



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 2022 to 30 June 2023.

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 2022 to 30 June 2023
- 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 for the period commencing 01 April 2022 to 30 June 2023, as verified by Enhealth Environmental on the 18 August 2023.

Ree du Toit
Production Director
17.08.2023

2. GENERAL INFORMATION

PAS 2060 Requirement	Information relating to the Carbon Neutral Declaration
Entity making PAS 2060 declaration:	DGB (Pty) Ltd (Control approach)
Subject of PAS 2060 declaration:	Bacsberg/Sydney Back wine range sold locally and international, including viticulture, harvest, cellar activities, bottling, warehousing and distribution
Description of Subject:	<p>Bacsberg wine range that include:</p> <ul style="list-style-type: none"> • Family Tree series <ul style="list-style-type: none"> ○ Bacsberg Pumphouse Shiraz 2023 ○ Bacsberg Smuggled Vines Chardonnay 2023 ○ Bacsberg John Martin Red 2023 ○ Bacsberg Patriarch Cabernet Franc 2023 • Fifth Generation series <ul style="list-style-type: none"> ○ Bacsberg Gravel Road Chenin Blanc 2023 ○ Bacsberg Summer Berry Rosé 2023 ○ Bacsberg Hillside Sauvignon Blanc 2023 ○ Bacsberg Citrus Hill Chardonnay 2023 ○ Bacsberg Ella Pinotage Rosé 2023 ○ Bacsberg Blueberry Row Pinotage 2023 ○ Bacsberg Plum Valley Merlot 2023 ○ Bacsberg Four Pillars Cabernet Sauvignon 2023 • Kosher <ul style="list-style-type: none"> ○ Unorthodox Chenin Blanc 2023 ○ Unorthodox Sauvignon Blanc 2023 ○ Unorthodox Merlot Cabernet Sauvignon 2023 <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 2023 ○ Sydney Back Kosher Merlot 2023 ○ Sydney Back Kosher Pinotage 2023 <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

	<ul style="list-style-type: none"> • Distribution: Wine distributed from packaging site to local and international DGB (Pty) Ltd customers. The furthest international and local DGB (Pty) Ltd 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
Baseline date for PAS 2060 programme:	01 April 2022 – 30 June 2023
Application period:	01 April 2022 – 30 June 2023
Renewal status:	Second 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

Declaration of achievement:	Carbon neutrality of specified Backsberg/Sydney Back wines achieved by DGB (Pty) Ltd in accordance with PAS 2060:2014 on 18 August 2023 for the period commencing 01 April 2022 to 30 June 2023, 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:	870 Ton CO ₂ e

3.1 CARBON FOOTPRINT METHODOLOGIES

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 2022 till 30 June 2023. 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. It is assumed that the split between international and local distribution remains consistent with the preceding period.
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3.2 CARBON FOOTPRINT BREAKDOWN

Calculated GHG emissions produced by Backsberg/Sydney Back for the period
01 April 2022 - 30 June 2023.



Selected Backsberg/Sydney Back wines - Ton CO2e = 870 Ton CO2e	
Scope 1	96
Scope 2	250
Scope 3	524

Top four types of GHG emissions are as follow:

- Electricity
- Packaging
- Fuel
- Agrochemicals

The total Ton CO2e have increased by 57% since last period and this is due to:

- Three products added this period
- Volume of liters have increase with 25%
- Last period the winemaking activities was calculated for 10 months and this period for 12 months
- Due to the high stages of loadshedding during this period the fuel has also increase.

4. EXCLUSIONS

4.1 Carbon footprint calculation only considered till distribution to furthest DGB PTY LTD client.
Beyond distribution, data is not viably obtainable.

4.2 No other exclusions identified.

CARBON OFFSET

DGB (Pty) Ltd explore options and decided to invest in the Stellenbosch Community Recycling project to buy credits to off-set the 870 Ton CO₂e of specified Backsberg/Sydney Back wines.

1 carbon credit = 1 Ton CO₂e. The total of 870 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/stellenbosch-community-recycling/>)

The Stellenbosch Community Recycling project enables the establishment of local recycling operations, focused on community-based waste collectors, schools and local businesses in the Western Cape. These waste collectors, schools and businesses collect recycling, sells it to CL Waste and Scrap Metal who then further process and trades this recycling material that would otherwise end up in a municipal landfill and water bodies.

The project sees local households, schools, restaurants, and commercial ventures reducing their quantity of waste to landfill. Between 300 and 400 informal waste collectors to earn an income daily by their on-site waste collection and buy-back scheme.

For DGB (Pty) Ltd the investing in this project is seen as a 'carbon supplement' refers to where carbon credits are bought in our own value chain to make our own value chain greener and more sustainable, rather than seen as "carbon offsetting".

A retirement certificate for carbon offsetting will be retained.

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.