MARKETING, SALES, AND EXPORTS

### Marketing and sales

**Product design, communication, advertising, and brand positioning** are the responsibility of the Marketing team, which is based in our Las Condes offices in the Metropolitan Region. This team is also responsible for upholding the appropriate ethical advertising standards in all marketing campaigns.

The Commercial area has a **specialized team that works out of offices in Chile, France, and China** and is responsible for maintaining close ties with distributors to effectively serve our target markets.

**Suppliers that provide packaging materials and supplies.**

Service providers that support marketing, communication, and awareness campaigns.

- **Responsible consumption message.**
- **Advertising ethics** based on the Chilean Code of Advertising Ethics (CONAR).



## DISTRIBUTION

### Transportation and distribution

**Cono Sur products are marketed in more than 50 countries** through a network of independent distributors with whom we work closely and directly in order to effectively execute our sales and marketing strategy

Distribution is handled by **transport services and logistics centers that reach our different destination markets** and ultimately our final consumers.

Local and international shipping services.  
**More than 80 distributors around the globe.**

- Carbon Neutral Delivery
- Responsible consumption

Each stage in the value chain is supported by the company's core areas, including Administration, Communications, and Sustainability, as well as by Concha y Toro Holding departments such as Finance, People, Information Technology, and Taxation. Each of these provides service with excellence to create the conditions necessary to achieve the company's mission.

# 1.16 Suppliers

## 1.16.1 Strengthening commercial relations



Viña Cono Sur has a wide network of suppliers of raw materials, supplies, and services. Most of these suppliers provide products and services to the winery, located in Chimbarongo, in Region VI. The remaining suppliers distribute materials to our estates, from Valparaíso region in the north to Bio-Bio region in the south.

With the exception of grapes, which come from specific valleys, and certain supplies not readily accessible, Cono Sur encourages

purchasing from nearby suppliers in order to support local economic development. The winery also maintains long-term relationships with suppliers with a proven track record in providing products and services that meet the technical, quality, and other specifications requested, as verified through a systematic, ongoing evaluation process. In the 2022-2023 season, this evaluation process assessed a total of 34 general suppliers and 50 grape producers. For the latter, each of the 101 pro-

ductive units was evaluated separately. In the case of general suppliers, in 2023 only one supplier was rated "D," the lowest performance category, and one supplier in category "B." The rest were rated in category "A."

Category	Description	Actions to be taken	Suppliers
A	Good supplier	Supplier with no major problems in the evaluation. Take action to achieve 100%, where applicable.	32
B	Moderately adequate supplier	Supplier with problems which should be corrected as soon as possible. Resolve problems with the supplier.	1
C	Search for Alternative Supplier	Supplier with serious problems in the evaluation. Seek alternative (where possible).	0
D	Blocked supplier	Unsustainable relationship. Seek alternative, where feasible.	1
Total			34

Table 4: Distribution of general suppliers according to the results of the 2023 evaluation process.

\* Topic reported based on productive season.

For grape producers, the results showed an overall performance very much in line with expectations. Only one productive unit was rated in category C, while seven units were rated in category B, and the rest in category A.

Table 5: Distribution of grape producers according to the results of the 2023 evaluation process.

Category	Grape producers (Productive units)	Distribution
A	93	92,0%
B	7	6,9%
C	1	0,9%
D	0	0,0%
Total	101	100,0%



The best performance rating was for Wine, which corresponds to the final quality achieved from the grapes received from this productive unit.

The following table and graph show detailed results of the evaluation.

Parameter	Weighting	Average Score
Fruit load	15%	4,2
Foliage	10%	4,5
Health	25%	4,5
Irrigation	10%	4,7
Wine	30%	4,9
Logistics	10%	4,7
Total	100%	4,6

Table 6: Results of grape producers' evaluation in 2023, by parameter.

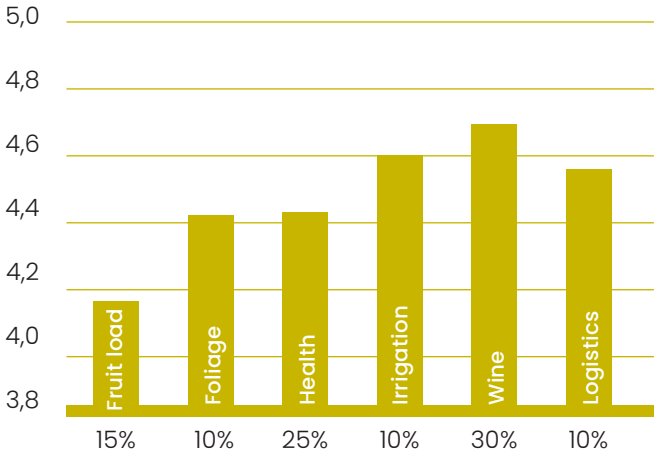


Figure 3: Results of grape producers' evaluation in 2023, by parameter.



## Evaluation parameters

Fruit load:	Load regulation (Kg/ha) expected by Cono Sur Winery	Range	Note
Foliage:	Canopy management according to advisor's instructions	4,0 a 5,0	A
Health:	Phytosanitary management and final grape health.	3,5 a 3,99	B
Irrigation:	Water management in the vineyard.	2,5 a 3,49	C
Wine:	Quality of wine obtained in relation to that expected.	0,0 a 2,49	D

## 1.16.2 Fair and timely payment



**SIGNIFICANT  
MATERIAL TOPIC  
SOCIAL SPHERE**

Supply of the raw materials, supplies, and services required by Viña Cono Sur follows general guidelines defined by Concha y Toro Holding. Large-volume purchases are put out to tender in order to choose the best supplier alternative and conditions. For certain specific pur-

chasing requirements, priority is given to local suppliers in order to contribute to local economic development.

Third-party grape purchases are handled by agents in a process based on current market prices and considering aspects such as grape quality,

valley of origin, and type of contract.

The company adheres to the holding company's general supplier payment policies, which stipulate payment within 30 days after product delivery or service performance and upon receipt of the respecti-

ve invoice, provided there is no specific contract between the parties that stipulates a different method of payment.

## 1.17 Identification and analysis of operational risks and opportunities

As per the Management Policy and the company's commitment to producing high quality wines, Cono Sur continuously identifies and analyzes the risks and opportunities that impact the production processes and/or final quality of its wines. This enables the

company to establish and prioritize controls aimed at guaranteeing its operational continuity and compliance with the quality requirements applicable to each stage of the process.

# 1.18 Sustainability Committee

Viña Cono Sur’s Sustainability Committee consists of the CEO, division managers, area heads and professionals, and is responsible for monitoring and continuously reviewing progress toward and achievement of the company’s objec-

tives, goals, and commitments in environmental, social, and economic matters. For this purpose, this team has different ways of reviewing and analyzing advances, such as bimonthly meetings and the annual managers’ review of the Inte-

grated Management System. This process results in action plans to ensure these goals and objectives are met. It also provides input for defining and updating the Strategic Development Plan and for the continuous improvement of internal

processes. The Chief Executive Officer may convey to the Board of Directors of Viña Cono Sur relevant aspects arising from each of these instances.



		
CEO	1	0
Area managers and assistant managers	3	0
Area Supervisors	4	2
Estate managers	5	0
Area professionals and technical staff	9	1
Subtotal	22	3
Total	25	

Table 7: Composition of Sustainability Committee.



## 1.19 Legal compliance

Complying with the legal requirements applicable to company operations is one of the core pillars of Cono Sur's sustainable development. Along this line, and in concert with Concha y Toro Holding, the company communicates and promotes in a variety of ways its anti-corruption policies and procedures, Crime Prevention Policy, and conflict of interest declarations. Operational areas are responsible for managing compliance through work programs, control procedures, monitoring, and verification. This includes ve-

rification of compliance with applicable product regulations, from agricultural production to the sale and distribution of wine. It also encompasses environmental, labor, and occupational health and safety regulations applicable to the operation, which not only includes the activities of Cono Sur's own team but also those performed by its suppliers and contractors within Cono Sur facilities.

To bolster compliance management, the company has the support of a legal advisor who monitors the Chilean regula-

tory framework and notifies the company of modifications to applicable regulations published in the Official Gazette. Notwithstanding the above, in 2023 the Chilean Agriculture and Livestock Service initiated two health inquiries with the company. One of them was regarding the requirements applicable to grapevine cultivation at the Las Lomas estate, and the other was related to requirements applicable to the winemaking process at the Chimbarongo winery.

For its part, the Health Ministry

Office (SEREMI de Salud) for O'Higgins Region opened two health inquiries. The first was associated with an incident that occurred during the application of sulfur dioxide during the 2023 harvest, and the second was related to the application of the Psychosocial Protocol at the Santa Elisa estate.

## 1.20 Safeguarding information

Due to the importance of and increase in cybersecurity-related incidents around the globe, with the support of the holding company's IT area, Cono Sur has expanded its efforts to mitigate technological risks by implementing various control measures related to governance, processes, infrastructure, and technological tools. It has also designed and implemented preventive cybersecurity controls, including the continuous monitoring of

potential cybersecurity vulnerabilities and breaches so they can be addressed in a timely manner.

For risks related to the privacy of customer data, the company's databases are protected by SAP data encryption against database loss from cyberattacks.



## 1.21 Current certifications



Viña Cono Sur has several current sustainability certifications in areas such as environmental management, social management, and product quality management, among others. Some of our product lines are also certified organic and vegan. These certifications are regularly renewed through audits and inspections carried out by independent external entities, so customers and external stakeholders can be confident about the company's compliance with recognized international standards.

In 2023, Cono Sur maintained all of its certifications except for the For Life standard. In that case, a detailed, in-depth analysis of other national and international standards the company has adhered to in recent years showed together these standards overlapped with most For Life requirements. For this

reason, the CEO decided to dispense with this certification, convinced that this would not affect the company's performance in social responsibility matters.

In more news, both the agricultural area and the winery obtained "JAS" organic certification (from Japan), which joins the current certifications under NCh (Chilean organic standard<sup>13</sup>), NOP (United States organic standard<sup>14</sup>), and similar standards from Korea and China.

<sup>13</sup>: Chile has an Equivalence Agreement for the sale of organic products with the European Union and Brazil.

<sup>14</sup>: The United States has an Equivalence Agreement for the sale of organic products with Canada and Mexico.



Cono Sur certifications in force at year-end 2023:

CERTIFICATION	SPHERE	SCOPE	CERTIFICATION	SPHERE	SCOPE
Quality Management System Certification, under the ISO 9001:2015 standard <b>TÜV Rheinland</b>	<b>Quality</b>	Santa Elisa estate	Organic processing certification. Wine production. <b>Ecocert S.A.</b>	<b>Quality</b>	Winery, includes some product lines.
Environmental Management System Certification, under the ISO 14001:2015 standard <b>TÜV Rheinland</b>	<b>Environment</b>	Santa Elisa estate	Certificate of Offset of GHG Emissions from the transportation of finished product <b>CarbonNeutral</b>	<b>Environment</b>	Wine transportation
Occupational Health and Safety Management System Certification, under the ISO 45001:2018 standard <b>TÜV Rheinland</b>	<b>Occupational health and safety Social</b>	Santa Elisa estate	Certification of Carbon Footprint measurement and verification. GHG Protocol, Carbon Footprint Assessment <b>CarbonNeutral (Verified by SGS)</b>	<b>Environment</b>	Entire organization
Energy Management System Certification, under the ISO 50001:2018 standard <b>TÜV Rheinland</b>	<b>Environment Energy</b>	Santa Elisa estate	Certification of compliance with the Wines of Chile Sustainability Code, Green, Red, and Orange areas. <b>SGS</b>	<b>Environment Social Quality</b>	Entire organization
Organic production certification. Production of wine grapes. <b>Ecocert S.A.</b>	<b>Environment Quality</b>	Santa Elisa, Campo Lindo, Las Lomas, Las Lomitas, El Encanto, La Espuela estates	Certification of compliance with the Wines of Chile Sustainability Code, Purple area. <b>SGS</b>	<b>Environment Social</b>	Entire organization
B Corp Certification. <b>Sistema B Chile</b>	<b>Environment Social</b>	Entire organization			

Table 8: Cono Sur certifications in force at year-end 2023.



## B Corp Certification

On January 1, 2021, Viña Cono Sur became certified as a B Corporation. Through a reform to its bylaws, the company ratified its commitment to continuously improving its environmental, social, and governance performance.



## What does it mean to be a B Corp?

B Corporations embrace a global cultural shift that redefines business success to foster a more inclusive and sustainable economy. They therefore leverage the business' capacity and growth as means to a greater end, to generate a triple positive impact: for their employees, communities, and the environment. B-Corp Certification helps consumers identify companies with high social and environmental accountability.

## Why did Cono Sur pursue B Corp certification?

Since its creation in 1993, Viña Cono Sur has established Sustainability, Quality, and Innovation as its core pillars, and these pillars have motivated the company to adopt nationally and internationally recognized independent standards that have allowed it to further develop these aspects. In becoming a B Corp, the winery has obtained a comprehensive certification and taken on a commitment to its continuous improvement in the economic, social, and environmental spheres.





## 1.22 Economic performance



*“Define our objectives and plan our activities to be an efficient and profitable company.”*

Although the conditions that affected the business during 2022 began to improve as 2023 progressed, sales during this period were impacted by new global contingencies, such as inventory reductions by distributors and large chains seeking to optimize

their working capital due to rising interest rates. In addition, lower disposable income among consumers due to inflation and higher interest rates also weakened consumption at the global level. Overall, total sales in 2023 were around 19% lower than in 2022.

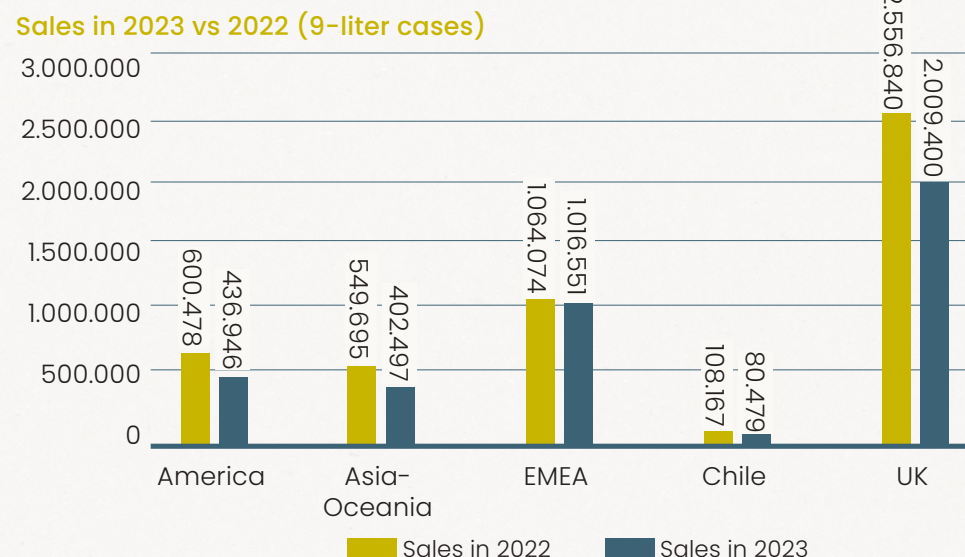
	2022	2023
Sales by volume (9-liter cases)	4.879.253	3.945.873
Change in volume over previous year	-	-19,3%

Table 9: Total sales by volume, 2023 versus 2022.

The United Kingdom, Cono Sur's main export destination, accounting for nearly 50% of total shipments in 2023, saw a reduction of around 21.4% in volume compared to 2022. Similar scenarios were seen in the Americas and Asia-Oceania, with reductions of 27.2% and 26.8%, respectively. Together, these two markets received a total of nearly 840,000 cases of Cono Sur wine.

The EMEA zone<sup>15</sup>, with around 25% of 2023 shipments, showed a decrease of around 4.5%. Lastly, the domestic market dropped by 25.6%, with just over 80,000 cases sold, equal to 2.04% of Cono Sur's total sales for the period.

Figura 4: Distribución de ventas en volumen en 2023 por mercado, comparado con 2022.



15: (Europe, the Middle East, and Africa). Geographical designation referring to Europe, the Middle East and Africa. For the purposes of this report, EMEA does not include the United Kingdom. Given its importance, this market is analyzed separately and specifically.

## 2023 Financial results

The following is the statement of income by function of Viña Cono Sur S.A. for the 2023 period, with comparative figures for 2022.

Income Statement by Function, Viña Cono Sur S.A.	December 2023 (Thousands of CLP)	December 2022 (Thousands of CLP)
Income from regular activities	74.451.800	94.997.951
Cost of sales	(55.519.224)	(65.020.426)
<b>Gross Profit</b>	<b>18.932.576</b>	<b>29.977.525</b>
Other income	83.883	98.725
Administrative expenses and distribution costs	(11.493.930)	(12.411.755)
Other expenses, by function	(221.238)	676.811
<b>Income from operating activities</b>	<b>7.301.291</b>	<b>16.987.684</b>
Financial income	7.562	-
Financial costs	(1.253.823)	627.286
Share of profit (loss) of associates and joint ventures	42.198	129.150
Exchange rate variations	(708.509)	(68.401)
Gain (loss) from indexation adjustments	194.560	242.016
Net income before taxes	5.583.279	16.663.163
Income taxes	868.695	(3.268.723)
<b>Net income</b>	<b>4.714.584</b>	<b>13.394.440</b>

Table 10: Income statement by function of Viña Cono Sur S.A. for the 2023 period, with comparative figures for 2022.

## Viña Cono Sur S.A. Equity

Equity	December 2023 (Thousands of CLP)	December 2022 (Thousands of CLP)
Equity	62.745.662	62.967.925

Table 11: Viña Cono Sur S.A. equity at year-end 2023, compared to 2022.





2



# ABOUT THIS REPORT



## 2.1 Objective, scope and term of the report

This report provides a summary of Viña Cono Sur's impacts on aspects of sustainability from January 1 to December 31, 2023. Also included are the sustainability results the company achieved and the commitments it adopted over the same period. The preparation and publication of this report is part of senior

management's commitment to sustainable corporate development.

To strengthen the consistency and coherence of the content contained herein, some information will be presented for the "agricultural year," which runs from June 1, 2022 to May 31, 2023. All information gathered and

used in preparing this Sustainability Report is verifiable; however, the document has not been submitted for third party verification.

For questions related to this report, please contact:

**Christian Maire Gómez**

Manager, Management  
and Sustainability System

Email: [christian.maire@conosurwinery.cl](mailto:christian.maire@conosurwinery.cl)

**Alex Canto Jara**

Sustainability  
Analyst

Email: [alex.canto@conosurwinery.cl](mailto:alex.canto@conosurwinery.cl)

Calle Pisagua 312. Chimbarongo, Chile. Phone: +56 2 2476 2730



## 2.2 Report contents

This report has been issued in accordance with the Global Reporting Initiative's 2021 standards and subsequent updates. Information on the impacts generated, results obtained, and commitments adopted by Viña Cono Sur in regard to sustainability has been structured under "Material Topics." Our analysis has been conducted from an internal perspective, based on informa-

tion from primary and secondary sources, including internal and external stakeholders identified during its preparation.

To ensure the accuracy and reliability of the information, this report was reviewed by the Sustainability Committee and approved by the Chief Executive Officer prior to publication.

## 2.3 Material topics

Material Topics identified in this report are those associated with the most significant positive and/or negative impacts of Cono Sur's operations in the economic, environmental, and social (including human rights) spheres. These Material Topics are identified and assessed by the company on an ongoing basis, with the participation of diverse internal and external stakeholder groups. Stakeholder consultation includes two sources of information:

### 1 Primary sources

These include direct surveys on environmental, social, and economic issues with Cono Sur staff at different hierarchical levels, and with external parties such as customers, suppliers, authorities, and local community members. These surveys are conducted regularly, and their results can lead to changes in the identification of Material Issues.

### 2 Secondary sources

Information related to economic, environmental, and social issues from different internal and external sources, including various wine industry actors. Examples of secondary sources are customer satisfaction surveys, internal engagement surveys, internal process assessments, and others.

# 2.4 Review and validation

The information used in preparing this Report has been compiled, sorted, systematized, and analyzed by Viña Cono Sur’s Sustainability Area, highlighting the topics that were rated most important.

Our 2023 reporting takes into account new information that can potentially affect materiality analyses. All Material Topics were submitted to senior management for validation prior to the report’s publication.

# 2.5 Viña Cono Sur materiality matrix

Material Topics are set out in the Materiality Matrix below.

 <div>SIGNIFICANT MATERIAL TOPIC</div> <div>SOCIAL SPHERE</div> <div>LABOR</div> <div><ul style="list-style-type: none"><li>- Work environment.</li><li>- Education and Training.</li></ul></div> <div>COMMUNITY</div> <div>Environmental impacts on the community.</div> <div>SUPPLIERS</div> <div><ul style="list-style-type: none"><li>- Fair, timely payment.</li><li>- Strengthening business relations.</li></ul></div> <div>COMMUNICATION</div> <div>Social networks and website.</div>	 <div>SIGNIFICANT MATERIAL TOPIC</div> <div>ENVIRONMENTAL SPHERE</div> <div>ENVIRONMENTAL MANAGEMENT</div> <div><ul style="list-style-type: none"><li>- Efficient use of resources</li><li>- Use of non-conventional renewable energies</li><li>- Measurement, verification, and neutralization of Cono Sur’s Carbon Footprint.</li></ul></div>	 <div>SIGNIFICANT MATERIAL TOPIC</div> <div>SOCIO-ECONOMIC SPHERE</div> <div>CLIENTS / CONSUMERS</div> <div><ul style="list-style-type: none"><li>- Product quality.</li><li>- Sustainable practices in grape and wine production.</li></ul></div>	 <div>SIGNIFICANT MATERIAL TOPIC</div> <div>GOVERNANCE SPHERE</div> <div>COMPLIANCE</div> <div><ul style="list-style-type: none"><li>- Certifications and accreditations</li><li>- Viña Cono Sur’s success</li></ul></div>
---	--	---	---

Tabla 12: Temas Materiales al período 2023.





# 3 STAKEHOLDERS AND COMMUNICATION



## 3.1 Stakeholders

Sustainable development involves identifying all stakeholders and their expectations, establishing objectives based on a shared interest, and creating a positive impact.

To this end, Viña Cono Sur has developed and maintained effective communication channels and opportunities for stakeholder engagement that allow us to detect

emerging topics in a timely manner and confirm topics of long term interest that will achieve the positive impact sought.

Stakeholder category	Stakeholders	
Partners and shareholders	Viña Concha y Toro	
Customers	Distributors, import monopolies	Final consumers
Community	Municipality of Chimbarongo Communities near productive sites	Institutes, schools, and universities in the region Local institutions
Press and the media	Wine press Wine media	Mass media Wine critics
Workers	Winery operators Administrative staff	Agricultural workers Managers and winemakers
Suppliers	Grape Producers Suppliers of Agricultural Inputs Suppliers of office supplies Construction service providers Certification and verification service providers Equipment suppliers and energy service providers Suppliers of winemaking inputs Suppliers of basic services	Freight service providers Wine suppliers Energy companies Employee benefit associations Personal protective equipment suppliers Area of Concha y Toro Holding that provides services to Viña Cono Sur
Inspection agencies	Agriculture and Livestock Service Health Ministry Energy Ministry Environment Ministry Electricity and Fuel Secretariat	Internal Revenue Service Labor Inspection Board National Forestry Commission Municipal inspectors
Unions and associations	Asociación de vinos de Chile A.G. A.G. South-Central organic wine producers Chimbarongo Canal Users Association	San Clemente Canal Users Association San Felipe Canal Users Association Fundación Vegetarianos Hoy COW, Chilean Organic Winegrowers.

# 3.2 Corporate communications

Viña Cono Sur recognizes that communication is essential not only to conduct its business but also to maintain relations with its stakeholders. For this purpose, the company has multiple media and communication channels.

Communication channels

General and divisional management	Meetings with different areas, email, results reports.
Employees	Meetings with management, suggestion boxes, meetings of the Joint Health and Safety Committee, email, holding company internal magazine, complaint channels on the website or complaint boxes, materiality surveys, performance evaluations, social networks, posts on bulletin boards, text messaging.
Customers	Visits to Cono Sur facilities, website, contact with Export Manager.
Authorities and enforcement entities	Email, visits to Cono Sur facilities, telephone.
Certifying agencies	Email, visits to Cono Sur facilities, telephone.
Local community	Website, telephone, visits to Cono Sur facilities, social networks.
Suppliers	Telephone, visits to Cono Sur’s facilities, supplier evaluations, email, second party audits.
Consumers	Website, social networks.
Unions and trade associations	Email, visits to Cono Sur facilities, meetings, email, telephone.

Corporate communications issued by Viña Cono Sur, including those related to material topics, are managed and initiated by the “Communications and Wine Tourism” area. In turn, each external requirement related to sustainability is referred to the corresponding company area to ensure a timely and accurate response. The Sustainability Committee plays an important role in this process, providing technical and methodological support to operational areas to help them analyze, generate, and deliver information.



## 3.3 Communications on sustainability

Communication on sustainability topics within the company is via corporate channels such as talks and digital platforms for staff.

External communications are issued via social networks and the company website, [www.conosur.com](http://www.conosur.com). The latter contains

a news section that publishes content related to winegrowing and winemaking, sustainability, organic management, certifications and tourism, among others.

This Sustainability Report plays a crucial role in our communication also, as it allows us to report on impacts and relevant de-

velopments in this area. It is distributed internally, mainly via email, and externally by being publicly available on the winery's website.



# 3.4 Social networks



SIGNIFICANT  
MATERIAL TOPIC  
SOCIAL SPHERE

Social networks play an important role in building the corporate image and in brand positioning. They allow us to communicate the winery’s sustainable philosophy in a concise and friendly way, and these messages are always positively received. Facebook continues to be our most active social network, with just over 52,000 followers in 2023 in the Latam account, although this is around 9.5% fewer than in 2022. The corporate Instagram account, in contrast, saw a slight rise in followers

and ranks as our second busiest channel, with about 32,000 active followers. Both platforms enable direct encounters with final consumers and brand followers. Our presence on LinkedIn allows us to interact with different internal and external stakeholders on a professional and business level, generating content and fostering relationships around topics of common interest. In 2023, Viña Cono Sur’s corporate LinkedIn account had more than 5,000 followers.

Viña Cono Sur’s official website registered a total of 72,000 visits in 2023, much lower than in 2022, which recorded close to 180,000 visits from January to December. In 2023, social networks also helped maintain momentum in the promotion of Invest brands, with campaigns conducted in different destination markets. The table below details the campaigns carried out in 2023.

Mercado	Marca	Medio	Resultado	Status
Canada	Cono Sur Orgánico	Programmatic/ Instagram	Impressions: 5,787,046 Reach: 528,973 unique users	Completed
Ireland (Campaign 1)	Cono Sur BiciCleta	Instagram	Impressions: 2,095,062 Reach: 1,171,106 unique users	Completed
Ireland	Cono Sur Orgánico	Instagram	Impressions: 2,178,103 Reach: 833,972 unique users	Completed
Ireland (Campaign 2)	Cono Sur BiciCleta	Instagram	Impressions: 2,288,737 Reach: 1,494,118 unique users	Completed
Japan	Cono Sur BiciCleta	Instagram	Impressions: 3,996,295 Reach: 11,662,251 unique users	Completed
Netherlands	Cono Sur Orgánico	Instagram	In progress as of 12/31/2023. Estimated completion in January 2024.	In progress
Russia	Cono Sur BiciCleta	Telegram	In progress as of 12/31/2023. Estimated completion in January 2024.	In progress

Table 13: Social Media Marketing Campaigns in 2023.

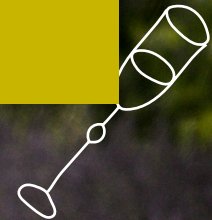


4

OUR PRODUCTS

AND

CONSUMERS





## 4.1 Quality wines



SIGNIFICANT  
MATERIAL TOPIC  
ECONOMIC  
SPHERE



Since its inception, Viña Cono Sur has maintained the clear and firm objective of conquering the market of fine wines exported from Chile. Since then, a core element of the company mission has been to sustainably produce wines of the highest quality in each segment, striving to build high value brands that satisfy consumers around the globe.



Some of the most notable awards and honors the winery obtained in 2023 are listed below.

Category	Variety	Vintage	Award / Honor	Awarded by
Silencio	Cabernet Sauvignon	2018	94 Points	Luis Gutiérrez - The Wine Advocate
Ocio	Pinot Noir	2019	94 Points	Luis Gutiérrez - The Wine Advocate
20 Barrels Limited Edition	Sauvignon Blanc	2022	92 Points	Luis Gutiérrez - The Wine Advocate
Bicicleta	Carmenere	2021	Gold Medal	The Global Master Carmenere 2023
Ocio	Pinot Noir	2020	95 Points	Guía Alistair Cooper MW by Catad'Or 2023
Silencio	Cabernet Sauvignon	2018	95 Points	Guía Alistair Cooper MW by Catad'Or 2023
20 Barrels Limited Edition	Cabernet Sauvignon	2019	94 Points	International Wine Challenge (IWC) 2023
20 Barrels Limited Edition	Sauvignon Blanc	2022	93 Points	International Wine Challenge (IWC) 2023
Silencio	Cabernet Sauvignon	2018	94 Points	International Wine Challenge (IWC) 2023
Orgánico	Cab/Car/Syrah	2021	94 Points Silver	Decanter 2023
20 Barrels Limited Edition	Sauvignon Blanc	2023	97 Points	Descorchados 2023
Silencio	Cabernet Sauvignon	2019	97 Points	Descorchados 2023
Ocio	Pinot Noir	2021	95 Points	Descorchados 2023
Organico	Pinot Noir	2022	90 Points	Descorchados 2023
20 Barrels Limited Edition	Syrah	2020	Grand Gold	Catad'or 2023
20 Barrels Limited Edition	Chardonnay	2022	Gold	Catad'or 2023

Table 14: Major awards and honors given to Cono Sur Winery in 2023.



## 4.2 Sustainable practices in grape and wine production



Sustainability is one of the three strategic pillars of the Cono Sur philosophy. It is embodied in various actions the company undertakes throughout the entire production system, from cultivation of the vines to transportation of the wines to their destination markets.



### GRAPE PRODUCTION

Viña Cono Sur currently has 1,188.7 hectares under production, distributed among different valleys in the regions of Valparaíso, O'Higgins, Maule, and Bio-Bio. Of this total, 415.88 hectares are managed organically. Each agricultural unit creates an integrated plan that includes operational controls designed to achieve the expected results in terms of grape volume and technical quality.

For grapes purchased from third parties, technical requirements for their state, condition, and attributes allow us to produce wines of the highest quality in each wine category. To ensure these are met, the company has a professional staff member responsible for supporting and technically monitoring each producer through regular visits and by establishing production-related actions and commitments. These visits also include verification that producers are following labor and occupational safety standards.



### VINIFICATION

In 2023, 100% of the grapes were vinified in the winery at the Santa Elisa estate. A total of 56.4% came from the company's own vineyards, while the remaining 43.6% was from external producers.

In addition to the operational planning for each season, the design of our production system takes into account environmental concerns, occupational risks, energy needs, and quality requirements applicable to the product.

The winery's operation is certified under ISO 9001 (quality management), ISO 14001 (environmental management), ISO 45001 (occupational health and safety management), and ISO 5001 (energy management) for the entire volume of wine processed. Some product lines are also certified organic.

The winemaking process is subject to regular, systematic controls, inspections, and internal audits to ensure operational efficiency and the fulfillment of requirements applicable to each stage of the process and to the final product.



### BOTTLING

Cono Sur wines are bottled by Concha y Toro, whose processing plants are certified under the BRC and IFS international quality and food safety standards.

Each shipment from the winery to the bottling plant is subjected to several analyses to ensure a high quality final product that meets all Chilean legal and regulatory requirements and those of the company's destination markets.

All wine is produced by Cono Sur under a traceability system that can identify each raw material, input, and component used at any stage in the production chain, from grape production to final shipment of the bottled product.

Some of Cono Sur's most notable actions and commitments in each sphere are as follows:



## PEOPLE

Developing a healthy environment that welcomes diversity, strives for equality, and safeguards the health and well-being of all Cono Sur employees through different policies, standards, and procedures.

Focus on people management that emphasizes three priorities: career and talent development, engagement, and capacity building.

The "We Want You Diverse, Healthy, and Happy" program, which includes diversity initiatives (multiculturalism, gender balance, and inclusion), occupational health (wellness), and drug and alcohol abuse prevention.



## ENVIRONMENT

Waste management in line with current environmental legislation.

Efficient use of water, in both agricultural production and the winery.

Energy efficiency management in each productive unit.

Measurement, verification, and management of Cono Sur's Carbon Footprint.

Program aimed at protecting and enhancing biodiversity in the company's estates.



## QUALITY

Establishment of technical guidelines and standardized procedures for carrying out winegrowing and winemaking under controlled conditions, in order to achieve the expected production results.

Maintaining international ISO 9001:2015 certification of the company's quality management system.

Maintaining organic certification of agricultural production and winemaking processes.

Internal audits and ongoing quality controls to verify and ensure compliance with internal standards and applicable legal and regulatory requirements.



## COMMUNITY

Strong ties with the community, especially at the Santa Elisa estate, where most productive operations are concentrated.

Promotion of local hiring that contributes to the development of communities situated near our productive units.



## 4.3 Labels and labeling requirements for the final product

The information contained on the labels of Cono Sur wines complies with the regulations of the destination markets. This compliance is reviewed and validated by Concha y Toro's legal department prior to the label design process.

For European markets, information on responsible consumption and limiting consumption by vulnerable groups is included, among other aspects. For Latin American markets, the labels contain warning messages in line with the regulations of each country.

Sulfur dioxide is added to wine to extend its longevity, and since it is an allergen,

consumers must be alerted to the presence of sulfites in wine. This information is included on the back label of each bottle. In addition, all product lines include a message about recycling the bottle, as well as seals or other trademarks of applicable certifications, always in accordance with the certifying entity's stipulations. In 2023, no fines were issued for incorrect labeling information.



## 4.4 Responsible marketing

Viña Cono Sur's marketing approach includes a commitment to the accuracy and truthfulness of the information communicated and disseminated, is compliant with applicable regulations, transmits an appropriate message to consumers, and avoids criticizing the competition.

All Cono Sur advertising complies with the standards of the Chilean Code of Advertising Ethics, published by the Chilean Council of Self-Regulation and Ethical Advertising (CONAR).

No negative concerns related to marketing communications were presented during the period covered in this report.

## 4.5 Responsible wine consumption

Viña Cono Sur adheres to the Responsible Consumption Policy promoted by Viña Concha y Toro's corporate directors. The company incorporates responsible consumption messages in its publications on different social networks and on its official web site [www.conosur.com](http://www.conosur.com), where more information related to this subject can be found through the program "Enjoy responsibly, from start to finish."<sup>16</sup>



<sup>16</sup>: Link to the "Enjoy responsibly, from start to finish" program: <https://consumoresponsable.vinacyt.com/>.



## 4.6 Customer satisfaction

To find out our direct customers' perceptions of the quality of our different product categories, and how they feel about the supply of our wines, Viña Cono Sur regularly conducts satisfaction surveys worldwide. To ensure these surveys are properly representative, the response rate must represent at least 70% of the volume sold. The results of the latest survey, conducted in 2022, indicate that the overall perception of quality across all wine categories earned an average rating of 4.2 out of 5.

Overall perception of Viña Cono Sur had an average rating of 4, while the service area earned 4.5, highlighting the support provided by our commercial area. Lastly, 95% of respondents indicated that managing sustainability is important to consumers.

The next satisfaction survey is planned for 2024.





A close-up photograph of a grey goose with a large, bright orange beak, looking upwards. The goose is positioned on the left side of the frame. The background is a dense vineyard with green and brown leaves, and clusters of dark grapes are visible. A large white number '5' is centered in the upper right area.

5

# ENVIRONMENT



**“Prevent pollution of our environment daily through environmental programs with clear objectives and goals that ensure the continuous improvement of our production systems. The objectives are focused on minimizing waste generated, maximizing reuse, using pesticides more efficiently by optimizing pest and disease monitoring, using water and energy resources efficiently, reducing greenhouse gas emissions, and improving processes and the quality of both raw materials and the wine.”**

The impacts produced have global repercussions, as some of the topics presented are directly linked to climate change. Depending on the material topic, however, measures can be limited by budgetary constraints and technical feasibility. The introduction of new technologies and improvements in management have yielded tangible benefits at Cono Sur, specifically in the efficient use of resources.

## 5.1 Efficient use of resources

### 5.1.1 Energy

Viña Cono Sur has an energy management system that is certified under the ISO 50001:2018 standard. The certification renewal for 2023 was carried out by TÜV Rheinland.

To analyze the company's different energy sources comparatively, they are converted into a common unit, in this case megajoules (MJ). These conversions are shown in the following table.

Energy	Unit	Conversion factor	Conversion unit
Diesel	Liters	36,1	MJ/L
Gasoline	Liters	32,3	MJ/L
Liquid petroleum gas (LPG)	Kg	47,3	MJ/kg
Electricity	kWh	3,6	MJ/kWh

Table 15: Energy conversion, MJ.

Figure 5, below, shows the total energy consumption of Cono Sur Vineyards over the last three seasons, by energy source. As is evident, in 2023 there was a slight increase in diesel and electricity consumption and a decrease in gasoline consumption, while LPG consumption remained similar to the previous season. Part of the increase in diesel and reduction in gasoline is due to the replacement of pickup trucks. The higher electricity consumption is explained by a greater need for irrigation.

Global energy consumption

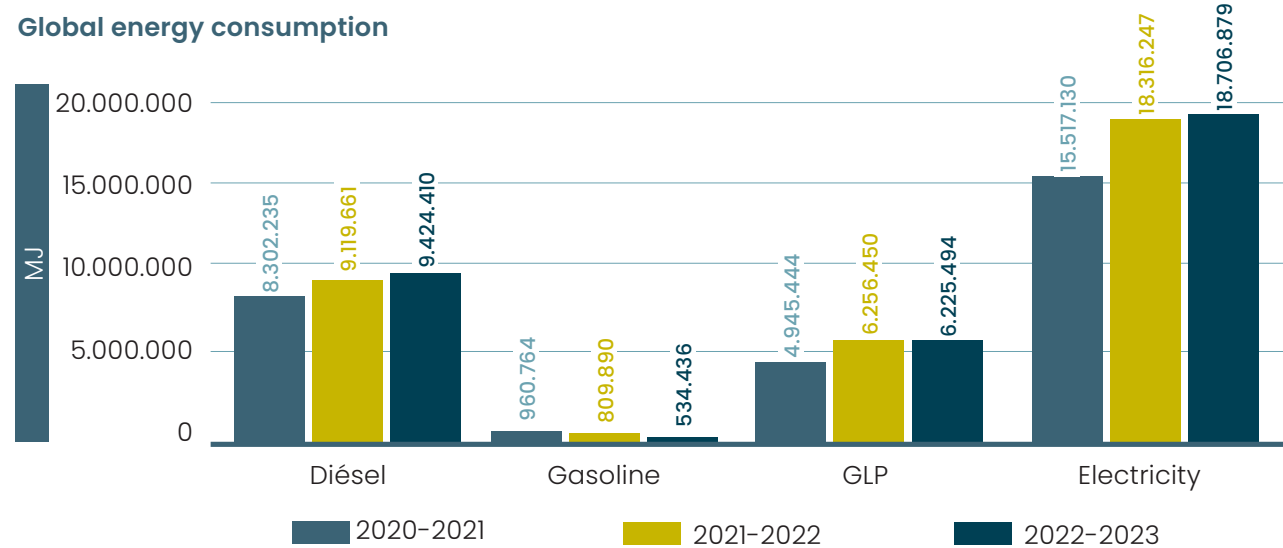


Figure 5: Energy consumed in recent seasons, in MJ.

The winery consumes the greatest energy of all Cono Sur's productive sites, as it involves the operation of boilers and cooling equipment, both essential for the vinification of red and white wines. The next highest energy consumers are the Las Lomas, El Encanto, and Santa Elisa estates, where energy consumption corresponds mainly to electricity for irrigation.

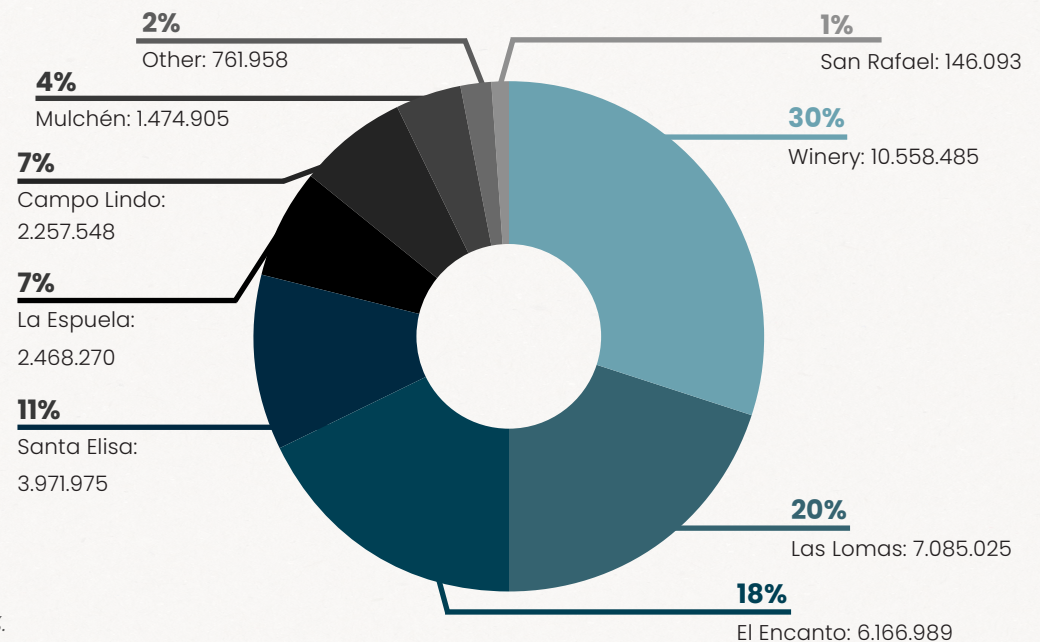


Figure 6: Energy consumed in the 2022-2023 season by site, in MJ and %.



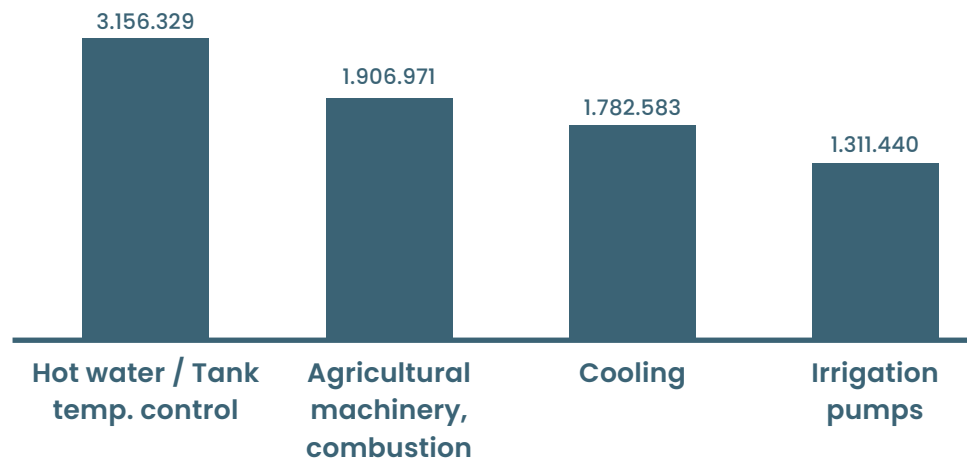
Santa Elisa is the main estate, as it houses Cono Sur's only winery, and the company's first 300 hectares of vineyards planted. This site consumed 41.7% of the total energy used by the organization.



### 5.1.1.1 Energy intensity

The main energy consumption at the Santa Elisa estate continues to be the use of LPG in vinification boilers, followed by diesel in agricultural machinery, and then by cooling equipment for wine fermentation control. In fourth place is the consumption of electricity by irrigation equipment. These four processes consume 62% of all the energy used at the main estate.

**Main energy consumers, MJ**



*Figure 7: Main energy-consuming processes, Santa Elisa estate.*



In the 2022-2023 agricultural year, the Santa Elisa estate produced 3,575,760 kg of grapes, 13.4% less than in the previous season. Energy consumption, including by pickup trucks, reached 3,971,975 MJ, yielding an overall indicator of 1.11 MJ/kg grapes. This represents a 26% increase in the amount of energy required to produce 1 kg of grapes compared to the previous season. Still, the Santa Elisa estate indicator remains below the agricultural area average of 1.49 MJ/kg of grapes for the season.

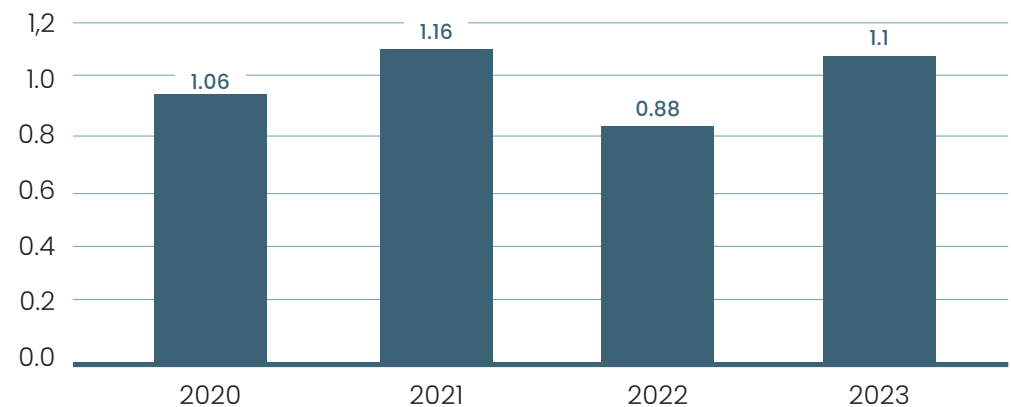


Figure 8: Energy intensity of the Agricultural Area, by agricultural year

Overall for the 2023 harvest, the winery processed 26,812,834 kg of grapes and consumed 10,558,485 MJ of energy over the season, or 0.394 MJ/kg of grapes received. This represents an increase of 15.6% in energy consumed per kg of grapes processed compared to the previous season. While this KPI was worse than in 2022, it still displayed better performance than in 2020 and 2021.

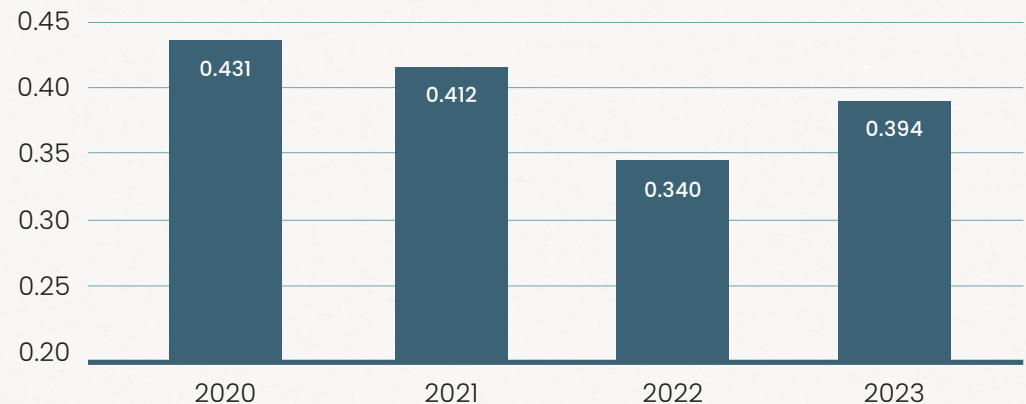


Figure 9: Overall energy intensity of vinification in recent agricultural years



### 5.1.1.2 Non-Conventional Renewable Energies

Viña Cono Sur has six photovoltaic plants installed in its estates and at the winery, with a combined installed capacity of 1,350 kW. In 2023, the company reached an agreement for the installation of a new photovoltaic plant at the Mulchén estate, with a capacity of 100 kW. The contract has been drafted and is expected to be signed shortly, so construction can begin in 2024.



### 5.1.1.3 External energy consumption

Cono Sur’s external energy consumption corresponds to the bottling service provided by Concha y Toro. In the 2022-2023 season, electricity use associated with this process dropped by 31.6% over the previous period.

	Unit	2020-2021	2021-2022	2022-2023	Variation
Bottled	MJ	6.410.741	5.351.192	7.056.040	31,6%

Table 16: Energy consumed by bottling in recent years.

# 5.1.2 Water usage and consumption

The aim of irrigating grapevines is to deliver the water the plant needs to achieve the yield and quality expected by the winemaking team, in order to obtain the level of quality desired for each line of wine. Water requirements are affected by factors such as geographic location, climatic conditions, grape variety, developmental stage, and others; however, one factor that has greatly affected the company's capacity to meet this need for vines in Region V is water availability. This has impacted the yield and condition of the grapes at harvest time.

To deliver water in the most efficient way, Viña Cono Sur has installed technical (drip) irrigation systems in all its estates. The company also has a professional team that is responsible for analyzing and assessing water needs in its vineyards in order to determine the frequency and duration of irrigation, thereby ensuring the optimal amount of water is applied at precisely the right time. The table below shows the volume of water used by each estate over the past two seasons:

Extraction condition	Category	Estate	Water extraction	N° of xtractions	2021-2022	2022-2023	2022-2023	Variation 2021-2023
	Water				Megaliters	M³	Megaliters	
NEH	Other water	Santa Elisa	Groundwater and surface water	1 canal 1 well	1.398,3	1.770.803	1.770,8	26,6%
NEH	Other water	San Rafael	Surface water	1 canal	174,9	83.110	83,1	-52,5%
EH	Freshwater	El Encanto	Groundwater	3 wells	830,9	509.779	509,8	-38,6%
NEH	Freshwater	Las Lomas	Groundwater	2 pozos	1.786,0	1.709.040	1.709,0	-4,3%
NEH	Other water	La Espuela	Surface water	1 canal 1 well	505,7	612.769	612,8	21,2%
NEH	Other water	El Estribo	Surface water	1 canal	375,2	523.885	523,9	39,6%
EH	Freshwater	Campo Lindo	Groundwater	6 wells	122,8	223.710	223,7	82,2%
NEH	Freshwater	Mulchén	Surface water	1 canal	451,7	439.069	439,1	-2,8%

Table 17: Two-year comparison of water consumption in Cono Sur's Agricultural Area.  
NEH= no water stress / EH=water stress



The table below shows the volume of water used in the vinification process over the past three seasons: Since the 2020-2021 season, water consumed in vinification has dropped, owing to the lower quantity of grapes received for processing and to more efficient water use.

Extraction category	Water Category	Estates	Water extraction	N° of extractions	2020-2021 Megaliters	2021-2022 Megaliters	2022-2023 M3	2022-2023 Megaliters	Variation 2020-2022
NEH	Freshwater	Winery	Well	1 well	38,5	34,8	26.919	26,9	-22,7%

Table 18: Comparison of water consumption in the winery in recent years.

Efforts are being made to further improve the efficiency of water use in the vinification process. For example, steps have been taken to reduce water consumption in white grape sorting lines by using compressed air, and we expect to obtain positive results in the next vintage.



L water / KG grapes vinified

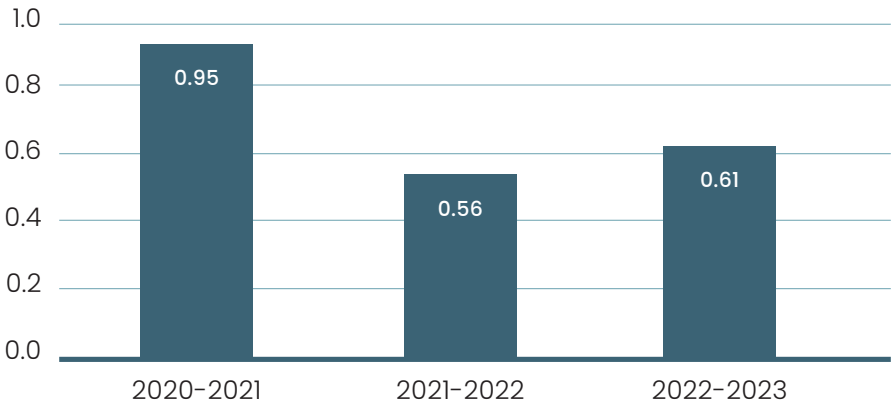


Figure 10: Indicator for water use in the winery



## 5.1.3 Materials

### 5.1.3.1 Agricultural inputs

The amount of agricultural inputs used in grapevine production depends to a large extent on the vineyard management strategy and climatic conditions. Nevertheless, Viña Cono Sur has maintained and even furthered its commitment to reducing its use of agrochemicals, especially herbicides.

Products	2021-2022		2022-2023	
	L	Kg	M3	L
Conventional fertilizers	195.149	188.205	64.690	87.065
Organic fertilizers	1.668.409	35.820	8.574	7.019
Conventional phytosanitary products	1.685	2.081	180.931	3.993
Organic phytosanitary products	292.879	4.053	52.908	733
Herbicides	38	4.932	811	1.530
Organic Amendments (guano, compost)	-	-	3.144.320 (*)	-

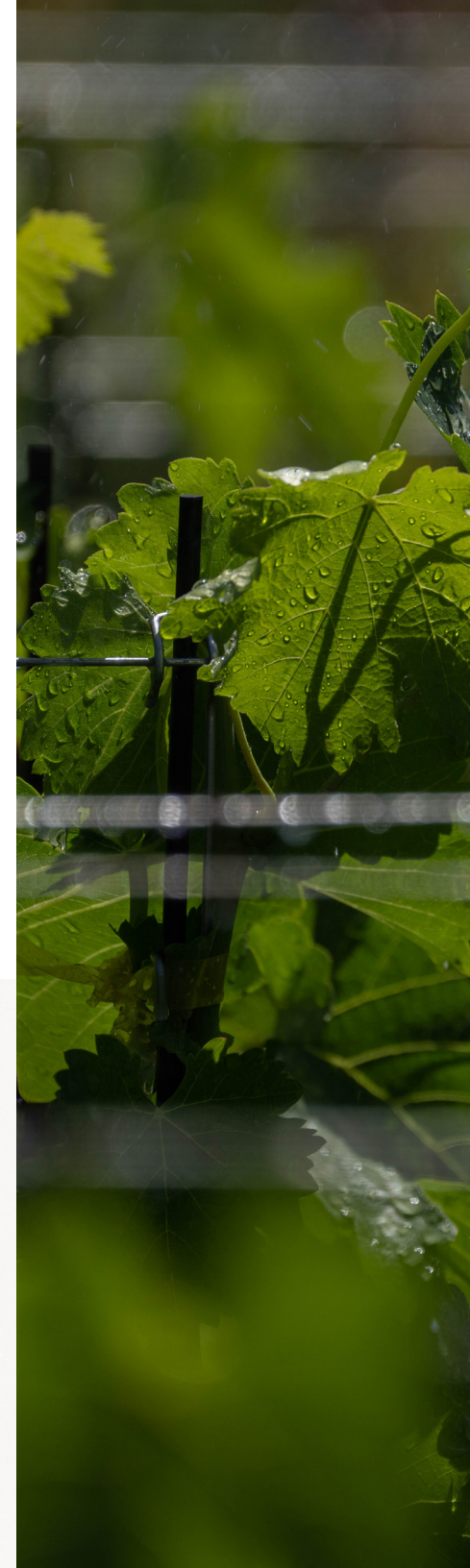
Table 19: Agricultural inputs used in the 2021-2022 and 2022-2023 agricultural years.

(\*): Kg of dry material applied.

Agrochemical use indicators for the 2022-2023 season are shown in the following table. These only include the area under conventional management.

Agrochemicals category	2021-2022		2022-2023	
	Kg/ha	Liters/ha	Kg/ha	Liters/ha
Conventional fertilizers	252,57	243,58	83,72	112,68
Conventional phytosanitary products	2,18	2,69	234,17	5,17
Herbicides	0,05	6,38	1,05	1,98

Table 20: Agrochemical consumption indicators, 2021-2022 and 2022-2023 agricultural years.





### 5.1.3.2 Winemaking supplies

In 2023, the winemaking area showed a significant reduction in the amount of inputs used in the vinification process, due to a lower volume of grapes processed than in the previous year. The greatest variations were in fining agents, oak, and additives.

Category	2022			2023		
	Kg	l.	M3	Kg	l.	M3
Gases (kg)	28.186	156.900	30	28.186	156.900	30
Wine filtering supplies	23.647	-	-	23.647	-	-
Enzymes	1.089	-	-	1.089	-	-
Oak	11.120	-	-	11.120	-	-
Cleaning and sanitizing supplies	39.700	1.092	-	39.700	1.092	-
Yeasts	243	-	-	243	-	-
Nutrients	22.085	-	-	22.085	-	-
Oenological additives	56.620	-	-	56.620	-	-
Fining	67.441	-	-	67.441	-	-
Total	260.630	169.630	30	260.630	169.630	30

Table 21: Winemaking supplies used in 2022 and 2023.

### 5.1.3.3 Packaging materials and supplies

For materials used in the packaging process (including bottling), there was an overall decrease in the consumption of inputs, linked to lower sales of wine last season.

Glass is the main material used in packaging<sup>17</sup>, representing 90.2% of all materials by weight.

*Recycled glass accounts for 33% of glass used, and 43% of that amount is post-consumer glass (from wine consumption), while 57% corresponds to post-industrial glass (production waste). Statement by Cristalería Chile 2021.*





Material, Tons	2021-2022	2022-2023	Variación
Glass bottles	12.499,9	9.633,6	-22,9%
Foil capsules, Muselet (aluminum), screw caps	111,1	86,94	-21,7%
PVC capsules	0,96	0,75	-21,9%
Tin capsules	1,22	1,32	8,2%
Labels	64,2	49,4	-23,1%
Cardboard	1159,2	867,9	-25,1%
Corks	29,8	18,87	-36,7%
Bag in box (BIB)	9,97	8,15	-18,3%
Wooden cases	11,9	13,3	11,8%
<b>Total</b>	<b>13.888,3</b>	<b>10.680,2</b>	<b>-23,1%</b>

Table 22: Materials used in the packaging process, 2020-2023<sup>18</sup>.

18: Greenhouse Gas Protocol (Dual Reporting) Report for Viña Cono Sur 2020-2021, 2021-2022 and 2022-2023.

## 5.2 Carbon Footprint

The greenhouse gas emissions inventory is measured over the agricultural year (June to May) and was last verified for the 2022-2023 period. The following tables present emissions for the last three seasons, by scope. Total emissions are also broken down by type of greenhouse gas.

### Summary by scope, Market-Based

Scope	2020 - 2021 tons CO <sub>2</sub> e	2021 - 2022 tons CO <sub>2</sub> e	2022-2023 tons CO <sub>2</sub> e	Variation
Scope 1	1.824	1.849,5	2.026	9,5%
Scope 2	779	2,2	0	-100%
Scope 3	41.760	39.295	31.044	-21%
<b>TOTAL</b>	<b>44.363</b>	<b>41.147</b>	<b>33.070</b>	<b>-19,6%</b>

Table 23: Comparison of GHG emissions for the last three seasons, Market-Based.

\*Reporting covers the agricultural year.



Summary by scope, Market-Based:

Scope	2020 - 2021 tons CO <sub>2</sub> e	2021 - 2022 tons CO <sub>2</sub> e	2022-2023 tons CO <sub>2</sub> e	Variation
Scope 1	1.824	1.849,5	2.026	9,5%
Scope 2	1.529	1.463	1.203	-17,8%
Scope 3	42.485	39.882	31.623	-20,7%
<b>TOTAL</b>	<b>45.838</b>	<b>43.195</b>	<b>34.852</b>	<b>-19,3%</b>

Table 24: Comparison of GHG emissions for the last three seasons, Location-Based.



Greenhouse gas	Formula	Emissions
		CO <sub>2</sub> e/year
Carbon dioxide	CO <sub>2</sub>	12.464
Methane	CH <sub>4</sub>	23,3
Nitrous oxide	N <sub>2</sub> O	592
Hydrofluorocarbon-134a	HFC - 134a	77,8
Hydrofluorocarbon-407c	HFC - 407c	96,5
Hydrofluorocarbon-410a	HFC - 410a	8,52
Chlorodifluoromethane	R22	172
Carbon dioxide emissions	CO <sub>2</sub> e	19.636
<b>TOTAL</b>		<b>33.070</b>

Table 25: Greenhouse Gas (GHGs) emissions for the 2022-2023 agricultural year, Market-Based.

Once the GHG inventory was verified and certified, Cono Sur proceeded to offset the emissions generated by the shipment of Cono Sur and Isla Negra products by obtaining CarbonNeutral® Delivery certification. These offsets were obtained through the purchase of carbon credits from the Choapa Totoral Wind Power project in Chile.





## 5.2.1 Emission intensity

This overall indicator corresponds to tons of CO<sub>2</sub> released for each ton of wine bottled and sold over the season (agricultural year). For the 2022-2023 season, this indicator dropped by 4.7% over the previous season, to 0.89 tons CO<sub>2</sub>/ ton of wine. Starting with the 2021-2022 season inventory, electricity transmission losses and upstream fuel emissions have been included.

	2020 - 2021	2021 - 2022	2022-2023
Wine sold, tons	49.474	44.057	37.149
Tons CO <sub>2</sub>	44.363	41.147	33.070
Tons CO <sub>2</sub> /tons wine	0,897	0,934	0,89

Table 26: Emission intensity over the past three periods.

## 5.3 Waste generated

Non-hazardous solid waste generated and managed in the last three years is presented below:

Waste	2021	2022	2023	Unidad	Uso
Household-like waste	16,03	17,21	16,0	Ton	Removal, final disposal, authorized landfill.
Pomace and stems	4.008	4.510	2.147	Ton	Valorization, Reuse.
Lees and filtering earth/clay	412,5	480	390	Ton	Valorization, Preparation for reuse.
Plastics	1,45	2,57	4,2	Ton	Valorization, Recycling, Plastics.
Paper, cardboard	1,42	1,7	1,0	Ton	Recovery, Pretreatment of paper, cardboard, and paper products.
Glass	1,2	3,2	2,2	Ton	Valorization, Recycling, Glass.
Empty pesticide containers	131	474	223	kg	Removal, final disposal, authorized landfill.

Table 27: Non-hazardous solid waste generated by Cono Sur, recent periods.

\*Reporting covers the agricultural year.

Eighty-four percent of the non-hazardous solid waste generated in the different winemaking processes corresponds to pomace and stalks; some of this material is used to produce organic fertilizer and some is used as raw material for oenological inputs. The amount of this waste generated by Cono Sur dropped by 50% in 2023, mainly because of the lower amount of grapes vinified. All waste listed in the table above was managed by an authorized waste disposal company and declared to the relevant authority.

Only household-like waste, representing 0.6% of the total, was sent to landfills. Hazardous waste generated in Viña Cono Sur’s different processes is removed every six months by Servicios Técnicos Urbanos, which handles its final disposal with authorized hazardous waste disposal companies such as Hidronor, Ecobio, and Degraf. The table below shows the volume of hazardous waste generated over the past three years.

	2021	2022	2023
Total hazardous waste in (kg)	3.935	4.195	4.238

Table 28: Hazardous waste generated in 2021, 2022 and 2023.

### 5.3.1 Liquid industrial waste

The process of treating liquid industrial waste (LIW) is handled externally by Biodiversa, owned by ESSBIO. The table below shows LIW generated over the 2020–2023 period.

	2020–2021	2021–2022	2022–2023
LIW (m³)	28.703	38.009	30.741

Table 29: LIW discharged by Cono Sur, in cubic meters.

The drop in LIW generated in the 2022–2023 agricultural year compared to the previous one is related to the lower amount of grapes processed.







# 5.4 Biodiversity

In each of its estates, Viña Cono Sur has areas set aside for flora and fauna protection and conservation. These areas cover a combined area of more than 35 hectares and provide habitat and shelter for various plant and animal species. To ensure the preservation of these areas, the company has developed protection protocols and access restrictions, which are duly communicated to workers on the estates.

Wanting to learn more about the diverse flora and fauna present in these areas, in 2022 Viña Cono Sur commissioned the Universidad Mayor to conduct a biodiversity survey to identify the species present and determine their degree of vulnerability in order to protect them. This study began at the Santa Elisa, Las Lomas, and La Espuela estates and yielded the following results:

Santa Elisa estate, Chimbarongo	Las Lomas estate, Peralillo	La Espuela estate, San Clemente
<div><b>FAUNA</b> 27 species registered, one of which is endangered.</div>	<div><b>FAUNA</b> 19 species registered, all within the Least Concern category.</div>	<div><b>FAUNA</b> 35 species registered, all within the Least Concern category.</div>
<div><b>FLORA</b> 34 species registered, three of which are endangered, one vulnerable, and one near threatened.</div>	<div><b>FLORA</b> 10 species registered, one of which is endangered.</div>	<div><b>FLORA</b> 13 species registered, all within the Least Concern category.</div>

Table 30: Species registered in the Biodiversity Study conducted in 2022 by the Universidad Mayor. Those that are protected are also identified.<sup>19</sup>

19: As per the International Union for Conservation of Nature's Red List.



6

# WORKFORCE & EMPLOYEES





## 6.1 Workforce and turnover rate

Viña Cono Sur had 189 permanent staff in 2023. Most (65%) are in O'Higgins Region, where the winery and two of the largest estates, Santa Elisa and Las Lomas, are located.

Seasonal personnel work mainly from February to May each year, during the grape harvest, when there is a need for additional staff to help with reception/sorting and with vinification processes.

The agricultural area also hires seasonal workers for each estate, although their numbers are fewer.

The administration, export, and sales areas do not have seasonal employment contracts.

In 2023, there were 88 seasonal workers, representing 31.7% of the total contracted workforce.

In regard to gender, the majority of Viña Cono Sur's workforce is male, with percentages highest in the agricultural and winemaking areas.

The following table shows Cono Sur's workforce distribution by gender and region:

	2022							2023						
	Permanent contract			Seasonal contract				Permanent contract			Seasonal contract			
	♀	♂	Total perm.	♀	♂	Total Temp.	Total 2021	♀	♂	Total perm.	♀	♂	Total Temp.	Total 2022
<b>Region V, Valparaíso</b> Campo Lindo estate / San Antonio / El Encanto estate / San Felipe.	1	14	15	1	5	6	21	1	13	14	1	2	3	17
<b>Region XIII, Metropolitan Santiago</b> Head Office, Las Condes, Santiago.	9	9	18	0	0	0	18	11	7	18	0	0	0	18
<b>Region VI, O'Higgins</b> Winery, Chimbarongo. Santa Elisa estate, San Rafael, Chimbarongo. Las Lomas, Las Lomitas, Las Hijuelas estates, Peralillo.	21	100	121	20	72	92	213	19	94	113	15	60	75	188
<b>Region VII, Maule</b> La Espuela estate, El Estribo, San Clemente.	3	9	12	10	15	25	37	3	10	13	4	2	6	19
<b>Region VIII, Bio Bio</b> Mulchén estate.	2	7	9	3	3	6	15	2	7	9	1	3	4	13
<b>Outside of Chile</b>	2	5	7	0	0	0	7	1	8	9	0	0	0	9
<b>Total</b>	<b>38</b>	<b>144</b>	<b>182</b>	<b>34</b>	<b>95</b>	<b>129</b>	<b>311</b>	<b>37</b>	<b>139</b>	<b>176</b>	<b>21</b>	<b>67</b>	<b>88</b>	<b>264</b>

Viña Cono Sur does not employ part-time workers.

Table 31: Cono Sur workforce in 2022 and 2023. Distribution by region, type of contract, and gender.



As for personnel turnover, it is primarily non-voluntary and is related to the retirement of older workers and restructuring of work teams.

Cono Sur employee turnover rate	2022	2023
Voluntary exit rate	2.22%	2.12%
Non-voluntary exit rate	8.15%	9.52%
Total exit rate	10.37%	11.64%

Table 32: Personnel turnover rate, 2023 versus 2022.

## 6.1.1 Source of employment

Each year at harvest time, which runs from February to May, the labor requirements of the winery increase significantly. In the winter months, our agricultural units also require additional personnel to help with vine pruning. Most of these labor needs are met by hiring people from the surrounding communities. For work in the winery, a rigorous and extensive initial onboarding process is conducted to provide new hires with the knowledge they need to safely and effectively carry out their harvest-related tasks.

2023 was a normal year for personnel recruitment, unlike the previous three seasons, which presented a greater challenge due to the effects of the COVID19 pandemic. As for permanent staff, in order to meet these emergent challenges, our operational units were restructured to promote greater efficiency.



## 6.2 Occupational health and safety

### 6.2.1 Occupational health and safety management system

Occupational health and safety (OHS) is an important part of both Cono Sur's strategic planning and its operations. Each production area has an OHS Prevention Program aimed at identifying, evaluating, and managing the risks inherent to its activities. This information is incorporated into the Integrated Management System, where the work of the Prevention Department can be prioritized and systematized according to the results of the risk assessment.

The company is certified under the standard ISO 45001:2018, Occupational Health and Safety Management System – Requirements, which encompasses the winery, laboratory, offices, and agricultural areas of the Santa Elisa estate. Together these areas represent 39%<sup>20</sup> of the company's workforce. However, managing risk prevention extends to all of Cono Sur's productive units.



### 6.2.2 Accidents and lost time injury rate (LITR)

As the Ministry of Labor and Social Welfare's Supreme Decree No. 67 sets out, 2023 was a year for assessing the "additional contribution rates." After the assessments of the last three periods<sup>21</sup>, the company was able to reduce its additional contribution by one tranche, from 0.68% to 0.34%.

One of the company's prevention-related objectives is to maintain this new rate until the next assessment process, and to achieve a further reduction in the medium term in order to ultimately reach the basic (lowest) contribution rate.

*20: Proportion of Viña Cono Sur's total workforce that comes within the scope of the Occupational Health and Safety Management System, implemented according to the requirements of the international standard ISO 45001:2018.*

*21: Each additional rate assessment period runs from June 1 through May 31 of the following year.*

Location (Region)	Site	Productive system	2023	
			Nº accidents	Work days lost
Metropolitan Region	Head Office	Administrative staff	0	0
Region V	El Encanto estate	Agricultural	1	3
Region V	Campo Lindo estate	Agricultural	2	2
Region VI	Las Lomas, Las Lomitas, Las Hijuelas estates	Agricultural	2	2
Region VI	Santa Elisa estate	Agricultural	2	1
Region VI	Santa Elisa estate	Winemaking, administrative	10	48
Region VII	La Espuela estate, El Estribo,	Agricultural	0	0
Region V	Mulchén estate,	Agricultural	0	0
TOTAL:			17	56

Table 33: Number of accidents and work days lost per site, 2023.

The following table details accident and lost time injury rate (LTIR) indicators and their distribution by region and gender, respectively.

Año 2023								
Indicator		V	RM	VI	VII	VIII	Totales	
Average workforce	♀	2	10	26	12	6	56	237
	♂	15	7	120	28	11	181	
Nº accidents	♀	0	0	1	0	0	1	17
	♂	3	0	13	0	0	16	
Workdays lost	♀	0	0	6	0	0	6	56 <sup>22</sup>
	♂	5	0	45	0	0	50	
Accident rate (%)	♀	0	0	3,84	0	0	3,84	35,51
	♂	20	0	11,66	0	0	31,66	
Lost time injury rate	♀	0	0	23,07	0	0	23,07	93,91
	♂	33,33	0	37,5	0	0	70,83	
Fatalities	♀	0	0	0	0	0	0	0
	♂	0	0	0	0	0	0	

22: Of the 56 lost days recorded in 2023, 43 occurred in the second half of the year, and so were not included in the additional rate assessment.

Table 34: Accident statistics by gender and region, 2023.



## 6.2.3 COVID 19 health crisis

In 2023, we witnessed a complete repeal of the Health Alert for Covid-19. The vineyard kept the prevention measures and recommendations of the Ministry of Health for the first half of the year, then removed the mandate as of August 31, 2023, when the end of the pandemic was officially announced.

## 6.2.4 Joint health and safety committees

In accordance with the Ministry of Labor and Social Welfare's Supreme Decree No. 54/1969, Cono Sur has a Joint Health and Safety Committee (CPHS in Spanish) at all work sites with more than 25 employees. The main purpose of these entities is to identify and manage occupational risks.

Each Joint Committee includes representatives of both workers and management. In carrying its duties, it is supported by Viña Cono Sur's Prevention Department and by the Chilean Safety As-

sociation, which is responsible for administering Law 16,744, and their decisions are binding for the company's operating units.

In 2023, the Santa Elisa and Las Lomas Joint Committees renewed their operational timeframe up to 2025. In addition, the La Espuela Estate Joint Committee was formed due to an increase in the number of personnel at that site.

The following table shows the gender distribution of Joint Committee members.

Site, CPHS	Location	Created / Renewed	Composition (regular and alternate members)					
			Workers' Representatives			Management Representatives		
			♀	♂	Total	♀	♂	Total
CPHS, Las Lomas estate	Peralillo, O'Higgins Region	11/10/2023	0	6	6	3	3	6
CPHS, Santa Elisa estate	Chimbarongo, O'Higgins Region	06/11/2023	0	6	6	0	6	6
CPHS, La Espuela estate	San Clemente, Maule Region	23/02/2023	1	5	6	1	5	6

Table 35: Joint Health and Safety Committees operational as of December 2023 in work sites with more than 25 personnel.

## 6.2.5 Fines, penalties, and inquiries related to occupational health and safety

---

During 2023, the Santa Elisa estate received two inspection visits from the Health Ministry representative (SEREMI) of O'Higgins Region. One of these was regarding compliance with the protocol for monitoring psychosocial risks in the workplace, and the other was associated with a workplace accident involving contact with a hazardous substance (sulfur dioxide). Both inspections resulted in observations by the authority, and the respective responses were subsequently presented to demonstrate compliance with the applicable regulations.

## 6.3 Freedom of association and collective agreements

In compliance with current labor legislation, Viña Cono Sur does not restrict the freedom of association of its employees. However, no labor union has been formed at any of its operating sites, so there are no direct collective bargaining agreements in force with Viña Cono Sur. However, some workers are members of inter-company unions.

The company does hold direct meetings between management and workers

through roundtable dialogs for reviewing issues of interest. These meetings are held every six months and are attended by employee representatives from the different areas. These instances lead to collective agreements on such matters as working conditions and benefits, which are then followed up on and implemented under the direction of the Human Resources area. The most recent agreement was signed in 2021 for a three-year

term.

During the reporting period, no complaints were presented for violations of our workers' right to freedom of association. Similarly, no violations have been identified among our external suppliers.





## 6.4 Education and training SIGNIFICANT MATERIAL TOPIC SOCIAL SPHERE

Skills management allows our people to continuously and systematically develop the knowledge and skills necessary to achieve the performance expected of them at each level of the company. It also facilitates adaptation to new corporate demands and challenges, including the introduction of new technologies and work

methods, increased business demands, and new legal requirements.

Although in 2023 less training was delivered than in the previous year, the winery maintained similar standards of investment in staff training.

Position	♀	♂	Total 2022	♀	♂	Total 2023
Executive	-	55	55	7,5	17,5	25
Managerial	885	572	1.456	740,5	397,5	1.138
Unqualified staff	0	40	40	0	0	0
Operators	74	1.542	1.616	0	735,5	735,5
Professional staff	885	1.020	1.905	357	445	802
Supervisors	568	1.973	2.541	137	737	874
Administrative Tech	2.617	2.978	5.595	262	1.340	1.602
<b>Overall total</b>	<b>5.029</b>	<b>8.179</b>	<b>13.208</b>	<b>1.504</b>	<b>3.672,5</b>	<b>5.176,5</b>
Investment with SENCE support	\$ 14.518.400		\$ 16.446.592			
Company Investment	\$ 21.828.241		\$ 11.047.092			
<b>Total investment in training</b>	<b>\$ 36.346.641</b>		<b>\$ 27.493.684</b>			

Table 36: Hours and investment in training in 2022 and 2023.



The Annual Training Program is complemented by onboarding and in-house training aimed at ensuring compliance with occupational safety legal requirements, reinforcing prevention standards, and corporate work methods. The hours of training on these topics are not included in the table above.

A group of geese, mostly white with some brown patches, are gathered in a vineyard. They are standing on the ground, surrounded by green grapevines and leaves. Some geese are looking towards the camera, while others are looking away. The scene is outdoors, with natural light filtering through the leaves.

## 6.5 Working conditions, workplace environment, and employee benefits

### 6.5.1 Health and safety conditions

---

Health and safety conditions in each of Cono Sur's productive sites are verified continuously by the Risk Prevention Department to ensure a working environment free of significant risks. This department is supported in this work internally by the Sustainability Area and externally by ACHS, the agency that administers occupational accident insurance (ACHS), through internal audits, safety walks, and health evaluations, among other activities.

### 6.5.2 Salaries

---

Viña Cono Sur's remuneration standards are in line with current legislation applicable to these matters.

Remuneration is fixed and is readjusted every six months according to the CPI.<sup>23</sup> Agricultural workers receive a fixed base salary that is supplemented by a variable component based on individual performance or productivity. Regardless, every worker's salary is above the minimum wage established by law.<sup>24</sup>

The remuneration received by each employee is also tied to their duties and

responsibilities and values their merits and abilities. At Cono Sur, there are no salary differences between men and women occupying the same position.

In addition to monthly wages, all permanent staff receive an annual bonus linked to company profits. This bonus is equal to or greater than a month's salary and is paid in December of each year. Other specific bonuses are issued in Cono Sur's productive areas for the fulfillment of certain production goals.

*23: Consumer Price Index*

*24: In 2021, the minimum salary began at CLP 326,500 and was then readjusted to CLP 337,000 later that year. On January 1, 2022, it was readjusted again to CLP 350,000. That year there were two additional readjustments, with the minimum salary closing on December 31, 2022 at CLP 400,000.*



## 6.5.3 Workplace environment



Viña Cono Sur has an Engagement Survey, which measures levels of employee satisfaction and commitment. The results of this survey are used to plan actions that seek to strengthen employee empowerment and performance.

The last survey was conducted in 2021, with the results leading to the following action plan:

Divisional management - Area management	Focal area	Actions and commitments
Marketing Division	Communication - empowerment - autonomy	Introduction of communication, management and coordination meetings
	Communication	End-of-year luncheon
Administration area	Recognition	Boosting the use of the corporate recognition platform to increase engagement in the area
Agricultural area	Recognition	Strengthening leadership actions at sites experiencing contingencies
Winemaking	Recognition	Boosting the use of the corporate recognition platform to increase engagement in the area
Export Division	Quality of life	Strengthening communication with the export team about Cono Sur's benefit plan and quality of life
	Duties and operation	Establishing and implementing operating agreements

Table 37: Actions and commitments established, based on the results of the 2021 Engagement Survey.

This action plan has been implemented in the 2022-2023 period, as planned. Its results will be reflected in the next survey, which is planned for 2024.



## 6.5.4 School Completion programs

---

Starting in 2017, Viña Cono Sur introduced programs to support employees who want to complete their primary and secondary education. This benefit has remained in effect since then; however, no applications were received from personnel in 2023.



## 6.5.5 Scholarships

---

Program for employees who have demonstrated steady performance and a spirit of self-improvement. This program aims to enable these employees to continue improving their skills by allowing them, with their manager's approval, to apply for total or partial financing of technical courses or diplomas related to their work duties.

Viña Cono Sur grants two such scholarships annually, allocated to different areas of the company to ensure their representativeness. In 2023, one grant was awarded to a member of the winemaking area to pursue a specialized qualification, and the second was given to a worker in the agricultural area so they could continue a professional program they had started in 2022.



## 6.5.6 Quality of life and employee benefits

Viña Cono Sur's quality of life program follows a general guideline of Concha y Toro Holding and operates under the slogan, "We want you healthy, diverse and happy," employing different activities and agreements that seek to promote this maxim.

The program operates in all Viña Cono Sur sites and has a strong focus on sports, recreation, and emotional support activities, mainly through the use of digital channels to achieve greater coverage and breadth.

The company has signed agreements with sports and recreation centers nationwide in response to concerns expressed by many employees working in outlying regions.





In addition to the Benefit Plan available to all permanent employees, Viña Cono Sur promotes the comprehensive quality of life of each and every person in its operations, regardless of their position, seniority, or work area.

The Benefits Plan itself includes various types of support, including monetary bonuses, supplementary health plans, partners that offer discounted goods and services, advice and guidance on social concerns, recreational events, and gifts, among other benefits.








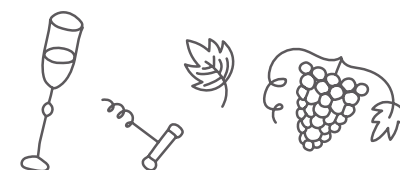
Figure 11: "We want you healthy, diverse, and happy" program.



Sphere	Details of Benefits		
 <b>Monetary benefits<sup>25</sup></b>	<ul style="list-style-type: none"> <li>- <b>Marriage bonus</b></li> <li>- <b>New child bonus</b></li> <li>- <b>Education bonus:</b> Applies to workers pursuing higher education, including technical or university studies, and/or those with children in pre-kindergarten, kindergarten, elementary, middle or high school or higher education (technical or professional).</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Employee Death benefit:</b> Benefit granted to an employee's legal heirs.</li> </ul>	
 <b>Social Support</b>	<ul style="list-style-type: none"> <li>- <b>Professional Support:</b> Advice provided by professionals from the Holding's Quality of Life area on the following topics:</li> <li>- <b>Company benefits and partner agreements.</b></li> <li>- <b>Workplace inclusion.</b></li> <li>- <b>Support for family services cases, reports, and</b></li> </ul>	<ul style="list-style-type: none"> <li>- <b>home visits.</b></li> <li>- <b>Social benefits: subsidies for housing, education, and others.</b></li> <li>- <b>Social security,</b> supplementary insurance, Isapres (private health insurance), FONASA (public health insurance).</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Loan processing, emergency assistance, debt consolidation.</b></li> <li>- <b>Recognition program.</b></li> <li>- <b>Alcohol and Drug Assistance Program.</b></li> </ul>
 <b>Health</b>	<ul style="list-style-type: none"> <li>- <b>MetLife Supplemental Health Insurance:</b> Benefit available to workers and their families. Includes financial support for medical expenses due to health issues, accidents, and/or death.</li> <li>- <b>MetLife Dental Insurance:</b> Voluntary insurance, with an add-on payment to the health plan. Allows reimbursement of dental expenses.</li> <li>- <b>Arturo López Pérez Foundation Agreement (FALP):</b> Provides coverage for inpatient and outpatient cancer treatment. Covers co-payments for medical care related to oncology treatment and follow-up.</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Kinesiology Agreement, 180° Medical Center:</b> Provides up to 35% discount on kinesiology services at its branch, located at Av. Nueva Tajamar 481, Torre Norte, Office 502, Las Condes.</li> <li>- <b>Dental Agreement, 180° Medical Center:</b> Provides up to 35% discount on dental services at the clinic's different branches.</li> <li>- <b>MetLife Orienta:</b> Free telemedicine benefit for employees. Provides online access to medical advice from specialists.</li> <li>- <b>Group Agreement with Cruz Blanca Isapre:</b> Provides</li> </ul>	<p>access to preferential rates and discounts on the base cost of different health plans offered by this private insurer.</p> <ul style="list-style-type: none"> <li>- <b>Group Agreement with Colmena Isapre:</b> Includes additional benefits to members and beneficiaries of the group plan.</li> <li>- <b>Konecta Agreement:</b> This platform provides access to professional help in psychology, nutrition, speech therapy, and coaching.</li> </ul>
 <b>Maternity benefits</b>	<ul style="list-style-type: none"> <li>- <b>Baby bonus</b></li> <li>- <b>New child gift:</b> For male and female employees who become parents.</li> <li>- <b>Registration of legal dependent at La Araucana employee benefit fund:</b> Employees can register their newborn child as a legal dependent, which is a requirement for collecting the birth bonus from this institution and for accrediting medical charges with Fonasa and some private insurers.</li> <li>- <b>Reimbursement for childbirth expenses through Supplemental Health Insurance:</b> Employees or their spouses with supplemental insurance in force at the</li> </ul>	<p>time of delivery may apply for this reimbursement.</p> <ul style="list-style-type: none"> <li>- <b>Daycare Benefit:</b> After the postnatal period ends, female employees may choose one of several benefits provided by the company to support the care of their children up to two years of age.</li> <li>- <b>Parental leave:</b> At the end of the postnatal period, which includes the 84 days following the birth of the child, female employees may make use of the "Postnatal parental leave," which consists of an additional twelve weeks (84 days) of leave during which she is paid a subsidy in lieu of her regular salary. This leave can be used for half-days to ex-</li> </ul>	<p>tend it to 18 weeks (126 days), with the employee receiving half of the subsidy amount and at least 50% of her contracted remuneration. Where both parents are Cono Sur employees, the father can make use of this leave if the mother so decides, but only from the seventh week onward, reserving the first 6 weeks for the mother in all cases.</p>

Monetary benefits are adjusted according to the CPI.

Sphere	Details of Benefits	
 <b>Employee Support</b>	<ul style="list-style-type: none"> <li>- <b>PAE- Employee Support Program:</b> This program provides employees with personalized, professional advice on different issues, including psychological counseling (via video call, up to three sessions) and legal counsel (via telephone, no limit).</li> <li>- <b>Alcohol and Drug Program:</b> The objective of this program is to raise awareness of the personal and occupational effects of alcohol abuse and drug</li> </ul>	<p>use. It consists of preventive talks and random testing.</p> <p>In alliance with Corporación Esperanza, we also offer workers with addiction problems treatment and rehabilitation options on a confidential outpatient basis.</p>
 <b>Sports and recreation</b>	<ul style="list-style-type: none"> <li>- <b>Competitive Grants</b> Company employees can apply for these annual competitive grants for athletic, recreational, artistic, or cultural initiatives.</li> <li>- <b>Pirque Tour:</b> Four tickets annually to the Traditional Tour at the Pirque Tourist Center.</li> <li>- <b>Cono Sur Tour:</b> Four tickets for the annual "Bicicleta Tour," which includes a tour of the Santa Elisa estate in Chimbarongo.</li> <li>- <b>Five-a-Side Soccer Championships:</b> Soccer Championship organized by Concha y Toro Holding and held in the second half of each year.</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Hanu Fit:</b> Streaming platform with hundreds of videos that allow employees to practice the fitness discipline they are most interested in, free of charge. The platform also includes healthy recipes.</li> <li>- <b>Sportlife Gym Agreement:</b> Agreement offering preferential rates at Sportlife gym branches.</li> </ul>
 <b>Gifts</b>	<ul style="list-style-type: none"> <li>- <b>Birthday Gift:</b> On your special day we want to wish you the best with a little treat. So, every time you celebrate your birthday, we will send you a birthday gift chosen with affection.</li> <li>- <b>School pack:</b> At the beginning of each new school year, employees with children can receive a school pack for their dependents in school, from kindergarten to the end of secondary school. Benefit applicable to employees</li> </ul>	<p>up to the position of supervisor.</p> <ul style="list-style-type: none"> <li>- <b>Fiestas Patrias (Independence Day) Gift</b></li> <li>- <b>Christmas gifts:</b> These gifts for employees and their families include a Christmas hamper, a sparkling wine pack, wine box, gifts for children up to 12 years of age, and a special gift for the family.</li> </ul>
 <b>Events</b>	<ul style="list-style-type: none"> <li>- <b>Events organized by Viña Cono Sur:</b> Corporate events to celebrate significant dates through the year, such as Christmas and Chilean Independence</li> </ul>	<p>Day celebrations, among others.</p>
 <b>Cono Sur partner agreements</b>	<p>In addition to the agreements mentioned in the categories above, our employee Benefit Plan includes the following:</p> <ul style="list-style-type: none"> <li>- <b>Scotiabank Agreement:</b> Benefit that grants preferential terms on consumer loans and portfolio purchases.</li> </ul>	<ul style="list-style-type: none"> <li>- <b>Ansaldo Agreement:</b> Provides a discount of up to 25% on toys purchased at any of nine Ansaldo stores located in Santiago and Region V.</li> </ul>





7

COMMUNITY





## 7.1 Community outreach

One of the core pillars of Cono Sur's sustainable development is its relationship with the community, as this allows us to work together to find ways of mitigating negative impacts and promoting positive ones. Most of our current community outreach programs operate in Chimbarongo, as this municipality plays host to the Santa Elisa estate, which houses the

winery, administrative offices, the vineyard's classic mansion, and one of our largest vineyards. Santa Elisa has an Open Doors policy, allowing the community to learn about the winery's productive activities, providing opportunities to showcase its facilities and look for solutions to specific issues arising from its operations. The company also proactively seeks out initiatives

that contribute to the social and cultural development of the local community.



### Chimbarongo

Chimbarongo is a town and municipality in Colchagua Province in the Libertador General Bernardo O'Higgins Region of Chile. The name comes from the Quechua word "chamba," meaning "from the other side," and the Mapudungun word "rongo," meaning fog; taken together, it means "fog from the other side."

The municipality is situated south of the Tinguiririca River, 155 km south of Santiago, in Central Chile, and covers 498 km<sup>2</sup>

The zone is focused on agricultural production, mainly wine-growing, and the wine produced here bears the "Colchagua Valley" denomination of origin. Chimbarongo is also known for its wicker handicrafts.

It currently has a population of approximately 35,000 inhabitants.

### Santa Elisa estate

Located on Calle Pisagua 312, the property houses our wine-making facilities, administrative offices, support areas, and one of our main agricultural units, which represents more than 20% of the company's total area planted to vine. Some 40% of the company's employees also work on this estate.

Another feature of Santa Elisa is the Casona, a formal estate house that hosts winery events and gatherings as well as different community outreach activities. The Casona also has a Wine Shop, where visitors can find diverse varieties and categories of Cono Sur wines.

Community outreach activities operating in 2023:

Entity	Description
Chimbarongo Municipality	The collaboration agreement under which Cono Sur supports different initiatives of interest to the community remained active in 2023 with activities such as first aid training, event participation, free access to facilities and infrastructure, and other forms of support.
Neighborhood association	A communication channel with the company provides information on agricultural work of interest to the community, including frost control, pesticide applications, and others.
Sports clubs	Agreements remain in force to give local schools and sports clubs free access to sports facilities for their activities.

Table 38: Community outreach activities active in 2023.



Stakeholder	Sphere	Activity	N° of attendees or beneficiaries
Four families in Chimbarongo municipality	Social Donation to the community	February 2023: Donation of CLP 1,000,000, distributed among four families of Chimbarongo affected by the fire on Pisagua Street in November 2022. This donation was made through the Municipality of Chimbarongo	12
Llaftún Foundation	Social Activity held at Cono Sur facilities.	February 2023: Exhibition and closing ceremony for the Chimbarongo Rural Women's Art project organized by the Llaftún Foundation at the Cono Sur Casona on the Santa Elisa estate.	50
Municipality of Chimbarongo	Social  Community support and hosting activity at company facilities.	March 2023: Having a stand at the "Expomimbre" traditional craft fair to promote local tourism and Cono Sur's Wine Shop. Free reception at the Casona for a group of tourists, guided by Chimbarongo officials.	300
Mountain Bike Club of Chimbarongo	Sports  Donation	April 2023: Donation of 105 bottles of wine for awards at the 6th Ruta del Mimbres Rally, 2023, organized by the Mountain Bike Club of Chimbarongo	500
La Viña Sports Club Soccer School	Sports  Free access to facilities	February 2023: Launch of agreement providing access to the Santa Elisa estate soccer pitch for training.	50
Universidad Austral de Chile	Education  Supporting the education of professionals specializing in agricultural and sustainability	March 2023: Reception and vineyard tour with students from the Natural Resources Conservation program at Universidad Austral de Chile. The tour was organized to enable students to learn about the winery's sustainability actions, especially those focused on the protection of nature, such as agricultural management, pest control practices, and the implementation of biological corridors in the vineyards.	64
Codegua School F-452	Social  Donation to the community	March 2023: Donation of a case of wine and a free tour of the winery as part of a fundraiser for the construction of a roof for School F-451 in Codegua	40
Viña Santa Elisa Sports Club	Sports  Free use of facilities	May 2023: Agreement to provide free access to the soccer pitch at the Santa Elisa estate in Chimbarongo for the project "Formative Soccer School, growing in community," organized by the Viña Santa Elisa Sports Club.	25
Chimbarongo Institute	Education  Educational visit to winery facilities.	July 2023: Educational visit of 35 third- and fourth-year secondary students from the Instituto Técnico Profesional Chimbarongo, interested in learning about the winery's facilities and activities.	35
Chimbarongo Municipal Health Department	Social  Activity held at company facilities.	November 2023: Cultural exchange activity at the winery under the MAS AMA Project promoting self-reliance among older adults.	30

## 7.2 Environmental and social impact on the community



The Santa Elisa estate, located in the municipality of Chimbarongo, has the greatest environmental and social impact<sup>26</sup> on the community of any Cono Sur site, as it is home to one of the main agricultural units as well as the winery where all of Cono Sur's wines are produced. This estate also has wine tourism operations and a wine sales room.

Because of its proximity to residential areas and high traffic public roadways, the operation interacts closely with the local community and surroundings, and so Cono Sur has designed and implemented different actions to mitigate negative impacts and promote positive ones.

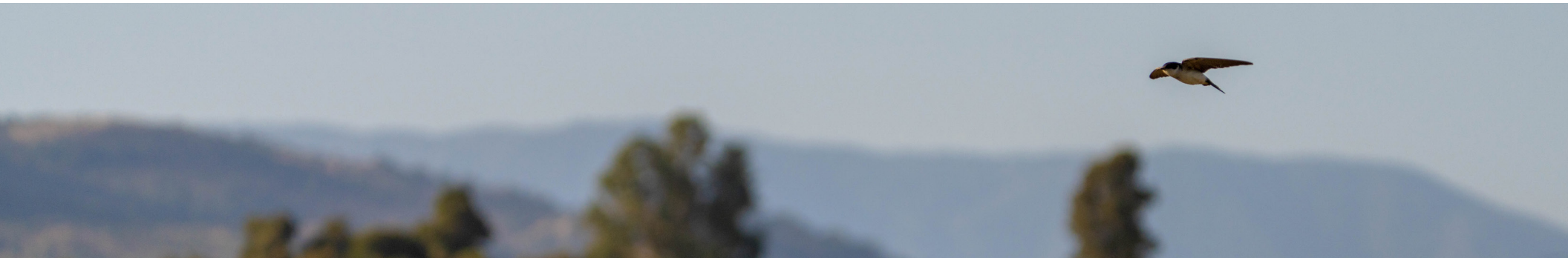
The estates of Las Lomas in Peralillo and La Espuela in San Clemente are in rural locations, close to smaller communities, but their interaction with them is minimal. For their part, the El Encanto, Mulchén and Campo Lindo estates are also in rural areas but have no communities nearby.

As part of its sustainable management, Viña Cono Sur has established prevention and mitigation measures to reduce negative environmental impacts at each of its sites. These include waste and environmental noise management and water and energy efficiency measures.

All waste generated is managed in accordance with current environmental regulations. To this end, the company has contracts with waste disposal firms authorized to remove, transport, handle and undertake the final disposal of this material. In 2023, the company maintained its protocols for notifying the surrounding community in Chimbarongo about frost events and when frost control equipment was going to be used. Likewise, Calle Pisagua, which is the street providing the main access to the winery from Route 5 South, was washed daily during the harvest season owing to the daily traffic of trucks loaded with grapes.

In terms of social impact, the company encourages hiring of local workers, especially for harvesting, pruning, and sorting; these jobs are also available to final-year students (18 years of age and over) attending technical schools.

*26: Positive and negative impacts are taken into account.*







REPORTE DE  
**SOSTENIBILIDAD**  
2023