

Vionobles
de LãrOSe
s u s t a i n a b l e v i n e y a r d s



A TREASURE TO BE SHARED

“How can we reconcile our response to the environmental crisis that faces us, the preservation of a historic and regional heritage, the future of our enterprise, the development and security of our employees, adherence to an ethical code, respect for the terroir and its biodiversity, the pleasure offered to our customers and respect for their health?”

A Word from Franck Bijon



Dear All,

This first Corporate Social Responsibility report from Vignobles de Larose is a digest of our history and values which are the building blocks upon which our present is based, and our future will be constructed.

Our development can only be envisaged by working together with all our stakeholders and advancing within our ecosystem, of which our terroir evidently forms part, to give meaning to our many trades.

Our qualities of resilience, attentiveness, benvolence, and transparency are at the core of our approach, and form the framework for our Responsible Vineyards strategy.

The regular scrutiny that we undergo as part of the process of accreditation and evaluation attests to the strength of our commitment.

More than just a simple list of performance indicators, this report is a veritable compendium of all our actions and accomplishments, that we would like to share.

For over 20 years our employees have dedicated themselves to our vineyards, contributing to their development with confidence, united around a shared and enduring global vision.

Franck Bijon



VIGNOBLES DE LAROSE AND CSR

An overview

CHAPTER

Vignobles de Larose, our identity
Responsible Vineyards, CSR strategy

p.05
p.10



VIGNOBLES DE LAROSE,
OUR IDENTITY

Vignobles de Larose, Estates

 **65**
employees

 **1** **School**
dedicated to
the vine
and wine

 **1.5 million**
bottles per year

AOC Haut-Médoc
Saint-Estèphe

1 online boutique
3 chateaux to visit

9 million €
turnover

Established
distribution circuits

70% | **30%**
France | Export

4 responsible
vineyards 

255 hectares of vines
on 3 sites

5% | **46%** | **49%**
Petit Verdot | Merlot | Cabernet Sauvignon

Certified

2019 Terra Vitis

2013 High Environmental Value

2010 AFAQ 26000

2003 ISO 9001 / 14001

Allianz  part of the Allianz
Group since 1986

1 responsibility shared
by all

Vignobles de Larose,
our identity

Our Responsible Vineyards

Because each of our châteaux and vineyards have their own history and their own individual terroirs, they also have their own unique personalities. Pushing the boundaries of excellence, driven by our passion, they all, in their own way, express an element of the magic of the great wines of the Medoc that we wish to make accessible to a wide public. In these exceptional terroirs we have inherited a miracle, an earth rich in more than three centuries of history and tradition. We are responsible for protecting its future and passing on its legacy.

“

‘We’ve integrated environmental concerns into our actions... The challenge we are facing in the coming years is human, that of recruiting and training the workforce, and restoring dignity to this profession.’

Julien François - Vineyard manager



We are

Farmers
Recruiters
Citizens
Producers
Managers
Neighbours
Tutors
Winegrowers
Clients
Creators
Partners
Technicians
...

all responsible

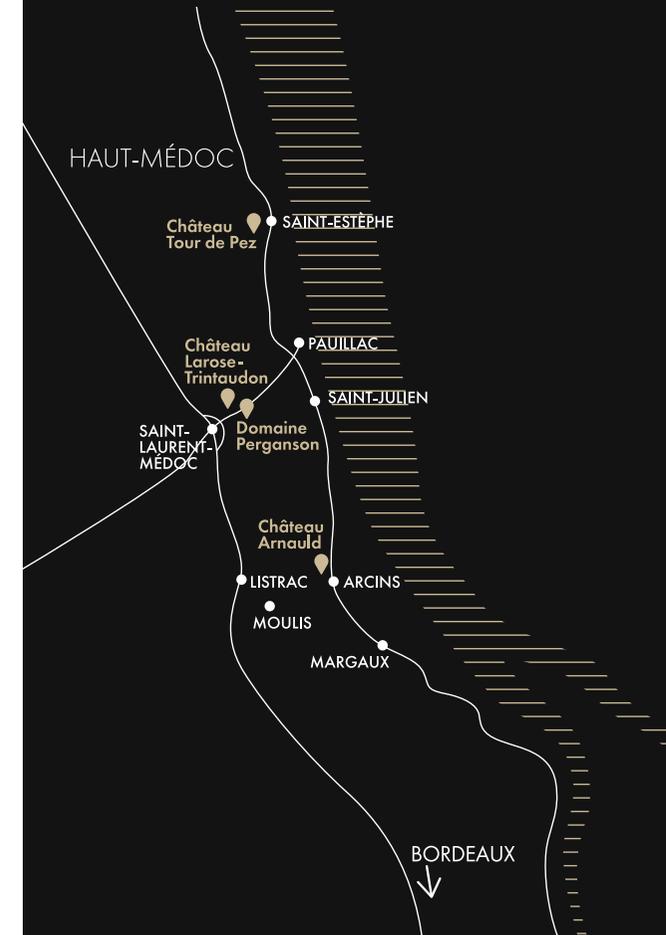
“

The vines are never the same from one year to the next. We have to think about every gesture, every time. We’re out here in the middle of nature, we see everything that goes on. If you don’t like nature, if you don’t respect it, then you should do something else with your life!

Béatrice Brandy - Wine worker



Vignobles de Larose, Estates



Vignobles de Larose,
our identity

Vignobles de Larose, Professions

We strongly believe that the company's human capital is what enables it to endure in time and offer the best to its customers, and that is why we put great emphasis on transmitting our skills and perpetuating the values that are important to us at Vignobles de Larose.

VINES

Winegrowers, vineyard workers, tractor drivers, vineyard managers... every one of them is in the vineyards every day, throughout the seasons. Vines require daily attention. It is demanding, noble work.

In these professions, outsourcing has become increasingly common, and with it work practices that can raise ethical questions, questions of responsibility, that require all our vigilance. We try as far as possible to recruit locally, to promote and create respect for these professions, and to value and transmit the skills involved. These men and women who work in the vines are committed, curious, determined, and self-reliant.

WINE

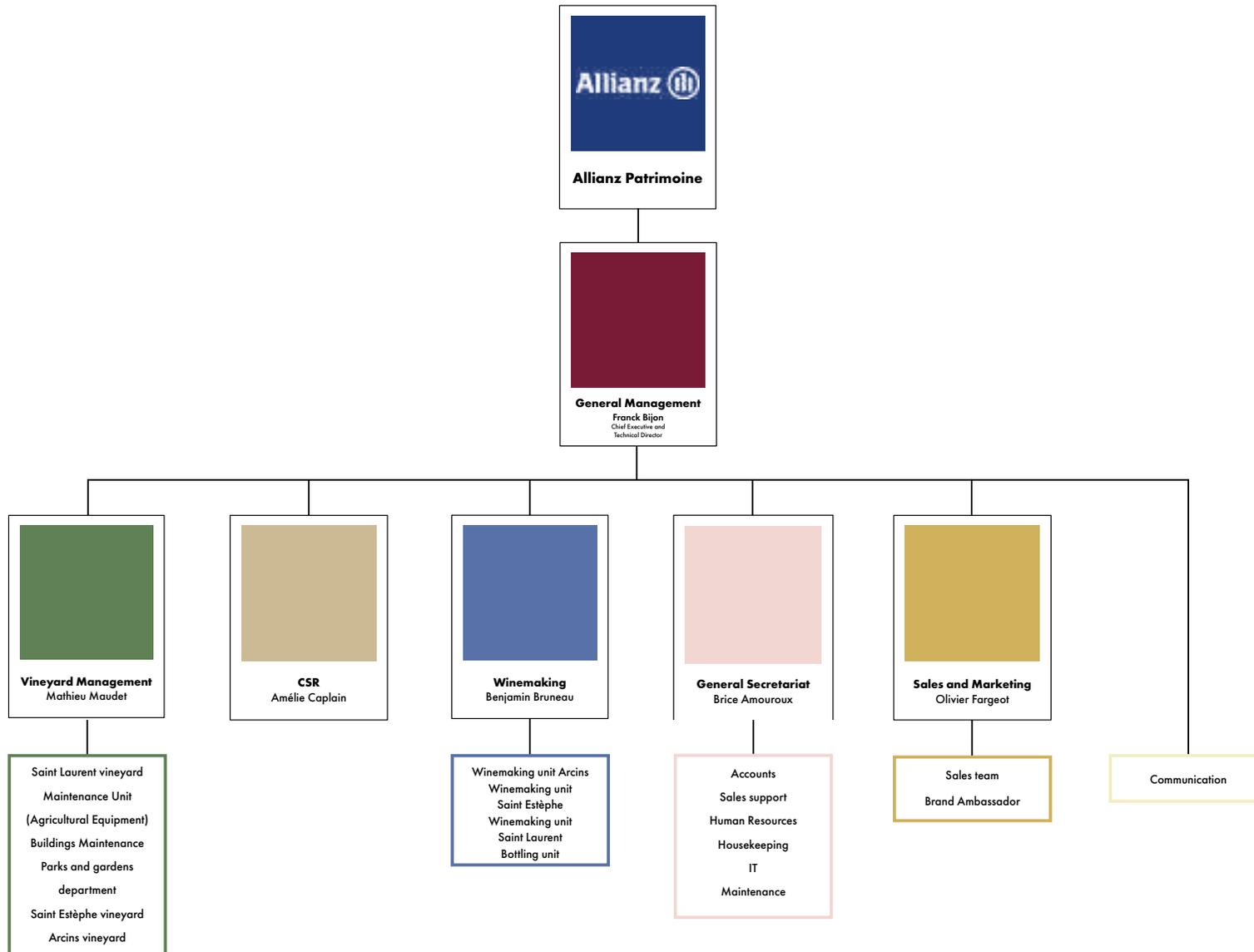
Working in wine covers all aspects of the winemaking process, from harvesting to bottling and packing, including all stages that the wine undergoes in the cellar, and the management of the barrel hall. Even if these roles are rapidly evolving thanks to constant technical progress, they are crafts that are rooted in a revolution that took place three hundred years ago. For it was here, in the Médoc, that the Grand Crus were born, with the emergence of the idea that wine, more than just a simple beverage, was a rare pleasure, the expression of the convergence of a terroir and an art... In the cellar, the teams are made up of enthusiastic, attentive, conscientious, and energetic people who are passionate about wine.

SUPPORT

The people who work in our support services are also vital to our development. Working in synergy in our head office at Saint-Laurent, they ensure the distribution of our wines, our compliance with the appropriate legislation, our financial equilibrium, and make sure our ambitious strategies stay on track. Of diverse profiles and backgrounds, they are autonomous, responsible, motivated, and flexible.

Vignobles de Larose,
our identity

Vignobles de Larose, Organisation



Vignobles de Larose,
our identity



VIGNOBLE RESPONSABLE, CSR STRATEGY

RESPONSIBLE VINEYARDS

OUR CONCEPT OF CSR

The “Responsible Vineyards” label is an initiative of Vignobles de Larose that it has adhered to since the 2007 vintage.

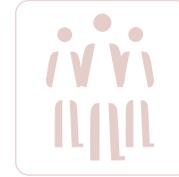
It recognises the variety and the coherence of our actions in terms of Social Responsibility, articulated around the five principal activities that we exercise in our daily lives:



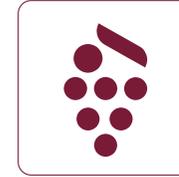
Entrepreneur



Producer



Employer



Farmer



Member of the
Community

**Vignobles
de Larose**
sustainable vineyards

It is important to note that the Responsible Vineyards label appears on every bottle from the two châteaux of Larose Trintaudon and Perganson. For Château Arnaud and Château Tour de Pez we preferred to wait until they were perfectly integrated into our management system and fully aligned with our exacting requirements, which was achieved in 2019.

It is a powerful signal to consumers and clients of our strong commitment, and fully in line with our CSR and sustainable development objectives. It has been registered as a trademark and is protected in all our sales territories.

SDG

Sustainable Development Goals

There are 17 internationally recognised sustainable development goals that participating countries have pledged to attain between 2015 and 2030. They outline the steps necessary to meet the challenges that the world is currently facing and cover a multitude of subjects such as environmental protection, the combat against inequalities, and the promotion of peace and justice in the world.

**Vignobles Responsables,
CSR Strategy**

RESPONSIBLE VINEYARDS

OUR CONCEPT OF CSR

The company wished to resume work on its new **2019-2025 strategic plan**, based on certain fundamentals:

- a reference framework approved by shareholders
- a focus on the five 'Responsible Vineyards' professions
- its vision and its values
- strategic issues:
 - communicating a positive image both in-house and externally
 - responding to societal and environmental concerns
 - giving meaning to its actions
- the involvement of stakeholders, (presented later in this report) via the use of a materiality matrix
- evolutions in its ecosystem

Vignobles de Larose wanted to pursue its work in identifying CSR issues with the help of its existing strategic plan, but also through the use of CSR management tools such as ISO 26 000 and its subsections, the SDG, and national recommendations, etc.

These issues were the object of an in-depth analysis to establish their level of priority in the new 2019-2025 strategic plan.

**Vignobles Responsables,
CSR Strategy**

RESPONSIBLE VINEYARDS

OUR CONCEPT OF CSR

All of the labels and accreditations enumerated below are gages of our good faith, our desire to help find solutions to global challenges, and our permanent quest for improvement.

ISO 9001

2015 version _ Quality Management

Based on the ISO 9001 standard that defines the principles of quality management, such as understanding and taking into consideration customer requirements, and the commitment to continuous improvement. A quality led management system can be defined as the totality of the actions undertaken by a company that seeks to pursue a policy of quality with a view to increasing the quality of its production and its organisation. This accreditation requires us to constantly evaluate and adapt our quality methods, ensuring constant improvement in quality at all levels.

Date of first certification: 2003 / Renewed every 3 years. Certifying body: AFNOR



ISO 14001

2015 version _ Environmental Management

Based on the ISO 14001 standard that defines the principles of an environmental management system, it enables the company to evaluate and control the impact of its activities. It requires the creation and maintenance of an environmental policy, and obliges us to continually improve our performance in this area. It permits us to anticipate problems arising from the environmental impact of our activities.

Date of first certification: 2003 / Renewed every 3 years/ Certifying body: AFNOR



HVE

High Environmental Value (Environmental certification of agricultural companies.)

This certification takes environmental performance indicators over the whole of the vineyard as its criteria. It certifies that elements of biodiversity in the form of hedges, trees, grass verges and ditches are present in significant quantities in the vineyards, but also that the environmental impact of agricultural practices is reduced to the minimum (water resource management, use of phytosanitary products, etc...)

Date of first certification: 2013 / Renewed every 3 years/ Certifying body: AFNOR



“BEES, GUARDIANS OF THE ENVIRONMENT”

We participate in this programme in partnership with the French National Union of Beekeepers, a non-profit making organisation whose aim is to cultivate awareness about the essential role of bees and wild pollinators, and help to protect them. We have six beehives in our vineyards, and take part in the annual APIDAYS, dedicated to activities in relation to bees. We have partnered this programme since 2017.

ENGAGE RSE

This 'Commitment to CSR' label, is based on the ISO 26000 standard for Social Responsibility which sets out the guidelines for the implementation and development of a Social Responsibility policy within an organisation. Corporate Social Responsibility can be defined as a voluntary protocol designed to integrate sustainable development issues into a company's vision and business strategy, including equality in the workplace, energy management and the circular economy.

Date of first certification: 2008/Advanced level - 2019/Exemplary level (the highest level)
/ Renewed every 18 months. Certifying body: AFNOR

THE GLOBAL COMPACT

This is the world's largest voluntary corporate sustainability initiative with some 13,000 participants in 170 countries. Our participation allows us to demonstrate our support for the United Nations global cooperation effort, and benefit from this virtuous network. Each year we publish a statement of progress made in one or several areas of sustainable development. We have participated in this scheme since 2008.

TERRA VITIS

Terra Vitis is a viticulture specific certification, centred around Man and his environment. Based on specifications that are permanently updated and endorsed by winegrowers, it is a global evaluation of the overall functioning of the estate, its environment and the people who work there.

Date of first certification: 2019 / Renewed every year. Certifying body: TERRAVITIS Bordeaux



RESPONSIBLE VINEYARDS OUR CONCEPT OF CSR

Sector Certification

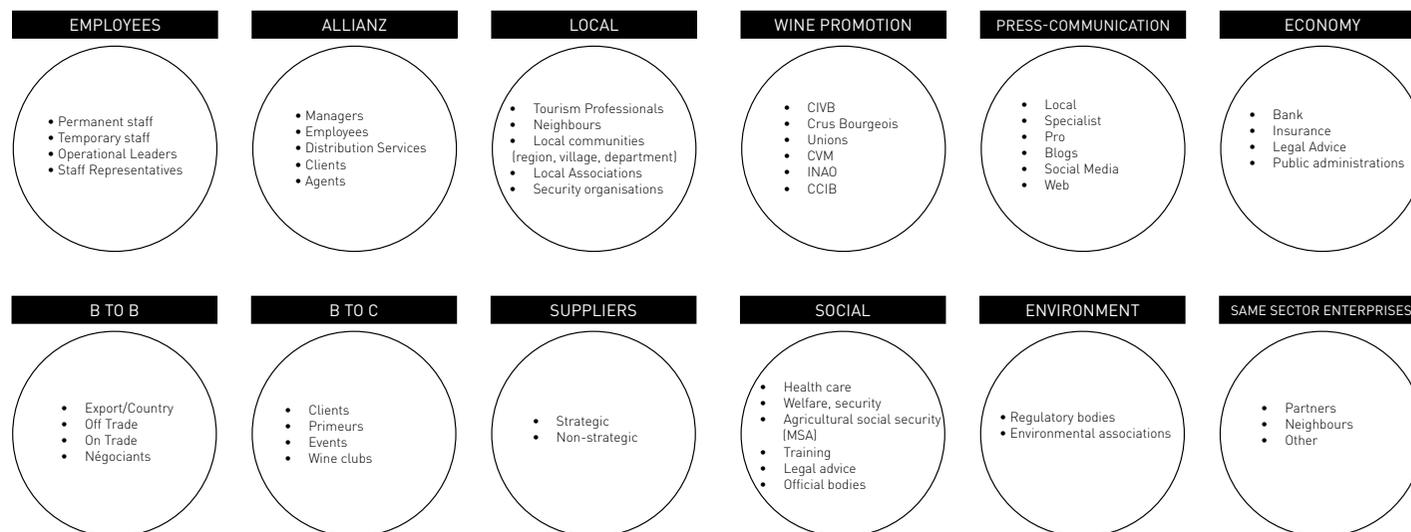
Our Stakeholders

Management of our Sphere of Influence is central to the resilience of Vignobles de Larose. It effectively allows us to construct a genuine community centred around the company and its estates that can confront societal issues, uncertainties, and other types of aggression. Significant work has been done to identify families of stakeholders, their expectations, relevant channels of communication and specific challenges that relate to them.

The Method:

- Inventory of families
- Inventory of sub-families
- Classification by size, influence, affiliation, engagement
- For each stakeholder – analysis of their ecosystem, markets, clients, constraints
- Their vision, environment, business intelligence
- History of the relationship: relations, actions, problems
- Objectives: analysis of their influence on us and internally
- Plans of action by stakeholder
- Necessary means: human and financial
- Measurement (Boomerang)

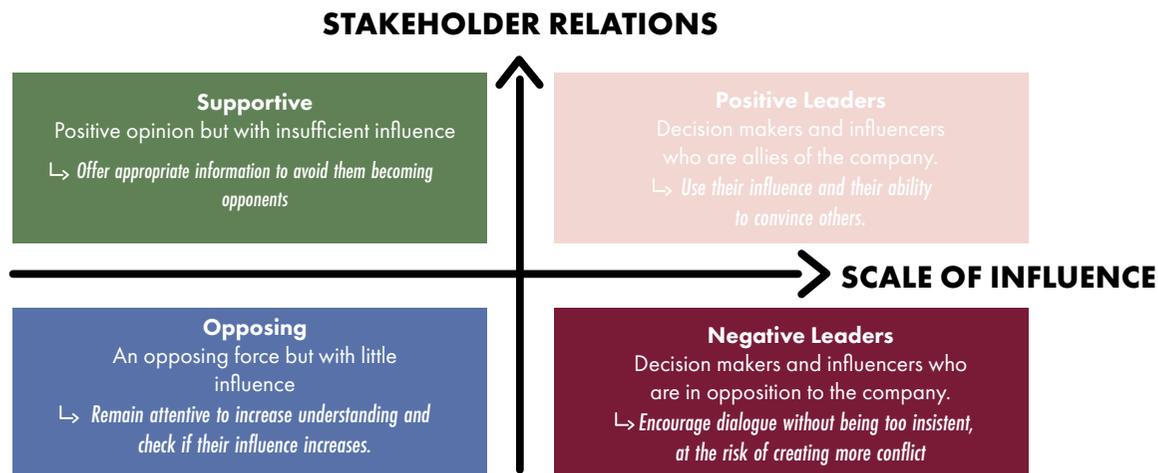
Currently Vignobles de Larose have identified twelve families of stakeholders and a little under fifty sub-families.



Our Stakeholders

Apart from an analysis of stakeholders by category, it is necessary to organise them in terms of:

- their support of or opposition to company objectives (neutral, supportive, antagonistic)
- their level of influence and the weight they may carry, directly or indirectly, in the company's decision-making processes (positively or negatively).



A detailed analysis of stakeholders

Our Stakeholders

Dialogue with stakeholders

It is not generally possible to establish close relationships with all identified stakeholders in view of their significant numbers. A selection must be made based on criteria that are as objective as possible, taking into account:

- their knowledge of the issues facing the company (at local, national, geographical zone level or by type of activity)
- their level of expertise,
- their legitimacy in the field,
- their influence (capacity to support or do harm),
- the quality of the relationship,
- their representativity,
- Vignobles de Larose's influence over them,
- the frequency of relations,
- their geographical position,
- their willingness to dialogue with the company,
- their degree of independence from the company

Analysing these elements allows Vignobles de Larose to measure variations in satisfaction levels or perception, but also to target their efforts and resources in order to take corrective action.

BOOMERANG

The original shape of the boomerang, and the best known, has two wings. When thrown it spins and travels in an ellipse, returning to its point of origin when thrown correctly.

It is the initial impetus and the forces created by the rotation of its wings that determine its trajectory.

Our project, named **Boomerang**, is the product of the company's search for continued improvement in terms of customer experience, relationships, loyalty and also stakeholder confidence. It is a comprehensive new concept involving the constant reassessment of all our principles based on feedback from our stakeholders.

And, just as with the object itself, it necessitates a learning curve. **All our procedures are concerned by this approach that systematically seeks out feedback** from our stakeholders in all our dealings with them, whether they be commercial, business development, exchanges, tastings or quite simply visits.

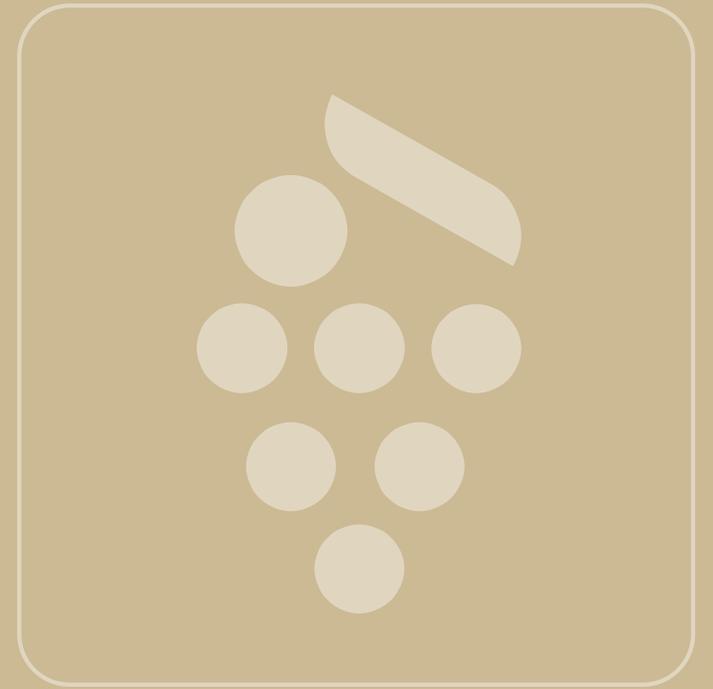
Boomerang has proved to be an invaluable tool in drawing up our strategic plan, enabling us to identify the importance that different issues have for stakeholders. Cross tabulating a hierarchy of these issues, obtained as previously described, with the information about our stakeholders gives us a materiality matrix.



RESPONSIBLE VINEYARDS

CHAPTER

Responsible farmer	p.19
Responsible producer	p.30
Responsible employer	p.39
Responsible member of the community	p.52
Responsible entrepreneur	p.58



RESPONSIBLE FARMER

The responsible farmer takes a reasoned approach to their terroir to produce wines of quality. They apply good sense to everything they do in the vineyard out of respect for the environment and biodiversity. They protect their terroir so that it can express its full potential. They manage energy and other resources wisely and have a responsible approach to waste disposal. Risk management, the prevention of pollution and the protection of the environment and of people are essential. The responsible farmer must go even further than the minimum sanitary requirements that regulate the profession, because only an approach that is as balanced as possible will allow the vines to produce truly healthy, high-quality grapes.

Taking care of vines and people

In recent years there has been a growing awareness of the problem of contamination by phytosanitary products of the soil and water, whether in rivers or groundwater. In June 2006, the European Union and France initiated a programme of reduction in the use of pesticides which was ratified by the Grenelle Environment Forum. Vignobles de Larose are heedful of these necessary changes to national agricultural policy and the growing demands of consumers with regard to environmental protection.

In order to reduce our impact, we have adopted a reasoned approach to the use of phytosanitary products:

Stopping all use of CMR products and potential endocrine disruptors,

Creating 5 metre water buffer zones where possible,

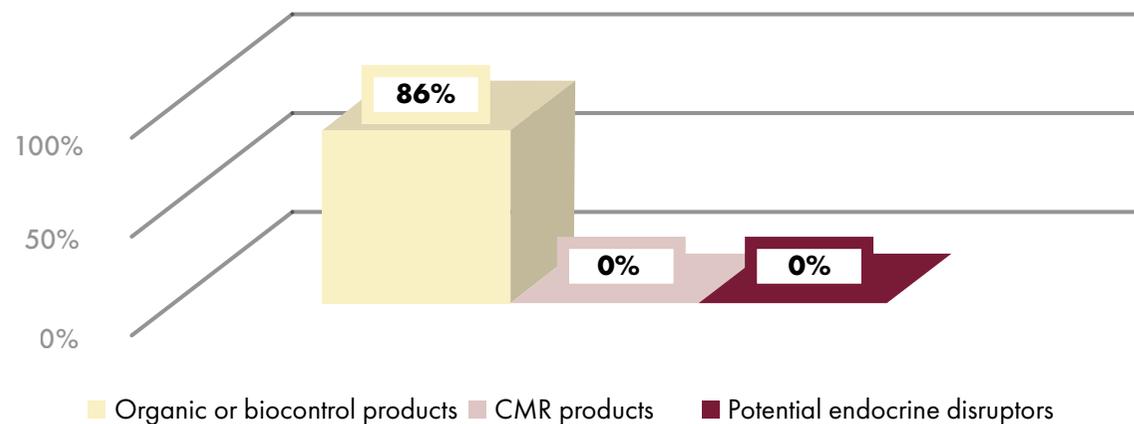
Using a maximum of certified organic and biocontrol products,

Using a weather station and decision-making tools to determine the optimum moment for treatments,

Keeping track of the applied doses of phytosanitary products with TFI (Treatment Frequency Indicator) and monitoring for possible excesses,

Abandoning all chemical herbicides in 2020.

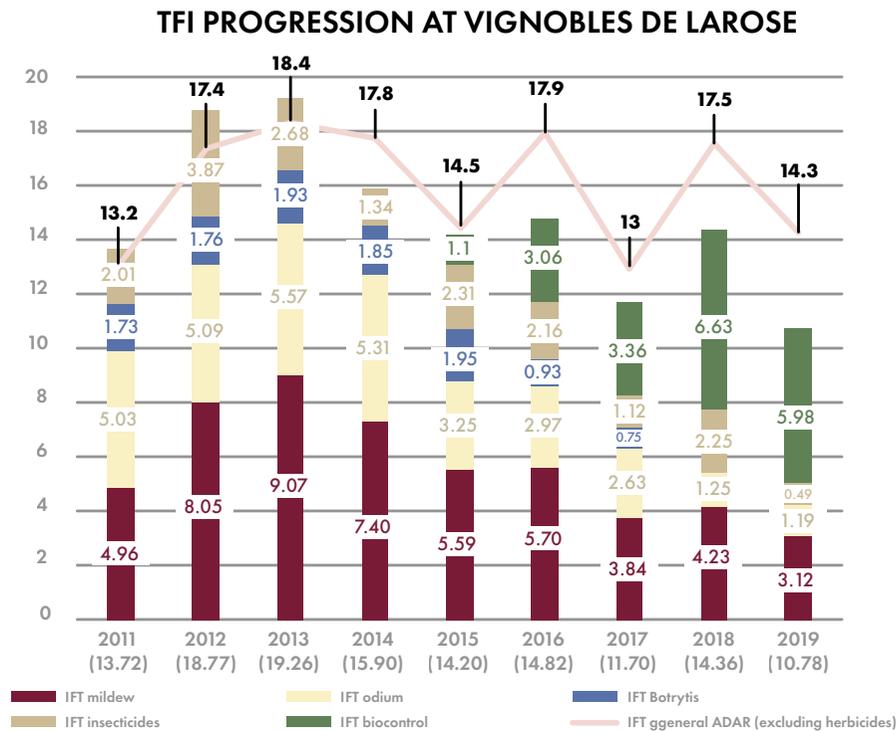
TREATMENT LEVELS



Organic: Certified AB

Biocontrol: Stimulates the plants' natural defences.

Responsible farmer



IFT

“TFI registers the quantity of phytopharmaceutical products applied per hectare over the growing season. Observing evolutions in TFI over several seasons allows progress in the reduction of phytopharmaceutical products to be measured. Comparing the TFI of the estate with that of the adjoining locality offers a perspective on frequency of treatments and helps identify areas where progress is possible.”

Source : Ministry of Agriculture and Food

Association for Agricultural and Rural Development

Average TFI calculated from data recorded from more than 100 wine estates by the Association for Agricultural and Rural Development

This choice of products is concomitant with an evolution in the use of agricultural equipment and in viticultural practices, such as the search for new, natural materials for phytosanitary use and for the soil, or trials of grape varieties which are resistant to disease and climate change.

Use of retrieval panels on sprayers

This equipment limits spray drift and enables a more targeted application of the product. The panels recuperate all that is not absorbed by the vine. We have been trialling this method since 2017 and are currently equipped with two appliances.

Taking care of vines and people

TRIAL OF RESISTANT GRAPE VARIETIES: MARSELAN

Recent studies have shown that climate change will have a significant impact on the vineyards, especially an increase in temperatures, since grapes are particularly sensitive to this phenomenon. In addition, important modifications in rainfall levels are anticipated, with greater and greater volumes of water interspersed by periods of drought. Restrictions in the use of phytosanitary products have led us, since 2017, to seek alternatives to our historic grape varieties, Cabernet Sauvignon and Merlot. As an experiment we planted 0.37 hectares, or 2,323 vines, of Marselan, a variety native to the south of France that is a cross between Cabernet Sauvignon and Grenache. This parcel falls outside of the appellation as Marselan is not yet on the list of authorised varieties for our region.

The **2018** vintage allowed us to assess its susceptibility to disease and more broadly to evaluate its vegetative development. **2019** gave us the opportunity to experiment with different types of pruning, and it was also the year that we harvested the first grapes, which were vinified in amphorae.

The Responsible Vineyards environmental policy is based on a major decision, taken over 15 years ago, to cease using herbicides.

The impact of this at Vignobles de Larose has been multiple:

- a modification of viticultural equipment,
- changes in work organisation,
- a reduction in yields,
- an increase in the budget allocated to soil maintenance.



Responsible
farmer

AN END TO WEEDING

The first stage was to abandon blanket weeding, only treating grass growing under the vines with herbicide. This was followed up by a more global approach where we abandoned the use of herbicides altogether.

Abandoning herbicides automatically means that grass will grow between and under the rows of vines, but the important element to control is the height of the grass. High grass interferes with the correct application of treatments by masking certain zones. It also encourages the invasion of parasites which give an undesirable taste to the grapes when they are harvested. Although the grass is not eliminated chemically, it must be cut or mechanically removed, and the type of soil is an important factor in the choice of technique. The soil may be difficult to till because its composition means that it becomes very muddy when it rains, or it may be very hard. In the case of a soft soil that creates difficult going for a tractor, grass provides traction and improves bearing capacity. If the soil is very hard, it becomes difficult to use classic tools which may suffer damage, and also results in a loss of time.

Vignobles de Larose has therefore built up experience over the years, improving its knowledge of the soils and the specificities of its terroir. These methods require significant modifications in the work organisation. Working the soils is much more time consuming than applying chemical weedkillers, but also demands different skills. Vignobles de Larose has therefore invested in the equipment that is necessary, both in terms of quality and technicity, to respond to this need.

The investment is also on a human level. Our tractor drivers have been trained in the relevant skills and new drivers have been recruited. Turning over the soil between the rows more frequently implies an increase in the amount of time spent in the vines, and therefore an increase in fuel consumption.



Taking care of vines and people

Responsible farmer

Taking care of vines and people

Vignobles de Larose has been monitoring this for a number of years and has been able to observe the impact of these changes in work practices. Teams are helped to optimise their use of vehicles via a permanent audit of agricultural fuel consumption and training in the techniques of eco-driving. Production yields are also affected, and after weeding is first stopped it takes between three and five years for yields to attain previous levels. This conversion is carried out progressively and is carefully planned to avoid endangering Vignobles de Larose's principal activity. Abandoning the use of herbicides also reduces exposure to products that are harmful to health, whatever the choice of product and despite all the precautions taken.

Whilst the exposure to chemicals is reduced, working the soil is much more arduous work for the men and women who toil in the vines. As a measure to help prevent possible injuries due to this method of working, Vignobles de Larose supplies appropriate safety footwear and organises physical activities designed to help improve proprioception and strengthen muscles.

In 2007, chemical herbicides were used on 86% of the total area under vines.

In 2012, this had dropped to 55%, and 33% in 2017.

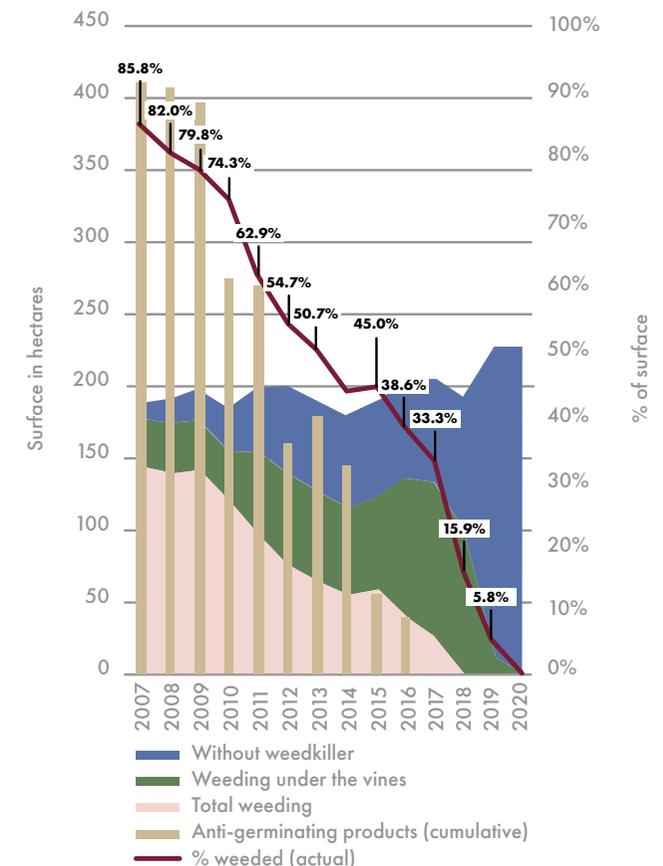
At the end of 2019, we no longer had any herbicides in stock and had put a definitive end to this practice, meaning that in 2020 we attained the target of 0% that we set ourselves 13 years ago.

In spite of the difficulties, it was a deliberate, considered choice in line with our values as Responsible Vineyards.

These best practices enable us to manage our vineyards sustainably and benefit from the resulting biodiversity.

It is our intention to extend these practices to our parks and gardens to include a list of blacklisted products specific to these areas in our technical specifications.

EVOLUTION IN LEVELS OF WEEDING



Responsible farmer

The word Biodiversity is derived from the Greek BIOS = LIFE and the Latin DIVERSITAS = VARIETY or DIFFERENCE. It therefore means 'variety of life'

It refers to the planet's living tissue, covering all forms of life, natural habitats and all existing interactions of living organisms amongst themselves and with their natural environments. Human activity puts pressure on the environment, and agriculture particularly so.

Being a **Responsible Farmer** is above all to be aware of this pressure and adopt measures that will limit its impact.

We use the ISO 14001 standard and the TERRAVITIS specifications to help us to identify suitable measures.

Vine growing in all its aspects can have significant impacts, particularly through the use of phytosanitary products or herbicides and by the destruction of natural habitats and endemic species. HVE certification enables us to compile an inventory of our Ecological Reservoirs (ER).

- Fallow land: 4.27 hectares / 1.7% of our agricultural land

- Hedges: 3,115 m / 12.4% of our agricultural land

ER: These zones correspond to areas of permanent or intermittent reproduction, feeding, shelter, aestivation or hibernation of living species and biological groups.

To protect biodiversity we are increasing the number of ERs on our properties by replanting hedges and trees in and around our vineyards using varieties native to the area such as hazelnut or willow. Annual HVE and TERRAVITIS audits are an important means for external stakeholders, in this case certified auditors, to verify our progress in terms of protecting biodiversity.

Land allowed to lie fallow encourages the installation of bee populations, including those from our six hives in the park at Saint Laurent. Grass cover in the vine parcels,

and reasoned use of products also help us to protect this species that is threatened by certain agricultural practices.

We are supported in this initiative by the French National Union of French Beekeepers (UNAF), and benefit from the expert advice of a local beekeeper who also assists us in our participation in the API Days, designed to raise awareness of the importance of bees to the environment. These take place in sites open to the public (of which we form part) and offer information about bees and associated products. We have signed the "Bees, Guardians of the Environment" charter, and pledge not to use products that are harmful to bees.

Protecting and developing biodiversity



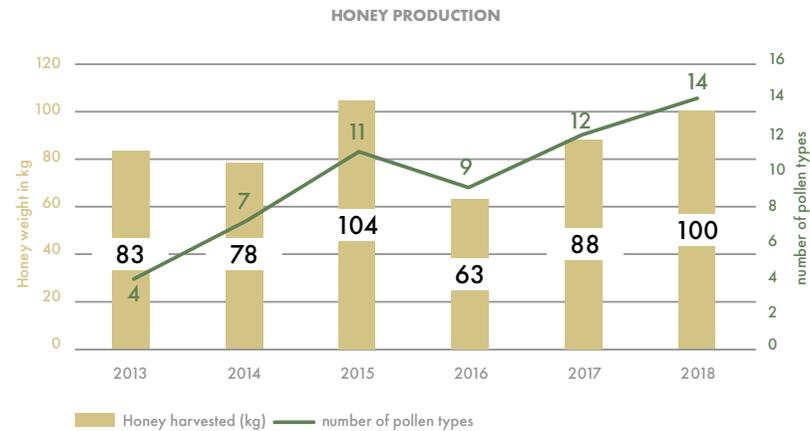
**Responsible
farmer**

Protecting & developing biodiversity

Bees gather nectar in a radius of approximately 3km around their hive.

The honey they produce offers a snapshot of that zone that reflects the conditions of the environment (soil, topography, climate). Pollen analysis therefore offers us valuable insight into the quality of the biodiversity around us.

Type of pollen: multiflower



Zone potentially covered by the bees at Château Larose Trintaudon



Responsible farmer

Each year, as part of our activity within the Environmental Management System for Bordeaux wines, we carry out an environmental analysis, in collaboration with the external consultants **Mérithalle**.

ENVIRONMENTAL ANALYSIS

This is an in-depth study of human activity (industrial activities, the use of different natural resources such as solar energy, water etc.) and its effect, whether direct or indirect, on the environment.

We also carry out in-house risk analysis to identify potential hazards and enable us to put suitable preventive measures in place.

Simulations and situational exercises carried out every two years enable us to test our capacity to respond to environmental incidents. In 2018 the firemen of Saint Laurent supervised a fire drill at our tractor garage at our site in Saint Laurent.

Soil and water analyses are realized by an independent external laboratory in order to monitor our impacts.

Our viticultural and vinicultural effluent treatment systems are subject to a battery of checks both by ourselves and external bodies. Regular analyses guarantee the quality of all that is discharged into the natural environment.

Zones that are considered more critical due to the proximity of residents or livestock have all been identified and specific arrangements put in place to reduce the impact of our activity.

Waste management is also a priority for us. We have a dedicated sorting platform at our site in Saint Laurent and possess balers for cardboard and plastic waste to compress and minimize bulk. We are also members of CEPAGES, an environmental association that allows us to find new partners and develop good practices in terms of recycling and waste disposal.

CÉPAGES

CEPAGES organises the collection, transport, and disposal of waste in an efficient manner to reduce the cost of waste processing. It disposes of both regular waste products such as plastic, cardboard and glass, and complex waste products such as vehicle oil filters and used filtration earth.

Combating pollution



Responsible
farmer

Combating pollution

Our strategy takes a two-pronged approach to waste:

- Reducing the quantity of waste produced
- Recycling part of the waste materials we produce as part of the circular economy.

3 FAMILIES

Non-hazardous waste

Generally defined by default as matter presenting no specific dangerous or toxic characteristics.
Cardboard / Plastic / Wood / Glass / Metal

Hazardous waste

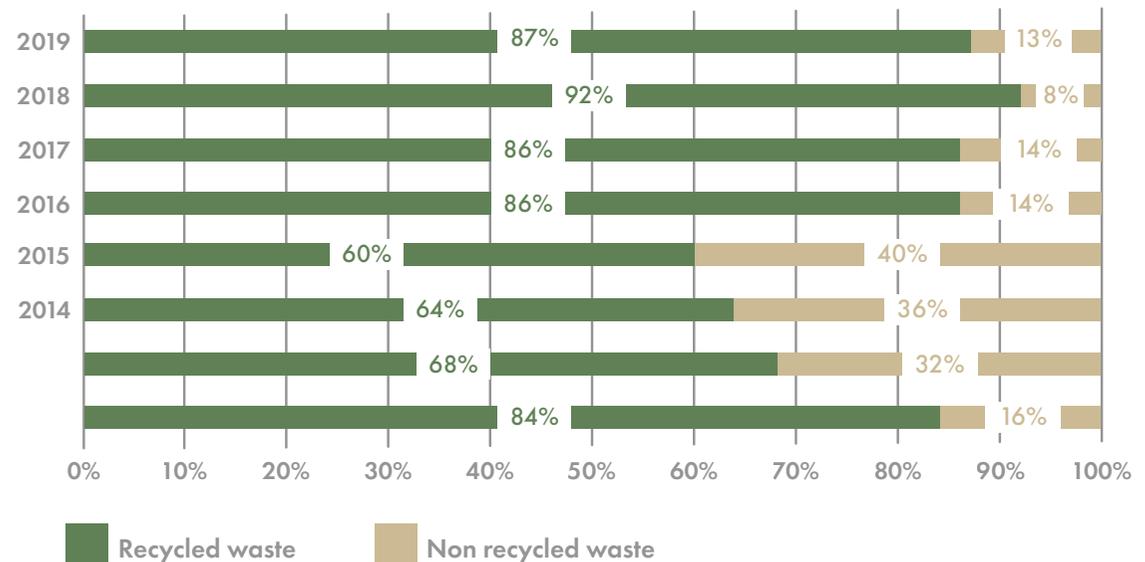
Containing, in variable quantities, toxic or dangerous elements that represent a danger for human health and/or the environment.

Batteries / Oils / Hydrocarbons / ...

Viticultural and winery effluents

Liquid waste resulting from the preparation of phytosanitary products (viticultural effluents) and winemaking (winery effluents).

EVOLUTION IN WASTE MANAGEMENT



Responsible farmer

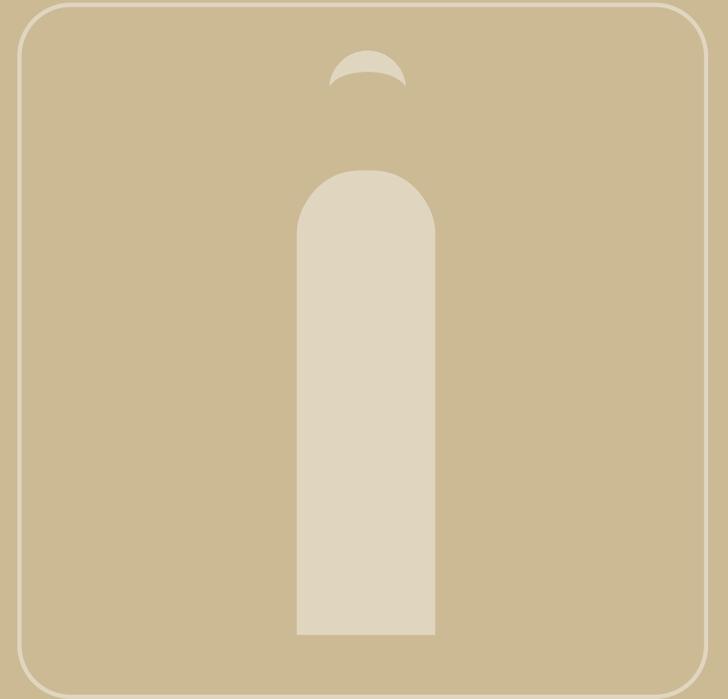
Oil and lubricant aerosol filler unit

At the beginning of 2019 we installed an oil and lubricant aerosol filler unit on rental from our supplier WÜRTH. It allows us to reload, thanks to compressed air, a 310ml reusable aerosol in less than 10 seconds and eliminate environmentally harmful empty aerosol cans from our agricultural equipment maintenance procedures. We are now looking to extend this practice to other products.



Combating pollution

**Responsible
farmer**



RESPONSIBLE PRODUCER

The responsible producer follows up the work of the responsible farmer with the objective of producing the best wine for consumers. They guarantee quality standards and perfect traceability along the entire production chain and respect the rules of hygiene. Commercialization of their production, which is more an expression of a terroir than a product of the agri-food industry, is adapted to the different markets and new modes of consumption. Sensitive to the balance between tradition and technology, the responsible producer has a deep understanding of all circuits and constantly challenges the way they do things to improve their performance. Thanks to close relationships with consumers, they are able to remain attentive and responsive to their needs.

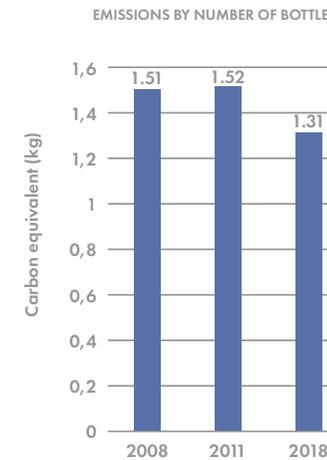
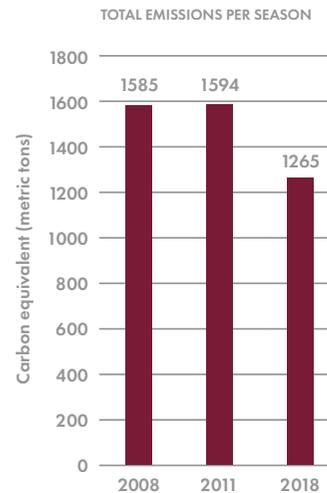
Using resources sustainably

Responsible
Producer

Our activities necessarily have a significant impact on the environment and greenhouse gas emissions. These emissions are gaseous components that absorb infrared rays emitted by the earth and contribute to the greenhouse effect. The increase in the atmospheric concentration of greenhouse gases is one of the factors at the origin of global warming. In our new 2019-2025 strategic plan we wanted to update our carbon footprint by looking at our activities in 2018, and evaluate our levels of greenhouse gas emissions in comparison with studies undertaken in 2008 and 2011.

Work in close collaboration with the University of Bordeaux, the research group Cyvi, and the IRGO laboratory was started in 2019. Using a different methodology from that previously employed, the work was based on an organizational Life Cycle Analysis, "from the cradle to the grave". This method includes all CO₂ emissions generated during the different stages in the lifecycle, from the extraction of raw materials to the end of life of the product, including the disposal of waste generated.

This study shows a reduction of 21% in the organization's emissions, or 329 metric tons of carbon equivalent. It should be noted that the 2018 study offers us a more detailed picture because we are in possession of more data than seven years ago, and the method has been further refined, rendering this reduction even more significant.



This assessment of the situation allows Vignobles de Larose to revise its plan of actions to improve performance and progress, notably in terms of resource management.

LIFECYCLE ANALYSIS

This analysis scrutinizes the entire lifecycle of a product, from the extraction of raw materials, through production, and consumption, right up to waste disposal.

ELECTRICITY AND WATER

Individual meters have been installed on all production sites to closely monitor consumption of electricity and water.

MOTOR FUEL

(Agricultural fuel / Light vehicle fuel)

Monitoring the fuel consumption of our agricultural vehicles (tractors etc.) and the Vignobles de Larose fleet of company vehicles.

This objective has formed part of the Vignobles de Larose strategy since 2011. Indicators such as average litres/hr, total volumes of agricultural fuel consumed, and consumption by vehicle in our fleet were established to measure the impact of positive actions put in place.

At the end of 2019, our average consumption of agricultural fuel was 6.48 L/hr compared to 7.3 L/hr in 2011, representing a reduction of 11%. This is due to changes in vineyard management practices, but also to the growing sense of responsibility of our drivers and to the eco-driving training packages that are offered. This improvement in fuel consumption is also a result of optimizing and fine tuning our agricultural vehicles and the installation of the ECOPRA system.

ECOPRA : A mechanical system that improves the quality of incoming air in the engine and increases fuel efficiency. This system was installed in our agricultural vehicles in April 2019 and has resulted in a drop in consumption of between 12 and 20%.

Innovation & Eco-design

The lifecycle analysis of our products led us to run trials on the dry goods we use in packaging, and more particularly bottles.

Defining a profile in terms of eco-design is one of the solutions to reducing our carbon footprint, as packaging is one of the most important factors weighing on our carbon audit (41%).

Importantly, it is also a **strategic element** in the communication of the credibility and coherence of our stance on CSR, embodied by our product.

All elements of product packaging are subject to eco-design:

Bottle

Case/
Carton

Labels

Capsule

Closure

This takes two main forms:

- the reduction in consumption of materials, for example, reducing bottle weight.
- the composition of the raw materials, for example the percentage of recycled matter.

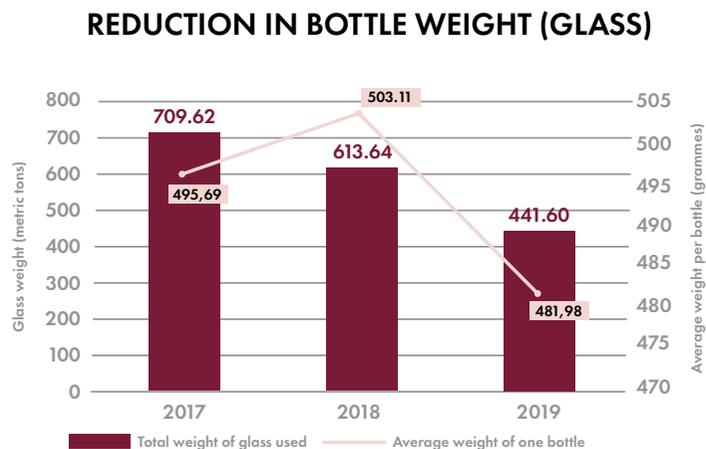
Vignobles de Larose has already carried out experiments in this area and masters many aspects of both these areas. This work has borne fruit, notably on the reduction of bottle weight and the volume of wood used in wooden boxes.

Product	Bottle weight 2018	Bottle weight 2019
Larose Perganson	550 grammes	480 grammes
Arnauld	760 grammes	630 grammes
Comte d'Arnauld	550 grammes	450 grammes

Responsible
Producer

Innovation & Eco-design

Naturally, total volumes of glass depend upon the number of bottles produced, but the evolution in average bottle weight shows a marked improvement (-4% compared to 2018). If the same bottle profile had been retained between 2018 and 2019, the amount of glass consumed would have been +2.6% or 11.52 metric tons compared to the actual figure.



ECO-DESIGN

In 2019 we tested the most complete approach yet for our “No Sulphites” cuvée, in a highly transversal project that harnessed the talents of both our winemaking and communication teams.

No Sulphites cuvée



Bottle: 450g glass bottle made from 80% recycled glass

Closure: Origine by DIAM, 100% natural cork with bio-sourced binder and beeswax surface emulsion.

Label: 100% recyclable mineral paper, printed in compliance with IMPRIM'VERT specifications.

Capsule: Embossed tin capsule printed with water-based ink.

Carton: Manufactured in the Charente and the Haute Vienne from 90% recycled materials and printed with water-based inks.

Responsible Producer

Responsible Purchasing

One of our strategic objectives is to prioritize local sourcing. Wherever possible we try to work with suppliers who are located in the Gironde and, if possible, in the Médoc.

In 2019, 80% of our purchasing took place within the Nouvelle Aquitaine region, and 45% in the Médoc. The end of each season is the occasion for Vignobles de Larose to take stock of relations with its partners, but also evaluate the quality, recyclability and convenience of the materials and tools supplied and used.

This evaluation is carried out with the participation of all parties concerned, and highlights possible elements to be incorporated in future call for tender specifications. For us, the notion of partnership is linked to that of purchasing because we place great importance on working closely with our suppliers.

Our selection criteria mean that we are able to work in collaboration with companies on matters such as the reduction in packaging weight or barrel manufacturing specifications.

Some examples:

GLASS

Following our request to reduce bottle weight for our Château Larose Trintaudon, our partner OI designed a bottle that is 30 grammes lighter than the one we had been using. This was tested over three years, with an increase in volumes each year. The bottling unit supplied feedback reports on breakages and other phenomena to the quality control department at OI as part of the process. Today this lighter model is used for the entire production of Château Larose Trintaudon.

WOODEN BOXES

We submitted a request to our suppliers to reduce the amount of wood used to make our wooden wine boxes. The solution that was adopted was to reduce the length of the box by 2mm. We chose to use this new box when bottling our Château Larose Trintaudon wine (x6). Today, all of our Château Larose Trintaudon wooden boxes are manufactured using less wood than a standard bottle wooden box. Two other suppliers were unable to accommodate our request as they were not equipped with the necessary machinery, and so this would have incurred high wastage of wood due to re-cutting. We therefore reviewed the repartition of products between the suppliers to avoid excessively penalizing any of them and ensure the security of our supply.

Responsible Producer

BARREL TASTINGS

We work with several cooperages, each with their specificities that contribute to the structure of our wines.

To select the best barrel profile for each of our wines, each year when the wines are ready we blind taste all our batches of new barrels in the presence of the coopers and our consultants, then the barrels are ranked. This allows us to track the results of the different cooperages and toasting levels, and serves to guide our purchasing decisions the following year.



Responsible Purchasing

Responsible
Producer

Ensuring customer security & satisfaction

Vignobles de Larose has a responsibility towards its customers and stakeholders. And because customer safety and product quality are our core priorities, we apply HACCP methods to all our production processes. HACCP is a system which identifies, evaluates, and controls critical points in the production process.

Our system also places great importance on traceability, that is controlled using software such as LAVILOG (for the vineyards and vat rooms) and Vinistoria (for dry goods and stocks of wine).

External audits based on the ISO 9001 standard, carried out by the Association of Crus Bourgeois, confirm the rigour of our approach and help us to identify new areas for improvement.

Numerous internal checks also allow us to control the quality and the security of our products:

- visual checks during production, and measurements taken by our teams but also by external partners such as the oxygen audit carried out by the Chamber of Agriculture,
- regular analyses of the wines by an external laboratory, including the analysis of chemical residues,
- hygiene monitoring by our teams using ATP technology, from harvesting through to bottling,
- a product recall procedure, tested annually to guarantee efficient recall if necessary.

The efficiency of our methods and testing tools are verified by external audits performed by official certifying bodies, and by in-house checks. Visits from our CSR unit check that levels of hygiene, safety and quality comply with our strict standards, and ensure corrective action is taken if required.

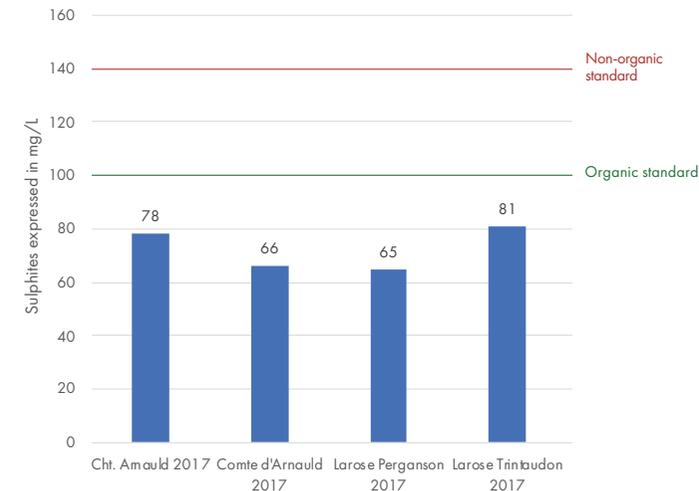
SULPHITES / OXYGEN

Precise control of dissolved oxygen in wine is essential for several reasons. Uncontrolled levels of oxygen have a negative impact on wine colour which will prematurely veer towards brick, cause aromas to suffer loss of fruit, and oxidized notes to develop. The wine's ageing capacity will also diminish. Excess oxygen will also encourage the development of undesirable micro-organisms such as acetic acid bacteria, responsible for turning wine into vinegar, and Brettanomyces which produce volatile phenols with their pharmaceutical and barnyard aromas. Sulphites are used for their antioxidant and antiseptic qualities, and also react with oxygen, rendering it inactive. Total

sulphite levels in wine are restricted to a maximum of 140mg/L by law, but some consumers show an intolerance to sulphites at levels much lower than this, making it obligatory to mention the presence of sulphites on the label for wines containing more than 10mg/L. We therefore carefully monitor oxygen levels at all the different stages of winemaking to ensure that these remain under control.

For several years we have been working to reduce the levels of sulphites we use in our wines. Our first wine with no added sulphites, the cuvee L'Expérience, was released in the 2017 vintage.

SULPHITE LEVELS IN STILL RED WINES



Responsible Producer

The ISO 9001 standard on quality management stipulates that customer satisfaction must be a priority objective. We employ several tools that assist us to evaluate customer and consumer satisfaction.

Boomerang: This is a consultative mechanism for both B to B and B to C clients, allowing for specific interventions according to the interaction with the stakeholder and their typology.

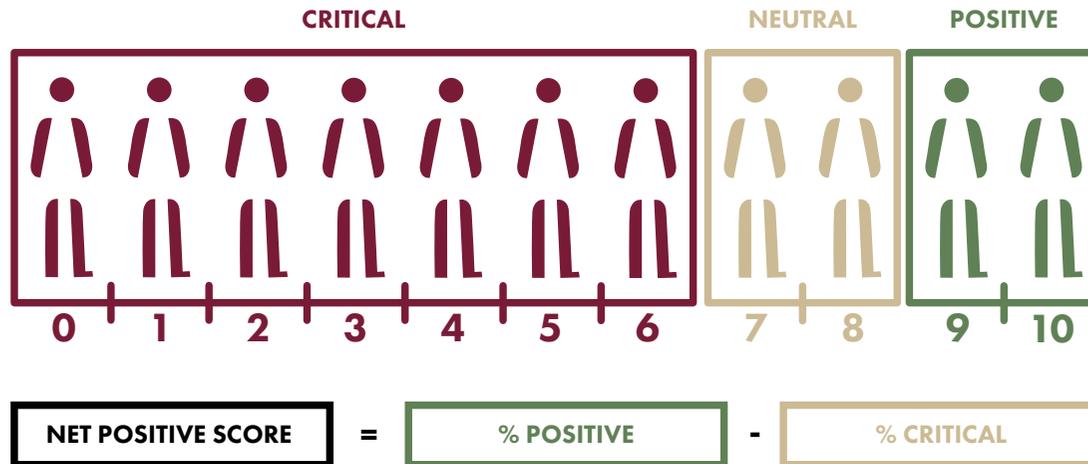
Customer experience: Boomerang enables us to take customer experience into consideration and use this feedback to improve that experience.

Managing non-compliance and complaints: these are considered sources of potential improvement and are analysed to determine possible ways forward.

Benchmarking Trip Advisor results: The sales teams conduct this study based on information collected by the Trip Advisor website on Château Larose Trintaudon and other neighbouring estates that propose products and services of comparable quality.

The NPS Net Promotor Score

This is a precious tool that facilitates the identification of positive but also of critical opinion, helping to reflect upon possible avenues for improvement.



Ensuring customer security & satisfaction

Responsible Producer



RESPONSIBLE EMPLOYER

For a responsible employer, the protection of their employees and the development of skills through dialogue are of the highest importance. They transmit know-how and optimise potential. They do not consider themselves to be at the top of the pyramid, but instead collaborate, innovate, and devote themselves to employee well-being. As well as ensuring regulatory compliance, the company creates an enabling environment for social dialogue.

Commitment to corporate goals by employees is achieved through attentiveness to their well-being, recognition of their skills and fluidity of communication. Each organisational change is accompanied, and all feedback is heard and assimilated.

Placing human capital at the centre of CSR strategy

Vignobles de Larose has always prioritized the human element in all its actions, but the maturity of the business now means that it can go even further in terms of internal stakeholder interactions and their integration into CSR strategy. This has resulted in **“Project Talent”**, a programme that integrates numerous issues and themes relating to Human Resources.

- **Involving all employees in the formulation of new strategic plans**

Since the decision was taken to draw up a new strategic plan, all members of the organisation have been able to contribute to, influence and participate in its conception and implementation. By means of workshops, employees have been able to discover a space where they can express themselves freely and have the confidence to invent the company of tomorrow. A complex exercise, where it is necessary to establish the right balance between the wishes of all the different parties, the commitments involved, and the mutual efforts necessary to construct a sustainable project of common interest. These workshops revealed the challenges and the difficulties facing the business, and were the opportunity for these multidisciplinary groups to discover the role of others in the organisation.

- **Creating or updating job descriptions**

Vignobles de Larose wanted to go back to basics by updating or creating organizational documents such as job descriptions, role definitions and skills matrices. This operation responded to a need for the clarification of roles and responsibilities at all levels. A role definition is a broad outline of a post as laid out in the collective labour agreement. A job description is a more precise list of responsibilities and related duties, including tasks that may cover several roles.

- **Identifying tasks carried out by a single person**

The work outlined above allows an inventory of tasks to be drawn up. It also identifies critical points in situations where a strategic task is carried out by a single person or a task is carried out by several people without the necessary level of expertise. This enables training or mentoring programmes to be put in place to help employees bring their skills up to the required level.



**Responsible
Employer**

Placing human capital at the centre of CSR strategy

• Annual and performance appraisals

An important moment for both the employee and their line manager, an appraisal is a comprehensive review of an employee's situation within their professional environment, of their performance and difficulties, and their opportunities for growth. It is also when future goals and objectives are set.

Requiring careful preparation on the part of both employee and manager, it is a key process of dialogue, a moment of truth, culminating in reciprocal commitment.

• Evaluating an employee's skills/achievements/objectives/interpersonal skills

This process, common to all employees, is the opportunity for an open exchange structured around tangible elements, facts, and commitments. It measures an individual's evolution, aspirations, and professional profile, identifies rising talent and areas of risk, and contributes to the construction of a dynamic corporate wage policy.

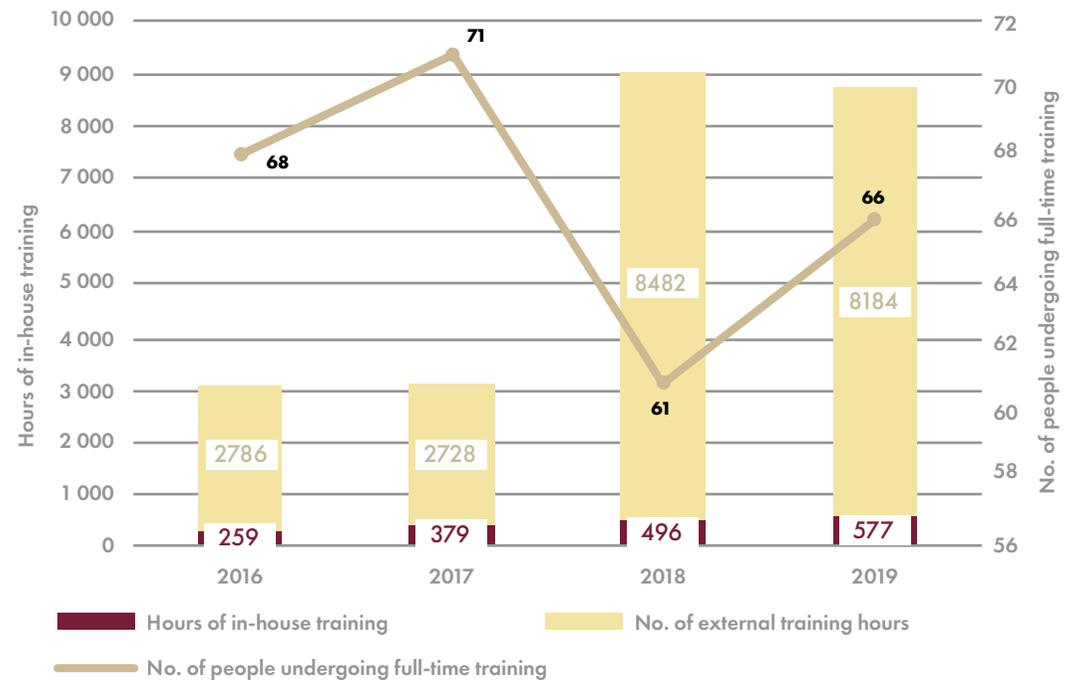
It also facilitates:

- the construction of long-term training programmes,
- human resources planning,
- a transparent wages policy based on objective and widely understood criteria,
- the identification of requirements for specific skills (innovation, research, etc.)

**Responsible
Employer**

Training

This is a particularly important activity for the company, since the continued development of its workforce, in all spheres, underpins all of its projects and commitments. For this, we allocate a dedicated budget following the period of appraisals when annual training requirements are analysed and aggregated. This allows us to create and prioritize our training modules and programmes. We also continue to develop in-house training by experienced staff, passing on precious knowledge and skills from one employee to another. In this way, we aim to promote talent through in-house training for new entrants but also for established members of staff. We believe that employees who have acquired significant skills should transmit them by accompanying and tutoring others.



Responsible
Employer

This project is a skills recognition programme that forms part of our total training offer. It offers a qualification that recognizes an employee's acquired skills or prior experience, giving legitimacy and visibility to their knowledge, skills, and competences. It also responds to a purely societal challenge by enabling us first to build the skills of our vineyard workers and then reward these with a national diploma, the University Diploma in Pruning and Priming. This is awarded following a training programme run by the Institute of Vine & Wine Science in partnership with Simonit & Sirch, experts in training and consultancy in vineyard professions.

The overall aims of the programme are:

To combat grapevine decline and extend the life of the vines

- Safeguard sap flows and improve vinestock viability
- Increase the amount of living wood
- Reduce the impact of vine wood diseases by adapting pruning methods

To increase employee skills by

- Developing reasoned techniques
- Improving practices
- Training in managing a pruning & priming team

To increase employability via

- A specialized pruning diploma, based on the principle of sap flows
- The validation of skills during many hours of practical training in the field

(Source : ISVV)

This programme has been put in place for the next five years, aiming for a 100% qualification rate amongst our permanent pruning staff.

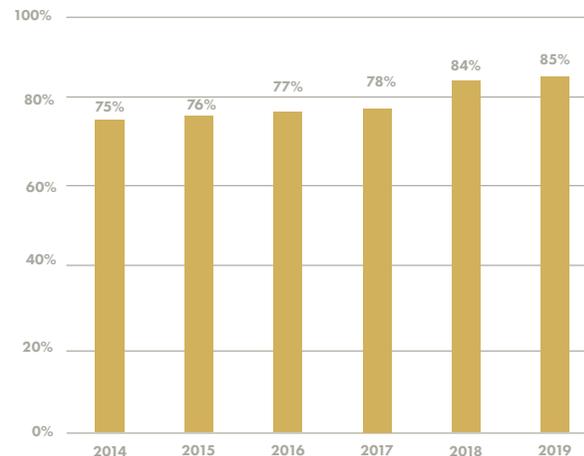


Cultivating social dialogue

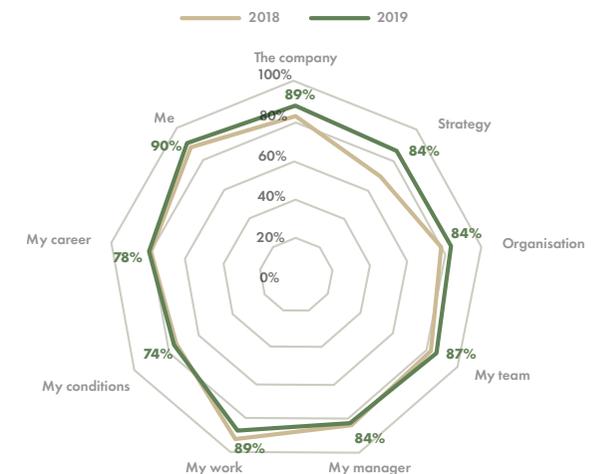
Vignobles de Larose enjoys excellent employee relations thanks to its solid foundations in co-construction. The interconnections between its internal stakeholders and the mutual confidence that this generates are the pillars of the company's future performance.

Since 2014 Vignobles de Larose has carried out regular employee satisfaction/perception surveys. These completely anonymous surveys enable the company to measure the impact of its actions, or to prioritize operations that are designed to benefit employees. The questions are updated every two years in concertation with staff representatives. A selection of 10 questions gives a snapshot of opinion and has allowed more controversial or entrenched views to be heard since the survey was created. It also allows the comparison of one year with another.

EVOLUTION OF EMPLOYEE SATISFACTION LEVELS



EVOLUTION OF SATISFACTION LEVELS BY THEME



Responsible Employer

Cultivating social dialogue

Analysis of employee satisfaction (AES) offers the company information about **satisfaction levels**, and perception of its engagement and its practices. Over the last three surveys, the general snapshot obtained through the 10 strategic questions has shown an increase in the level of satisfaction.

Unit and department managers are the principal protagonists in the construction of social dialogue. They represent the credibility and the exemplarity of the company in the eyes of their staff. The company has an excellent relationship with the Economic and Social Committee (ESC) that represents its employees. In recent years numerous agreements and projects have led to improved conditions of employment and remuneration.

There is active communication between the **General Management** and the elected representatives of the ESC, with ongoing dialogue even on matters outside the remit of the ESC. The constitution of the ESC and its structure has allowed internal regulations to be drawn up which serve as a basis for the action of all members. Parties involved in matters concerning the ESC, such as the labour inspectorate, occupational health and safety organisations are systematically included when discussions turn to questions within their field of expertise.

Funds allocated to the ESC are of course regulated by law, but the company has chosen to devote a higher budget to social affairs in the interests of all their employees.

In-house communication is a strategic tool essential for the development of a calm and constructive social climate. For many years the company has invested in specific tools and skills in this area.

AES, as presented above, also measures employee perception of in-house communication, by analysing its strengths, weaknesses, and management. Internal communication takes many forms, all members of the company are its vectors, it is structured and can be subject to legislation.

The company has significantly multiplied opportunities for discussion, information, and cohesion to improve perception. It is important to note that all members of staff are individually responsible for seeking out information via the numerous channels at their disposition.

**Responsible
Employer**

Cultivating social dialogue

Responsible
Employer

The way the company is organised allows for information flows to travel upwards and downwards thanks to unit and department managers. The company possesses numerous in-house communication tools:

AES SURVEY

As part of project Boomerang, staff are invited every year to complete a questionnaire, put together by a third party, on the subject of the workplace. This includes a large section designed to identify and measure employee satisfaction concerning the means of communication, and the quality and frequency of messages. This analysis helps the company and its staff representatives to adapt its messages and engagements accordingly. The results of the survey are presented to all employees at an annual meeting.

INFORMATION MEETINGS

The company organises many meetings designed to inform its employees about:

- half-yearly results
- performance indicators, projects
- specific subjects such as collective agreements, strategy, etc.

OPENING AND END OF PROJECT MEETINGS

At the beginning and end of major stages of work (pruning, harvest, running off, bottling etc) all technical staff are invited to meet with their line managers and unit managers to review objectives, health and safety rules, and technical guidelines. When the operation is complete, they participate in a debriefing meeting to air potential avenues for improvement, in addition to any information gained during the operation.

ESC ACTIVITIES

The ESC which has recently been created within the company proposes a number of activities including travel packages to different destinations and group purchases. The Committee was formed in June 2019 and is made up of seven elected members.

SEMINARS

Since 2018 the company has invited all employees to participate in a seminar designed to foster exchange and cohesion. The different professions represented within the company, peaks in activity, several sites and the growing number of employees do not easily allow for regular interaction in spite of company policies to encourage this. These seminars are therefore the opportunity to bond and share through the organisation of leisure activities. In 2018 everyone in the organisation participated in activities at Fort Médoc at Cussac, and in 2019 they met up again for games on Hourtin beach.

Heads of unit and department managers come together twice a year for team seminars. This is when they can take stock of all results and action plans unit by unit and review company strategy, but is also an opportunity to build confidence and trust, and consolidate their skills.

MOMENTS OF RELAXATION

The company and the ESC together traditionally organise festive events for all employees. Since 2019 these have also been organised by unit managers to celebrate the completion of a project or an important moment in the life of the company. In this way the year is punctuated by shared lunches, but also traditional events, like the day of Saint Vincent, the patron saint of winegrowers, or the Gerbaude which celebrates the end of the harvest.

These simple pleasures are also important moments of cohesion, as people working on different sites do not necessarily have the opportunity to meet every day but an informal lunch or dinner allows them to share and connect in a relaxed atmosphere.

OTHER MEANS OF COMMUNICATION

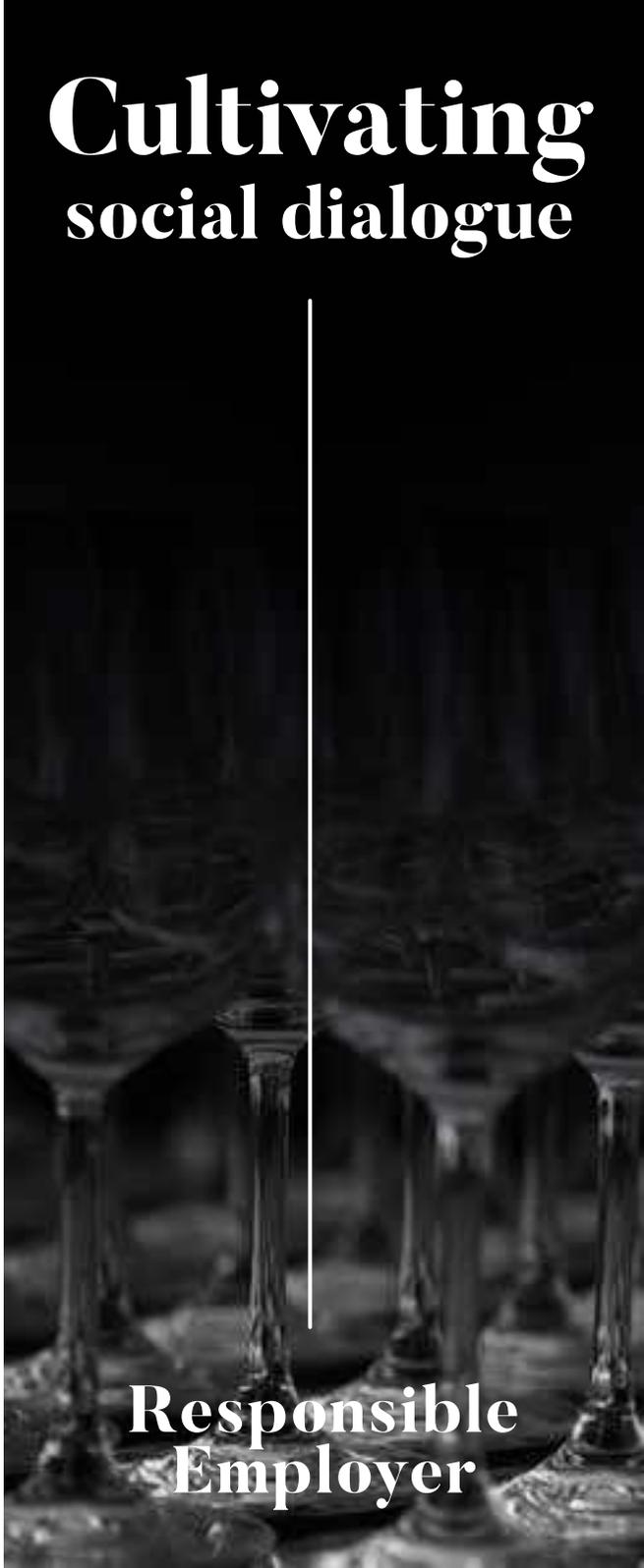
The company disposes of many communication channels:

SMS: All employees liable to find themselves working in isolation are equipped with company mobile phones.

Dynamic display panels: digital message boards are sited in all the common passageways and meeting places of each estate. They display information relating to the company, its values, news, and events.

Payslips are accompanied by commercial offers, groups memos or invitations to current events and activities.

Cultivating social dialogue



**Responsible
Employer**

Employee protection and welfare

There is a legal obligation for an employer to ensure that the workplace is safe and without risk to health, but the company has always gone further in investing in prevention and the protection of its employees.

Within the framework of its prescriptive standards, Vignobles de Larose maintains and updates its health and safety manual annually, monitors regular or back-to-work professional medical check-ups, and provides personal protective equipment (PPE) and collective protective equipment (CPE).

These actions are important indicators of the company's committed approach to human resources management. The company has effectively introduced numerous measures over the years to protect the health and safety of its employees, but a few indicators do not reflect the totality of its actions.

Despite its efforts, investments and organisation, the company cannot take entire responsibility for the figures. All requirements in terms of maintaining and updating the Health and Safety Manual, studies to identify the causes of accidents or near accident, regular or back-to-work medicals, or the supply of CPE and PPE are scrupulously respected.

Emphasis is given to identifying the causes of accidents or near accidents, with the support of stakeholders such as the Occupational Health Services, the Agricultural Social Security services (MSA), and staff representatives.

Vignobles de Larose has put in place measures that exceed legal obligations, such as:

- providing appropriate physical activities that allow employees who wish to do so to benefit from stretching and warm-up sessions and muscle strengthening exercises.
- organising 'Health Day' when all employees can meet a range of health professionals to discuss prevention and health matters.

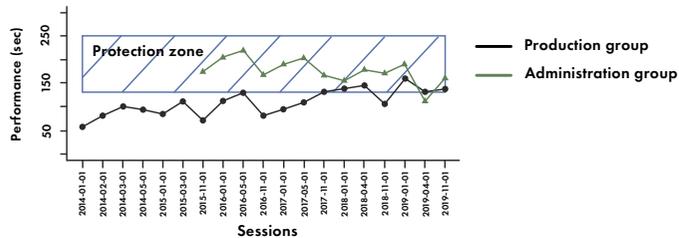
Responsible Employer

APPROPRIATE PHYSICAL ACTIVITIES (APA)

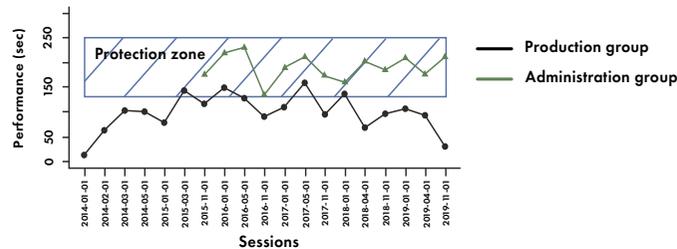
An exercise programme tailored to our professions that allows employees who wish to do so to benefit from warm-up sessions and muscle strengthening exercises.

The APA scheme provides the opportunity for employees, on a voluntary basis, to take care of themselves. Sessions take place in the workplace and are run by qualified professionals. They promote the adoption of good habits that benefit overall health, and exercise to prevent musculoskeletal problems and maintain or develop physical fitness.

In 2019, 25 employees participated in the scheme, in twice weekly 45-minute sessions from November to May, and warm up sessions every morning.



PROGRESS IN PERFORMANCE BETWEEN 2014 ET 2019
IN ENDURANCE TESTS FOR BODY EXTENSOR MUSCLES
(back)



PROGRESS IN PERFORMANCE BETWEEN 2014 ET 2019
IN ENDURANCE TESTS FOR BODY FLEXOR MUSCLES
(abdominals)

OTHER ACTIONS

The systematic edition of a simplified Safety Data Sheet to improve employee understanding of product use and encourage the correct reflexes in case of accident,

An organised system of distribution of workwear and PPE adapted to individual needs and situations:

- o safety glasses
- o moulded protective earplugs

Quarterly inspection visits to assess risks, and building and infrastructure security supported by an integrated plan of action,

Supply of company mobile phones for employees liable to be working alone or in an isolated situation,

Emergency drills carried out in collaboration with the relevant stakeholders,

Implementation of a Business Continuity Plan

Training of workplace first aiders beyond the legally required level,

Investment in security equipment:

- o Defibrillators
- o Emergency breathing apparatus

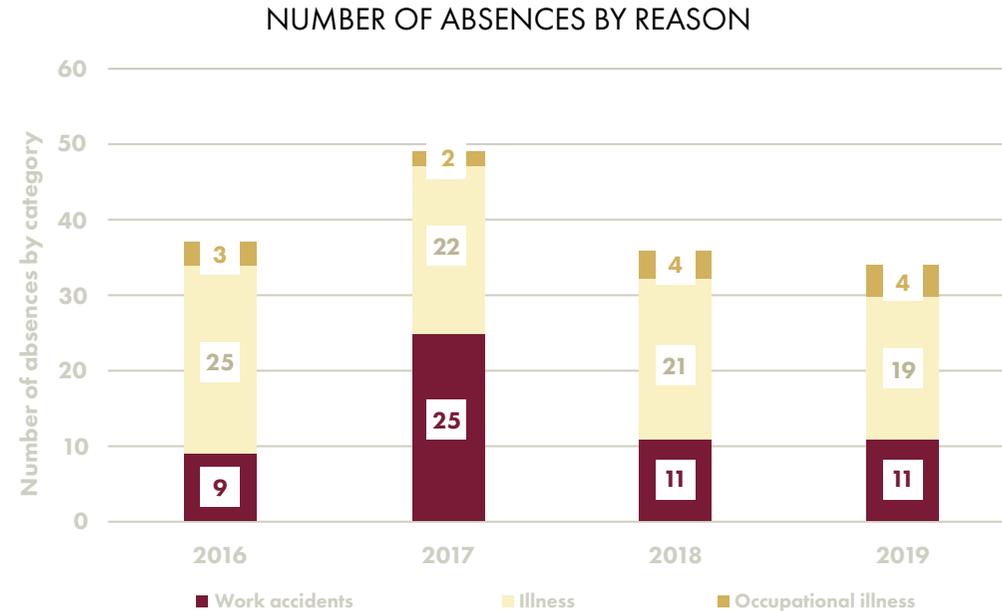
Employee protection and welfare

Responsible Employer

Employee protection and welfare

At the end of 2019 absenteeism stood at 12.55%.

37 absences were recorded, a figure comparable to the previous year and significantly down compared to 2017 when there were 50 absences.



As well as a high-quality work environment, employees enjoy many benefits specific to the company that contribute to their health and well-being at work:

- the possibility of modulating and adapting hours of work or tasks depending on weather conditions and other factors such as extreme heat at certain times of the day.
- the launch of a homeworking trial,
- recognition of the difficult or repetitive nature of certain tasks with investments in appropriate or improved tools (secateurs, anti-fatigue mats and double screens etc.).
- Health Day, organized by the company to allow employees to benefit from consultations and health protection workshops. At the last Health Day 88 consultations were dispensed within the eight specialist services present.
- moments of relaxation and social interaction at events such as lunches, seminars, and group outings, etc.,
- the opportunity for employees to contribute to the construction of company strategy.

Responsible Employer

Respecting equality and diversity

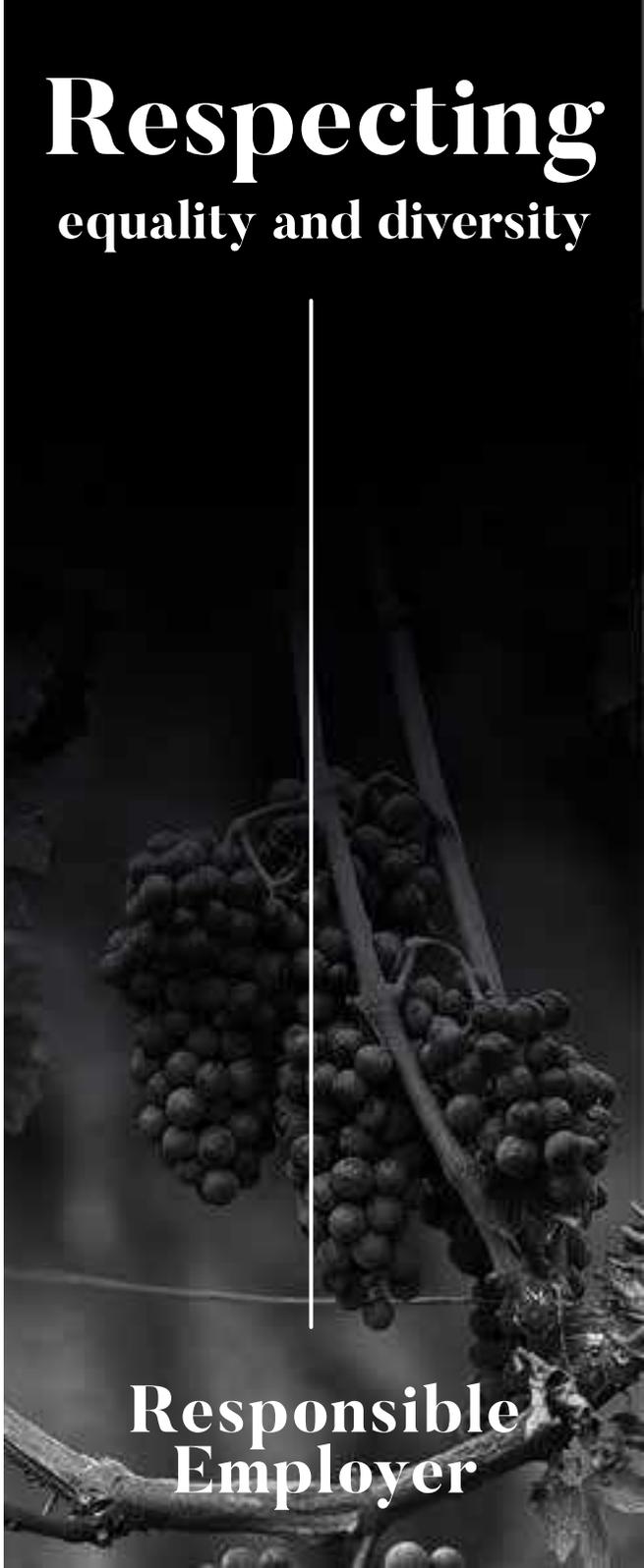
Vignobles de Larose places **great importance on combatting all forms of discrimination**. It recently undertook a review of its employment policies & procedural rules to reflect its strong commitment in the matter. Its code of ethics also lays out the correct attitudes to adopt in **our relations with others**.

The company has always supported projects and actions in support of equality. It has invested in equipment and revised modes of production to ensure that tasks can be carried out indifferently by men or by women. Currently three of our female vineyard workers have undergone in-house training to become tractor drivers during the harvest period.

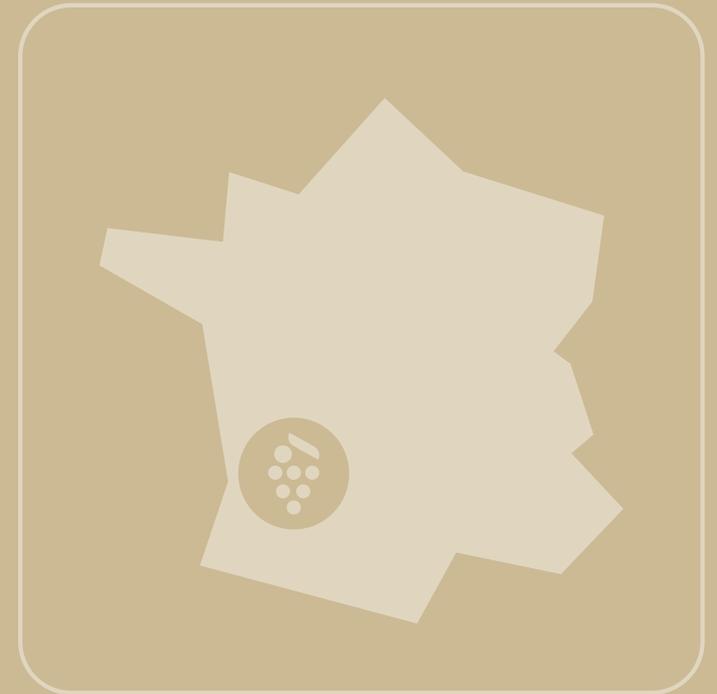
There now only remains one task in the vineyard that can only be undertaken by a man and that is the renovation of our trellising which requires heavy pile-driving work to sink the stakes into the ground. Only mechanism of this task would eliminate this exception.

As a measure of its commitment, and in a desire to encourage **action in support of low skilled workers**, the company created the School of Viticulture and Wine in concertation with neighbouring estates. It proposes vocational training courses leading to **recognized qualifications**, overseen on the estates by certified training bodies and supported by mentoring programmes. At the end of 18 months the estate can offer the trainee a permanent work contract.

The company has adopted a dynamic policy towards disability. It not only conforms to employment law relating to disabilities but also strives to always maintain employees with partial disabilities in place by adapting the workplace and creating bespoke positions that take account of medical requirements.



Responsible
Employer



RESPONSIBLE MEMBER OF THE COMMUNITY

As a member of the community, the winegrower has a responsibility towards not only their own property but also the surrounding area, by contributing to territorial promotion and development with due regard for the existence of others. Since a vineyard cannot be delocalized, it must anchor its activity sustainably in the region, adding to its attractiveness, multiplying its qualities, and working in synergy with the community. Because the future of the estate also depends on the dynamism and quality of life that the region has to offer, in a relationship of mutual accountability. Human concerns and relationships are central to their existence.

Contributing

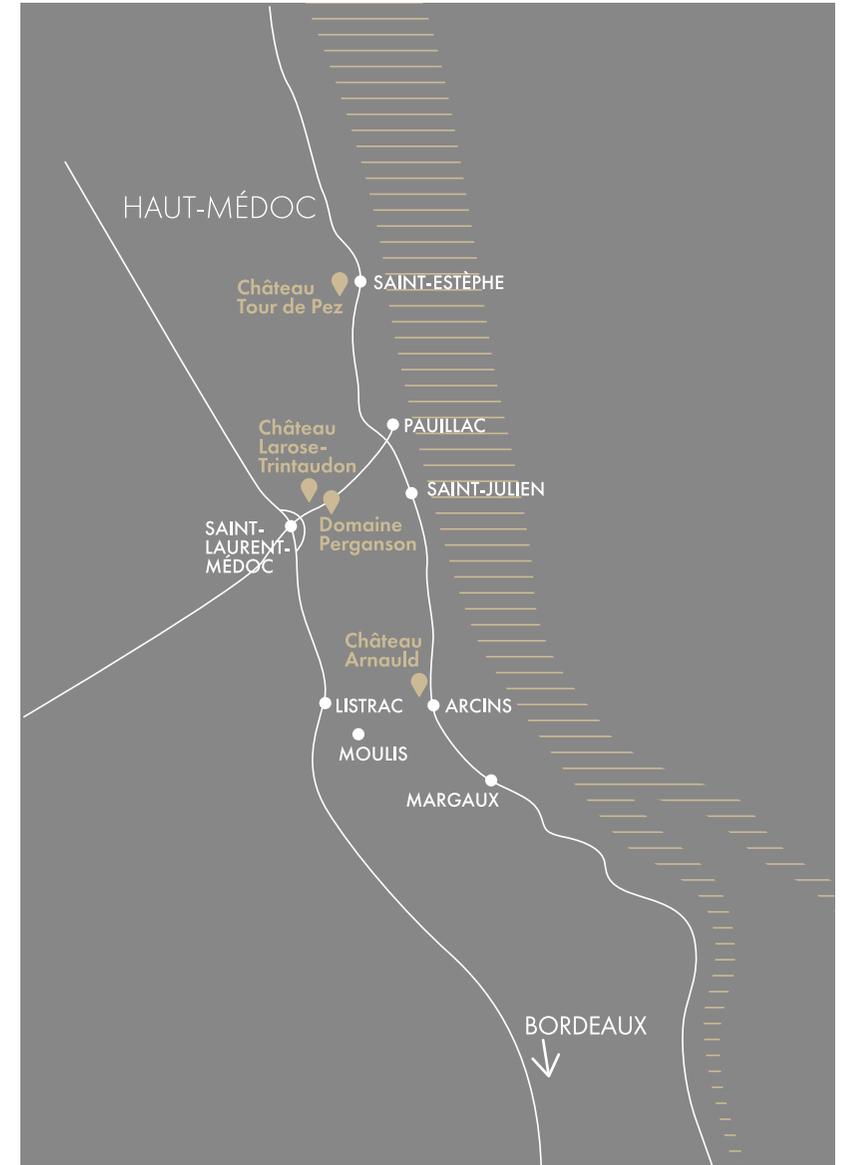
to the development
of the region

Responsible
member of the
community

Over the last five years the company has increased its vineyard holdings in neighbouring villages within the Médoc. Vignobles de Larose are now present in the vineyards of:

- Saint Laurent Médoc (the historic base of Larose),
- Arcins,
- Lamarque,
- Cussac,
- Saint – Estèphe

As a company we regularly meet up with other members of these communities to discuss the issues facing us and the impact of our activities on the region. Although exchanges are relatively infrequent, the company regularly invites leading figures in the community in order to maintain channels of communication and encourage dialogue.



Contributing to the environmental development of the region

For the last three years the company has taken an active part in the development of the project to create a Regional Park of the Médoc, alongside the regions concerned and the local economic players.

This park will enable the Médoc to develop a common policy to preserve environmental, social, and economic balance, and to respond to climate change and the effects of urbanisation.

It will be a valuable tool for all those who wish to develop the region whilst preserving and enhancing its resources. The objective of a Nature Park is not to constrain, but to convince.

Source : www.pnr-medoc.fr

A Regional Nature Park is not a National Park. It has a different purpose. A Regional Nature Park is a territorial development tool based on the fundamental elements that make it unique: its immense spaces, its incredibly varied landscapes, from vineyard to lakes and from the ocean to its forests, its estuary, its forestry economy, its vines, its businesses which have developed unique skills (composites, winemaking, cooperage, animal husbandry, oyster farming, woodworking, crafts ...), and its tourist economy.

As a major player in the field of viticulture, Vignobles de Larose has a presence in various local bodies via each appellation's Organisation for Defence and Management (ODG), promotional bodies (CIVB, Cru Bourgeois, etc.), and tourism structures (Maisons des vins, Tourist Office). It also actively contributed to the renaissance of the Saint Laurent de Médoc viticultural union.

Through its many contacts and meetings, in France and abroad, the company is a driving force for the reputation of the region, and partners numerous promotional activities and local events.

The company established many years ago a system of identification and contact for those people living near its parcels in order to inform them of treatment dates and elapses of time to be respected.



**Responsible
member of the
community**

Contributing to the social development of the region

The company is part of the local social structure and is conscious of the constraints posed by problems of mobility, lack of infrastructures etc.

It has sought solutions by integrating initiatives that bypass these problems such as:

- The School of Viticulture and Wine,
- participation in numerous local employment and careers forums, and the creation of a training centre,
- the offer of internships to local trainees, irrespective of links to employees or family,
- the patronage of local cultural, sporting or environmental associations by donating bottles of wine, or lending equipment and infrastructures.

SCHOOL OF VITICULTURE AND WINE

The winegrowing professions are experiencing real difficulties in recruiting. In an attempt to find a solution to this problem, we brought together around ten employers five years ago to create a made-to-measure training programme - The School of Viticulture and Wine.

Training at the school leads to the nationally recognized Certificate of Professional Qualification (CQP) as a qualified vineyard worker, coupled with the development of soft skills through total immersion in the enterprise (60% practical instruction, 40% theory, all within the company)

This win-win approach enables the new trainee, or someone in reconversion training, to have a full grasp of the profession before committing themselves to it, and the employer to recruit someone who is trained in their specific needs.

This path to excellence generates around a dozen professionalisation contracts each year, spread over the ten partner estates, in a radius of only 10 kilometres.

This cursus has enabled us to recruit 3 permanent staff in 2017 and one in 2018.



Responsible
member of the
community

The company is mindful of the local economic environment and the constraints posed by problems of mobility, lack of infrastructures etc.

As a result, it has integrated numerous initiatives that overcome these problems via actions such as:

- the creation of an active policy in support of the hospitality sector to generate tangible economic benefits for the hotel and services trade and local craftsmen,
- participation in or creation of events on the estates to stimulate economic activity and contribute to the region's attractiveness,
- positive action in giving preference to local suppliers and economic partners.

VISITOR NUMBERS

Years	Visitors	Clients	New clients
2018	2751	1578	740
2019	2492	1497	712

68% for other events such as Zénith Rugby / Annual Rotary Club Fete / Presentation of Crus Bourgeois

THE MÉDOC MARATHON

- A dinner dance for 1,500 participants
- Reception of runners at the estate on Saturday
- Welcome to the Gourmet Village + walk
- A walking tour and tasting
- Arrival at the Gourmet Village for a tasting of wine and local products.



Contributing to the economic development of the region

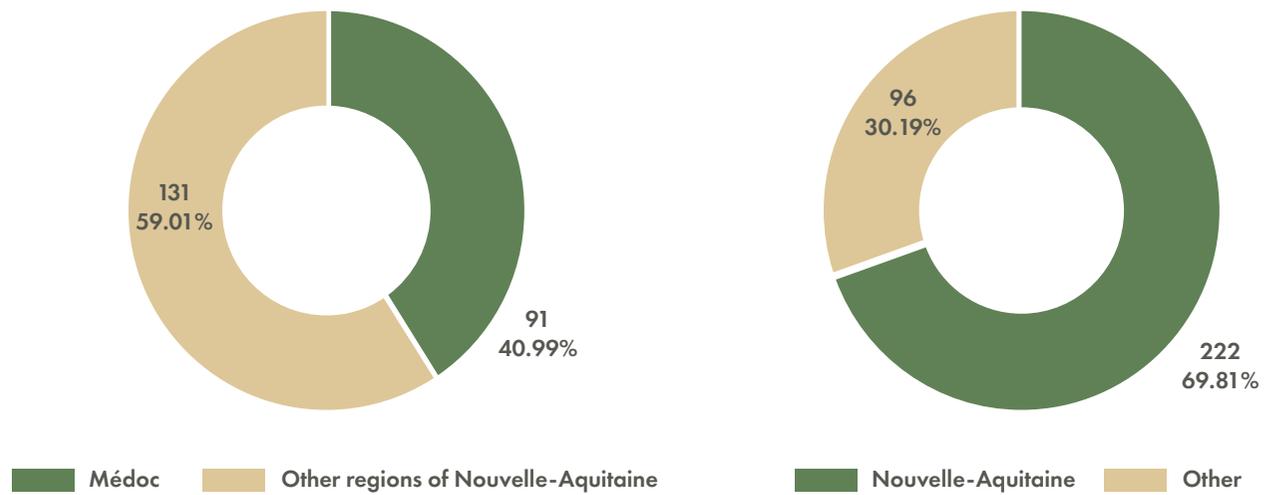
Responsible member of the community

Contributing

to the economic development
of the region

Responsible
member of the
community

Focus on our suppliers _ Number of suppliers by geographical location



Where possible, and taking care to respect its CSR commitments, Vignobles de Larose selects its partners from the local geographical area. 70% are situated in Nouvelle Aquitaine, almost half of which are in the Médoc. These are principally related to buildings maintenance, outsourced work in the vines and the cellar and the manufacture of dry goods.



RESPONSIBLE ENTREPRENEUR

A responsible entrepreneur has, above all, a long-term vision that allows them to assume their responsibilities and ensure the economic sustainability of their business, based on appropriate management strategies, fair trading practices and respect of ethical codes.

Managing risks

Vignobles de Larose carries out a complete analysis of the risks that it could be confronted with in a study that is revised annually thanks to its management systems, and to the analysis of non-compliances and strategic intelligence, etc.

It was used as a basis for the development of the **Business Continuity Plan (BCP)** that covers:

- planning: risk identification, prioritisation, criticality, identification of means of control, action plans,
- rescue: damage evaluation, activation of the crisis unit
- recovery: action to be taken during the crisis, means of resuming activity



The purpose of a Business Continuity Plan is:

- to analyse and reduce potential impacts due to temporary or long-term interruption of activity, for example, customer dissatisfaction, loss of reputation, loss of clientele, loss of profitability,
- to formalise the organisation of the recovery process and the return to normal, and define methods of functioning in a degraded mode of operation (depleted human, technical and organisational resources).

Responsible
Entrepreneur

METHODOLOGY

1. Identify all possible scenarios,
2. Evaluate severity and frequency on a scale of 1 to 9 to establish the criticality of each identified risk,
3. Only retain risks with a criticality above 3,
4. Draw up an identification template for each risk.

Vignobles de Larose, a subsidiary of the Allianz Group, must comply with the same regulatory and corporate requirements as its parent company.

As a financial and insurance services provider, the group is subject to many verifications and strict control of its commercial practices.

The company adheres to a **Code of Ethics and Professional Conduct** and operates a strict anti-fraud policy, providing a formal framework for prevention and checks designed to combat fraudulent activity. Members of the Board of Directors, sales teams and customer relations managers receive specific training in the matter.

Measures for the prevention of fraud and money laundering include:

- cash transactions are limited to 1,000€, and the acceptance of 500€, 200€, and 100€ notes is proscribed,
- direct sales to countries declared to be a risk are prohibited,
- quarterly verification of the terrorism and money laundering blacklist.

Vignobles de Larose publishes General Conditions of Sale and specific conditions for en primeur sales for the information of professional customers. A list of tariffs, updated annually and clearly marked with the expiry date, is available to individual customers at the point of sale. Online sales meet the same requirements.

The company has updated its trademark protection registrations for each of its estates. Brands are strategic intangible assets of intrinsic value which, as well as facilitating good brand management, are also a means of providing strong commercial support to distributors.

Protection of the brand includes the name but also the label, and can be zone or country specific. Commercial intelligence helps us to monitor these trademarks and guarantee the protection of our brands.

Managing risks

Responsible
Entrepreneur

Ensuring regulatory monitoring

Regulatory monitoring is defined as “anticipating and monitoring legislation, national or international standards, commercial agreements, patent and trademark registrations...”

Anticipating regulatory developments can be done in several ways:

- by participation in inter-professional meetings,
- by studying trade or specialist journals,
- through consulting, or receiving information from, our stakeholders.

This phase of anticipation allows us to identify texts that are relevant to our activity and expand our database of regulatory texts.

The second element of this definition, monitoring legislation, consists of inputting regulatory changes into our system. We have entrusted this element of the process to the APAVE Group via the online software program, AviséONE. Since 2013, we have integrated the collective Environmental Management System, (EMS) initiated by the CIVB, which also disposes of regulatory monitoring tools. We also benefit from input from the Allianz Group in economic and legal matters.

MONITORING ALERTS

APAVE provide us with a comprehensive and personalised monitoring service. An assigned consultant informs us regularly of information updates by a system of e-mail alerts. We analyse the texts in-house and plans of action are integrated into our system by means of discrepancy reports.

ENVIRONMENTAL MANAGEMENT SYSTEM

As part of this collective management system, put in place by the CIVB, we have access to regulatory monitoring, revised annually via a diagnostic tool, that provides us with a series of files on our activities. Those identified as non-compliant give rise to specific action plans.

Responsible
Entrepreneur

In the course of its activity the company has identified numerous sources of information, practices and regulatory documentation that allow it to systematically define its positioning and responsibilities in the face of a rapidly evolving legislative environment.

STAKEHOLDERS

	APAVE	MERITHALLE	Management organisation	Chamber of Agriculture	MSA	Occupational Health Service	Suppliers	EMS	Accountants	Lawyers	Allianz	Client	CIVB
Compliance			X	X			X					X	
Food safety	X		X	X			X						
Intrants			X										X
Noise	X		X	X	X	X		X					X
Waste	X	X						X					
Biodiversity	X	X						X					
Water	X	X						X					
Energy	X	X						X					
Soil	X	X						X					
Air	X	X						X					
Security	X	X			X	X					X		

SUBJECTS

The definition of monitoring is "all activities that permit information to be found, acquired, analysed and evaluated as an aid to decision making and guided choice."

Fully committed to CSR, Vignobles de Larose has, over the years, employed technical and technological means of monitoring. We consider it essential to constantly identify new technologies and integrate new methods, practices or equipment that will improve our processes, for example in terms of product quality, employee well-being, customer experience or risk management.

To do so our unit and department managers dispose of diverse sources of information. These can include professional and technical fairs which reunite specialist suppliers and organisations and offer themed conferences on a range of subjects.

Our managers also keep themselves up to date via the specialised press, conferences, and reports.

Ensuring regulatory monitoring

Responsible Entrepreneur

Ensuring regulatory monitoring

The Environmental Management System for Bordeaux wines, overseen by the Mérithalle organisation, enables us to benefit from feedback during half-day meetings with participating neighbouring estates. These networking meetings, based around themes previously selected by members of the group, give us the opportunity to discuss and engage on aspects of good practice that some members have already implemented.

The company's reputation in terms of CSR brings it into regular contact with other businesses and higher education bodies, who are also sources of technological intelligence. New projects and specialised studies are also generated by the presence of work experience students and interns, who are regularly welcomed on our estates. A strategic budget calculated on the basis of annual turnover is allocated to fund innovative projects, the results of which are put into practice directly on our estates.

Concerning competitive intelligence, the company has identified numerous channels through which it can monitor the activity of its principal competitors. For each of our estates we have identified competitors present in the same distribution circuits, at the same price points and the same levels of quality. The work of our commercial networks constructed by our BtoB and BtoC teams via importers, participants in the Volunteer for International Experience programme, and agents, but also tracking via websites and social media, allows us to closely follow competitor activity and price positioning.



Responsible
Entrepreneur

BENCHMARKING

For many years the estate has carried out comparative studies to measure itself against other structures in terms of effectiveness and efficiency. This is a complex operation as the basis for comparison needs to be the same to compare and potentially identify transferable good practices. We analyse the information obtained for each of our procedures to modify or consolidate our action plans. Significantly, the generalized use of this practice represents a threshold of excellence for the AFAQ 26000, the international standard on CSR.

Our benchmarking operations cover several areas:

Wine quality

- Comparative tastings organised by the Union Saint Bruno,
- Evaluation by the Crus Bourgeois panel,
- AOC accreditation.

Performance

- Analysis of our economic performance within the industry by a company of chartered accountants.

Reduction of inputs

- TFI on phytosanitary products, herbicides, etc,
- Pesticide residues.

General (via Mérihalle, based on the study of 60 estates)

- The environment,
- Protection of the vines,
- The human element,
- Management.

Ensuring regulatory monitoring

Responsible Entrepreneur

**EVER MORE RESPONSIBLE VINEYARDS
FOR A BETTER FUTURE**

CHAPTER



EVER MORE
RESPONSIBLE
VINEYARDS
FOR A BETTER
FUTURE

Each year, Vignobles de Larose carries out a management review, the purpose of which is:

- to assess the progress of our strategy over the year.
- to verify the functioning and optimisation of all our procedures and departments,
- to ensure that resources allocated to strategic objectives correspond to results obtained or to be obtained,
- to summarize stakeholder feedback over the year and use it to modify or realign company strategy,
- to confirm and renew management commitment to objectives for the following year.

Within our CSR development strategy, continuous improvement is a fundamental principle at the core of our integrated Management System.

To develop effectiveness and efficiency in all our procedures, we must engage in a perpetual dynamic of advancement and improvement. This dynamic allows us, through the various mechanisms within the business and in interaction with our stakeholders, to uphold and disseminate the principles of Social Responsibility.

And working towards an ever greater level of responsibility, we have identified some areas for development in 2020, the results of which will be communicated in the next CSR report.



RESPONSIBLE FARMER

Trial of resistant grape varieties: Marselan

2020 saw the continuation of these trials led by our Winemaking teams, whilst our Viticulture unit continued its observations and trials in the vines to improve and build their understanding and mastery of this grape, different from our classic Bordeaux varieties, to produce the wines of tomorrow.

Preserving and developing Biodiversity

To evaluate the positive, or negative, impact of our actions on biodiversity, we will be undertaking a survey of our vineyards to:

- create a comprehensive register of the biodiversity in our parcels with an index of confidence sufficient to allow us to evaluate the impact of our activity over time,
- establish the relationship between the biodiversity present on our properties and agroecological infrastructures such as hedges and fallow land, with a view to encouraging biodiversity,
- define the dynamic between biodiversity and soil tilling,
- compare this data to other known data.

RESPONSIBLE PRODUCER

Sustainable use of resources

Following the analysis of our carbon footprint in 2018, we now need to prepare our action plan to reduce this footprint by 20% by 2025.

Ensuring customer satisfaction

A recent customer satisfaction survey produced a series of recommendations that our teams have worked hard to integrate into a brand-new online boutique which went live in 2020.



**EVER MORE
RESPONSIBLE
VINEYARDS
FOR A BETTER
FUTURE**



EVER MORE
RESPONSIBLE
VINEYARDS
FOR A BETTER
FUTURE

RESPONSIBLE MEMBER OF THE COMMUNITY

Contributing to territorial development

After the geographical study of our purchasing habits, we intend to focus even more strongly on the local area and integrate a CSR element into our purchasing policy.

2020 has also been the occasion to develop our partnership with LALOU MULTI, with whom we share many common values. Details of this partnership will be presented more fully in the next report.

RESPONSIBLE EMPLOYER

Respecting equality and diversity

We are partnering with a community-based social rehabilitation workshop to carry out vineyard work at our site in Saint Laurent.

Promoting social dialogue

The questions in our AES (Analysis of Employee Satisfaction) surveys are being revised in collaboration with employee representatives of the ESC to fine-tune the topics covered, reformulate certain questions and incorporate new subjects.

RESPONSIBLE ENTREPRENEUR

Business intelligence

The creation of a tool to centralise the information resulting from our commercial monitoring activities.