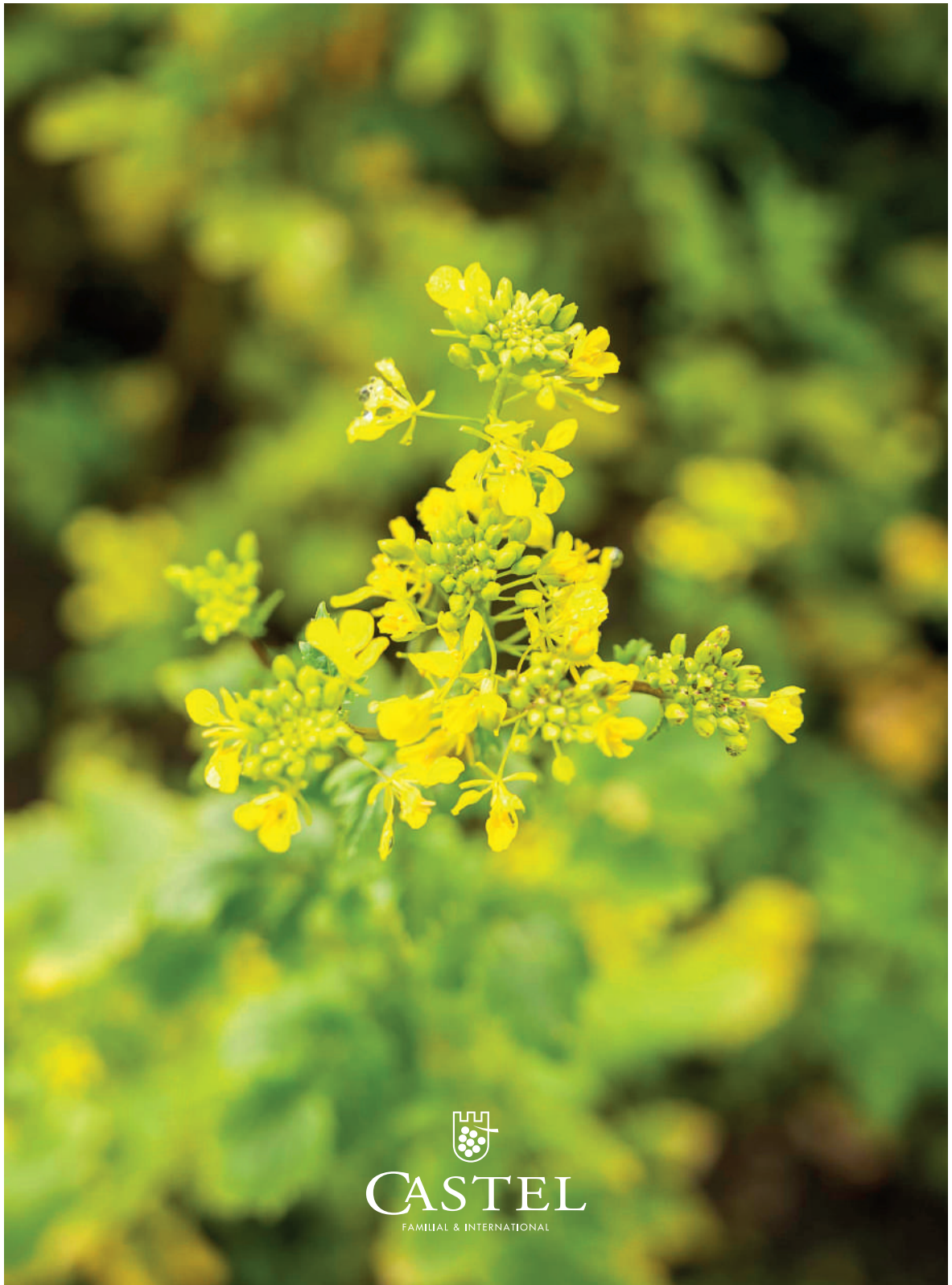


2023
(FINANCIAL YEAR 2022)



**CORPORATE SOCIAL
RESPONSIBILITY (CSR) REPORT**
CASTEL VINS

CONTENTS

P4/ 1. MISSION

P6/ 2. FOREWORD

P8/ THE CASTEL ECOSYSTEM

P12/ 4. BUSINESS MODEL AND CORPORATE GOVERNANCE

P18/ 5. OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT

P20/ 6. RISKS AND ISSUES

P23/ 7. SOCIAL RESPONSIBILITY

«Bringing people together and helping them grow, through wine»

P26 - Preventing and reducing health and safety risks in the workplace

P28 - Encouraging the development of our workforce, engaging our teams and giving them meaning

P30 - Ensuring fair, engaging and sustainable working conditions and relationships

P32 - Providing employees with a high quality working environment

P35/ 8. ENVIRONMENTAL RESPONSIBILITY

«Bringing nature and culture together»

P36 - Encouraging integrated and more respectful farming

P38 - Helping to preserve the biodiversity essential to our vineyards

P40 - Limiting water use and treating our waste water

P42 - Reducing waste and recovering it more effectively

P44 - Limiting the impact of packaging and developing the circular economy

P46 - Limiting our carbon footprint and improving energy efficiency

P49/ 9. SOCIAL RESPONSIBILITY

«Opening up the world of wine to all»

P50 - Promoting business ethics and fighting corruption

P52 - Promoting responsible sourcing

P54 - Guaranteeing product quality

P56 - Promoting responsible consumption and transparency of product information

P58 - Maintaining an ongoing dialogue with stakeholders

P60 - Strengthening our local presence and promoting the socio-economic development of local communities

**P62/ 10. OUR CONTRIBUTION TO SUSTAINABLE DEVELOPMENT GOALS (SDGS)
IN RELATION TO OUR COMMITMENTS**

1

MISSION



CASTEL


VIGNERONS - NÉGOCIANTS - COMMERÇANTS

4

For three generations, our family and our teams have been driven by a clear principle: **Bringing wine to life.**

This mission underpins and guides all our activities, as winemakers, wine merchants and wine retailers.

We do this with the entrepreneurial spirit and agility befitting a smaller business, and with scope of the international group we have become.



**" BRIN-
GING
WINE
TO LIFE "**

2. FOREWORD



This CSR report is issued voluntarily by Castel Vins.

The data indicated thus concern all the entities making up Castel Vins. Castel Vins also formalises a declaration of extra-financial performance (=DPEF) consolidated at group level with the two business divisions (Castel Bières and Castel Agro-Industriel). The figures for the strict DPEF* Castel Vins or Castel Frères more restrictive, will be specified if necessary.*

*Non-Financial Performance Declaration (NFRD) resulting from the European directive NFRD (Non Financial Reporting Directive) transposed into French law by Ordinance no. 2017-1180 of July 19, 2017 and Decree no. 2017-1265 of August 9, 2017.

A COMMITMENT TO BRINGING WINE TO LIFE IS NOT JUST WORDS: IT IS WHAT DRIVES AND UNITES US.

We have always been committed to preserving our family's wine-growing heritage - the know-how that gave birth to our company - and to preserving our expertise as retailers and wine merchants which has enabled our châteaux, our prestigious brands and our range of wines and grands crus to achieve the status that they enjoy today.

Our company has many facets. Our various complementary properties, production facilities and wine trading businesses coexist and interact, enriching each other and forging a common, sustainable path.

To ensure that this family commitment continues to honour the wine world, we have implemented a corporate responsibility policy that is both agile and concrete, like our group.

With our teams and partners, at economic, environmental, social and community levels, we strive to manage, adapt and fine-tune our development so it is both sustainable and profitable for all.

This we do with pragmatism, determination and efficiency.

Sophie Palatsi,
Quality and CSR Manager,

Philippe & Alain Castel
CEO and Managing Director, Castel Frères



3 THE CASTEL ECOSYSTEM OUR BUSINESSES

YOUR BUSINESS

WINEMAKERS



Originally a Bordeaux wine specialist, Castel has expanded its winegrowing know-how and today it boasts unique expertise in the French wine sector with a portfolio of 24 properties in the heart of the Bordeaux region, as well as in Muscadet, Provence, the Loire and Languedoc. Each property has been chosen for its character, originality and quality with the aim of showcasing its terroir, and a desire to respect and protect this heritage.

WINE TRADERS



This aspect of our business helps promote French savoir-faire throughout the world. It is undertaken at production sites in each of the main wine-growing regions of France, via nine independent and complementary wine trading businesses and sales companies: Patriarche, Barton & Guestier, Listel S.A.S, Barrière Frères, Castel Frères, CEnoalliance, Société des Vins de France, Vins Tranquille and Société des Vins de France. Over the years, Castel Vins has been able to combine its wine trading expertise with that of these historic French wine houses, offering a unique range to French and international distribution networks.

RETAILERS



Our retail outlets are the Nicolas chain (503 stores, 59 franchises), LES CHAIS DES SAVOURS (Craft and Beer) and VINATIS (France's leading online wine retailer). They share the same mission, to help consumers discover the wine that best suits them. These retail networks are run by professionals with in-depth knowledge of their products and the food pairings that best accompany them. Their mission is to help consumers enjoy French wine in all its diversity, giving them the best possible guidance in their choices. The specialised distribution business also enables our group to develop a wide range of wine-related services which in turn give consumers the opportunity to perfect their wine culture.

OUR ORGANISATION

CASTEL VINS

CASTLES AND GREAT WINES



● 24 PROPERTIES

- CHÂTEAU BARREYRES
- CHÂTEAU BEAUMONT (50%)
- CHÂTEAU BEYCHEVELLE (50%)
- CHÂTEAU CAMPET
- CHÂTEAU CAVALIER
- CHÂTEAU D'ARCINS
- CHÂTEAU DE GOËLANE
- CHÂTEAU DE HAUT COULON

- CHÂTEAU DE L'HYVERNIÈRE
- CHÂTEAU DU LORT
- CHÂTEAU DU BOUSQUET
- CHÂTEAU FERRANDE
- CHÂTEAU HOURTOU
- CHÂTEAU LATOUR CAMBLANES
- CHÂTEAU MALBEC
- CHÂTEAU MAGNAN LA GAFFELIÈRE
- CHÂTEAU MAGNOL

- CHÂTEAU MONTLABERT
- CHÂTEAU TOUR PRIGNAC
- CLOS DES ORFEUILLES
- CRU LA MAQUELINE
- DOMAINE DE LA BOTINIÈRE
- DOMAINE DE LA CLAPIÈRE
- DOMAINE DES HAUTES COTTIÈRES

● GREAT WINE TRADE



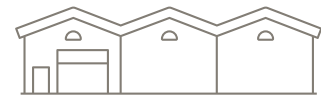
OVERSEAS

CASTEL CHINE
CASTEL JAPON
CASTEL POLOGNE
CASTEL RÉPUBLIQUE TCHÈQUE
BGPL USA
HERZBERGER
LFE (Pays Bas)
LFE (Allemagne)



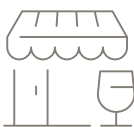
SERVICES

CAVE PATRIARCHE
CAVE DE SOPHIE
CAVE D'ARCINS
CAVE MONTLABERT
CAVE DU JURANÇON
CAVE DU LORT



PRODUCTION SITES

CASTEL ILE DE FRANCE
Thiais
CASTEL NOUVELLE AQUITAINE
Blanquefort et Jurançon
CASTEL RHÔNE
Saint-Priest
CASTEL LOIRE
la Chapelle-Heulin
CASTEL OCCITANIE
Béziers et Sète
CASTEL PROVENCE
Pierrefeu et Vidauban
CASTEL HAUTS DE FRANCE
Saint-Omer
CASTEL BOURGOGNE
Beaune



DISTRIBUTION

MAISON BEDHET VALETTE
COVINO
NICOLAS



WINE TRADING BUSINESSES

CASTEL FRÈRES
BARRIÈRE FRÈRES
BARTON & GUESTIER
LISTEL
PATRIARCHE (KRITER
Brut de Brut)



E-COMMERCE

VINATIS
LE SAVOUR



9

KEY DATES

1920

The Castel family and the world of wine: THE ADVENTURE BEGINS with their father, a vineyard worker.

1947

ALREADY PUSHING THE BOUNDARIES

Pierre Castel was 20 years old when he realised that exporting would be key to developing the family's wine business.

The first demijohns - the large glass jars that were to become the forerunners of BIB® - leave the port of Bordeaux for Africa.

1949

THE FAMILY BUSINESS

The Castel brothers and sisters set up the first export company (SECSO), which later becomes Castel Frères.

1956

Opening of a facility in Languedoc.

1957

WINE TRADERS AND WINEMAKERS

The Castel family acquires its first vineyard: Château de Goëlane, owned by Angel Castel, Pierre's brother and co-founder of the Castel company.

1963

THE DARING GAMBLE: MASS RETAILING

Castel wines arrive in the new supermarkets and hypermarkets, illustrating the ambition to make the family's wines accessible to as many consumers as possible.

1964

Opening of a new facility in the port of Bordeaux.

1975

New facilities open in the Rhône valley, Beaujolais and Provence.

1986

CREATING SUCCESSFUL BRANDS

Launch of Baron de Lestac, today considered to be France's favourite Bordeaux.

This was followed in each Castel wine region by other successful brands acclaimed by consumers:

- > Roche Mazet (IGP Pays d'OC in 1997)
- > Plessis Duval (Loire in 2007)
- > Aimé Roquesante (Provence in 2000).

1988

- WINEMAKER - WINE TRADER - RETAILER -

Acquisition of Nicolas, the leading network of wine and spirits distributors and stores, strengthening the relationship with consumers.

2000

FOLLOWING OUR INTUITION: CHINA

Signature of one of the first Chinese partnerships with Changyu, China's leading wine company.

QUALITY FIRST AND FOREMOST

Along with Castel's expertise, a systematic quality approach is adopted to ensure product excellence.

Creation of strategic roles: national winemaker, national quality manager and sustainable development manager.

2001

EVER MORE DARING

Construction in Blanquefort of the largest ageing cellar in Europe. With its capacity of 50,000 barrels, it reproduces methods tried and tested at Castel estates on a large scale.

2007

INNOVATION AT THE SERVICE OF THE CONSUMER

Acquisition of Friedrich, leader in the French Bag in Box® market.

Following in the footsteps of the demijohns of the previous century, Castel develops the BAG IN BOX (BIB), a new format that protects wine from air and light. Easy to transport and suitable for moderate consumption, it allows wine to be kept for up to two months.

● 2008

CASTLES AND GREAT WINES

CEnoalliance's Grands Crus wine trading business is taken over by Castel Frères.

In the same year, the Castel family buys Château Montlabert, a Saint-Émilion Grand Cru, confirming its aim to reveal the full potential of terroir and talent.

● 2009

CARING FOR THE PLANET, VINES AND SOCIETY

Commitment to Terra Vitis* certification, which will be extended to all Castel vineyards over time.

● 2010

ACQUISITIONS

Barton & Guestier, French wine specialist on international markets.

Château Magnol
Haut-Médoc Cru Bourgeois.

● 2010

CASTEL Blanquefort and Château Magnol (BARTON & GUESTIER) certified ISO 14 001 via the Bordeaux EMS (*Environmental Management System*). This collective initiative was launched by the CIVB (*Conseil Interprofessionnel du Vin de Bordeaux, the Bordeaux Wine Trade Council*).

● 2011

BUBBLES, BURGUNDY AND WINE TOURISM

Acquisition of Kriter: Castel develops genuine technical expertise in sparkling wines. Acquisition of Patriarche, a major Burgundy house in the heart of Beaune, specialising in AOC Bourgogne wines and wine tourism (5 km of underground cellars open to visitors).

● 2011

A JEWEL IN CASTEL'S CROWN

Growth and consolidation of the Châteaux portfolio with the acquisition of Château Beychevelle* - Grand Cru Classé Saint-Julien, which now includes 24 character properties with the potential to produce fine wines. Castel acquires Barrières Frères, a specialist in grands crus since 1932, to complement the historic Castel Frères network.

*50% with Japanese group Suntory.

● 2012

IFS (International Featured Standard) and BRC (British Retail Consortium) certification of the six main production facilities in France.

● 2014

A LEADER IN ROSÉ

Following the purchase of Château Cavalier in Provence in 2000, Castel continues to invest in the rapidly-growing rosé market with the acquisition of Listel SAS (2014), contributing to the rise of rosé on the international stage.

● 2015

19 Castel family properties obtain TERRA VITIS* certification.

● 2016

DARING TO MAKE BUBBLES IN BORDEAUX

Ever the visionary, Castel continues to innovate, developing sparkling Bordeaux wines under the Malesan brand. Several crémants are created, including Crémant de Maison Castel and Crémant Cru la Maqueline.

● 2017

IFS & BRC certification of the seven main production sites in France.

● 2018

Group code of conduct and LFE recognised by MVO (Dutch CSR label).

● 2020

CASTEL Blanquefort obtains Engagé RSE confirmé status (AFNOR's CSR label).

● 2022

Two châteaux obtain organic certification, five in conversion.

● 2022

Château Montlabert obtains Saint-Émilion Grand Cru CLASSÉ status.

Acquisition of Vinatis, France's leading online wine retailer.

*Terra Vitis : the only certification 100% dedicated to winemaking, created by winemakers for winemakers.

4 BUSINESS MODEL AND CORPORATE GOVERNANCE

KEY FIGURES



12



PRESENT
in over
140
COUNTRIES



Around **25%**
of CASTEL's business is
generated **internationally**



15
CASTEL BOTTLES
consumed in the world
every second



... with **75%**
in **France**.

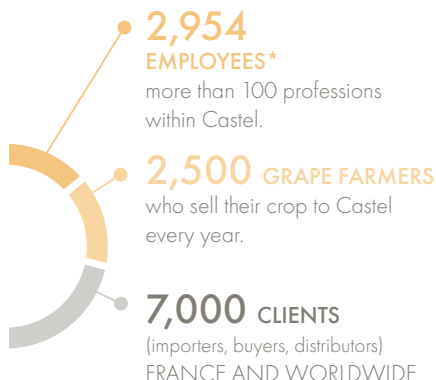


FAMILY ORIENTED
three generations of the Castel family
are involved in the company.

CASTEL
INDIRECTLY
EMPLOYS



45,000 PEOPLE
(including all wine business
activities and suppliers)



*Total workforce includes 685 NICOLAS managing agents.



- **1,400 ha.**
of vineyards in France
farmed using an integrated approach.



- **24 PROPERTIES**
In FRANCE
- **4 MAJOR WINE GROWING REGIONS** represented
(Bordeaux, Provence, Loire and Languedoc).
- **3 COLOURS** of wine
+ **1 SPARKLING**

- MORE THAN **500 GREAT WINE**
marketed
including **SEVERAL**
international or regional
EXCLUSIVES



13

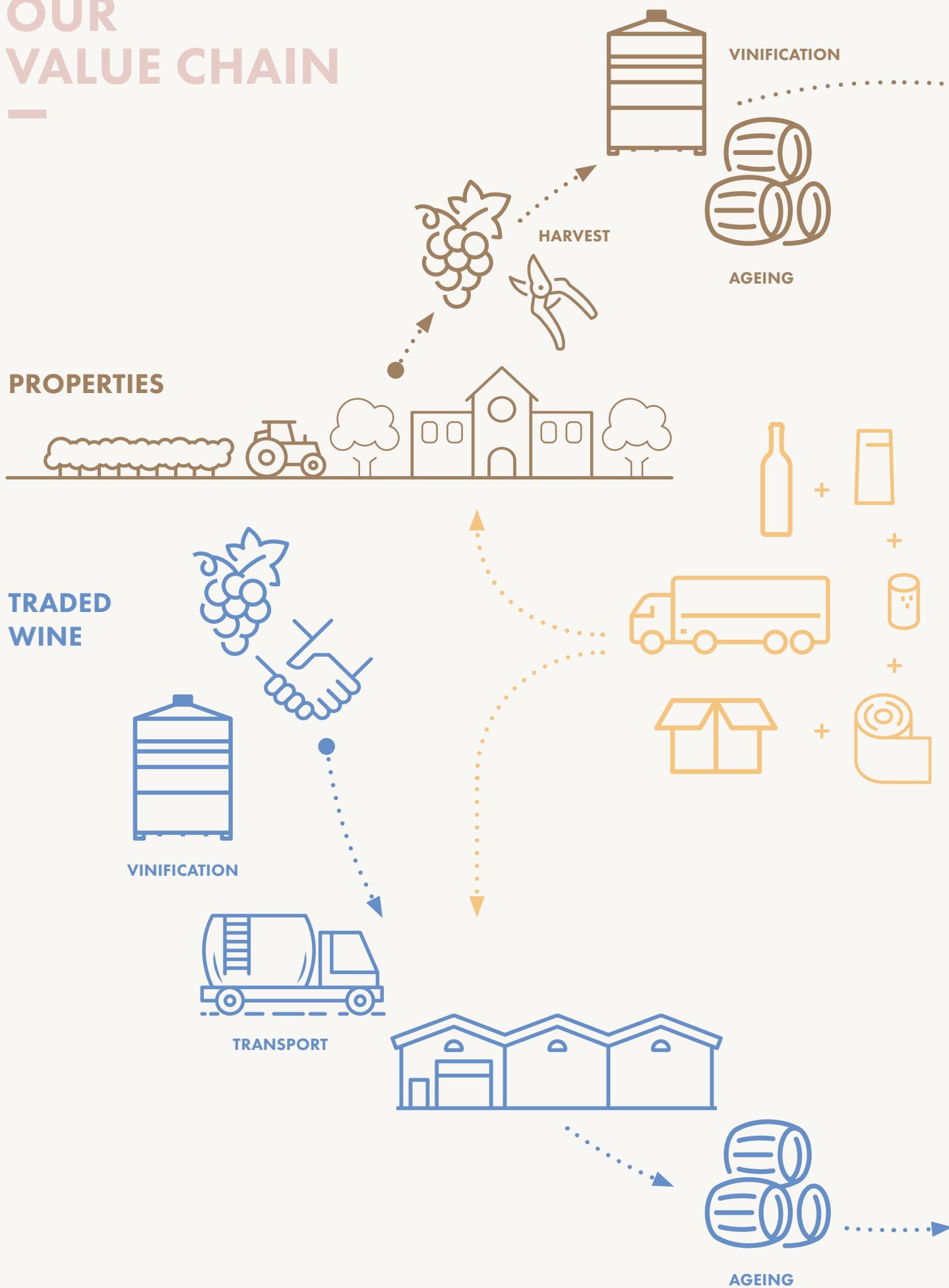
	2021	2022
Total production (HL ou Tonnes)	3 313 986	3 116 963
Variation in production compared to N-1	10%	- 7%
Workforce	2 056	2 269 *
Variation in workforce compared to N-1	-	4%
Turnover (K€)	1 165 000	1 101 700 **
Variation in turnover compared to N-1	-	-5%
Local taxes (K€) **	71 596	58 546 ***
Variation in local taxes compared to N-1	-	-18,2%

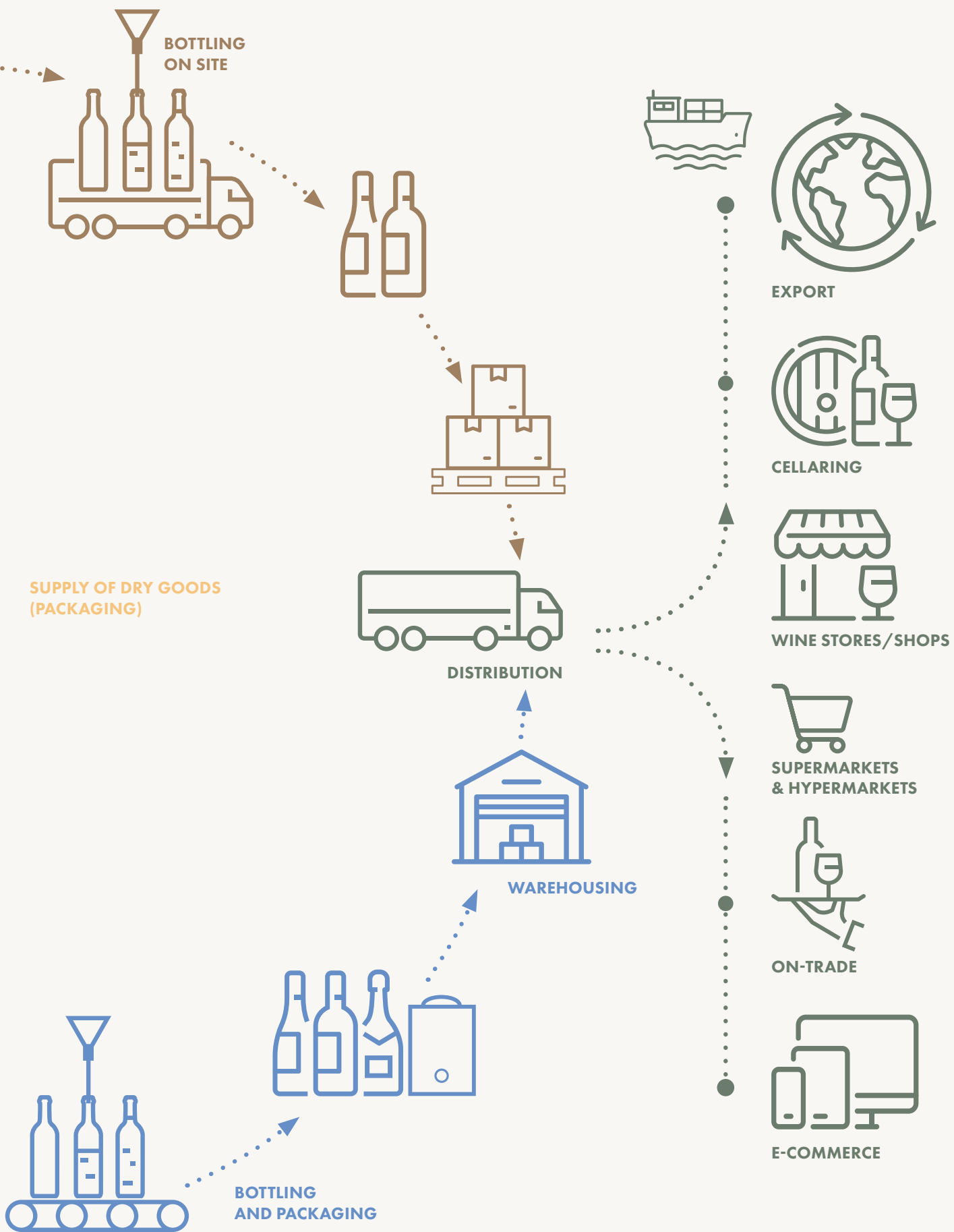
*Workforce includes permanent and temporary employees, including those of VINATIS excluding NICOLAS managers. The total workforce (including managers) is 2,954 employees.

**Turnover is the financial reporting entity.

***local taxes include IS, CFE and CVAE, property taxed and excise duty, VAT excluded.

OUR VALUE CHAIN







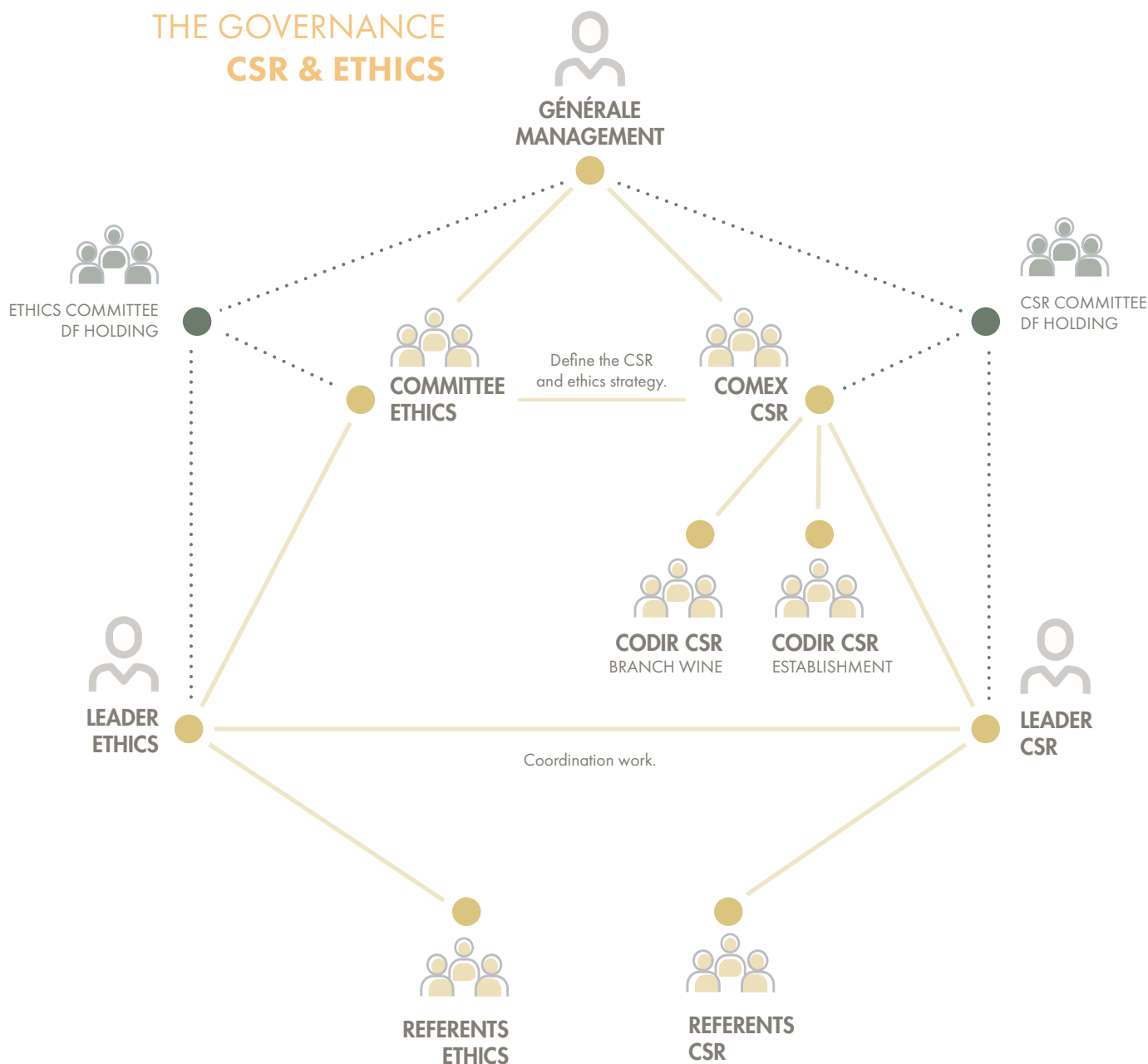
CORPORATE GOVERNANCE

Mandated by General Management, the governance of our wine business is organised around two axes.

- An Ethics Committee
- A CSR executive committee and two CSR management teams

Integrating CSR into Castel's management is essential to ensure that environmental and social criteria are taken into account by Castel's Support Organisations and Professions when managing their activities and measuring performance, in the same way as financial and economic criteria.

THE GOVERNANCE CSR & ETHICS





ETHICS COMMITTEE AND CODE OF CONDUCT

A Code of Conduct was adopted and published on our websites in 2017. The articles detail the conduct rules to be followed by employees in their professional activities. It reiterates the obligation to comply with laws and regulations, and illustrates situations of non-compliance. The Company also expects its business partners to apply standards of conduct equivalent to its own.

The Ethics Committee (the main body of the compliance programme and the vigilance plan) meets on a regular basis to monitor the application of the Code of Conduct, the ongoing training of employees and the handling of reports received through the various channels.

CSR EXECUTIVE COMMITTEE AND MANAGEMENT TEAMS

Since 2022, a CSR executive committee and two CSR management teams (mandated by General Management) act in all circumstances in the interests of the company. Replacing the CSR Steering Committee created in 2019, the executive committee defines the company's short-, medium- and long-term CSR strategy by setting objectives and indicators according to established trajectories, while the CSR management teams implement the relevant action plans in accordance with the strategy in each of their ecosystems.

To complement the executive committee and management teams, working groups address CSR issues on specific themes such as responsible packaging or purchasing, the environmental strategy of Castel and estates, etc.

Local CSR committees are also run in the company's various entities.

5 OUR COMMITMENT TO SUSTAINABLE DEVELOPMENT

As a result of its international development and local presence, the Castel Group and its subsidiaries want to position themselves as committed players and respond to the many socio-economic challenges faced by companies in the agri-food sector today.

As a signatory of the principles of the United Nations Global Compact since 2019, **the Company has publicly committed to aligning** its long-term strategy with the **10 universal principles**.

18

10 PRINCIPLES OF THE GLOBAL COMPACT

HUMAN RIGHTS

Support and respect the protection of internationally proclaimed human rights, and ensure we are not complicit in human rights abuses.

ENVIRONMENT

Support a precautionary approach to environmental challenges and undertake initiatives to promote greater environmental responsibility.

LABOUR

Respect freedom of association and recognise the right to collective bargaining.

Contribute to the elimination of all discrimination in terms of employment.

Contribute to the effective abolition of child labour.

Contribute to the elimination of all forms of forced or compulsory labour.

ANTI-CORRUPTION

Work against corruption in all its forms, including extortion and bribery.



SUSTAINABLE DEVELOPMENT GOALS FOR 2030

Adopted in 2015 by all the Member States of the United Nations, **the 17 Sustainable Development Goals (SDGs)** define the priority areas for joint efforts by governments, businesses and civil society. The measures taken in response to the significant extra-financial risks of our activities help us to achieve some of these goals.



6. STRATEGIC RISKS AND ISSUES

METHODOLOGY FOR IDENTIFYING AND ASSESSING NON-FINANCIAL RISKS

This collection of data is based on previous non-financial reporting regulations, on the integration of the aforementioned ordinance and decree, as well as on the definitions of the International Labour Organisation and the international standards ISO 26000 and the Global Reporting Initiative.

Inspired by the standards of the Global Reporting Initiative, the United Nations Global Compact, ISO 26000 and the non-financial reporting regulations (European NFRD Directive), the analysis was carried out in four stages:

These risks are described in detail in the following chapters, followed by the policies, systems or actions that respond to them, and indicators to measure the effectiveness of the resources implemented to manage these risks.

1- Identification of topics of interest: conducted on the basis of topics already addressed by Castel in its public documents, a benchmark of the competition, the official plan drawn up by the French wine sector, trade body policies, and finally the central questions of the ISO 26000 standard.

Of the 180 issues identified, 22 were selected for further, in-depth analysis.

2- Consultation and prioritisation during which the CSR STEERING COMMITTEE, made up of Castel's organisational and business line directors, prioritised the CSR topics identified.

3- Consolidation by calculating the averages of the results obtained in order to define the position of the issue.

4- Approval of the issues at the CSR STEERING COMMITTEE (April 2019).



**SOCIAL
RESPONSIBILITY**

Health and safety at work: risks of accidents at work or on the road, and occupational illnesses.

Training and attractiveness of professions: risk of not meeting employee expectations in terms of upgrading their skills, and risk of jobs becoming less attractive.

Other risks related to working relationships and conditions: risk of employees not being listened to, which could have a negative impact on working conditions (social dialogue, discrimination, pay policy, working hours, harassment, social protection, equal treatment).



ENVIRONMENTAL RESPONSIBILITY

Integrated farming: risks of pollution and soil impoverishment

Vine treatment / soil management.

Preservation of biodiversity: risks of over-exploitation of resources leading to loss of biological diversity and degradation of ecosystems, soil richness and oxygenation of environments.

Water management and wastewater treatment: risks of major withdrawals of water resources and pollution from untreated effluent.

Waste management and eco-design: risks of environmental pollution and harm to biodiversity through excessive packaging production and poor control of waste end-of-life.

Energy management and climate change: risks of an unfavourable energy balance and insufficient action to mitigate and adapt to climate change.



SOCIAL RESPONSIBILITY

Dialogue with stakeholders: risk of being unaware of/misunderstanding the expectations of external stakeholders.

Presence within local communities and heritage: risk of actions not meeting stakeholder expectations.

Product quality, consumer health and safety and consumer satisfaction: risk of product quality failures, and of not meeting customer and consumer expectations.

Responsible consumption: risk of failing to prevent the consequences of abusive consumption of alcoholic and sugary products.

Vigilance plan: risk of non-compliance with laws and regulations by commercial partners.

Responsible purchasing: risk of difficulties in sourcing raw materials and failure to integrate the social, societal and environmental impacts on our suppliers.

These risks are described in detail in the following chapters, followed by the corresponding policies, systems and actions, and indicators to measure the effectiveness of the resources deployed to manage these risks.

DATA COLLECTION

The information available in this report is based on data collected from all Castel Vins entities.

It excludes sites that may have closed during the year, but includes new sites opened during the year.

The indicators selected were judged to be the most relevant in terms of the risks incurred, the opportunities available and stakeholder expectations. Based on the assessment of these risks, the CSR department describes the policies and actions implemented to reduce or mitigate them, as well as the results obtained during the reporting period by means of result and performance indicators.

VERIFICATION BY AN INDEPENDENT THIRD-PARTY ORGANISATION (ITO)

In accordance with regulatory requirements, the information in this report has been verified by an independent third-party organisation as part of the Group's consolidated Extra-Financial Performance Declaration.

This body issues a reasoned opinion on :

- Compliance with the provisions of article R. 225-105 of the French Commercial Code;
- The fairness of the information provided pursuant to 3° of I and II of article R. 225-105 of the French Commercial Code, i.e. the policies, actions and results, including key performance indicators, relating to the main risks.





7.

SOCIAL RESPONSIBILITY

« BRINGING
PEOPLE TOGETHER
AND HELPING
THEM GROW,
THROUGH WINE »



23



SOCIAL RESPONSIBILITY ISSUES

Employees are our company’s main asset. Economic and ecological instability, the changing nature of business and the growing importance of intangible assets (know-how, quality, brand image, etc.) to a company’s long-term survival are all factors that reinforce this fact. By placing people at the heart of its strategy, human resources policy addresses the social challenges of our business and contributes to a win-win employee-company relationship.



	2020	2021	2022
WORKFORCE	2090	2056	2269

+10.3%*
variation
2021-2022

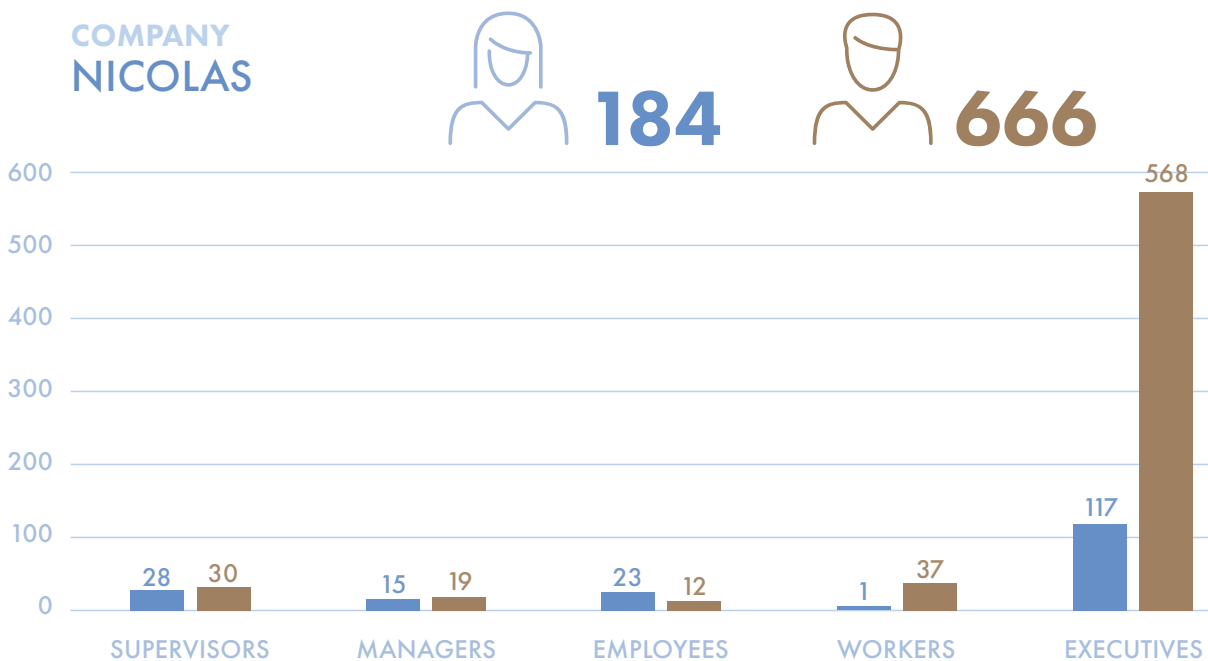
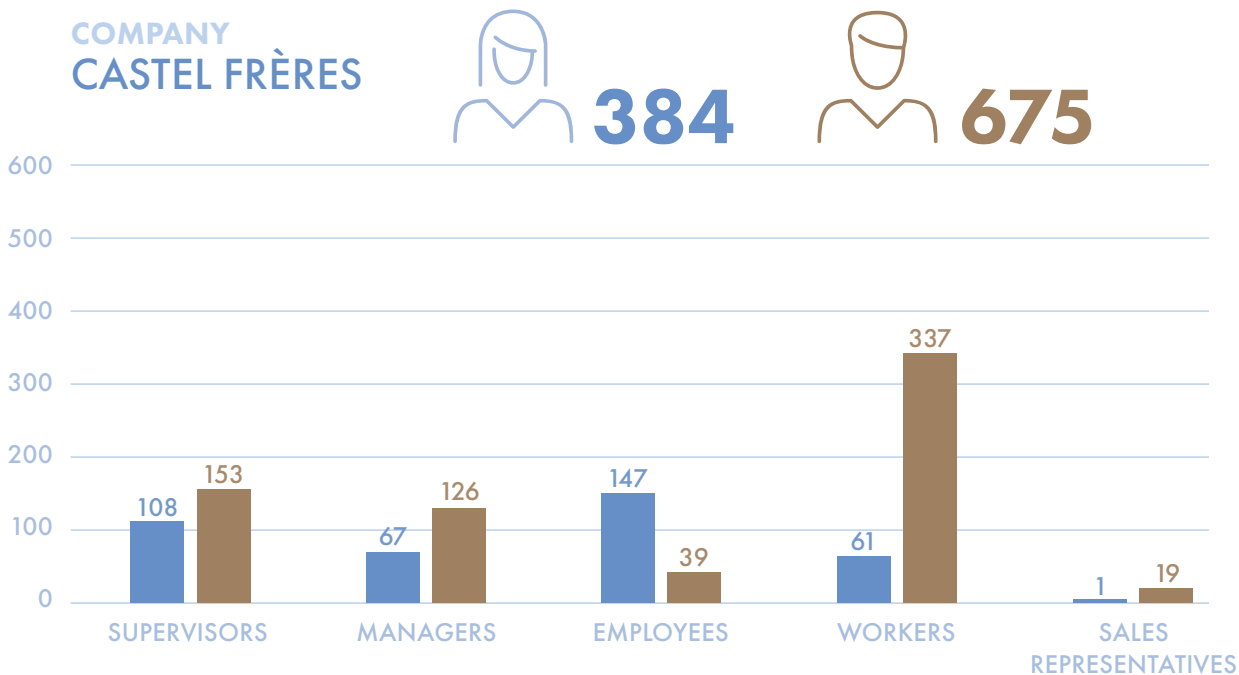
24

**The change in the 2022 workforce is mainly due to the integration of the VINATIS workforce.*



GENDER DISTRIBUTION AND SOCIO-PROFESSIONAL CATEGORIES*

*CASTEL FRÈRES and NICOLAS account for the majority of employees.





PREVENTING AND REDUCING HEALTH & SAFETY RISKS IN THE WORKPLACE

The risk of occupational accidents is assessed as a significant risk for Castel Vins' activities. The company's production and distribution activities involve risk factors for accidents at work that are intrinsic to the agriculture, industry and distribution.

The risk of occupational illness arises from the usual exposure, of varying duration, of a worker to a physical, chemical or biological risk, or from the conditions in which he or she carries out his or her professional activity. Without adequate protection against identified risk factors, an employee is likely to develop certain pathologies (musculoskeletal disorders, deafness, etc.). Risks linked to alcoholism and diabetes caused by excessive consumption on the part of employees are also identified as probable.

POLICIES AND PROCEDURES IMPLEMENTED

Ensuring safe and healthy working conditions is an important responsibility for employers and employees, as occupational health and safety risks can have serious consequences for the company as a whole. In order to prevent and reduce occupational health and safety risks, it is important to implement and guarantee safe working policies and practices, especially in the particular context of the post-COVID era. Employees are more demanding and expect the company to take a more comprehensive approach to occupational health. To achieve this, CASTEL Vins is taking a three-pronged approach to occupational health: prevention, training and communication. Our objective is to be ever-more demanding in terms of health and safety in the workplace, with both permanent and external employees, and thus to aim for zero accidents.

PREVENTION

Prevention is all about anticipating dangers. The SEC (social and economic committee), CSSCT (health, safety and working conditions committee of the SEC), all management departments, HR departments and safety representatives are all active in health, safety and prevention. HR departments and safety representatives are all active in health, safety and prevention.

- **Risk assessment:** the DUERP (Single occupational risk assessment document) is updated annually, covering:
 - An analysis of working conditions and the occupational risks to which employees may be exposed.
 - Checking compliance with legislative and regulatory requirements through inspections and surveys.
 - Developing prevention through awareness-raising and information campaigns.
 - Analysing the circumstances and causes of accidents at work or occupational or work-related illnesses, via surveys.

This DUERP is presented to the IRP (staff council) and made available to employees on request.

- **Accidents:** Analysis of the circumstances and causes of accidents at work, occupational illnesses and occupational occupational illnesses are analysed by means of surveys or reports kept by the Personnel Department. The accidents analysed lead to the implementation of awareness-raising and information initiatives in particular through the Social Report and the IRPs (prevention training on the use of PPE (personal protective equipment), energy-efficient driving training for itinerant workers, etc.).
- **Protective equipment:** Workers are equipped with appropriate clothing and PPE to minimise the risks to their health and safety.

INFORMATION AND TRAINING

Workers must be trained and informed about the risks associated with their work, and the preventive measures put in place to ensure their safety.

- As part of the prevention plan, regular training is provided, particularly on the following subjects: first aid, fire, use of hazardous products, specific machines, forklift driver/CACES licence, knowledge about first aid actions and positions, etc.
- OHS aspects are included in the induction programme for new employees to ensure there is a sufficient number of OHS staff in each environment.
- Specific training initiatives are also being developed in certain entities:
 - Raising awareness about responsible drinking for off-trade consumers (Nicolas)
 - Recruitment of a nurse (Nicolas and Castel Frères Thiais site).

Employees are involved in the management of health and safety at work and are encouraged to report any potential risks through meetings with social partners, Health, Safety and Working Conditions committee (CSSCT) meetings where appropriate.

SUPPORT AND ACTIONS

The new Occupational Health Act was adopted on August 2nd 2021 and came into force on April 1st of the following year. Its aim is to reinforce prevention in companies, prevent people from losing their jobs and improve individual and medical monitoring of employees. CASTEL Vins has already adopted a number of new measures under this law to improve the exchange of information and the expectations of employees and the company:

- **An optional liaison meeting** may be organised after 30 days' absence, on the initiative of the employee or his employer, to organise the return to work as effectively as possible, with the involvement of the occupational physician or occupational nurse (IDEST).
- **The mid-career medical check-up:** from the age of 45, employees are now required to undergo a compulsory medical check-up to ensure that their workstation is suitable for their state of health, taking into account the exposure to occupational risk factors to which they are subject. It also provides an opportunity to assess the risks of losing one's job and to raise awareness of the challenges of ageing, as well as providing an overall assessment of the employee's career and career direction.
- **Health and safety training for employees:** All health and safety training taken by employees must be included in this passport (in force from October 1st, 2022).
- **Training for elected employee representatives:** The Health at Work Act provides for a minimum of five days' health, safety and working conditions training for members of the SEC, who will be entitled to an additional three days' training if their mandate is renewed. Members of the health, safety and working conditions committee (CSSCT) receive an additional five days' training. The cost of the training is borne by the employer.

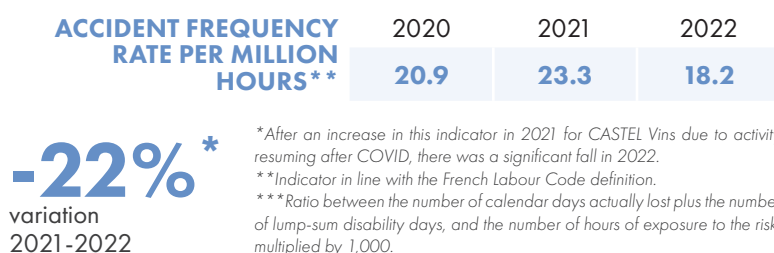
There are also individual and voluntary initiatives that go beyond the purely legislative framework:

- Nicolas has set up a support unit with a social worker and a Cancer and Employment unit.
- LFE PAYS BAS has hired a social worker to provide front-line support in the event that employees are faced with stress or social problems.

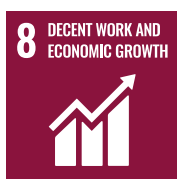
Putting measures in place relating to RESPONSIBLE DRINKING

Our employees are often passionate about their work, and thus it is important to remind them of the rules relating to drinking in the workplace and in the course of their duties:

- Reminder in the Internal Regulations of the production sites
- Setting up a process for organising festive events in-house
- The art of tasting
- Annual health check for Nicolas oenologists
- Implementation of a process in the event of alcoholism or inebriated staff member in the workplace



ENCOURAGING THE DEVELOPMENT OF OUR HUMAN CAPITAL, ENGAGING OUR TEAMS AND GIVING THEM MEANING



As a company operating in the wine and industry sectors, Castel Vins needs to train and retain people with wine and/or technical skills, adapt to technological developments in production processes and IT, train for new professions and areas of expertise, keep a constant watch on regulations and the sector, and reinvent its sales offering.

Training plans must therefore take into account the challenges of the sector, technological change and business development, as well as the needs expressed by managers and employees during annual appraisals. The transition to e-learning training systems, particularly since the reduction in face-to-face training and travel due to the health crisis, but also due to employees' expectations of a flexible offering, also needs to be taken into account.

POLICIES AND PROCEDURES IMPLEMENTED

Human capital represents the skills, knowledge and experience of workers that contribute to the creation of wealth and innovation in a company or economy. By encouraging the development of human capital Castel Vins can improve its productivity and competitiveness, while offering employees opportunities for advancement and personal development. The development of human capital includes :

- **Attractiveness of our professions and skills**
- **Professional training**
- **Priority given to stable employment**

ATTRACTING TALENT TO OUR BUSINESSES

To attract talent and promote our businesses, we need to stand out from the crowd and professionalise our recruitment methods. The employee experience must therefore convey the values, identity and culture of Castel Vins' entities throughout the employee's career.

Recruitment

Capitalising on our strengths:

Castel Vins' entities, including Castel Frères and Nicolas, and their presence in France and abroad, represent a wide range of winerelated professions. This means there is an opportunity to experience several professions within the same group, and at a time when authenticity and experience are prized, this is a major advantage. Employees can take advantage of Group benefits (Profit-sharing/Interest/Potential for career development).

Professionalising our recruitment methods:

To date, we have given priority to internal recruitment, and certain entities have their own recruitment procedures.

Integration

The induction process begins as soon as the employee's application is approved. Integration procedures and plans exist within certain entities or departments. These plans are specific to the working environment but need to be structured or strengthened.

Individual interviews

To facilitate and professionalise the interviews carried out in each entity (the annual Professional Development interview, the compulsory two-yearly professional interview, review interview every six years, etc.), the company has acquired HRIS (Human Resources Information System) software which will be tested in 2023 on the pilot entities of Castel Ile de France (Thiais) and Nicolas (Thiais) before being rolled out widely. Feedback on employees' experience of the company at different dates (eg. information obtained from reporting systems already in place) has not yet been integrated.

SKILLS DEVELOPMENT / TRAINING

Vocational training has two main strands:

- **Initial training:** developing the basic skills required for the position held by the employee
- **On-going training:** maintaining skills and developing new ones in line with changes in the business

Castel Frères has a sales training centre whose mission is to regularly improve the skills of its sales force and marketing department teams. Certain training courses are «transferable» (e.g. Company Discovery Day or management) and other departments have benefited from training provided by the sales training centre. Nicolas has a training centre with the QUALIOP label (quality guarantee of services), which, in addition to being a guarantee of quality, makes it possible to obtain financial aid and therefore give employees more training. Validation of the five-week training course provided by the Nicolas training school is a legal requirement for anyone wishing to manage a Nicolas store as a non-salaried representative manager.

As part of maintaining and developing the skills of Castel employees, a training programme is run annually in each entity, based on the challenges identified by each organisation.

This is put together based on:

- Safety requirements, depending on the risks, or developing prevention via awareness-raising initiatives
- Individual and professional interviews to identify needs
- The need to reinforce employees' level of competence

BOOSTING THE ATTRACTIVENESS OF THE BUSINESS / COMMUNICATING ABOUT OUR PROFESSIONS

- CIVB: CASTEL'S PRESENCE DURING BORDEAUX FETE LE VIN (JUNE 23rd – 26th 2022)

Castel presented its wine trading activity on the Bordeaux Négocio stand as part of an exhibition entitled Paroles de Négociants. Aimed at the general public, this immersive experience featured an exhibition of 16 photo-portraits of employees who are committed to and proud of their jobs. Five Castel employees (Blanquefort and Head Office) took part in this event.

- An initiative by our teams to boost recruitment and the attractiveness of our professions

was undertaken on LINKEDIN via the FORSTAFF & Castel Frères recruitment agency to raise awareness of the marketing professions, in which three employees took part.

- Recruitment of several work-study candidates:

younger people have been particularly hard hit by the economic situation and some of them had to suspend their studies during the pandemic. Castel Vins companies have responded to this situation, and a number of work-study students are currently working in Castel Vins' various departments and entities, with 55 apprentices and 36 trainees expected to join the company in 2022.

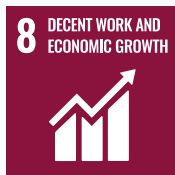
In 2022, 1,246 employees were trained, ie. 30% more than the previous year, with an average of 10.3 hours of training per employee.



NUMBER OF EMPLOYEES TRAINED	2020	2021	2022	+30,3% variation 2021-2022
	804	956	1,246	
NUMBER OF TRAINING HOURS PER EMPLOYEE	2020	2021	2022	+28,7% variation 2021-2022
	9	8	10.3	

Number of training hours per employee = total hours of training over the year / total workforce

ENSURING FAIR, ENGAGING AND SUSTAINABLE WORKING CONDITIONS AND RELATIONSHIPS



Working conditions and relationships cover a wide range of issues, the risk levels of which are specific to each type of organisation. The following subjects are partially or fully identified in the risk maps drawn up, although they do not constitute significant risks in their assessment.

- Social dialogue and freedom of association
- Discrimination
- Equal treatment
- Wage policy
- Working hours
- Social protection
- Bullying and sexual harassment

POLICIES AND PROCEDURES IMPLEMENTED

Castel Vins pays particular attention to :

- Promoting effective social dialogue within the company
- Equal opportunities
- Respect for human rights and fundamental freedoms
- Continuous improvement and adaptation of working conditions

SOCIAL DIALOGUE HAS SEVERAL ASPECTS AND DIFFERENT CHANNELS.

- **Staff councils:** meetings with employee representatives from the staff councils promote social dialogue. These regular (often monthly) meetings allow information to flow between management and employees. The last elections took place in 2022 for Castel Frères and in 2023 for Nicolas. The term of office is four years. A central body - CSE CENTRAL - is managed centrally. Castel Frères and Nicolas each have a CENTRAL works council.
- **Negotiations with union representatives:** Agreements may be signed jointly with union representatives and management. In 2022, the following agreements were signed: teleworking, NAO (Négociations Annuelles Obligatoires – compulsory annual negotiations).
- **Quarterly meetings between the Group Human Resources Department (HRD) and HR departments of individual sites** since 2021.
- **Internal communication:** Despite a desire to implement more extensive internal communication (e.g. Castel Thiais + Blanquefort + La Chapelle sites newsletters), the internal communication strategy of Castel Frères and Nicolas needs to be strengthened.
- **Tribes/workshops/groups:** Workshops with employees on CSR themes have enabled employees to express their views on everyday issues. Specific actions have been proposed to General Management. The results were generally positive and were presented to all employees in the areas concerned.

EQUAL OPPORTUNITIES

Castel Frères and Nicolas have put in place a number of measures to promote equal opportunities in the workplace:

- **Establishing fair recruitment and promotion policies**
- Implementing actions in specific agreements: Quality of Life at Work and Equality for Women Agreement (to be renegotiated in 2023), Seniors Agreement.
- **Monitor the results of the Gender Index:** Analyse and measure the results, and implement an action plan if necessary. In 2021, the encouraging rates of 86/100 for Castel Frères and 91/100 for Nicolas confirm equal pay for men and women (> 75 points). In 2022, employee turnover was the main cause of the deterioration in the scores for Castel Frères (77/100) and Nicolas (89/100).
- **Prevention of sexual harassment and sexist comments:** a harassment officer is appointed by the elected representatives of the staff council. His or her role is to guide, inform and support employees in the fight against harassment and sexist behaviour.
- Implementation of a **Code of Conduct and a reporting platform in the event** of serious discriminatory misconduct.

RESPECT FOR HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS

Ethics

The **Code of Conduct**, and in particular Article 15 Respect for Employees, which applies to all employees, states that everyone is bound **to respect human rights and fundamental rights** as set out in international labour conventions. The reporting procedure also applies. At the end of 2020 this procedure was revised by redesigning the **online platform** for receiving reports (<https://groupe-castel-gan-compliance.com>) and opening it up to third parties, making it more effective and complementary to other means of redress. Alerts and reports of non-compliance can in fact be received by ethics and CSR officers, as well as through the reporting boxes.

Internal regulations

The internal regulations are a document setting out the rights and obligations of employees within the company or establishment.

They are drawn up by the employer. This document sets out only the rules applicable within the company in terms of health, safety and discipline. In particular, it sets out the nature and scale of sanctions that the employer may impose on the employee.

WORKING CONDITIONS

- **Pay policy:** Pay policy includes all the remuneration and benefits granted to an employee. Remuneration is a powerful motivator. Castel Vins companies base their pay policy on a number of factors, such as the legal and contractual minimums, benchmarking, and monitoring the sector's remuneration.

Pay rises are collective or individual.

- Collective system: Every year, the NAO (Négociations Annuelles Obligatoires - compulsory annual negotiations) are held to negotiate collective pay rises or benefits.
- Individual system: Depending on the position, an individual bonus based on individual performance may be awarded (contractual or exceptional). Benefits linked to the position or function may be granted according to specific scales. Working hours are 35 hours in the Wines sector in all companies, excluding the Nicolas stores (Non-Employee Managing Directors).
- **Social protection:** All employees are covered by social protection, mutual insurance and provident schemes. Each year, a report is presented by the welfare organisation to the elected representatives and management. All employees benefit from occupational medicine and even on-site nursing services. A provident fund agreement is negotiated with the union representatives.

A **BSI (Bilan Social Individualisé – individual social assessment)** is planned, to give each employee an individual view of his or her remuneration performance.

NUMBER OF MEETINGS WITH SOCIAL PARTNERS

2020	2021	2022
60	122	66

-45.9%*
variation
2021-2022

*In 2022, 66 meetings were held with the social partners. The decline compared to 2021 is explained by a return to normal pace of meetings, after the pandemic.



PROVIDING EMPLOYEES WITH A QUALITY WORKING ENVIRONMENT

Providing a quality working environment means treating the workplace as a living space. One of the definitions of **Quality of Life at Work** (QLW) most commonly used in France comes from ANACT (Association Nationale des Conditions de Travail):

«Quality of Life at Work designates and groups under a single heading the actions that make it possible to reconcile both the improvement of working conditions for employees and the overall performance of companies, all the more so when their organisations are changing.»

Thus quality of life at work relates not just to physical and mental health, but also to a range of factors linked to an individual's work and environment. If employees feel good at work, they will perform better, be more present and more motivated. If employees have a balance between their professional and personal lives, they will be able to invest themselves fully without this being to the detriment of their personal lives.

A quality working environment therefore involves a number of parameters that need to be taken into account:

- The working environment
- Management that contributes to good cohesion
- Effective internal communication
- The work-life balance



POLICIES & PROCEDURES IMPLEMENTED

WORKING ENVIRONMENT

The workplace

A pleasant workplace is essential to promote employee well-being, motivation and productivity. The workplace has been designed to offer :

- **The equipment needed** to do the job effectively
- **Ergonomics**, with studies carried out by the occupational physician or occupational nursing services
- **Acoustic comfort**: for jobs exposed to noise, employees are provided with specific PPE
- **Relaxation areas** where employees can rest, switch off and socialise
- **Aesthetic design**: wherever possible, an aesthetically pleasing environment is chosen to promote a pleasant atmosphere.
- **Cleanliness and tidiness**: a daily cleaning service is provided in order to maintain a clean and tidy working environment
- **Parking**: all sites have a private car park where employees can park their vehicles safely and free of charge.

Mobility plan

The Mobility Plan is a set of measures designed to optimise and increase the travel efficiency of company employees, in order to reduce access constraints, emissions that cause pollution and road traffic. At the Thiais Castel Frères/Nicolas site, a mobility plan is currently being finalised. Particularly affected by access problems linked to the constant traffic jams on the access zones and the difficulties of access via public transport, the site has put in place several measures:

- Employee benefits that are not known/not communicated (e.g. 50% public transport paid for, 75% for Nicolas workers)
- Since September 2022, a private shuttle service has been available to all nearby stations, providing secure access to the site. Approximately 30 people use this service.
- Car pooling is encouraged during mobility days. Possibility of introducing the FMD (sustainable mobility package).

Social occasions

Castel Vins companies encourage social occasions. Because of our business and family values, these occasions involving our products are appreciated and take different forms: group breakfasts, CSE (works council) meals, end-of-year meals, presentation of longservice awards, seminars, etc.

Catering

Each site provides a dining space where quiet meals can be taken. Different initiatives are put in place depending on the catering facilities available and the workplace: cafeterias, luncheon vouchers, fridges with fresh food.

Social barometer

LFE PAYS BAS aims to improve the general well-being of its employees by launching Our Best Place 2 Work to measure employee satisfaction and make further improvements.

WORK/LIFE BALANCE

Teleworking

The introduction of teleworking has made it possible to achieve a better balance in terms of managing employees' time by reducing the amount of time spent travelling, which is a source of additional fatigue. LFE PAYS BAS facilitates teleworking by allowing up to 50% of the time to be spent at home. They also invest in a desk and additional screens if necessary. A check on working conditions at home can also be organised.

The right to disconnect

This principle, aimed at guaranteeing the effectiveness of employees' right to rest, is reiterated in the teleworking agreement and in fixed-day contracts.

QLW AGREEMENT (Quality of Life at Work)

The renewal of the Gender Equality and QLW Agreement is scheduled for 2023 and will be adapted to specific environments.







8.

ENVIRONMENTAL RESPONSIBILITY

« *BRINGING NATURE
AND CULTURE
TOGETHER* »



35

ENCOURAGING INTEGRATED AND MORE RESPECTFUL FARMING



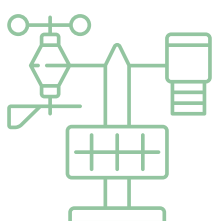
Since 2011, Castel Vins has been committed to sustainable, integrated winegrowing, in particular through the environmental certification of Castel Castles and Estates. This is a key commitment to maintaining the environment's capacity to adapt, and to developing sustainable production methods that ensure the long-term future of the vineyards and meet consumer expectations.

CASTLES AND ESTATES



For Castel's winegrowing activities (Castles and Estates), choosing **TERRA VITIS certification** more than 10 years ago and **HVE** (High Environmental Value) certification in 2018 have enabled all 10 castles to take specific steps, including:

- **Stopping the use of CMR molecules** (carcinogenic, mutagenic, toxic to reproduction) classified as category 1, and adopting integrated farming.
- **Rationalising the use of fertilisers** and plant protection products.
- **Stopping the use of herbicides** (working the soil and planting grass allows weeds to be destroyed selectively without damaging the vines or the soil).
- **Stimulation of the plant's natural defences**, a strategy that allows the vine to trigger its own defences at a much higher level than those obtained naturally, making it more resistant to various diseases and avoiding treatments.



Most of Castel's Castles and Estates have their own **weather station** and work with a company called Sencrop to collect data. Meteorological data (rainfall, wind speed/direction and humidity) is collected and processed **to help adapt practices**, minimise the number of passes through the vineyard and **anticipate weather phenomena that could have an impact on the vines**. The aim of this integrated farming strategy can be summed up as using **the right treatment, at the right time, in the right dose**.



951.5 ha

of vineyards in Terra Vitis + HVE.

i.e. 86,2% of the vineyard surface area.



152.7 ha

of vineyards in organic conversion or certified organic.

i.e. 13.8% of the vineyard surface area.

Some of Castel's Castles are also involved in other complementary initiatives to promote **integrated farming**, the development of sustainable production methods and the reduction of the impact of their activities on the environment:

- Château Beychevelle and Château Beaumont (BARRIÈRE FRÈRES): ISO 14 0001 certification through the Environmental Management System (EMS) for Bordeaux wines, a CIVB (Conseil Interprofessionnel des Vins de Bordeaux) initiative.
- Château Magnol (BARTON & GUESTIER): ISO 14 0001 certification through the Environmental Management System (EMS) for Bordeaux wines, as well as HVE (High Environmental Value) certification since 2016.

Organic viticulture certification is also a popular approach at our Châteaux & Domaines, with :

- Le Clos des Orfeuilles (Muscadet Sèvre et Maine) has been organically farmed since the 2012 vintage.
- Other Castles in conversion since 2021 include Châteaux L'Hyvernière and Hautes Cottières in the Loire, Châteaux Montlabert and Magnan La Gaffelière in Saint Émilion, and Cru de la Maqueline in Bordeaux.

This commitment by the Castles, consolidated by the environmental certifications they have obtained, has been adopted by our main brands for several years now. We support our winegrowing partners in obtaining Terra Vitis certification.

PRODUCTION SITES AND WINE TRADING BUSINESSES



Our production sites, bottling and/or logistics centres and wine trading businesses also contribute to this commitment by being certified as bottlers and distributors of these labelled wines.

6 bottling centres certified



soit **42.9%** of sites certified Terra Vitis

12 certified sites



soit **8.7%** of sites certified organic

1 certified site (through SME Bordeaux)



en ISO 14 001

IN 2022

MARKETING OF WINES by Castel sales companies and wine trading businesses in connection with these initiatives.



37.6 Million bottles



26.8 Million bottles



8.1 Million bottles



Committed winegrowers

0.27 Million bottles

37



HELPING TO PRESERVE THE BIODIVERSITY ESSENTIAL TO OUR VINEYARDS

Winegrowing landscapes are a major reservoir of biodiversity, but it is now facing pressure from a number of angles: soil artificialisation, chemical pollution, climate change and the fragmentation of natural environments. Preserving biodiversity is essential to the good health of our vineyards, and offers us a number of direct benefits:

- **A regulatory role:** a diversity of species ensures the presence of numerous predators against certain vine pests, such as phytophagous insects, which encourages the populations of useful auxiliaries.
- **Soil enrichment:** increasing soil organic matter, improving soil bearing capacity, limiting vine vigour and combating erosion.



38

CASTLES AND ESTATES



At our Castles and Estates, the prevention and development of biodiversity is encouraged by the integration of a living viticultural ecosystem as a key factor in the management of the vineyard:

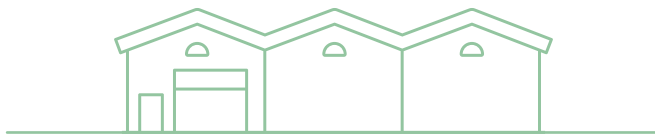
- **Maintained vegetated and wooded areas or flowering fallows.**
- **Protected areas:** Natura 2000 zone at Château Beychevelle.
- **The installation of beehives** on certain properties (through their pollination activity, bees are an essential link in the chain of survival, quality and yield of plants).
- **Studying agropastoralism** (one employee trained in 2022).
- **The installation of protective hedges**, eg. at Château Tour Prignac (close to a river).
- Viticultural practices **to preserve the soil** already in place or being considered at many castles: natural grass cover between rows (Château Magnol) or sowing cereals or green manure (legume + grass) between rows (Châteaux Magnol, La Tour Camblanes, Magnan La Gaffeliere, Montlabert, Cru De La Maqueline...).
- The total surface area of **agro-ecological infrastructure (AEI)*** found on the châteaux and estates is around 3,073,508 linear metres*. AEIs are defined as semi-natural vegetated areas that do not receive any treatment (herbicides, pesticides, fungicides) or tillage, and may include, for example: hedges, trees, forests, green spaces.

*Data excluding the AEI surface area of four châteaux

As already mentioned, **organic viticulture certification** is also a popular approach at our Castles and Estates, with :

- Le Clos des Orfeilles (Muscadet Sèvre et Maine) has been **organically farmed since the 2012 vintage**.
- And other castles are **in conversion since 2021**, including Châteaux L'Hyvernière and Hautes Cottières in the Loire, Châteaux Montlabert and Magnan La Gaffelière in Saint-Emilion, and Cru la Maqueline in Bordeaux.

PRODUCTION SITES AND WINE TRADING BUSINESSES



This approach to preserving biodiversity is also beginning to be applied at our production sites and wine trading businesses.

- **Buildings are designed and fitted out**, as far as possible, to support the preservation of biodiversity, and the green spaces around the factories are maintained. At Castel Nouvelle Aquitaine (Blanquefort), the barrel cellar has a green roof, the area around the new storage site is planted with trees and shrubs, and a green area has been laid out with flowering fallow, a bird nesting box and an insect hotel, and some ten fruit trees have been planted.
- Local initiatives to promote biodiversity, such as **beehives and insect hotels**, are also beginning to be rolled out.
- In Beaune, Castel Bourgogne grows **vineyards on the site**.
- As a wine retailer, NICOLAS organises **the collection of used corks**, to help fund the planting of cork oaks in the Pyrénées Orientales (7,000 oaks planted in 2022).
- NICOLAS also supports the Institut Français de la Vigne et du Vin (IFV) and SICAREX (Beaujolais) by donating part of the funds collected from bag sales in its stores, to help set up a **regional conservatory of grape varieties** and promote **varietal innovation**.

In 2022, it was decided to monitor a new indicator - **Planted area/entity (in %)** - with a view to counting and listing the planted areas available at our bottling sites and thus gaining a better **understanding of what we can do to preserve biodiversity**.

23 BEEHIVES

SET UP IN 2022



+35 %

(2022 vs 2021)



152.7 ha

of vines farmed
organically (certified
or in conversion)



+60.3 ha

of planted areas at our
production sites and wine
trading businesses.

Since 2019

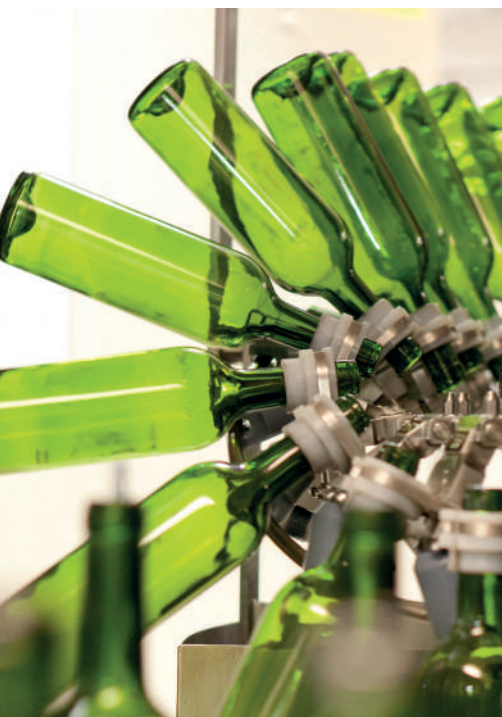


98 %

of Châteaux & Domaines
Castel vineyards have
stopped using herbicides.



39



LIMITING WATER USE AND TREATING EFFLUENT

Viticulture and industrial wine production consume a great deal of water, but water supplies are becoming limited in certain regions, particularly those subject to periodic droughts. It is therefore more important than ever to preserve water and use it to meet the needs of crops and processes.

The water used in the vineyards comes from rainfall or irrigation, in accordance with the usage allowed in specific regions and appellations. In both cases, the Castles and Estates are careful to limit their water use.

At our production and bottling sites, the main use of water is cleaning/disinfection to ensure the necessary hygiene conditions, and thus to guarantee the safety of our products for consumers.

Downstream, failures in the treatment systems for wastewater from industrial processes, or a lack of treatment, lead to a risk of pollution of the receiving environment (water, soil, subsoil, towns). In addition to pollution problems, this situation can lead to regulatory non-compliance through non-compliance with local or international environmental requirements.



*According to various sources, water consumption for wine-making and bottling activities ranges from 0.5 to over 10L of water per liter of wine.

IN 2022
CASTEL VINS
USED



527,475 m³
water to carry out its activities.

**WATER/WINE
RATIO**



1.31*
for our nine main bottling centres.
(two for the Chateaux & Domaines
businesses)
i.e. a ratio of 1.69 for all entities.

CASTLES AND ESTATES



In 2022 the decision was taken to **monitor water use** and where necessary install meters to measure more precisely the volumes drawn off and used from the various water sources available (wells, boreholes, streams, reservoirs, mains water, etc.). To date, only Château Goëlane **collects rainwater** (recovery system installed on the roof of the vineyard machine hangar).

Winegrowing, viticulture and phytosanitary effluents are managed in accordance with current regulations using on-site systems:

- **Phytobac® phytosanitary effluents:** a system for treating phytosanitary effluents, mainly used at the estates. This system allows the active substances and metabolites contained in the phytosanitary effluents generated to be broken down naturally by soil microorganisms.
- **Wine-making effluent:** storage in collection tanks, then
 - o Transport to off-site treatment by approved service providers.
 - o Treatment by a treatment plant owned by some castles*.
 - o Treatment in basins and then land application in accordance with agreements.

*The Château du Lort plant treats effluent from the following Châteaux: Lort, Malbec, Haut-Coulon, Camblanes, Goëlane and Ferrande.

** Treatment basins at Château Tour Prignac.

PRODUCTION SITES AND WINE TRADING BUSINESSES



The Castel Vins production sites **limit their daily usage of water** and reuse it, as far as possible, in all stages of production, while preserving the quality of the final product. Recent systems have been deployed to reduce water consumption:

- **Replacing land-based filters** with tangential filtration at all nine bottling centres (in 2022 there was still be some land-based filtration at Castel Haut de France - Saint-Omer and Castel Jurançon).
- **The introduction of a closed circuit** (recycling) on the rinsers of certain glass lines (as at Castel Bourgogne > in Beaune).
- **The installation of an automatic** CIP (Cleaning In Place) system (Castel Provence > Pierrefeu).

Wastewater at the bottling centres is managed mainly via municipal treatment plants, in accordance with discharge agreements, and specifically by the company's own treatment plants. For example, the Castel Loire facility at La Chapelle-Heulin has been equipped with a **methanisation effluent treatment plant** since 2009.





REDUCING WASTE AND RECOVERING IT MORE EFFECTIVELY

As a major player in the wine and spirits industry, Castel Vins' activities generate various types of waste which cause a pollution risk for the environment and constitute a nuisance factor for biodiversity if the end-of-life of this waste is not controlled.

The waste generated by viticulture and winemaking is considerable and diverse, and most of it constitutes potential 'secondary' raw materials that can be recycled in agriculture (wood, green waste, etc.) or industry (glassine, cardboard, corks, pallets, etc.).

Optimum channels for recovering, treating, recycling or recovering waste from the various production sites and/or châteaux and estates are also identified according to the region in which they are located.



CHÂTEAUX & DOMAINES



Selective sorting is done at the Castles and Estates with a constant search for suitable collection and recovery channels:

- packaging for oenological products, phytosanitary products and out-of-date products is collected via the A.D.I.VALOR plastic packaging waste management programme (ministerial approval).
- the usual green waste (pruning wood or vine shoots, dead vines, leaves, grass) is mainly recycled on site (soil improver after shredding, mulch for flower beds and young hedges, etc.).



To ensure better tracking and traceability of their waste, producers of hazardous waste use a digital tool initiated by the government to simplify the traceability of this waste, called Track Déchets. Hazardous waste (known as DIS) is toxic waste produced by industry, the disposal of which requires special precautions to protect people and the environment. This includes phytosanitary and oenological effluents, empty cans of phytosanitary and oenological products, oils (engine, maintenance), and waste linked to the preparation of bottling and filtration.

PRODUCTION SITES AND WINE TRADING BUSINESSES



Each establishment independently uses the skills of regional service providers to carry out selective sorting and guarantee optimum management of its waste on a daily basis. Specific collection or recovery initiatives may also be undertaken, such as :

- Recycling of corks to benefit cancer charities (Agir Cancer Gironde, France Cancer, Les copains de Timéo, etc.).
- At the BLANQUEFORT site, the recycling of glassines (adhesive label backing) transformed into wadding to make insulating materials.
- All Nicolas stores are equipped with natural cork collection points, to help plant cork oaks. By 2022, 35 million corks had been collected, enabling more than 7,000 cork oaks to be planted in the Pyrénées Orientales.

In 2022, the total quantity of waste produced was equivalent to 9906 tonnes. The scope of Castel Vins was further extended in 2022 (100% of production sites, wine trading businesses and ehâteaux and estates are now included), which explains the significant variations observed.

43

	2020	2021	2022	Variation 2021-2022
QUANTITY OF WASTE RECOVERED AND NON-RECOVERED (tonnes)	3945	6346*	9906*	+ 56%

	2020	2021	2022	Variation 2021-2022
PROPORTION OF WASTE RECOVERED (%)				
Castel Vins	82	85	72,7*	-15%
			89.8	

The proportion of waste recovered from production sites is over 89%.

* The proportion of waste recycled fell to 72.7 in 2022 as a result of the expansion of Castel Vins' scope (now taking into account 100% of the production sites, wine trading businesses and the châteaux & estates), which explains the significant variations observed.



LIMITING THE IMPACT OF PACKAGING AND DEVELOPING THE CIRCULAR ECONOMY

As a major player in the wine industry, Castel Vins' activities generate various types of waste, in particular those used to market the wine we make, ie. packaging. This causes a pollution risk for the environment and constitutes a nuisance factor for biodiversity if this waste's end-of-life is not controlled.

The entire winegrowing cycle, from grape production (the vines' growth phase) to winter (the vines' vegetative rest stage), contributes to a circular economy that is itself part of the territory in which each Castel vineyard and estate is located. The winemaking and packaging processes are also part of this continuity. From dry goods (bottles, corks, labels, cardboard, etc.) to raw materials (wines), specific departments within the company are key players in the circular economy; their aim is to anchor themselves and play their role, as far as possible, within the local environment.

Once this stage has been completed, the marketing process guarantees the products' quality and protection during transport, and ensures that they are presented correctly. Packaging is an information medium that complies with food safety standards. These essential functions need to be maintained while taking into account the challenges of reducing environmental impact right from the packaging design stage.



44

POLICIES AND PROCEDURES IMPLEMENTED

We strive continuously to improve the management of production and packaging waste, both upstream (eco-design, sourcing and use on our lines) and downstream (reduction and recovery), in order to reduce the environmental impact of our activities.

For several years now, a Packaging CSR working group made up of the dry goods purchasing unit (the CAGC), the marketing department, the industrial department and the CSR department has been tasked with drawing up, leading and coordinating actions on packaging, and recently the prevention and eco-design plan for product packaging.

For each packaging category, the 3Rs principle (Reduce, Recycle and Reuse) is applied.

This plan, coupled with regional initiatives, has led to improvements in the packaging of our products, such as :

GLASS BOTTLES:

Reduction in glass weight

For over 10 years, the use of lightweight bottles for our main brands (ROCHE MAZET 410g and BARON DE LESTAC 470g) has helped to reduce glass tonnage by over 900 tonnes a year.

Re-use:

There have already been a number of re-use tests. Our COVINO site (REUNION ISLAND) is committed to reusing glass bottles thanks to a new partnership with the REUTILIZ association. The aim is to collect, clean and re-use 75cl Bordeaux-style wine bottles by 2024.

BAG IN BOX®

Plastic reduction

- Replacement of long taps with short ones (saving 1.5 g of plastic per tap).
- Withdrawal of plastic handles on more than a third of volumes, i.e. more than 39 tonnes less plastic on the remaining volumes; research into alternative eco-designed handles (in cardboard) is underway.

Withdrawal of sorting disruptors.

- Continued replacement of non-recyclable packaging with recyclable versions.
- Replacement of black taps with translucent versions (removal of carbon black sorting disruptor) for more than 65% of the volume (2022).
- Standardisation of BIB® bottles in EVOH (recyclable).

PET CONTAINERS

Integration of recycled content

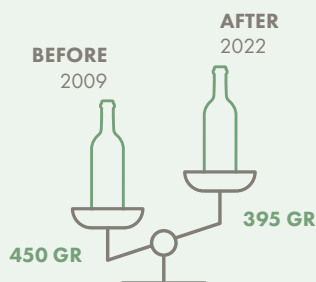
- 100% of 18.7cL PET bottles contain at least 25% rPET
- Beaujolais Japan campaign: delivered in 75cL PET bottles with 50% rPET. The increase in the proportion of rPET will continue in 2023 with lighter containers and the introduction of the tethered cork (cork attached to the container).

BOXES

- At least 50% recycled cardboard in 100% of our American cases (bottle boxes).

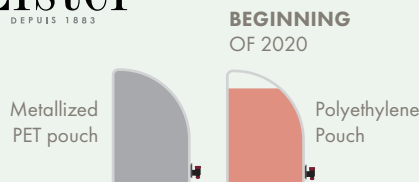
45

ROCHE MAZET



**A SAVING
OF 825 TONNES
OF GLASS PER YEAR**

Listel



**9 TONNES OF PLASTIC
SAVED***

On 1.8 million «GRAIN DE GRIS» BIB®s, savings on recyclability: if the pouch is properly separated from the cardboard box, it can be recycled as PE.



is committed to **the reuse of glass bottles** thanks to a new **partnership with the REUTILIZ association.**

30 COLLECTION POINTS ON REUNION ISLAND for these reusable bottles.

RÉUTILIZ

* Savings due to the reduction in thickness and the difference in density between PET and PE.



LIMITING OUR CARBON FOOTPRINT AND IMPROVING ENERGY EFFICIENCY

CO₂ is partly responsible for the greenhouse effect. As a result, temperatures are rising and our entire ecosystem is being disrupted. **This ecosystem is THE primary resource for our business.**

Winegrowing and industrial production sites have major energy requirements in order to power their facilities and fulfil their purpose. Energy consumption (electricity, diesel, natural gas, LPG, fuel oil) is an important variable to monitor, as it determines our carbon footprint (scopes 1 and 2), i.e. the greenhouse gases emitted into the atmosphere as part of our production processes. In this way, energy management issues combine the risk of a scarcity of finite and exhaustible energy resources with the risk of worsening climate change, given the global warming potential of greenhouse gases.



46

POLICIES AND PROCEDURES IMPLEMENTED

As a member of the Global Compact, Castel Vins is committed to Agenda 2030 which sets a target of a 40% reduction in greenhouse gas emissions by 2030 compared with 1990, with a view to becoming carbon neutral by 2050. Energy efficiency practices and the move towards clean and renewable energy supplies are therefore encouraged. At the end of 2022, Castel Vins will broaden its analysis of its CO₂ impact by measuring its full carbon footprint (scope 1, scope 2 and scope 3 = the company's indirect emissions) during 2023.

Castel Vins uses electricity and natural gas as its main resources, in line with the energy efficiency plan aimed at reducing our energy consumption by 10% by 2024. A recently-created energy purchasing committee centralises energy purchases, provides regular monitoring of the market and ensures the switch to a green energy contract from January 1st 2023.

At our production and/or storage sites and our wine trading businesses:

- **Compulsory energy audits** were carried out on four entities subject to the decree.
- Similarly, all the structures subject to the tertiary sector decree have completed their declarations.

The aim of this decree is to reduce the energy consumption of France's tertiary sector by at least 40% by 2030, compared with a chosen reference year (between 2010 and 2019).

- **ISO 50001 certification** has also been awarded to two production sites (Blanquefort and La Chapelle Heulin) in place of mandatory energy audits. This approach marks a turning point in the way energy-hungry equipment is considered, and the identification of means by which it can be remedied; it will be rolled out in the coming years to all relevant entities. The Blanquefort site has also certified its environmental management system to the ISO 14001 standard through its long-standing membership of the Bordeaux Wines Environmental Management System (EMS).

The integration of energy impact assessment is also studied during the annual equipment investment plan (modernisation or replacement of obsolete equipment), with the **implementation of actions** such as:

- Continued **replacement of lighting with LEDs** (BEAUNE and SAINT OMER sites),
- **Modernisation of certain boilers** (LA CHAPELLE and SAINT OMER sites) or replacement (CAVES DE BEAUNE)
- Installation of an **automatic CIP cleaning system** (PIERREFEU site)
- **Replacement** of an obsolete pasteurisation tunnel (SÈTE site) that uses less energy
- **Replacement of a air compressor** with more recent technology (with variable speed) and recovery of the heat emitted to heat the adjoining premises (BEAUNE site).

In addition, **some of our wine trading businesses** (LFE Nederland, HERZBERGER and NICOLAS Suisse) already have on-site **renewable energy** (solar/wind) electricity production systems representing 0.90% of Castel Vins' total consumption by 2022. Other programmes are also planned, such as :

- **Installation of solar panels** on the BARRIÈRE FRÈRES site
- **Installation of other solar panels** on the Pierrefeu and Blanquefort sites **to be studied**.

For the Castles and Estates, it was agreed in 2022 that energy consumption would be monitored with the **installation of sub-meters where necessary to measure specific consumption** areas more accurately.

ENERGY CONSUMPTION

	2020	2021	2022	Variation 2021-2022
ENERGY CONSUMPTION (MwH)	37575	49881	52313	+ 4.8%
ENERGY RATIOS (KWh/Hl)	12.5	15	16.2	+20%

The scope, here corresponding to data consolidated in DPEF CASTEL Vins, has been expanded again between 2021 and 2022 (100% production sites + wine houses + Castles and Estates) and the emissions factors have been updated. (Source ADEME 2022), which explains the discrepancies observed.

CARBON FOOTPRINT

	2020	2021	2022	Variation 2021-2022
SCOPE 1+2 (Tonnes équivalent CO2)	5618	7236	6192	-14.4%
EMISSIONS DE GES par unité de production (Kg équivalent CO2/Hl)	0.5	2.4	0.2	-91%

The scope, here corresponding to data consolidated in DPEF CASTEL Vins, has been further extended between 2021 and 2022. In 2022, 100% of production sites, wine houses and Castles and Estates are now included, which explains the significant variations observed.

The greenhouse gas emissions are estimated using a carbon **footprint expressed in tonnes of CO₂ equivalent**. To date, this includes **scopes 1 and 2**, i.e. emissions directly linked to the manufacture of products and part of the indirect emissions linked to the consumption of energy required to manufacture the product. Scope 3, which includes other indirect emissions upstream and downstream of the activity itself (transport of raw materials, distribution of products, destruction of waste, etc.), is currently excluded from the carbon footprint but will be included in 2023.





9.

SOCIAL RESPONSIBILITY

« OPENING UP
THE WORLD
OF WINE TO ALL »

PROMOTING BUSINESS ETHICS AND FIGHTING CORRUPTION



DUTY OF VIGILANCE

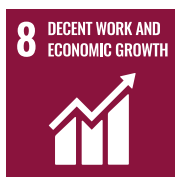
Castel Vins interacts with a wide range of stakeholders and the sustainability of its business is directly linked to the compliance and quality of the relationships maintained with internal and external parties.

Firstly, the Sapin II law (2016) entitled «Law on transparency, the fight against corruption and the modernisation of economic life» obliges us to:

- **Take action against corruption**, peddling of influence, illegal interests, misappropriation of public and private funds and money laundering
- **Establish greater transparency** in economic decision-making processes and combat favouritism.

Additionally, the French Duty of Vigilance law (2017) requires parent companies to draw up and implement a vigilance plan including measures to identify and prevent the occurrence of risks of violations of human rights and fundamental freedoms, serious physical or environmental damage, or health risks. It is based on the requirements and standards set out in the United Nations Guiding Principles on Business and Human Rights.

The measures set out by the Group in its Vigilance Plan apply to all Group entities in France and abroad, as well as to its suppliers and partners with whom it has a commercial relationship. Any failure to comply with this legislation gives rise to civil liability for fault on the part of the company and requires it to make good any damage that could have been avoided if these obligations had been fulfilled.



POLICIES AND PROCEDURES IMPLEMENTED

As part of the Group's compliance system, the Ethics Committee monitors the application of the **Code of Conduct** (2017, available at www.vins-castel.wine) and the implementation of measures to prevent and manage risks to which the Company and its Subsidiaries may be exposed. This is reflected in the recurrent organisation of risk mapping, training and the deployment of specific procedures, notably relating to the whistleblowing system, supplier due diligence, and gifts and entertainment.

The **Ethics Committee** and the **Ethics Officers** organise the implementation and application of this compliance system at local level, as well as compensatory measures in response to the risks identified, in particular during the previous risk mapping campaign. This covered risks relating to direct and indirect corruption, conflicts of interest, fraud, anti-competitive practices, money laundering, extortion and data manipulation.

As part of the compliance programme, Castel Vins trained **348 people** in the code of conduct and conducted **24 face-to-face training sessions in 2022**. **Nine reports were received, six of which were deemed admissible.**

A specific statement was issued to all employees on Global Anti-Corruption Day (December 9th).

Our business partners are also being informed (code of conduct and ethical due-diligence questionnaire sent out), and in 2022 the following were circularised: **28 packaging suppliers, 213 wine suppliers, 152 other suppliers and 29 agents.**



CODE OF CONDUCT

www.vins-castel.wine



348

INDIVIDUALS GIVEN
CODE OF CONDUCT
TRAINING

+ 90%
OF STAFF



10

ETHICS COMMITTEE
MEETINGS

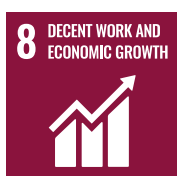


422

BUSINESS PARTNERS
CIRCULARISED

51

PROMOTING RESPONSIBLE SOURCING



There are many risks associated with sourcing: financial, contractual and operational, as well as all the CSR risks (environment, human rights and social conditions, fair practices and ethics).

As mentioned above, the **Code of Conduct** informs our business partners of their obligation to comply with the requirements described in the Code in terms of **ethics**, respect for **employees** and the **environment**, at the very least. This commitment is formulated when specifications are signed (packaging and wines) and a selection of identified **Suppliers** formalise their commitment via the Due Diligence questionnaire.

All of these applicable risks also govern responsible sourcing practices within Castel Vins.



With **1924 members today**, Terra Vitis is a vast, solid network of people who share the same values, the same passion for vines and wine, and the same ambition to promote responsible, sustainable winegrowing.

52

WINE SOURCING

DUE-DILIGENCE

213

wine suppliers circularised.

SUPPLIER AUDITS

17

audits conducted

RATE OF WINE PURCHASES UNDER MULTI-YEAR CONTRACTS

Between **7 and 10%** for four of our sites.

More than **50%** for two sites (Castel Occitanie and Castel Provence)

WINE PURCHASE ORIGIN

(average calculated on the base of the 9 main bottling sites)

FRENCH ORIGIN: More than

67%

REGIONAL ORIGIN: More than

50%

TERRA VITIS More than

400 000 HI

under contract

POLICIES AND PROCEDURES IMPLEMENTED

As described above, Castel Vins follows the Code of Conduct and has circularised 422 business partners over the 2022 period, i.e. 28 packaging suppliers, 213 wine suppliers, 29 agents/brokers and 152 suppliers for ancillary purchases (overheads).

With specific regard to packaging, the **Castel Vins Group's Central Purchasing Office** selects suppliers by type of goods supplied according to its referencing procedure, based in particular on a preliminary questionnaire, audits incorporating the main **CSR themes**, or from suppliers' additional documentary sources (CSR report, DPEF, etc.). After the suspension of audits during the COVID period, the audits of our dry materials suppliers resumed in 2022 with **16 audits carried out**. To be referenced, each supplier is also contractually bound and signatory to Castel's specifications, which include all the CSR provisions expected or to be respected.

In addition to grape production, Castel Vins has been involved in **responsible wine sourcing** for several years. To ensure the reliability of our supply chain, **multi-year** contracts are signed with suppliers. In addition, each wine supplier has signed a set of specifications incorporating CSR, ethical and sustainable development provisions. Finally, **audits** are carried out by the quality and purchasing teams to check that the reciprocal commitments defined in advance are being met.

The wine purchasing strategy has also evolved in line with the environmental strategy of the wines - Castles and Estates, followed by the national brands - **with a long-standing commitment to TERRA VITIS-certified wines**. TERRA VITIS certification is based on the three pillars of sustainable development: environmental, social responsibility and economic sustainability, and our oenologist teams have been working with our partner growers and wineries for several years.

Finally, our sales teams are working to offer an ever-increasing range of more responsible products that take account of CSR issues (HVE, Terra Vitis, Organic, Vignerons Engagés, Fair Trade, etc.).

Product ranges that are as responsible as possible, taking taking into account CSR issues (HVE, Terra Vitis, Organic...).

PACKAGING PURCHASING

(CAGC - DRY GOODS PURCHASING UNIT)

DUE-DILIGENCE

28

packaging suppliers circularised

LOCATION

More than

85%

of purchases sourced in France (2022)

SUPPLIER RELATIONS

100%

Meetings have been held with all referenced suppliers

SUPPLIER AUDIT

16

audits conducted in 2022

53



GUARANTEEING PRODUCT QUALITY

Customer satisfaction and product quality management are priority issues in terms of social responsibility for Castel Vins. Wine is part of the agri-food sector, and the quality of our products is a major issue in terms of meeting client and consumer expectations, ensuring better control of operations, and protecting consumers from manufacturing defects that may occur during the processing of materials, both up- and downstream. Foodstuff quality and safety is at the very heart of our priorities.



POLICIES AND PROCEDURES IMPLEMENTED

For many years, Castel Vins has opted for certification. Having third-party confirmation that the requirements of international standards, specifications, food requirements and technical rules are met is the primary commitment to ensuring product quality for the consumer, and quality from all angles ie. product origin, composition and sensory properties, but also compliance with standards guaranteeing food safety.

CASTLES AND ESTATES



All our estates and châteaux hold at least one certification. These certifications guarantee that the organisation or product complies with the defined standards and requirements. Product quality and traceability are key criteria for many of these certifications.

20
PROPERTIS
IN



20
PROPERTIS
IN



7
PROPERTIS
IN



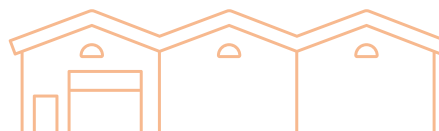
including **5**
in conversion

3
PROPERTIS
IN



by SME
Bordeaux

PRODUCTION SITES & WINE TRADING BUSINESSES



PRODUCTION SITES

Castel Vins' main bottling centres in France have all been IFS (Superior Level) & BRC (Grade A) certified for several years, in addition to being certified as bottlers/packagegers of organic wines, wines produced using sustainable viticulture or fair trade.

These standards are in line with current international benchmarks and the most demanding criteria for compliance with 'Quality' procedures, thus ensuring the objective of customer satisfaction. To ensure product quality and safety, a control and traceability system is used: each production batch is monitored from receipt of the wine to delivery to clients. This system guarantees the products' origin and their regulatory compliance.

	British Retail Consortium	International Food Standard	Terra Vitis	Biologique	ISO 14 001	RSE ENGAGÉ RSE
CASTEL BOURGOGNE (Beaune)	●	●	●	●		
CASTEL OCCITANIE (Béziers)	●	●	●	●		
CASTEL NOUVELLE AQUITAINE (Blanquefort)	●	●	●	●	●	●
CASTEL HAUT DE FRANCE (Saint Omer)	●	●		●		
CASTEL RHÔNE (Saint priest)	●	●	●	●		
CASTEL LOIRE (La chapelle Heulin)	●	●	●	●		
CASTEL PROVENCE (Pierrefeu)	●	●		●		
CASTEL ÎLE DE FRANCE (Thiais)				●		
LISTEL (Sète)			●	●		
COVINO						

WINE TRADING BUSINESSES

Our wine trading businesses also have specific certifications guaranteeing product quality and traceability from storage to distribution.

	International Food Standard	Biologique	RSE ENGAGÉ RSE	ISO 9001
BARTON & GUESTIER (Blanquefort)		●		
NICOLAS (Thiais)		●		
LFE BV (Pays-Bas)	● *		● **	
BARRIÈRE FRÈRES		●		●

* IFS Broker
& IFS Logistics

** MVO (CSR
Nederland)

As product quality is key to Castel Vins, each year we present our products at various competitions and recognised guides. Our wines' quality and diversity combined with the talent of our oenologists are regularly rewarded by the leading national and international competitions, with more than 350 medals won each year by our products.



100 %
CASTELS & ESTATES
CERTIFIED

(At least 2 certifications and up
to 6 certifications for certain sites)



100 %
PRODUCTION SITES
CERTIFIED*

(At least 2 certifications and up
to 6 certifications for certain sites)

*For the 9 sites in mainland France.



PROMOTING RESPONSIBLE CONSUMPTION AND TRANSPARENCY OF PRODUCT INFORMATION



The products that we produce and distribute are often associated with conviviality and celebration. However, it is essential to remember the need for moderate consumption, to avoid the risks associated with excessive consumption of alcoholic beverages (e.g. alcoholism).

With this in mind, Castel Vins and its subsidiaries must inform consumers and prevent any danger associated with excessive consumption, particularly among our employees. This vigilance is applicable at all our sites, as well as at on- and off-trade outlets, via various strategies (responsible marketing, awareness-raising, breathalyser kits etc.).

HEALTH WARNINGS

WINE WITH ALCOHOL

«ALCOHOL ABUSE IS DANGEROUS FOR YOUR HEALTH. PLEASE DRINK RESPONSIBLY.»

WINE WITHOUT ALCOHOL

«FOR YOUR HEALTH, TAKE REGULAR EXERCISE.»



1 unité
d'alcool
=10cl





POLICIES AND PROCEDURES IMPLEMENTED

Our business involves a heightened awareness of **responsible consumption**. We encourage sensible consumption of our products, with an emphasis on quality.

It is important to remind **our employees** - who are often wine enthusiasts - of the rules governing consumption in the workplace or in the course of their duties: this is done by internal site regulations and includes the rules for on-site festive events, and the implementation of a protocol in the event of alcoholism in the workplace.

As Nicolas is concerned about consumers' health as well as that of our employees, we have implemented an in-store **campaign to raise** awareness of responsible drinking, aimed at store managers and customers. Specific training is given to store managers about the ban of alcohol sales to minors, and how to deal with inebriated customers. Customers can also call a freephone number anonymously to report concerns about excessive consumption. Finally, our oenologists are invited to undergo an annual health check.

Castel Vins strictly applies the rules laid down by the Evin law.

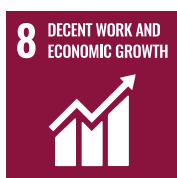
Our approach to responsible drinking is expressed through giving our consumers an informed choice, by reminding them of public health advice. Consumers are also encouraged to visit **www.info-calories-alcool.org**, **www.alcool-info-service.fr** and **www.mangerbouger.fr**, where they can find out more about their alcohol consumption using simple guidelines.

We support the work of **Wine et society**, an association whose aim is to inform, prevent and educate the public so they can learn more about wine and consume it in moderation.

More than ever, our wine trading businesses are moving in this direction by offering products that are Alcohol Free, Low Alcohol, Sulphite Free or Vegan Friendly, notably the wines distributed by BARTON & GUESTIER, LFE NETHERLANDS and LISTEL.



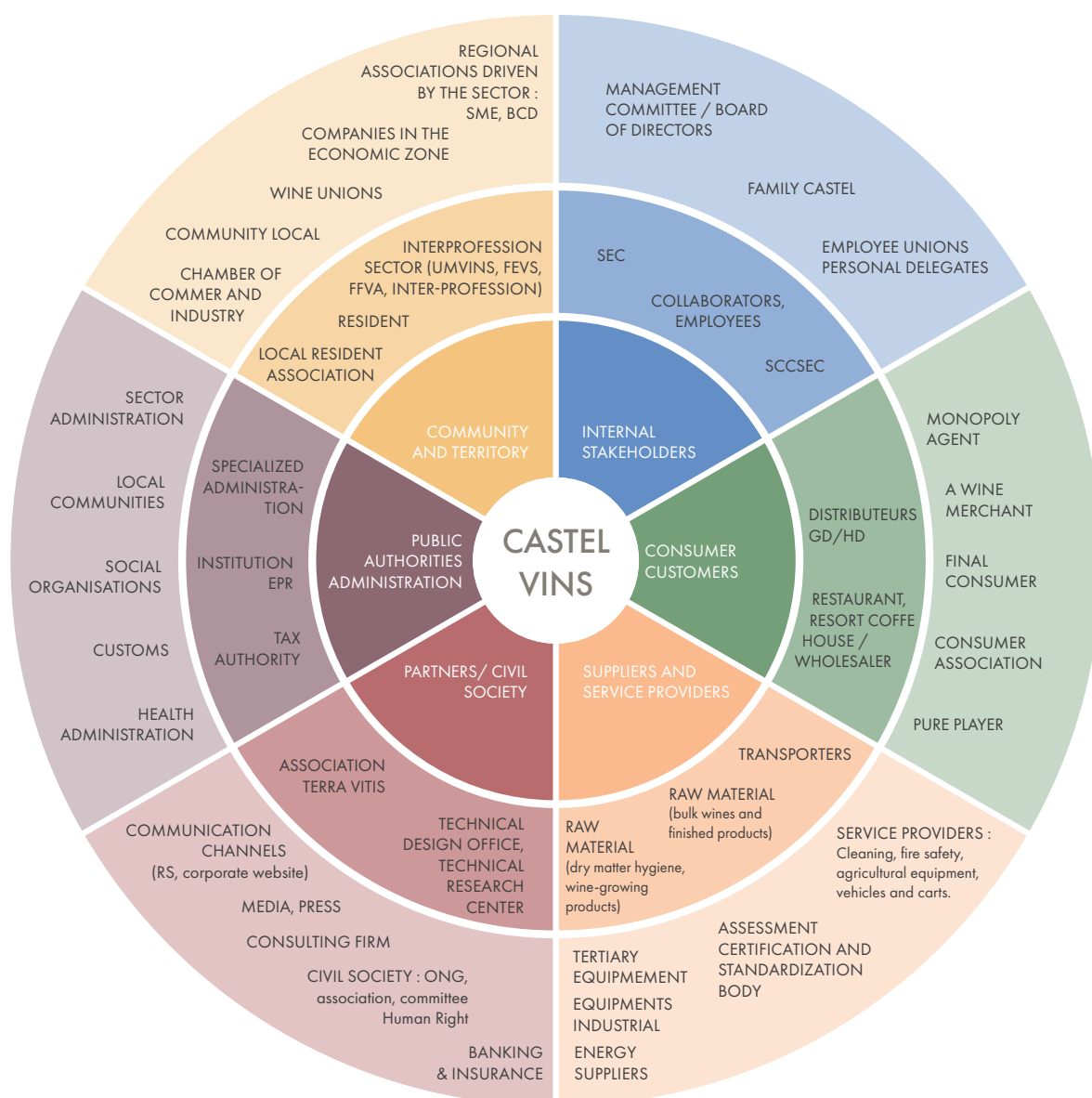
MAINTAINING AN ONGOING DIALOGUE WITH STAKEHOLDERS



Operating in both urban and rural contexts, Castel Vins interacts with a wide range of stakeholders and the sustainability of its activities is directly linked to the quality of its relations with both internal and external parties.

While internal stakeholders (management, employees, social partners, works council or equivalent, etc.) are required to communicate frequently, relations with other parts of the company's ecosystem depend on the dialogue procedures defined by each business unit and entity.

The risks identified in this area are related to a lack of knowledge and misunderstanding of external stakeholders' expectations, hence the importance of maintaining a continuous, open dialogue.



POLICIES AND PROCEDURES IMPLEMENTED

Attentive to the concerns and expectations of **their stakeholders**, Castel Vins' constituent entities recognise the importance of dialogue in the interests of sustainable winegrowing.

As a result, **many employees** are involved in regional and national organisations in order to raise the profile of the business and its professions and to work together more effectively on the challenges facing the industry. For example:

- Our bottling plant managers have a seat on regional and/or national trade bodies.
- As part of the TERRA VITIS approach, oenologists and members of the oenology/wine purchasing team are members of the TERRA VITIS regional associations and its national federation.
- Other members of staff contribute to various committees and working groups within the industry's national bodies, including the UMVINS (Union des Maisons & Marques de Vin), the FFVA (Fédération Française des Vins d'Apéritif), the FEVS (Fédération des Exportateurs de Vins et Spiritueux) and ADELPHÉ (an organisation that manages packaging recycling on behalf of wine and spirits companies), to make collective progress on the social and environmental issues affecting our business, including
 - Evolving regulations on ingredient information and nutritional values
 - The challenges of the AGECL law (anti-waste for a circular economy): the prevention and eco-design plan, the «3R» strategy (reduction, reuse and recycling of plastic packaging), reuse, etc.

At our sites, and for several years now, we have been actively participating in a number of trade CSR initiatives, to share our experiences and learn from those of other companies.

These initiatives take many forms, including :

- CASTEL NOUVELLE AQUITAINE (Blanquefort) was a founding member of the Bordeaux Wine Environmental Management System (EMS) association, and Blanquefort is strengthening its CSR commitment in the region by obtaining level 3 recognition for the «BORDEAUX CULTIVONS DEMAIN» CSR initiative (CSR initiative via a group led by the CIVB trade body).
- CASTEL LANGUEDOC (Béziers) took part in the working group for the implementation of the ISO 26000 standard guide for the wine industry
- CASTEL PROVENCE (Pierrefeu) took part in the EnViProv project, led by the CIVP, to structure the environmental transition in the Provence winemaking region.

Similarly, many entities such as our Castles and Estates or our bottling centres open their doors to our internal stakeholders and to their external stakeholders (clients, consumers, wine trade members, journalists, etc.). In 2022, the number of visits and social events was multiplied three-fold.

At our estates, a Living Well Together guide was first published in 2019 to inform stakeholders about the practices adopted in our wine production. In addition to the communication and precautionary measures taken by each estate, this tool explains our production choices in a simplified, educational way, with the aim of forging links with our business partners, consumers and the local population. And lastly, we strive to communicate better with our internal stakeholders.

As an example of this, three sites (Thiais, La Chapelle and Blanquefort) produce an employee newsletter about what goes on at the site.

Our sales teams are regularly updated and involved in CSR issues and play their role in raising collective awareness of these issues by putting forward product ranges that are as responsible as possible, taking CSR issues into account (HVE, Terra Vitis, organic certified wines, etc.). The Castel Vins teams attend many regional trade fairs every year, which gives them the opportunity to talk directly with clients and consumers and to present ranges that meet local expectations.

STRENGTHENING OUR LOCAL PRESENCE AND PROMOTING THE SOCIO-ECONOMIC DEVELOPMENT OF LOCAL COMMUNITIES



Strengthening our local presence requires us to view our activity in terms of the three pillars of sustainable development:

- Economic: direct or indirect job creation, participation in local development, public or private partnerships, etc.
- Environmental: waste, transport, energy management and renewable energies, water, purchasing, marketing/communication, biodiversity, etc.
- Social: accessibility, social cohesion, diversity, health and safety at work, well-being, recruitment, etc.

Present in many regions across France, Castel Vins' production sites, châteaux and estates have succeeded in **establishing strong local roots** and a **sense of responsibility** towards local residents. Consequently, contributing to the development of **health**, the conservation of **heritage and terroir**, **wine tourism** and the **preservation of the local environment** have been identified as key expectations by **external stakeholders**.

We aim to meet these expectations by supporting the local **economy** and **employment** through the development of agricultural and industrial activities; by maintaining dialogue with local residents and communities in order to participate in public debate; and by taking direct action through the support and funding of sponsorship projects or through a participatory development approach.

POLICIES AND PROCEDURES IMPLEMENTED

Since its creation, Castel has worked to maintain the local economic fabric in many of France's wine regions, including the most rural areas. A wide range of actions are detailed below:

CASTLES AND ESTATES



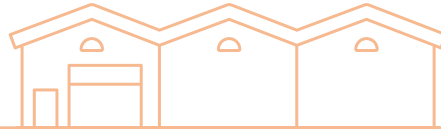
Promoting wine heritage

As a committed ambassador, Castel Vins is focused on preserving the heritage of winegrowing, via its estates. A highpoint was the promotion of Château Montlabert - the flagship of the Castel family estates - to the rank of Grand Cru Classé in the 2022 Classification of Saint Emilion Crus. This classification rewards the efforts made over the years to bring out the very best in Château Montlabert's unique terroir, while respecting the ecosystems.

Local communities

The Living Well Together guide was published as a result of regular discussion at our Castles and Estates. The aim of this guide is to encourage local involvement and common sense in wine-growing areas, so that all stakeholders can play their part in preserving France's wine-growing expertise.

PRODUCTION SITES AND WINE TRADING BUSINESSES



PRODUCTION SITES

Collecting corks for charity

As mentioned in the section on waste management, Castel Frères has been working for many years with **cancer charities** (Agir Cancer Gironde, France Cancer, Les copains de Timéo, etc.), which collect corks and synthetic corks, sort them and send them to recycling centres, where all the money raised is donated to cancer research.

Circular economy for certain types of waste

CASTEL NOUVELLE AQUITAINE (Blanquefort) joined the ZIRI (Zone d'Intégration des Réseaux Intelligents) network a number of years ago and, among other things, has enabled a local company to recycle glassine paper (the backing for adhesive labels) into wadding to make insulating materials (22 tonnes in 2022).

CASTEL LOIRE (La Chapelle Heulin) no longer throws away its Bag In Box tap packaging, which is now recovered by a company for direct use as moving boxes or shipping cartons (4.7 tonnes in 2022).

WINE TRADING BUSINESSES

Sponsorship

Through its subsidiary Barton & Guestier, the company has been involved in the Cité des Civilisations du Vin project from the outset, becoming a patron of this international showcase for the wines of the world which is a cultural, tourist and architectural landmark in the Bordeaux region. As a distributor of quality wines throughout the world, the subsidiary has taken this opportunity to showcase and teach people about the wealth of French wines on the market.

Supporting local communities - a significant commitment by LFE Nederland.

LFE supports local activities such as local sports clubs and local events such as the Kings Day celebration, and €2,300 was donated towards these events in 2022.

Similarly, LFE supports the communities and people employed in the wine industry in those countries where the wines are sourced, particularly in poorer countries like South Africa. To make a modest contribution to these communities, two projects were carried out in 2022:

- **Support for the South African Edge of Life Fund**, working with our client Vermaat (catering), for whom the Sonneskenk brand was developed using Weltevrede wine. The owner of Weltevrede has built a school for children who had no access to education, and Vermaat and LFE are donating €0.10/bottle of Sonneskenk to this project (<https://www.youtube.com/watch?v=3NljY3lys7E>).
- When war broke out in Ukraine, Moldavian wine supplier Château Purcari welcomed and Ukrainian refugees. **LFE has donated 100% of the margin from sales of Château Purcari in Chateau Purcari in 2021 and 2022** to assist the supplier in this initiative with these refugees (donation of €55,000).

COVINO, through its presence on the island of Reunion, supports the Reunionese community by **supporting the «Fonds Réunion des Talents» local talent** development association and by sponsoring a local sports club. COVINO donated €11,000 this year.



OUR CONTRIBUTION TO THE ODD* IN LINE WITH OUR COMMITMENTS



*Objectifs de Développement Durable.



Les Vignobles du Beaujolais.

