

# 2016 CSR REPORT



*Vinify a better world*

# CONTENTS

Responsible Wine Tasting CHARTER

About BLB

HIGH STANDARDS

RESPECT

RESPONSIBILITY

ENJOYMENT & SHARING

« Earth does not belong to man, man belongs to the earth. »

Sitting Bull, 19<sup>th</sup> century American Indian chief.

« This prophetic and wise message couldn't be more relevant to our society today given its environmental and social challenges.

As an oenologist raised in the North and conscious of the great gift that nature has given us in wine with its age-old culture, this message has resonated with me for over twenty years.

My life changed in 1995 when I met **Mr Hans Walraven**, a respected Dutch wine trader and importer who had just taken over Domaine de la Jasse. Our collaboration fuelled my passion for wine and my vision to build, alongside him, a sustainable family-run agricultural structure to benefit future generations.

My three children were born in the meantime. I took over the vineyard and company in 2008. **BLB Vignobles was founded.**

La Jasse and Montlobre estates became the **first vineyards to be HVE-certified in the Hérault region** in late 2013. Powered by a loyal vision, core values, our company began to incorporate the **CSR\*** virtuous circle and challenges into its strategy in 2014.

Another milestone meeting fuelled my deep-seated beliefs when I met the addiction specialist doctor, **Mr Hussam Al Mallak**. With how our beverages affect health in mind, we co-wrote a Responsible Wine Tasting Charter for our clients and patients.

In the same vein, BLB was certified by the AFAQ 26 000 assessment in June 2015 making it the **first French ISO 26 000 family-run wine business**. This recognition is down to managers, employees and partners working together (integrated farming, provisional career and skills management) to highlight our consistent efforts for sustainable development.

So, by building **on BLB's core values**, we have the chance to move forwards to build a sustainable family-run wine producer of high social value.

I am delighted to share our commitments, best practices and performances in the first corporate report for 2016 ! Please read responsibly ! »

\* Corporate Social Responsibility

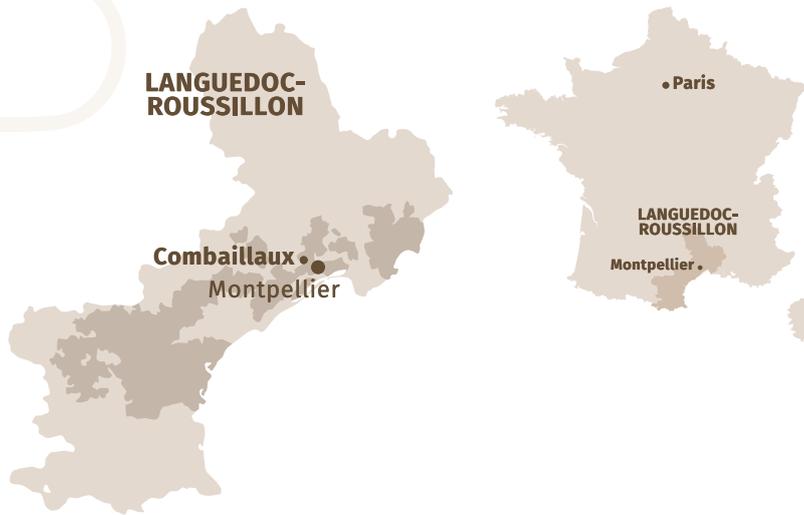
BRUNO LE BRETON

BLB Vignobles Director and Trader

Baujard and Walraven families, previous owners



# About BLB

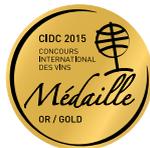


## A UNIQUE AND RESPONSIBLE FRENCH WINE PRODUCER

- ◆ **Wine producer and trader** in the South of France.
- ◆ Located in the Languedoc Roussillon Midi Pyrénées, the **top "green" region** in France in terms of surface area and eco-friendly companies.
- ◆ A **vineyard with a unique character**, between the scrublands and Mediterranean in Cabernet and Merlot, producing IGP Pays d'Oc on AOC land !
- ◆ A **committed vision** : setting the benchmark for family businesses in terms of sustainable development in making and selling Southern French wine.
- ◆ A **hedonist philosophy** : "enjoy a Grand Cru every day".
- ◆ Our brands : **Domaine de LA JASSE, Domaine MONTLOBRE** and **VIGNES DES 2 SOLEILS**.



- ◆ **Sold mainly through exclusive mail order companies.**
- ◆ **Presence in Europe** : German, Austria, Belgium, Ireland, Holland, Poland, Britain, Switzerland.
- ◆ A **pioneering strategy** :
  - **The first HVE-certified** (High Environmental Value) **vineyard** in the Hérault.
  - **The first family-run wine producer in France to be ISO 26 000 assessed** (CSR policy) **and certified at level 3** (out of 4).
  - **Pilot company** in a collective packaging reduction analysis conducted by Adelphi in partnership with Inter'Oc.
  - Privileged partner in the foundation of the **Wine Earth** project.
  - Our **plans** : boost sales in France and abroad and create a wine tourism business on the Montlobre estate.
- ◆ Our **vintages have been recognised** at countless national and international competitions.



**10** permanent employees and at least 2 apprentices/year

**250** ha total surface area

**3** million Euros in turnover

almost **1** million bottles sold including **95%** for export

**54** ha of vineyards, partly as property and partly as tenant farming

**55%** ratio of our production vs trade (2015)

# HIGH STANDARDS



To reduce our business' environmental and social impact, our main responsibility is to build a voluntary high standard policy. To achieve it, our commitments and success factors are based on determined governance and a progressive spirit.

## GOVERNANCE WITH A CONSTRUCTIVE DRIVE

### AN ENTREPRENEUR

- ◆ A **family business** run by **Bruno Le Breton**, director and oenologist.
- ◆ The formation of an informal family **shareholding board** to uphold and safeguard legacy.
- ◆ A **long-term vision** based on personal beliefs and fuelled by expert advice.
- ◆ The conduct of a **company strategy incorporating CSR issues and market evolution.**
- ◆ An **international structure.**



The Team

Local elected officials and AFNOR



Miguel Torres, spanish producer forerunner in CSR

### DIRECTOR'S PROGRESS AND SPHERE OF INFLUENCE

- ◆ **Member of various resource networks** (APM, IWCA, CHEDE'ec.) to stay up to date to actively ensure techniques and competition are monitored.
- ◆ Several years collaborating with **world-renowned external consultants** such as oenologist **Patrick Léon**, former Director of Mouton Rothschild.
- ◆ **Management leadership** with knowledge transfer and communication with BLB's priority stakeholders and **sphere of influence.**
- ◆ The manager is **Deputy Mayor of Combaillaux.**
- ◆ **Regular meetings with peers** in other companies committed to CSR.

**Xavier KAT**  
Montlobre Distributor in Holland

« Montlobre wine is popular because the quality is very consistent, they look like Grands Vins but are very reasonably priced. They can be drunk when they're young or after several years. Sustainable development is increasingly important to consumers: of course, the wine must taste good first and foremost, but wine enthusiasts want to know how it's made and who's making it so it's an advantage to have a partner that considers these issues. »



JE SUIS  
PARTIE PRENANTE  
BLB VIGNOBLES

# CONTINUOUS IMPROVEMENT PROCESS

## RESEARCH & DEVELOPMENT

- ◆ BLB manages the **VIVELYS Programme** to test procedure management solutions.
- ◆ **Pilot cellar for the international CHR Hansen group** to experiment with microbiological techniques in response to new consumer expectations such as wine with a lower alcohol content.

## OUR SENSE OF INNOVATION

- ◆ **Pioneering SO2-free** (sulphites) wine production to protect our consumers' health.
- ◆ Establishment of the **Authentis Programme with Frayssinet** (2016).
- ◆ Launch of an **eco-design procedure** as part of a collective drive to reduce packaging conducted by **Adelphe**.

## ACTIVE TECHNICAL MONITORING

- ◆ **Regular collaboration** with independent consultants and academics : Patrick Léon, Jean-François Vrinat, Jérôme Fil, Franck Corbel, Maurice Chassin, Yann Chabin, Isabelle Oudard.

## QUALITY OF OUR WINE

- ◆ **Meeting and follow-up twice a year** with each of our **6 partner wine producers**.

**Christophe REY**  
APF Entreprises 34, BLB client

« "Never mind the bottle, let's just drink it." This proverb fits Domaine de la Jasse run by Bruno Le Breton like a glove. I don't necessarily mean "drink" as in drinking their delicious wine to excess but rather "drink in" the legacy of the wine estate, its team and the fully integrated CSR policy. I was pleasantly surprised by Bruno's commitment (...). He managed to get all his colleagues involved in this continuous improvement policy by incorporating all the stakeholders (...). »



**1** CSR board made up of 5 employees (out of 11), including a CSR Manager

**6** languages spoken fluently and staff are at least bilingual in French and English

**78** stakeholders identified and considered

**25** BLB events in 2015 (workshops, professional events, business schools etc.)

**73%** of priority stakeholders met on a regular basis

**74%** of priority stakeholders surveyed praise BLB's commitment

**57%** of our wine (in volume) has won gold or silver (2015)

### Our areas for improvement

- ◆ Increasingly demonstrate a form of autonomy by building the national market and direct sales.



# RESPECT



BLB cares about respecting and protecting its employees, clients, neighbours and its wine-making and environmental heritage. Its commitment goes into all its does : staff communication, promotion, awareness and sustainable natural resource management. Here are a few examples.

## DEEP RESPECT FOR MEN AND WOMEN

### OUR STAFF'S SAFETY, WELLBEING AND GROWTH

- ◆ **Good working conditions** and **flexible hours** (part-time and telecommuting for a better work-life balance).
- ◆ **4-5 interns and apprentices** every year since 2010 and **internal training**.
- ◆ **External training** programme to encourage staff to gain skills and improve their **employability**.
- ◆ **Regular information** in a quarterly internal newsletter and CSR awareness for staff.
- ◆ **Staff dialogue** and **involvement in decision-making process** : 70% in the HACCP and safety boards, 50% in CSR management.



### CLIENT AND CONSUMER RESPECT AND SATISFACTION

- ◆ **Health management plan** with HVE standards, a health and safety board (HACCP) and period wine analyses.
- ◆ **Close relationships** with our **distributor clients** who we communicate with almost daily to ensure customer service and dialogue.
- ◆ **Consumer expectations** in terms of product/service quality **collated** at meetings in the cellar, fairs and online.
- ◆ **Responsible Wine Tasting Charter** shared with consumers and local wine producers.



**Véronique POQUET**  
Part-time employee

« This policy is in line with my personal beliefs (...). It's made certain positions easier (with skips and vats being put in place there's no need to handle large volumes anymore). We also look at what's happening outside the company to improve and share our best practices. The day visiting other companies is very interesting as we find out how they work. We can discuss different methods which means we can learn and grow. »



# RESPECT FOR WINE-MAKING HERITAGE AND NATURAL ENVIRONMENT

## SUSTAINABLE WATER AND FOSSIL FUEL MANAGEMENT

- ◆ **Integrated management of vineyard irrigation** (drop by drop on part of the estate, pressure chamber, weather station to better handle the vineyard's water requirements).
- ◆ Methods to **reduce our water consumption** : change of method and machine during harvest and water efficiency in the vineyard, cellar and bottling.
- ◆ **Updated facilities** benefiting from recent and more energy-efficient technology and equipment.
- ◆ **Solar panels** fitted to the warehouse roof in 2011.

## RESPECT FOR BIODIVERSITY

- ◆ **Specific study** by a specialist intern to assess the impact of our business on flora and fauna biodiversity in sample plots : IAE (Agro-ecological Infrastructures), worms, hoverflies, bees etc.
- ◆ **Foundation of a GDON** initiated by our head of wine growing, with 5 village wine growers to limit input.
- ◆ **Insect traps on over 90% of the vineyard** (2015).

## WASTE RECYCLING

- ◆ **Waste water collection and treatment.**
- ◆ Skips and sorting vats for **waste collection** and **recycling** into suitable channels.
- ◆ BLB **selected by the ADEME** for the **GEODE waste recovery scheme** with support from an expert for a year.

**Nicolas BENET**  
BNC Embouteillage

« Thanks to BLB's CSR policy, we've established wine filtration with biodegradable plates which has enabled us to reduce non-recyclable waste and the amount of water used for bottling (...). What's amazing about BLB VIGNOBLES is that any bottling waste is sorted and recycled (...). All their initiatives are indisputable improvements that I now suggest to my other clients. Some have already started using biodegradable plates despite being more expensive ! »



**50%** of staff voluntarily working part-time or telecommuting (2015)

**12%** : Percentage of the staff training budget (2015)

**70%** of staff are First Aid Officers

**50%** increase in turnover since Bruno Le Breton took over : 3 M€ in 2015 vs 2 M€ in 2007

**1** monthly analysis of each of our vintages,  
**1** bottle analysis at the end of bottling and  
**1** hygiene check at least quarterly on the bottling lorry by an external body

**88%** : coverage rate in electricity use/solar energy production (2015)

**48%** reduction in water consumption (exc. irrigation) on the estate : 5.23l/bottle in 2015 vs 10.91l/bottle in 2014

**30%** reduction in fuel consumption between 2014 and 2015

Over **91%** reduction in grape pest treatment (parasitic insect)

**1** soil analysis + **1** drill analysis + **1** analysis of a stagnant water point near the vines every year

### Our areas for improvement



- ◆ Conduct an ICPE assessment.
- ◆ Conduct a full consumer satisfaction survey.
- ◆ Optimise our water requirements (individual counters scheduled for implementation in 2016 and partnership with the ITK consultancy firm).
- ◆ Conduct an energy analysis in partnership with EDF.

# RESPONSIBILITY



“Enjoy a Grand Cru every day”, now there’s an ambitious and exciting promise ! It requires an even higher standard of responsibility as our wine-making industry encourages us to reduce our impact for the long-term. Protecting our land, getting the best for our staff, area, partners and clients and making good quality wine affordable is a constant challenge. We strive to put our responsible spirit into each stage of the production chain from the vineyards to shipping our vintages.

PROVIDE A RESPONSIBLE  
CYCLE FROM PRODUCTION  
TO TRANSPORT

## RESPONSIBLE PRODUCER

- ◆ **Integrated wine** making since 2003 and **HVE certification** of the company proving eco-friendly processes have been implemented.
- ◆ 11 years of support from a **wine industry consultancy firm**, CICOVI, about running our vineyard (reasons for treatments, water requirement measurement, environmental expertise).
- ◆ Foundation of a **Health and Safety Board**.
- ◆ **JIT production** (just in time) to avoid waste.
- ◆ **Limited use of sulphites** with an average of 69mg/l in our end products, lower than the acceptable amount for organic and biodynamic wine.



## RESPONSIBLE PROCUREMENT

- ◆ **Loyal and long-term relationship with our suppliers and partners** since BLB was founded.
- ◆ **Survey conducted with our strategic suppliers** (solids and bulk) to inform them of our CSR policy and identify their sustainable development challenges and systems.
- ◆ Most of our solids suppliers have an **Eco-label**.

**Henri CABANEL**  
Senator from the Hérault department



« CSR presents vital governance principles in a backdrop of sustainable development issues : ethics and accountability. Your system is therefore exemplary in our region. For citizens, it symbolises how the entire team at the wine estate has taken environmental, economic and social factors into account in their everyday work. For companies in the industry, it shows what can be done. (...) On September 4<sup>th</sup> 2015 I attended the awarding of the CSR certification to Bruno Le Breton’s team at Domaine de la Jasse in Combaillaux. It recognised the "decision-maker’s responsibility in his decisions and actions towards society". I thought to myself that we politicians should follow the example set by companies. So I contacted the head of AFNOR Certification - CEO Franck Lebeugle and his team - to present my parliamentary cabinet evaluation project as it adheres to the values that I have always believed in : transparency, debate without political splits... and they agreed. It’s a real challenge for them but also for my team and me... We’ll adapt our methods and plans based on the evaluation results - during the second half of 2016. »

## RESPONSIBLE SALES AND LOGISTICS

- ◆ Our **B2B2C sales model** with our mail order clients ensures reduced timescales and logistics (no unpacking/ repacking operations and wait times).
- ◆ **Eco-design** : **17% reduction** in our **bottle's weight**.
- ◆ **0 stock** meaning both we and our mail order clients save resources and energy.
- ◆ **Improved transport operations** with lorries that are usually full.

RESPONSIBLE LOCAL FIGURE

## REGIONAL ROOTS AND LOCAL DEVELOPMENT

- ◆ **Sponsorship and donations** for social activities, sporting associations and local cultural bodies totalling 0.25% of our turnover.
- ◆ **School trips** (primary to university) to the estates.
- ◆ Organisation of **tasting workshops** and **estate tours**.
- ◆ The estate owner is also a **local politician** : Deputy Mayor of Combaillaux in charge of agriculture, environment and sustainable development (3<sup>rd</sup> mandate).
- ◆ **Encourage our stakeholders** to steer / support them towards a CSR policy.

### Our areas for improvements

- ◆ Prioritise the reduction in fertilisers and water consumption on our plots (Authentis Programme with Frayssinet).
- ◆ Build a responsible partnership with our partner wine producers.



Level **3 HVE** renewal after being certified for 18 months

**93%** of staff live under 20km from the estate

**76%** of solids suppliers have an eco-label

Savings of **83** tons of glass and CO2 equivalent to 1 car driving 500,000km in 1 year (2015)

**73%** of volume exported by full lorries (2014)

Services provided to towns and villages : defibrillator, loan of eco-designed glass, weather station

Neighbouring winemakers' sons all take part in a course or apprenticeship

**100%** of our partner establishments in the Languedoc Roussillon



# ENJOYMENT & SHARING



At BLB, we are deeply devoted to enjoyment and sharing. These core values are intrinsic to our family business and management by our passionate oenologist director. It's more than sharing a wine-based experience ; it's a constant quest for conversation and a "better life together". It's a state of mind. The unique Responsible Tasting Charter, partnerships, marketing and wine tourism project demonstrate our achievements and plans for a resolutely hedonist and united commitment.

SHARE WITH OUR  
CONSUMERS

## LOCAL AND AVAILABLE

- ◆ **Close bonds with our clients and consumers** based on our proven Direct Marketing sales model.
- ◆ **Annual organisation of 2 Open Days** to explore our estates and wine in a sociable setting.
- ◆ **Patronage for local associations** with free sporting and cultural events hosted on our estates : Ronde de la Jasse (running and cycling biathlon), Fête du Jeu, ancient music concert at the Chapelle and more.
- ◆ **Responsible Wine Tasting Charter** co-written with an addiction specialist and displayed to all visitors in the cellar, this report and online.
- ◆ BLB's **online presence** with **4 websites** (3 devoted to our brands and 1 online shop) and **social networks**.



SHARE OUR EXPERTISE AND  
VALUES

**Guillaume REBOUL**  
Domaine Massillan, partner producer

« BLB's CSR policy has set a benchmark (...). There are lots of people who walk their dog, cycle or ride horses in our vineyards. They tell us how much they enjoy visiting an increasingly green area where wildlife can flourish. The systematic ground cover of grass strips, ditches and rows of vines alongside hedgerow maintenance helps flora and fauna to flourish. »



## EXTERNAL SUPPORT AND BUILDING MUTUALLY BENEFICIAL PARTNERSHIPS

- ◆ Advice with **external industry experts**.
- ◆ Involvement in the creation of the **Wine Earth project** (CSR promotion association).
- ◆ **Partnerships with local figures**, inter-professional organisations and branches plus involvement in work groups to discuss methods and ideas : LRIA, GDON, Club des entrepreneurs de Vailhauquès, Interoc, et Adelphe, Wine Earth etc.



## INCREASINGLY DYNAMIC MARKETING

- ◆ **Our commitment is showcased** by our involvement in countless events with local and international reach (2014 Vincoeur winner, 2015 regional CSR award etc.).
- ◆ **Active internal communication** : quarterly internal newsletter to discuss our best CSR practices, biannual “company day out” with the whole team, trips to other eco-friendly wine estates.
- ◆ Completion of new CSR marketing tools in 2016 : **CSR report** and **company website** highlighting our social commitment.
- ◆ Support from **marketing consultants** : press attaché, PR firm and responsible marketing consultancy firm.

## LOCAL SOCIO-ECONOMIC AND CULTURAL CONTRIBUTION THROUGH A FOOD TOURISM PROJECT

- ◆ A burgeoning **wine tourism project** at Domaine de Montlobre with the support of local politicians will improve local roots, employment, local consumption and knowledge and value transfer.



6 specialist consultants for 11 employees

25 themed CSR events attended in 2015 vs 14 in 2014

100 college students at training and presentation days in 2015

150 visitors at the estate’s biannual open day

2 reference books at Domaine de Montlobre

Training by Dominique Laporte, France’s best sommelier



### Our areas for improvement



- ◆ Boost recognition of BLB Vignobles and its commitment.
- ◆ Design a CSR-focused client satisfaction survey.
- ◆ Educate about responsible wine tasting without encouraging.
- ◆ Host CSR events such as INNOVATION by the Chamber of Agriculture.



Patrick Léon



## OUR 4 STRATEGIC GOALS

- ◆ Boost recognition of our company and its commitments in France and abroad.
- ◆ Constantly listen to our markets.
- ◆ Make progress in our products whilst handling risk.
- ◆ Protect our human and environmental capital.

« We would like to **thank** all our colleagues for their professionalism and commitment as well as all our stakeholders who contribute to BLB's success and business adventure. »

Bruno Le Breton

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Glossary



Please drink responsibly.

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