



DGB (Pty)Ltd

Qualifying Explanatory Statement for Backsberg/Sydney Back Wines in support of PAS 2060:2014

1. DECLARATION

This document forms the Qualifying Explanatory Statement to demonstrate that DGB (Pty) Ltd has achieved carbon neutrality for specified Backsberg/Sydney Back Wines for the period commencing 01 April 2021 to 30 June 2022.

This document provides collected evidence in support of the declaration that DGB (Pty) Ltd

- Has achieved carbon neutrality for its specified Backsberg/Sydney Back Wines for the period commencing 01 April 2021 to 30 June 2022
- Is committed to ongoing carbon reductions for its specified Backsberg/Sydney Back Wines

The carbon neutrality declaration has been made and the collected supporting evidence has been provided in accordance with the requirement prescribed by PAS 2060:2014 – Specification for the demonstration of carbon neutrality.

Verification done by an independent third-party verifier.

The Qualifying Explanatory Statement will be available on the Backsberg website and electronically available to interested parties, both internal (employees) and external (verifiers, public). The document is reviewed annually.

Carbon neutrality of specified Backsberg/Sydney Back wines achieved by DGB (Pty) Ltd in accordance with PAS 2060:2014 on 27 April 2023 for the period commencing 01 April 2021 to 30 June 2022, declared by Enhealth Environmental.

Ree du Toit
Production Director
08.05.2023

2. GENERAL INFORMATION

| PAS 2060 Requirement | Information relating to the Carbon Neutral Declaration |
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| Entity making PAS 2060 declaration: | DGB (Pty) Ltd |
| Subject of PAS 2060 declaration: | Backsberg/Sydney Back wine range sold locally and international, including viticulture, harvest, cellar activities, bottling, warehousing and distribution |
| Description of Subject: | <p>Backsberg wine range that include:</p> <ul style="list-style-type: none"> • Family Tree series <ul style="list-style-type: none"> ○ Backsberg Pumphouse Shiraz 2022 ○ Backsberg Smuggled Vines Chardonnay 2022 ○ Backsberg John Martin Red 2022 ○ Backsberg Patriarch Cabernet Franc 2022 • Fifth Generation series <ul style="list-style-type: none"> ○ Backsberg Gravel Road Chenin Blanc 2022 ○ Backsberg Summer Berry Rosé 2022 ○ Backsberg Hillside Sauvignon Blanc 2022 ○ Backsberg Citrus Hill Chardonnay 2022 ○ Backsberg Ella Pinotage Rosé 2022 ○ Backsberg Blueberry Row Pinotage 2022 ○ Backsberg Plum Valley Merlot 2022 ○ Backsberg Four Pillars Cabernet Sauvignon 2022 <p>Sydney Back wine range that include:</p> <ul style="list-style-type: none"> • Sydney Back series <ul style="list-style-type: none"> ○ Sydney Back Kosher Chardonnay 2022 ○ Sydney Back Kosher Merlot 2022 ○ Sydney Back Kosher Pinotage 2022 <p>The carbon footprint of these products was calculated for product life cycle.</p> <ul style="list-style-type: none"> • Viticulture: Grapes that are grown by our producers and harvested • Winemaking: Grape intake and cellar activities • Bottling and warehousing: Wine bottling, packaging and storage on site • Distribution: Wine distributed from packaging site to local and international customers. The furthest international and local customer was used for carbon footprint calculation. |
| Rationale for selection of the subject: | Subsequent to the acquisition of Backsberg wines, DGB identify the need to provide a verifiable carbon neutral declaration against a recognised international specification (PAS 2060:2014) |
| Control approach: | Product life cycle |
| Type of conformity assessment: | Independent verification |

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| Baseline date for PAS 2060 programme: | 01 April 2021 – 30 June 2022 |
| Application period: | 01 April 2021 – 30 June 2022 |
| Renewal status: | First verification of subject |
| Individuals responsible for evaluation and provision of data necessary for declaration: | Heinie Nel, Viticulturist Alicia Rechner, Winemaker Backsberg Hannelene Basson, SHERQ Manager Ree du Toit, Production Director Communication approved by Production Director |

3. DECLARATION OF ACHIEVEMENT TO CARBON NEUTRALITY

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| Declaration of achievement: | Carbon neutrality of specified Backsberg/Sydney Back wines achieved by DGB (Pty) Ltd in accordance with PAS 2060:2014 on 27 April 2023 for the period commencing 01 April 2021 to 30 June 2022, declared by Enhealth Environmental. DGB (PTY) Ltd plan to assist producers on reducing carbon emissions for the next period, as well as sustainability objective measuring as in line with Carbon Footprint Management plan. |
| Recorded carbon footprint of the subject during the period 01 April 2021 – 30 June 2022: | 374 Ton CO ₂ e |

3.1 CARBON FOOTPRINT METHODOLOGIES

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| Methodologies used: | Blue North Sustainability manages an internationally accredited online carbon footprint calculator, the Confronting Climate Change (CCC) Initiative (www.climatefruitandwine.co.za). The CCC Carbon Footprint Tool was used to calculate the carbon footprints of the viticulture, winemaking, bottling, warehousing and distribution that contribute to the Backsberg/Sydney Back range for the period 01 April 2021 till 30 June 2022. The Carbon Trust has undertaken an independent audit of the Carbon Footprint Tool that forms a key part of the CCC initiative. (www.climatefruitandwine.co.za). |
| Data collection & calculations: | All completed datasets went through a sense checking process where a CCC representative reviewed the data for correctness. DGB (Pty) Ltd collect internal data and calculate the contribution of the specific Backsberg/Sydney Back wine percentage from company data set with assumption that emissions are equal across the entity processes and product. |

3.2 CARBON FOOTPRINT BREAKDOWN

Calculated GHG emissions produced by Backsberg/Sydney Back for the period 01 April 2021 - 30 June 2022.



| Selected Backsberg/Sydney Back wines - Ton CO2e = 374 Ton CO2e | |
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| Scope 1 | 31 |
| Scope 2 | 162 |
| Scope 3 | 181 |

4. EXCLUSIONS

- 4.1 Carbon footprint calculation only considered till distribution to furthest client. Beyond distribution, data is not viably obtainable.
- 4.2 Transport between winery to bottling facility excluded due to limitation on calculator functionality.
- 4.3 No other exclusions identified.

CARBON OFFSET

DGB (Pty) Ltd explore options and invested in the Kuyasa project to buy credits to off-set the 374 Ton CO2e of specified Backsberg/Sydney Back wines.

Credits were generated between 01 December 2010 till June 2017. 1 carbon credit = 1 Ton CO2e. The total of 380 carbon credits were purchased.

This project is registered with Credible Carbon and is independently audited by Greenhouse Gas Verification. Audit reports of verification can be found on Credible carbon website (<https://www.crediblecarbon.com/offset-projects/kuyasa/>)

Kuyasa is a low-income housing development in the Khayelitsha township of Cape Town. The project involves the installation of technologies to reduce energy demand and consumption. Specific technologies applied in each of the approximately 2140 households include:

- solar water heaters (SWHs)
- insulated ceilings and
- compact fluorescent energy efficient lightbulbs (CFLs)

The project's intention is to reduce household expenditure on coal-fired electricity and supplementary paraffin and to reduce the greenhouse gases associated with thermo-regulation of homes and with water heating and to generate improved thermal performance, lighting and water heating efficiency. Co-benefits of the project activity include a reduction in local air pollution with subsequent decreases in pulmonary pneumonia, carbon monoxide poisoning and other respiratory illnesses. Other benefits such as a decrease in accidents and damage to property as a result of fire is also anticipated.

5. DECLARATION OF ONGOING COMMITMENT

DGB (PTY) Ltd commits to making a commitment for ongoing carbon reductions. Exploring on investments in carbon reduction technologies and invest in carbon off-set projects.

We also aim to assist our growers to identify and improve their carbon emissions.

6. CARBON FOOTPRINT MANAGEMENT PLAN

DGB (Pty) Ltd as a company has a Carbon Footprint Management plan to measure, monitor and reduce its carbon footprint and impact on the environment over the long term that includes the specified Backsberg/Sydney Back wines.