

PART 1

EDITORIAL AND DEFINITIONS

Apout this guide

Our planet is in trouble — and that's putting it lightly. The messages it is sending us are becoming harder and harder to ignore. Heatwave after heatwave, floods and droughts, endangered species: the list goes on. And if we do nothing, if we don't act quickly enough, it could get much worse. There's not a moment to lose. Each of us must do whatever we can to turn the tide and save our planet. It is the most precious thing we have.

At Telmont, we are attuned to Nature. We keep our feet on the ground, work the vines, harvest the grapes, and put our heart and soul into producing the highest quality Champagne.

From early morning to late at night, through each of the four seasons, every single thing we do is "In the Name of Mother Nature". That's our commitment. We believe – and surely this is just winegrower common sense – that we can no longer allow our most precious resource, our environment, to be damaged any further. Far from it. We must all come together and act as one.

We want to play our part. By explaining our own actions, we hope that as many people as possible will do the same. And that's why we've made this guide.

We called it Our Guide to Sustainability in Champagne. Sustainability might sound like jargon, but, in fact, it's a very simple idea. Sustainability refers to the collective actions we take for the good of Mother Nature: everything that eases the immense pressure of human activity on the environment.



The first stage at Telmont is the protection of biodiversity. What follows is our conversion to organic farming, both on our estate and that of our winegrowing partners. Ultimately, we want to reduce our carbon footprint, and do so in line with the Rémy Cointreau group objectives that have been set for all the Maisons, including Telmont.

All of these actions are interlinked. Which makes sense because Mother Nature is an interconnected entity. When, for example, we plant hornbeams on our cultivated land, we contribute to increase biodiversity. But this is also a great way to capture carbon dioxide sustainably, thereby reducing our carbon footprint. Our decision to convert to organic farming is just the same. We're no longer using herbicides, pesticides, fungicides, or synthetic fertilizers produced by the petrochemical industry. It's better for soils, better for biodiversity, and better for the health of all of us.

We're convinced that all of these issues must be faced head-on, at the same time; from our agricultural practices, across our supply chain, and to our packaging choices. All this must be done with humility, but also as part of a coherent plan. In the end, we have to rely on science, making the brave and radical decisions that climate change calls for.



We're now going to explain simply everything that we've done – not because we claim to be exemplary, but because we want to share a few things that we've learned along the way, in the hope that others might be inspired to do the same.

This guide will focus on our carbon footprint and how we'll set about becoming Climate Positive by 2030 and Net Positive by 2050. But once again, there is more to it than that! This is only one aspect of what we are doing "In the Name of Mother Nature".

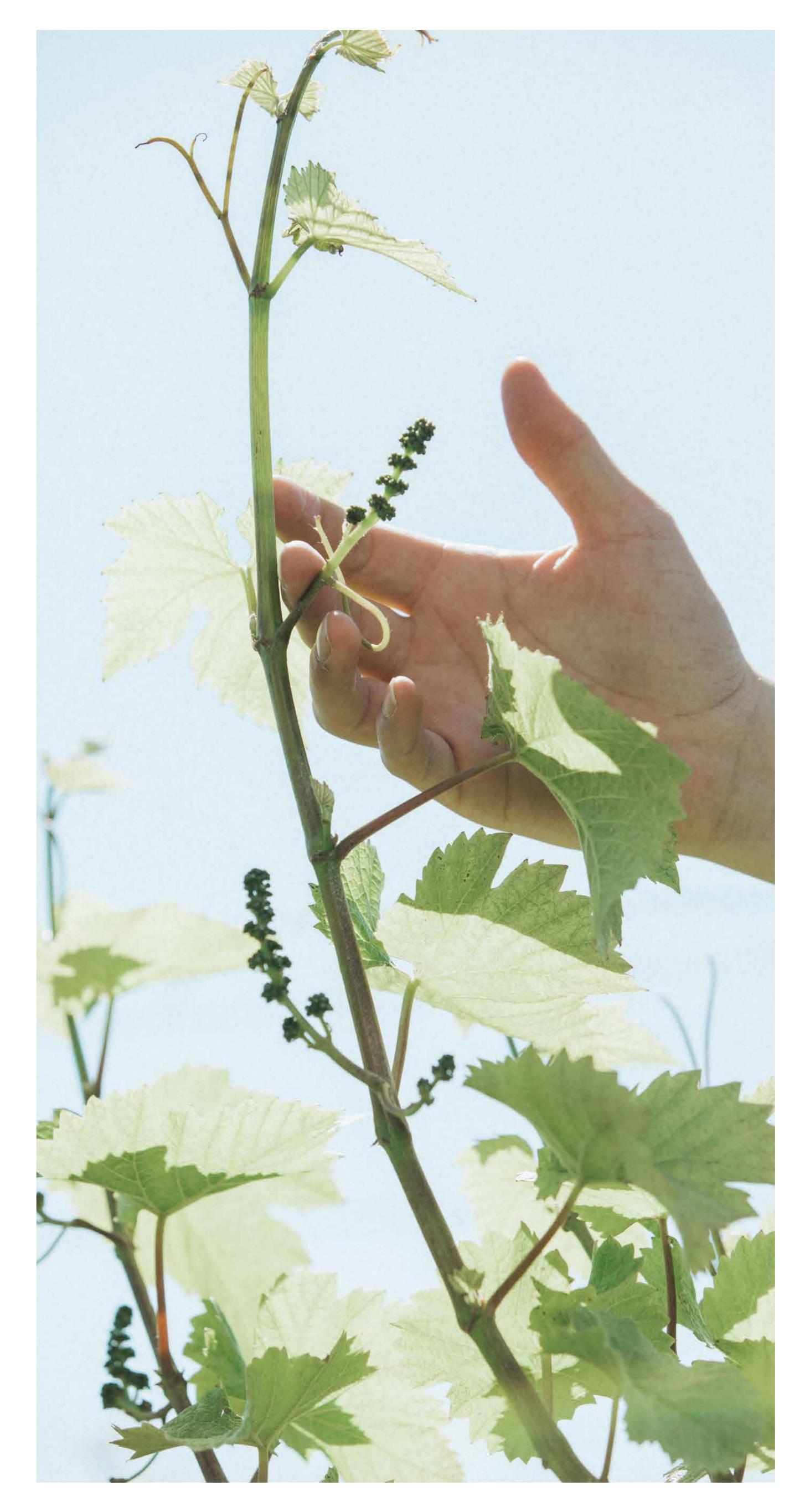
Although we've tried to make things as clear as possible, certain parts of this guide are still quite complex. We're sorry about that. All the same, we're convinced that the best way to protect the planet is to rely on science, and that isn't an easy topic.

There's something important to note: we want to ensure that lovers of our champagne can continue to enjoy Telmont worldwide. The challenge is to do that while protecting the planet. So it's about how to produce much better.

Definitions

But before we go into detail, a few reminders and clarifications might be useful to explain our approach. To make it all clearer, we've used an order that is logical rather than alphabetical.





THE PARIS AGREEMENT1:

This international agreement was adopted in Paris in December 2015. It set out objectives to fight global warming: keeping it below 2°C above pre-industrial levels, and intensifying efforts to limit the rise in global warming to 1.5°C.

GREENHOUSE GAS (GHG):

Our planet is surrounded by layers of invisible gas: the atmosphere. And that's a good thing. The atmosphere has played a key role in the development of life on Earth. By trapping the Earth's infrared radiation, the atmosphere ensures that our planet is not too cold. That's what we call the greenhouse effect. Up to a certain point, the greenhouse effect is beneficial. The problem today, however, is that there's simply too much greenhouse gas, especially carbon dioxide, methane, and nitrous oxide, all of which are produced by human activity. In sum, this means that the greenhouse effect is spiraling out of control, and that global temperatures are rising. Far too high.

¹ Decree n° 2016-1504, 8 November 2016, pertaining to the publication of The Paris Agreement adopted on December 12, 2015, signed by France in New York on April 22, 2016.

CLIMATE CHANGE: Climate change is the average increase in global temperature since the Industrial

Climate change is the average increase in global temperature since the Industrial Revolution, beginning more or less in 1850, as a result of human activity and greenhouse gas emissions. Every year, records are broken for high temperatures. Scientists agree that the decade from 2012 to 2021 was the hottest on record. Climate change has extremely serious consequences, including destruction of biodiversity, forest fires, lower crop yields, and disturbance of the water cycle. Above a certain threshold, if we do not act, global warming could have an irreversible impact on ancient ecosystems, such as the melting of permafrost and the Greenland Ice Sheet, as well as the destruction of the Amazon Rainforest. All of these will spark uncontrollable chain reactions.

We see this change in our work as winegrowers. Grape harvests, for example, take place earlier than before. In Champagne, they take place an average of two weeks earlier than twenty years ago². And to think some people still claim that climate change doesn't exist...

CARBON FOOTPRINT:

This indicates the quantity of greenhouse gases, which includes CO_2 , emitted by an individual, a business, or even a country. It is measured in kilograms of carbon dioxide equivalent (kg CO_2 eq). The aim of this measurement is to bring together the impact of all greenhouse gases under a single reference point: carbon dioxide. Sounds complicated? Let's take an example. According to the IPCC³, 1kg of methane has 28 times more impact than 1kg of CO_2 . As a result, we say that its carbon footprint is $28 \text{ kg } CO_2 \text{ eq}$. A little clearer?

We all have a carbon footprint. It's our own impact on the future of the planet.



CARBON SINKS:

Carbon sinks are natural or artificial "reservoirs" which can sequester carbon dioxide from the atmosphere and store it, thereby reducing the greenhouse effect. Major carbon sinks include oceans, forests, and even grasslands.

² Source: French Ministry of Ecological Transition https://www.ecologie.gouv.fr/impacts-du-changement-climatique-agriculture-et-foret

³ Intergovernmental Panel on Climate Change

CARBON NEUTRAL, NET ZERO, AND NET POSITIVE:

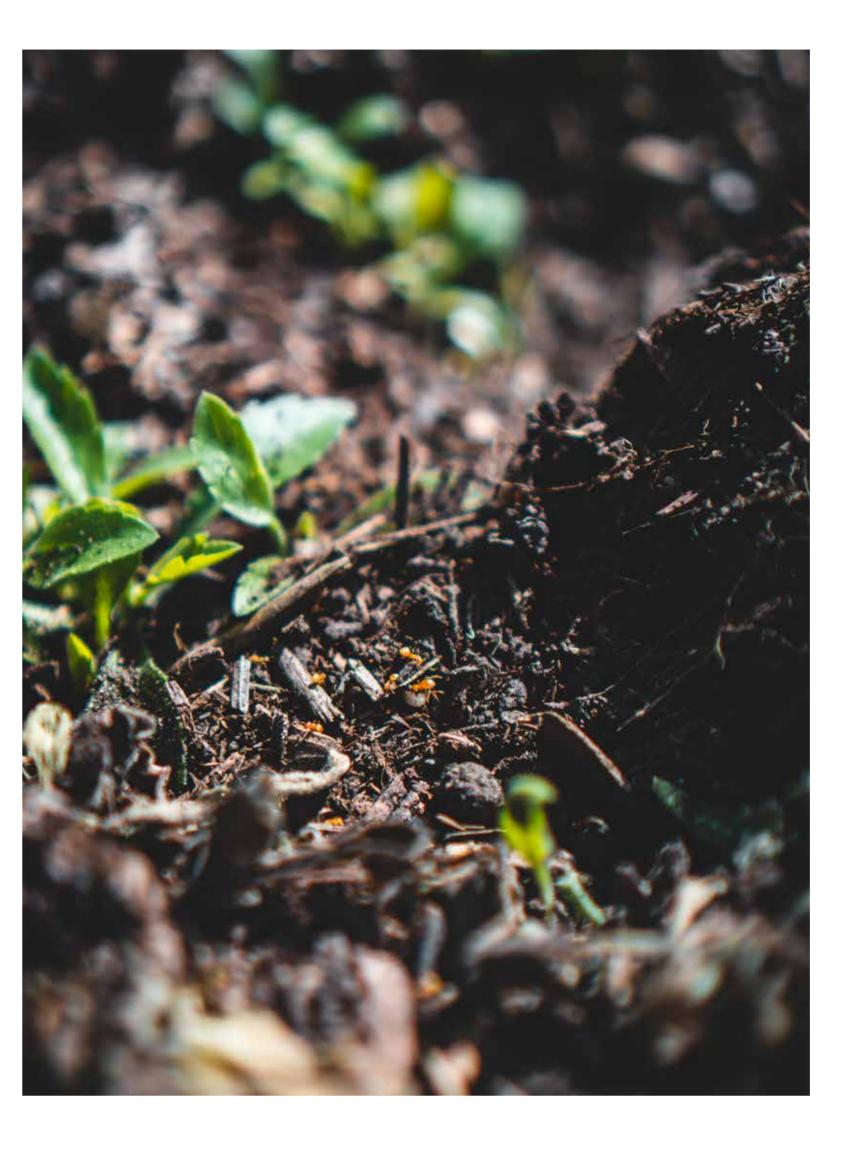
Let's be honest. There's still quite a bit of confusion around these terms, with some of them based on very precise standards. And, in any case, their definitions might have changed with time. We'll rely on the definitions set out by the IPCC experts.

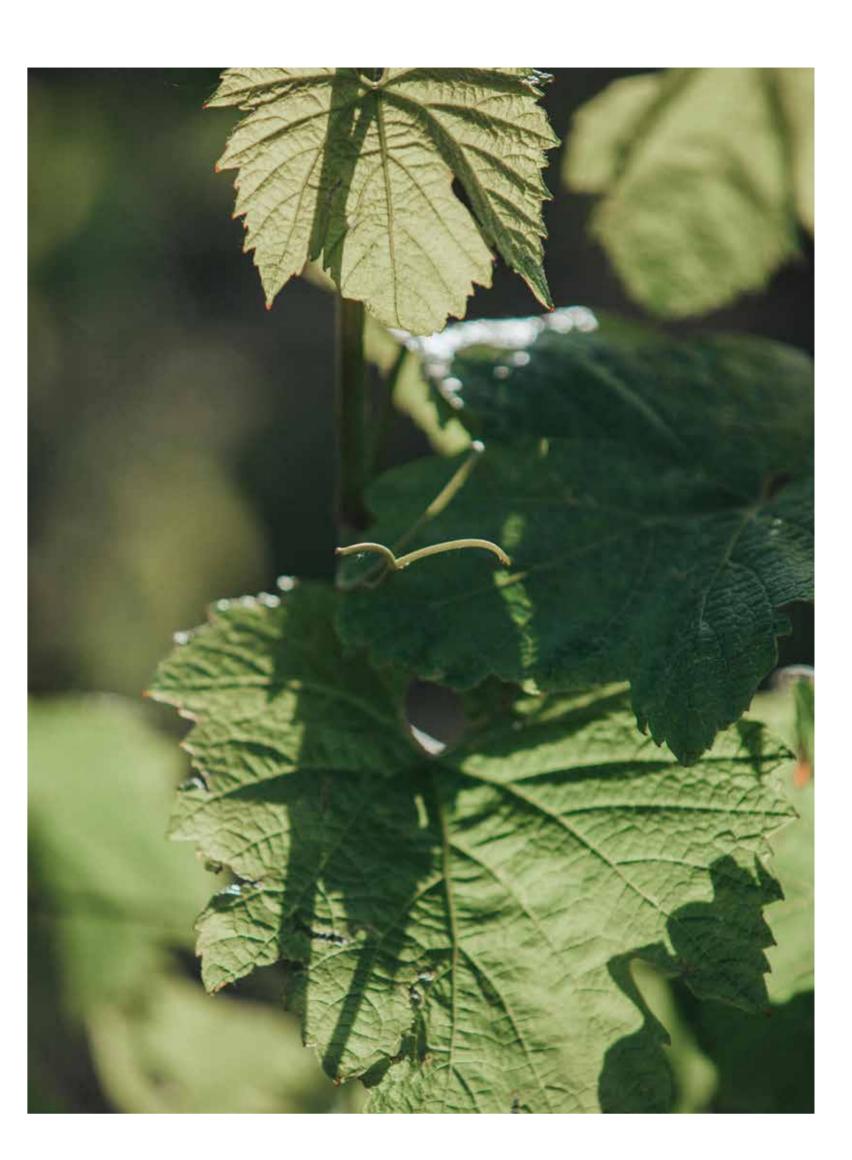
CARBON NEUTRALITY means reducing CO₂ emissions, as well as offsetting any remaining emissions through carbon sequestration: those famous carbon sinks.

CLIMATE POSITIVE means going one step further than carbon neutrality: it entails reducing all greenhouse gases (not only CO₂), and then compensating by absorbing or offsetting more greenhouse gases than we emit, with the end goal of having a positive contribution to the climate.

NET ZERO, brace yourself because there is a subtlety here. Net Zero entails specific requirements based on specific standards. It is not an equivalent to carbon neutrality, because to be Net Zero requires to not only reach neutral emissions of all greenhouse gases, but to do so by drastically reducing emissions by 90 %.

NET POSITIVE is the ultimate stage. You go beyond Net Zero, which means you have drastically reduced your emissions, and on top of that you are compensating more (it can be way more) than you emit. In other words, you have a super positive contribution to the planet.





SCIENCE-BASED TARGETS (SBT):

These objectives aim to reduce greenhouse gas emissions using a rigorous calculation methodology. They conform to the objective of limiting global warming as outlined in the Paris Agreement: to either 2 °C, or, if possible, 1.5 °C above pre-industrial levels.

CHAMPAGNE BOTTLE:

In this guide, when we talk about bottles, we mean Champagne bottles. Instantly recognizable, they have a characteristic shape all of their own. There's also the thickness of the glass, greater than any other wine bottle. This is designed to withstand the pressure of the gas from fermentation—those famous bubbles that give champagne its charm!



PART 2

MEASURING YOUR CARBON FOOTPRINT

Accurately measuring your carpon footprint

All human activity has an impact in terms of greenhouse gas emissions. And, in turn, greenhouse gas has a direct impact on climate change. But before we launch into how to reduce our environmental footprint, we have to understand what our greenhouse gas emissions are, how to measure them accurately, and where they come from.



Emissions are usually organized into three distinct categories: Scope 1, Scope 2, and Scope 3.

It's very important to classify emissions into different scopes. This is because each scope, as will soon become clear, establishes a level of responsibility between what depends directly or indirectly on your actions. It's important to realize that our capacity to take action on an activity differs depending on which scope it falls under. This means that measuring the emissions of different Scopes is key to moving forward.

When defining our scopes, we relied on what is today the best-known methodology: the Greenhouse Gas Protocol.

SCOPE 1:

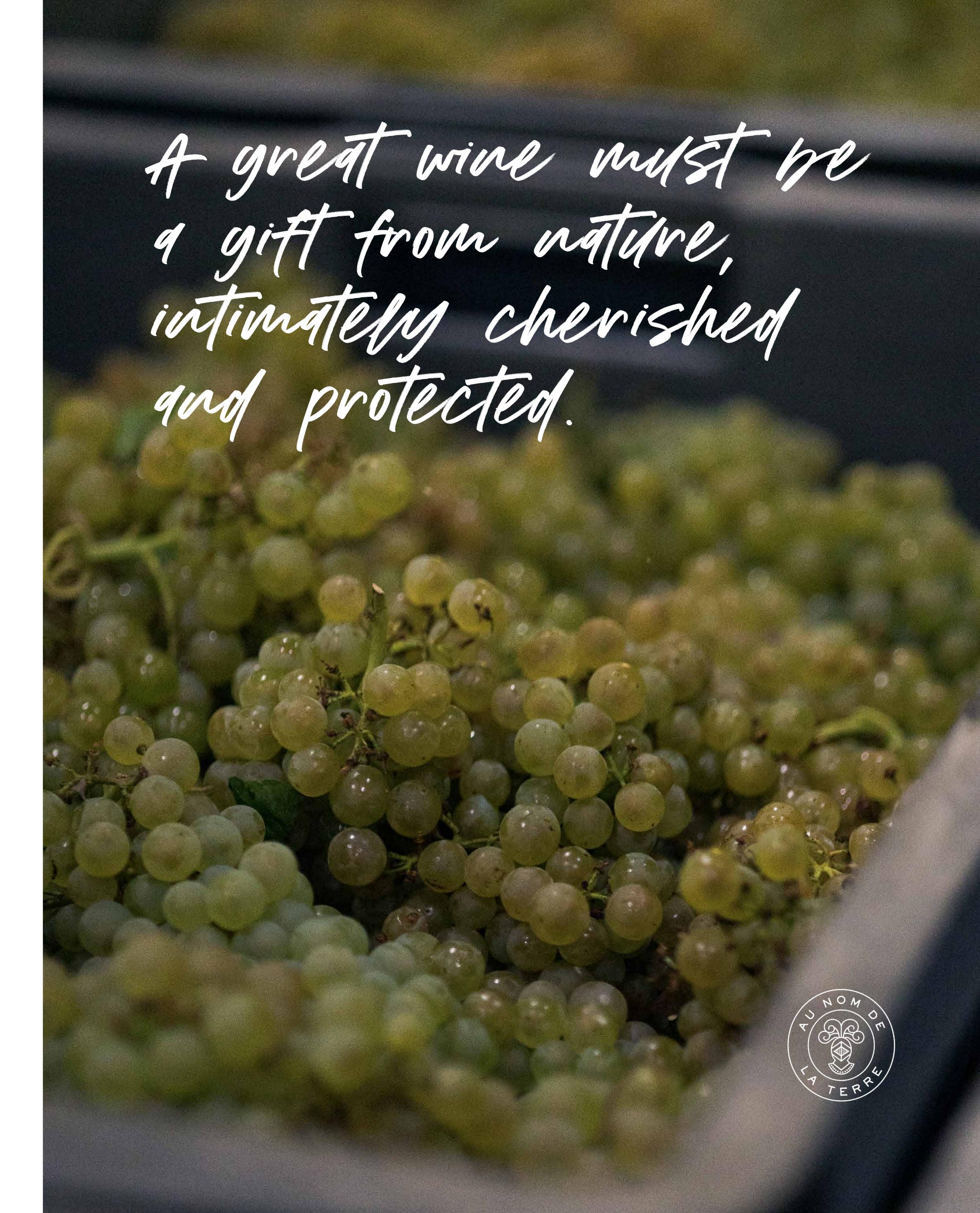
Scope 1 refers to a company's direct emissions as a result of its everyday operations. This includes infrastructure, vehicles, and machinery, etc. At Telmont, this might most notably refer to the winegrowing machinery that we own outright, since we've made a decision that not necessarily every estate has: under Scope 1, we've included the full 25 hectares of the parcels that Telmont cultivates directly. The other parcels, and only the other parcels, come under Scope 3.

SCOPE 2:

Scope 2 concerns emissions, most often indirect, linked to the production of the energy that Telmont consumes. For Telmont, that principally covers the electricity that we purchase (the fuel used by our winegrowing machinery falls under Scope 1).

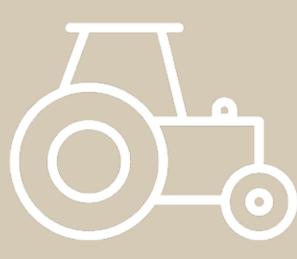
SCOPE 3:

Scope 3 is much broader as it includes... everything else. These other indirect emissions cover the supply chain, both upstream and down, as well as the production of raw materials involved in product composition. Falling under Telmont's Scope 3 are, for example, bottle production, as well as all delivery operations from our suppliers to our Atelier in Damery, and from Damery to our clients.



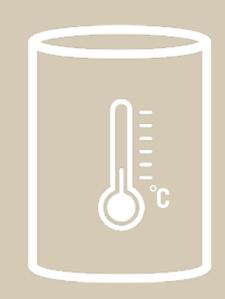


CARBON EMISSIONS ARISING DIRECTLY FROM BUSINESS ACTIVITIES





MACHINES



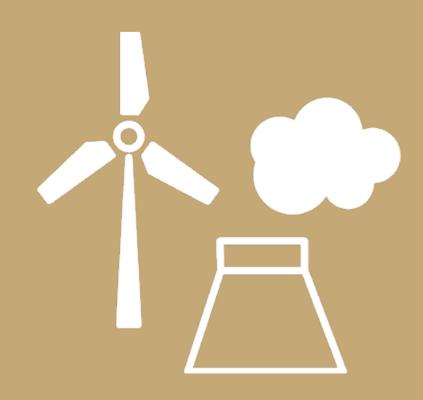
REFRIGERANT FLUIDS
TO PRODUCE THE
COLD NECESSARY FOR
WINEMAKING



FERTILIZATION OF VINES
USING NITROGEN



CARBON EMISSIONS ARISING INDIRECTLY FROM BUSINESS ACTIVITIES



PRINCIPALLY LINKED TO THE PRODUCTION OF ENERGY USED TO RUN OUR ATELIER IN DAMERY



Our craft is cultivating the vines and making champagne. So, to calculate our carbon footprint, we turned to the help of experts. We'd like to thank Quantis for their support. Working with them was crucial, as we had to ensure that we had sorted our emissions into the correct Scopes. We couldn't forget any or count any twice.

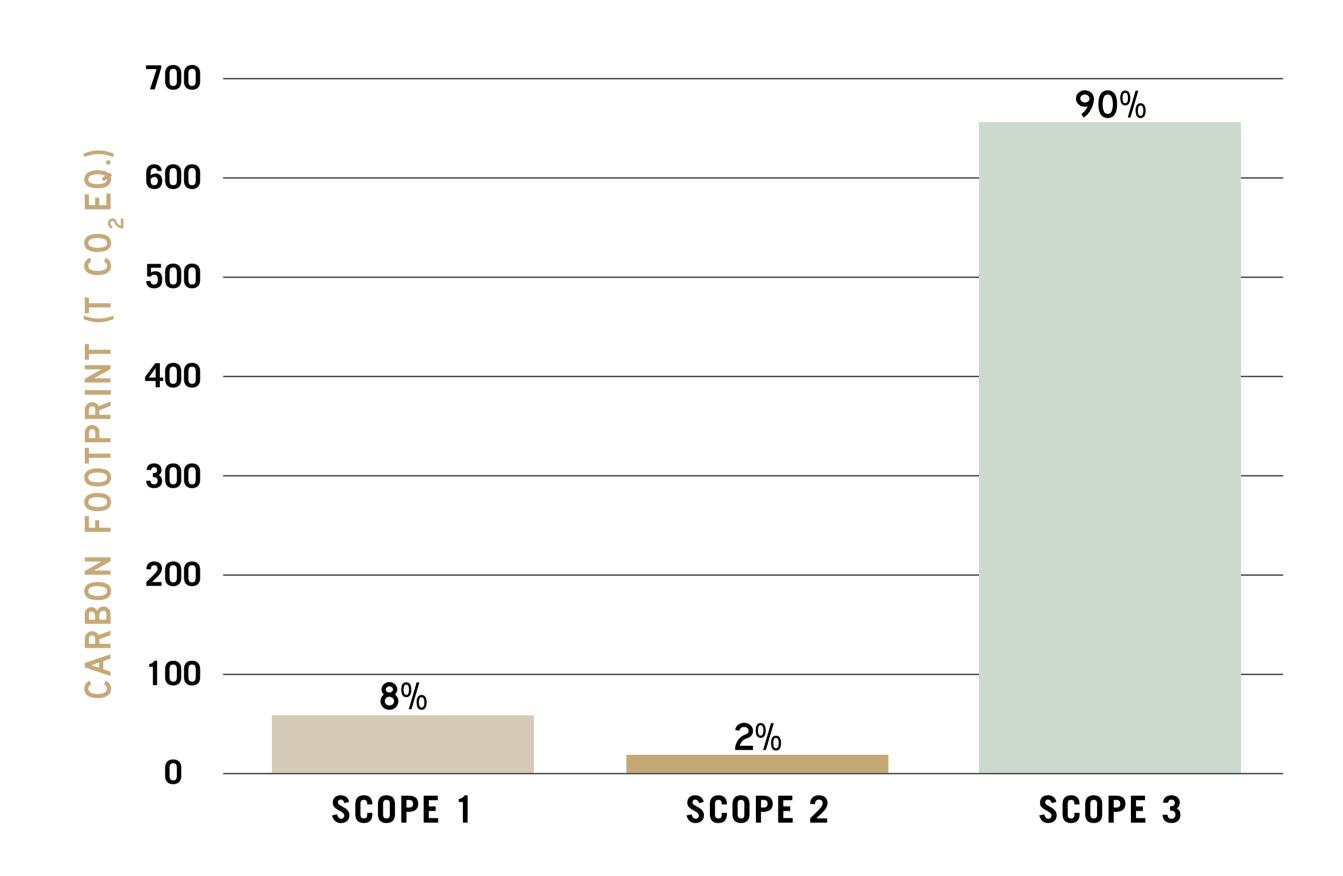
Source: Maison Telmont carbon emissions report 2020/2021, conducted by Quantis





Our carpon footprint

TOTAL GREENHOUSE GAS EMISSIONS AT TELMONT FROM 2020 TO 2021⁴



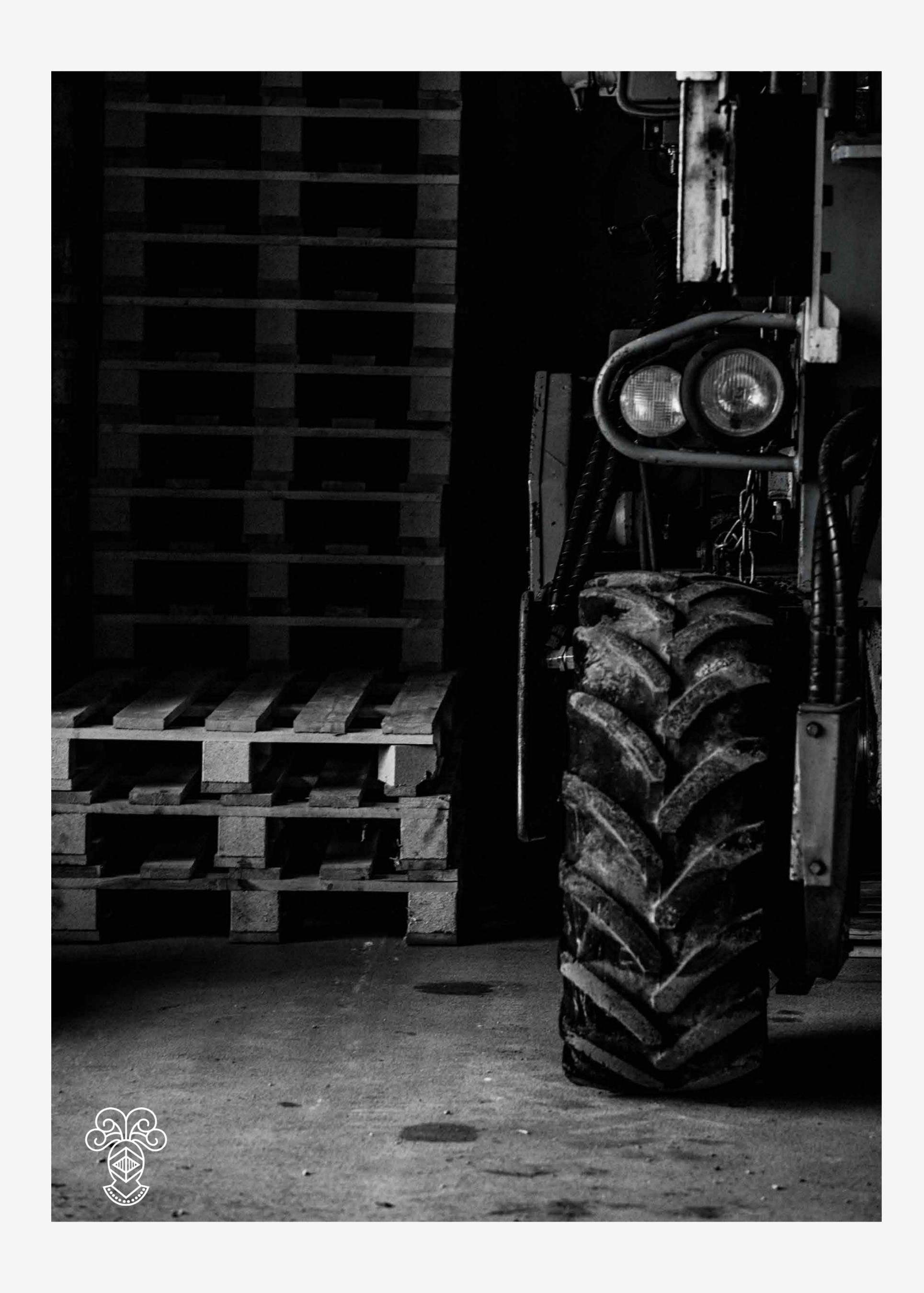
Source: Maison Telmont carbon emissions report 2020/2021, conducted by Quantis

TELMONT'S CARBON FOOTPRINT IN THE 2020-2021 FISCAL YEAR WAS 725 TONS CO₂ EQ

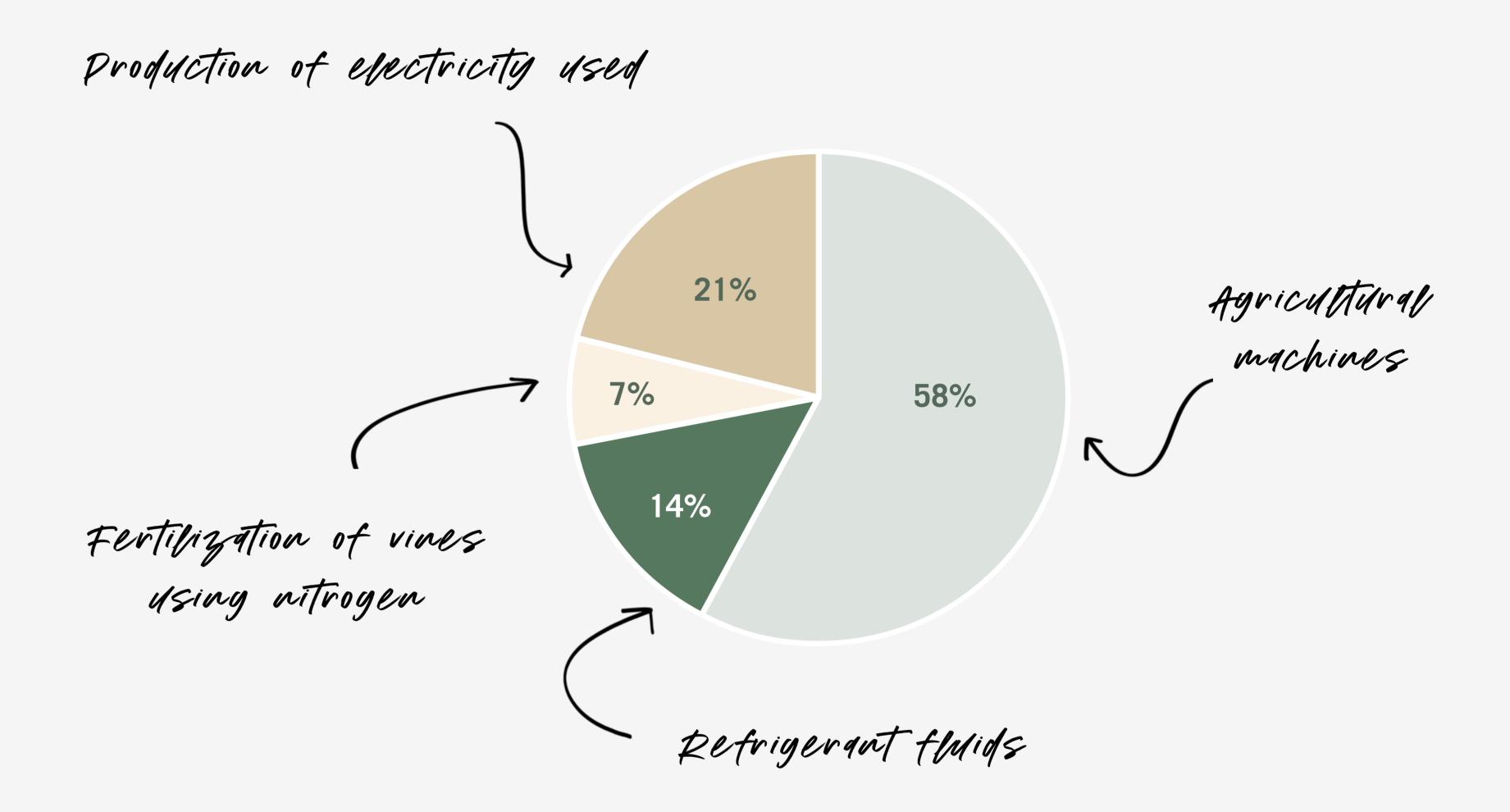
Most of our carbon footprint (90%) comes under Scope 3. Scopes 1 and 2 are respectively responsible for 8% and 2% of our greenhouse gas emissions.

We can't stop there, because, if we truly want to reduce our emissions, we have to understand where they come from. So we dived deeper.

⁴ To measure our carbon footprint, we used the dates of our tax year, that is, from April 2020 until March 2021.



DETAILED BREAKDOWN OF OUR SCOPE 1 AND 2 EMISSIONS



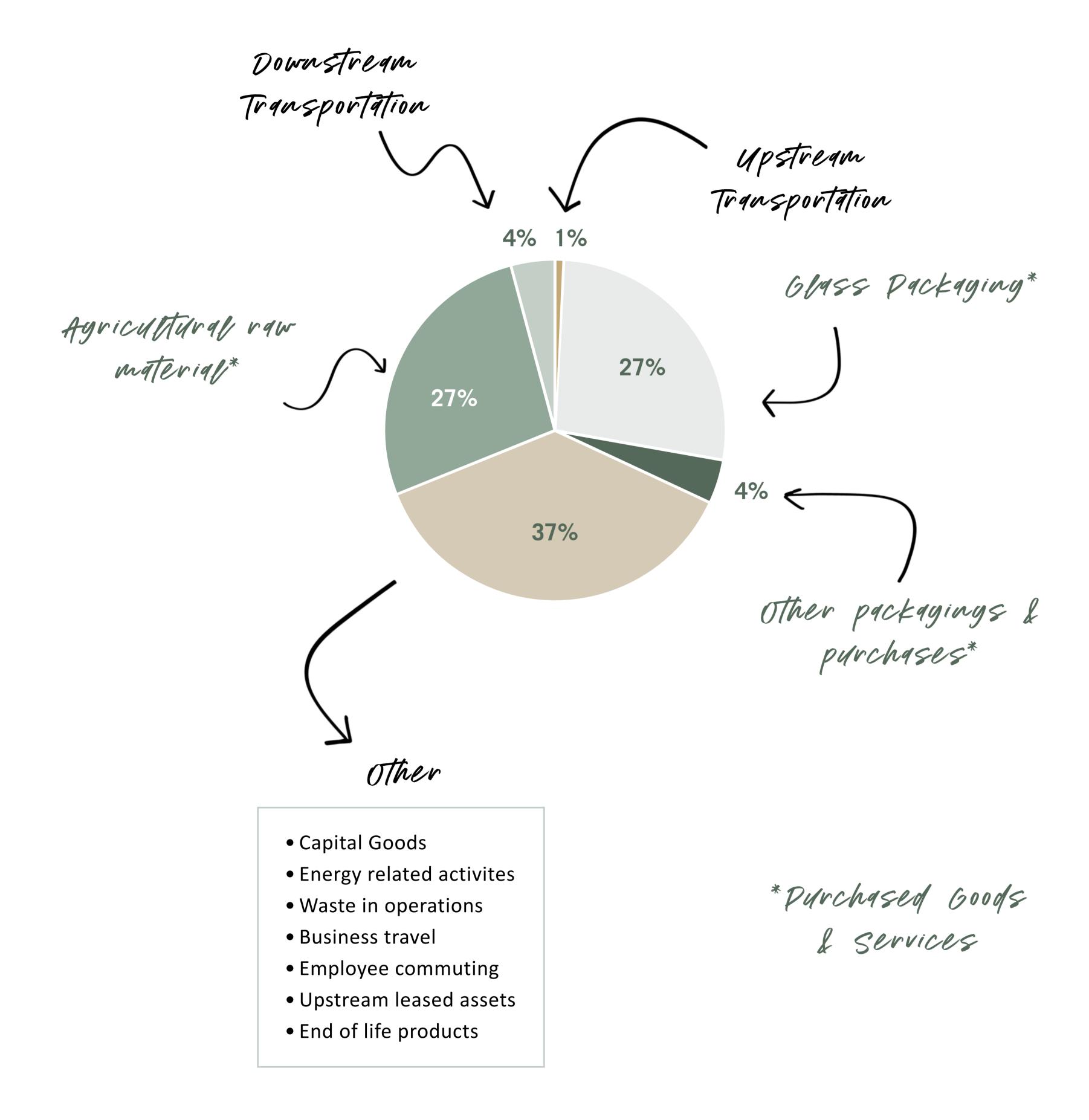
Source: Maison Telmont carbon emissions report 2020/2021, conducted by Quantis

HERE'S THE DETAIL FOR SCOPE 1 AND 2:

Logically enough, the biggest impact comes from our winegrowing activities. First and foremost is our agricultural and winegrowing machinery, used on parcels that we own and cultivate for our own use. Winegrowing activities also include the necessary fertilization of our land. This too has an impact on greenhouse gas emissions.

That's why we must act first and foremost on our winegrowing practices. Again, we're talking about an interconnected whole, so we can't separate the matters of energy efficiency and electricity purchase.

DETAILED BREAKDOWN OF SCOPE 3 EMISSIONS AT TELMONT



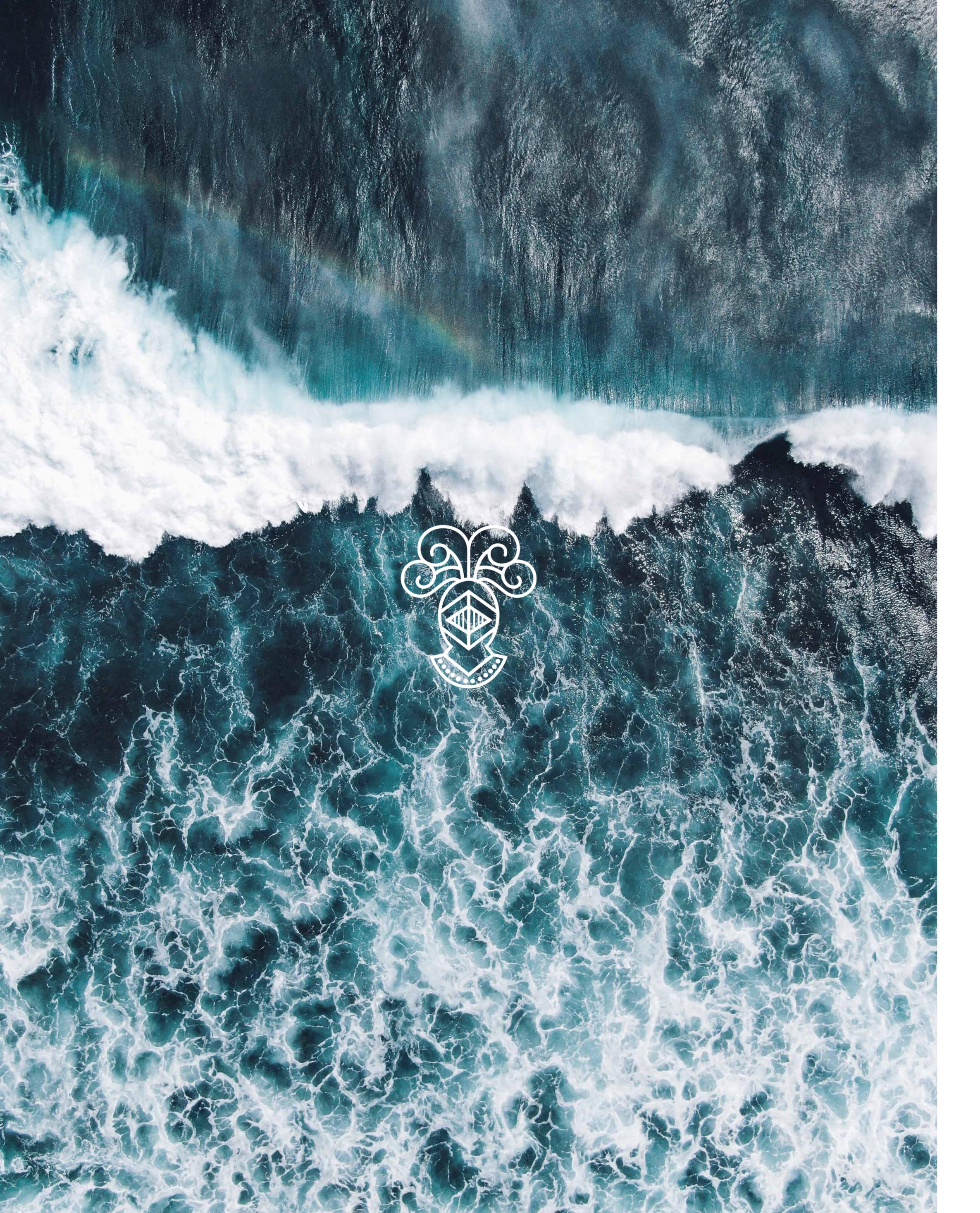
Source: Maison Telmont carbon emissions report 2020/2021, conducted by Quantis



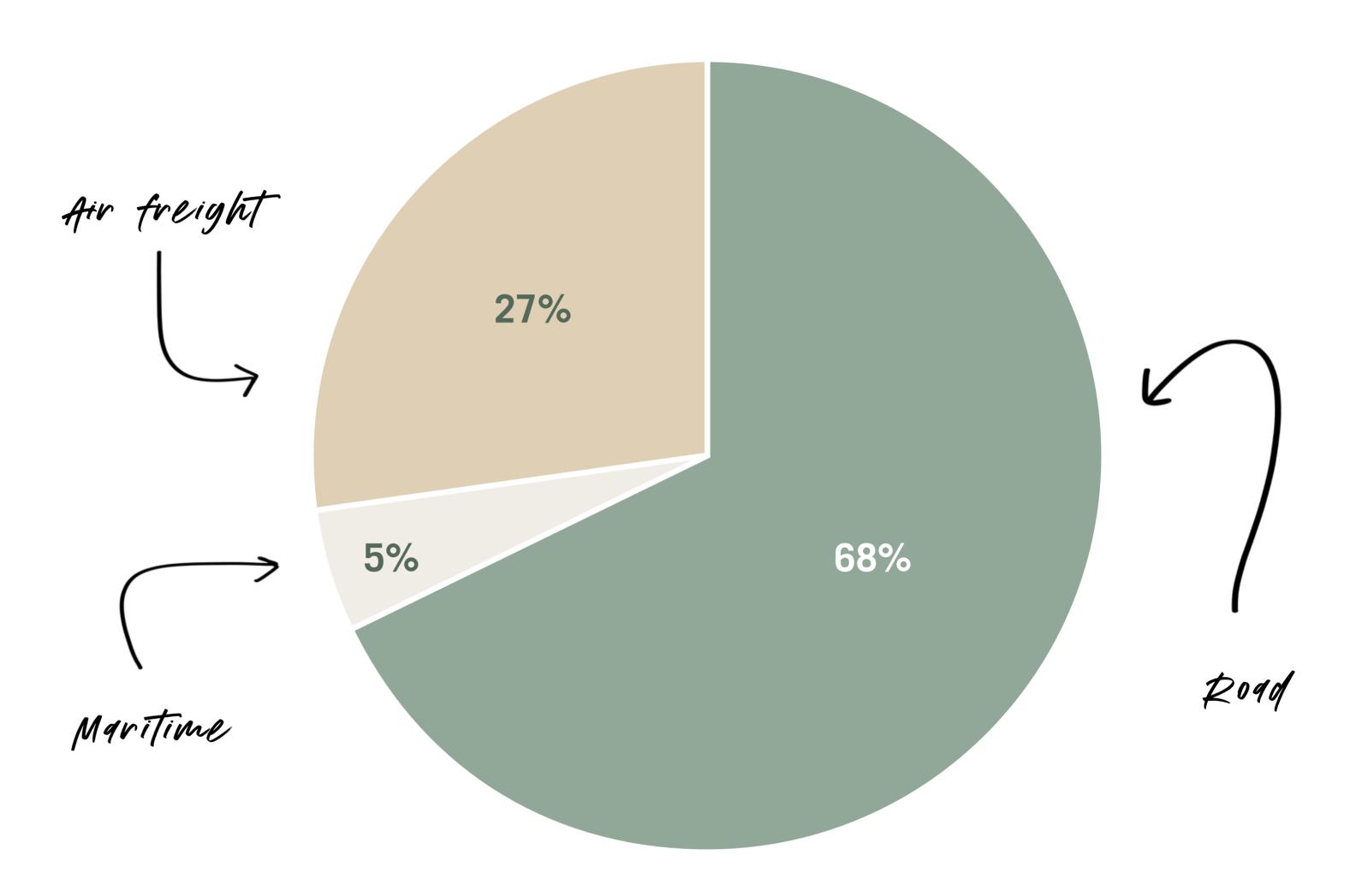
The largest contributor, representing 25% of total emissions (and 27% of the emissions of Scope 3), is the production and supply of grapes by our winegrower partners, accounting for around 180 tons of CO_2 eq. This is followed by bottle production, which accounts for 24% of total emissions and 175 tons CO_2 eq, representing 27% of the emissions of Scope 3. When we look at these two indicators, it becomes clear what we need to prioritize. But, once again, we won't take these actions alone. They involve working with our winegrower partners and the glass manufacturers that produce our bottles.

Packaging, including gift boxes and other wrappings, accounted for 4% of our emissions in 2020-2021. 4% might not be an enormous figure in itself, but it's an example of an area where we can act. We can't do without our bottles, but we can do without packaging. So that's what we've done. And, incidentally, we've gone against the trend of the luxury wine and spirits sector. You'll see how in the coming chapters.

Then there's the question of transport, particularly downstream transport, which makes up 4% of our carbon footprint. Let's zoom in on this point.



HOW THE VARIOUS MODES OF DOWNSTREAM TRANSPORT CONTRIBUTE TO EMISSIONS



Source: Maison Telmont carbon emissions report 2020/2021, conducted by Quantis

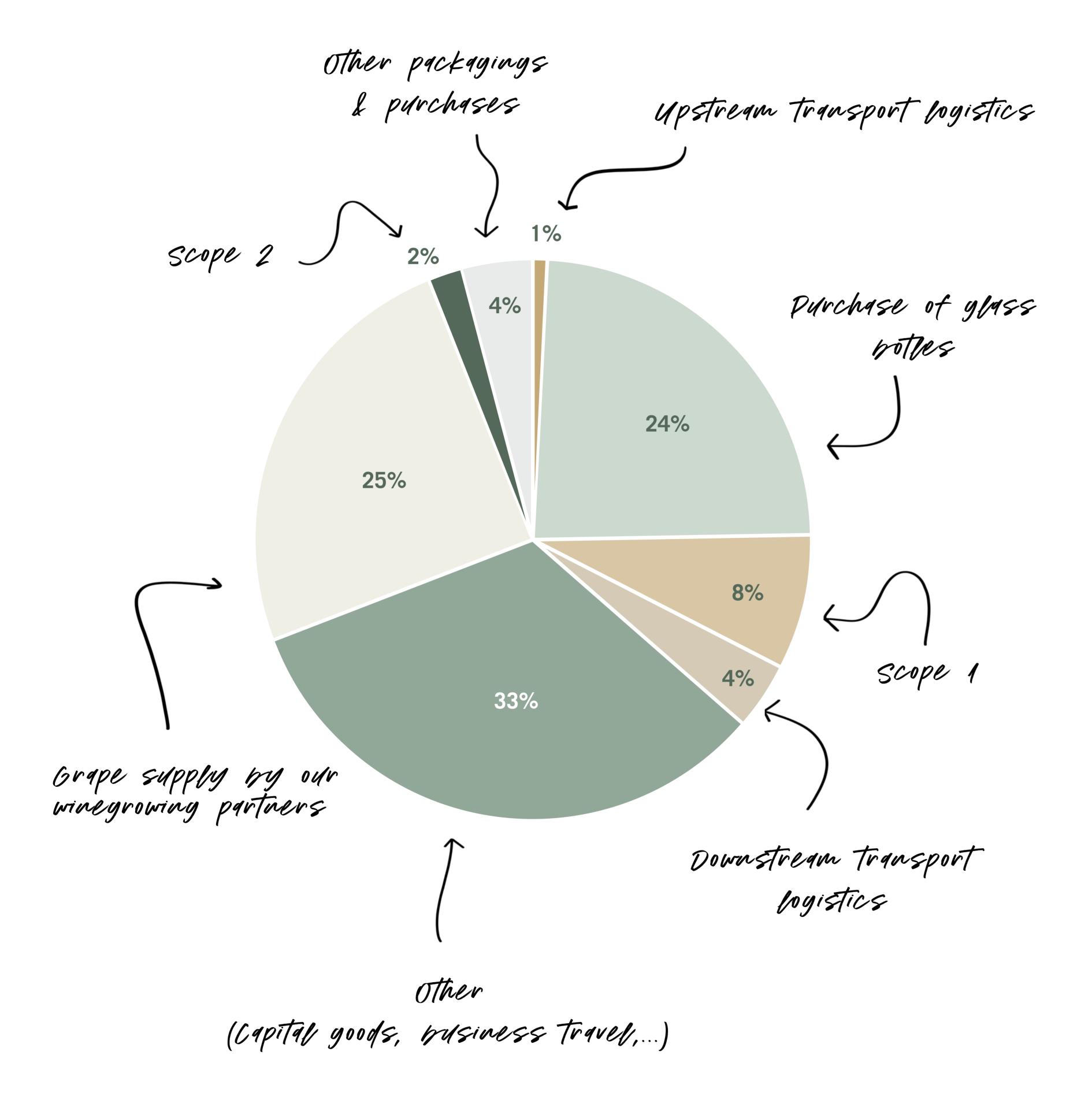
On this chart, we can see that road transport is our biggest source of carbon emissions. This is hardly surprising.

Just behind, at 27% of emissions, is air freight. This was used until June 21st 2021 for shipments to international markets such as the USA and Asia. This explains its share of the chart.

Here again, a lot has happened since...

Because, since launching our "In the Name of Mother Nature" project on June 21, 2021, we've looked for every possible way to reduce our environmental footprint. We've chosen to stop using air freight, even when supplying distant locations. It's a radical choice, and we can't pretend that it makes our logistics easier. But let's admit it: any bottle of wine that has spent at least three years aging in a cellar can easily stand a few more months at sea. We'll come back to this in the chapters that follow.

DETAILED BREAKDOWN OF TELMONT EMISSIONS, SCOPE 3 INCLUDED



Source: Maison Telmont carbon emissions report 2020/2021, conducted by Quantis



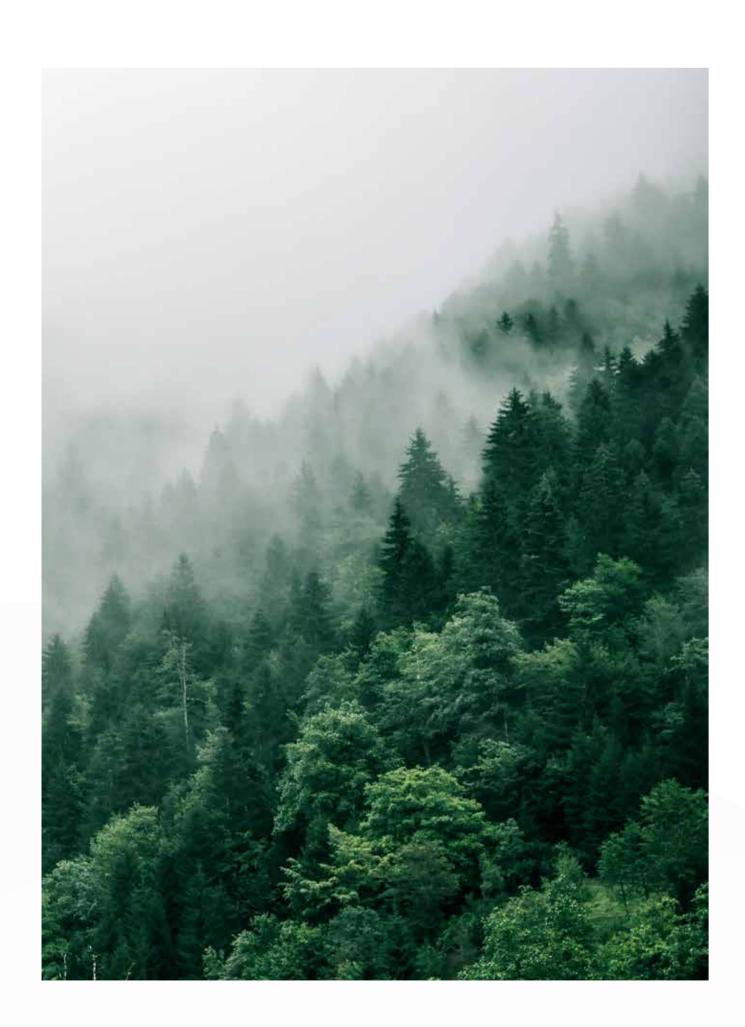
PART 3

SETTING OBJECTIVES TO REACH CLIMATE POSITIVE AND NET POSITIVE

A methodological framework to measure and track our progress towards reducing greenhouse gas emissions

When you decide, as we have, to reduce your carbon footprint, and maybe go as far as aiming for a Net Positive approach, wishful thinking is no longer enough. You are then quicky confronted with the heart of the matter: how do you concretely go about it? Where do you start? And how do you create a roadmap that will outline the necessary steps?

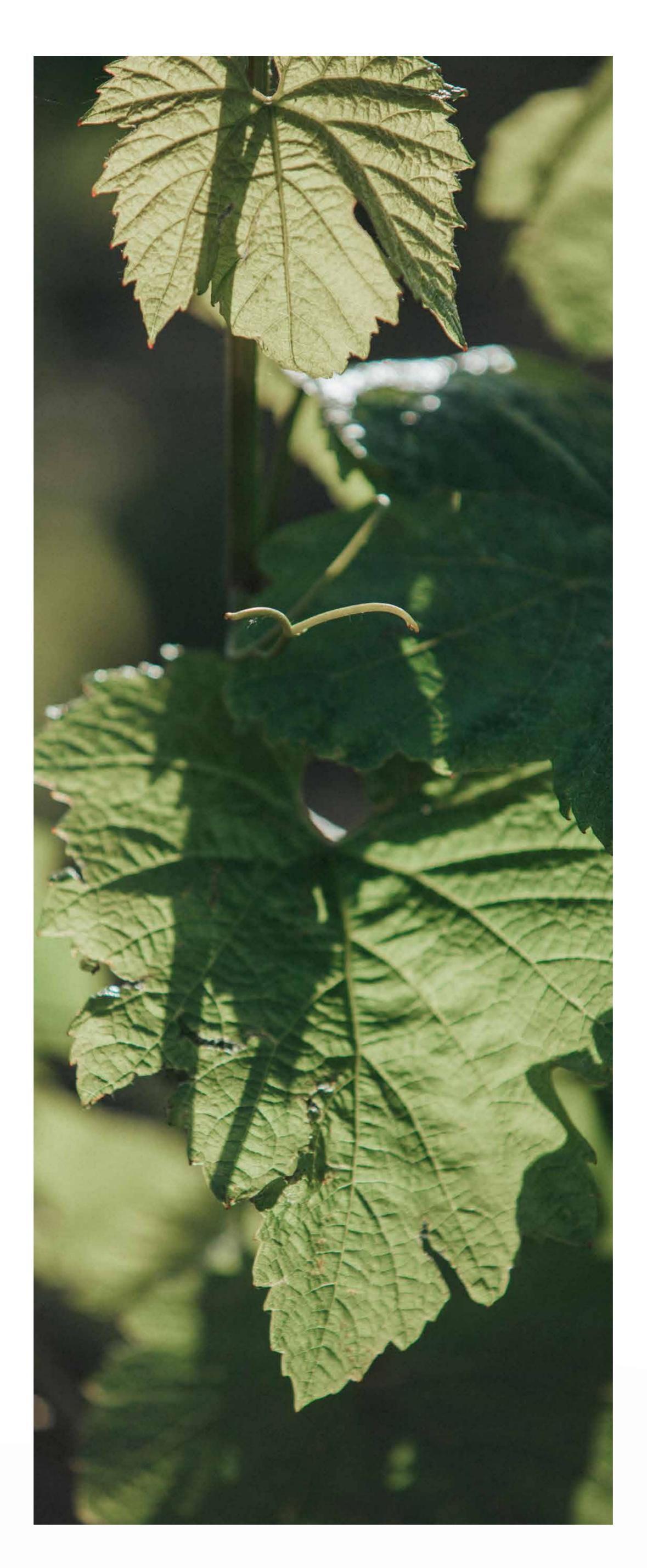
The first step is key: adopting a methodological framework. First of all, this helps us understand where we're starting from: our current carbon footprint. It also allows us to analyze the main contributing factors. Measuring, analyzing and understanding are all crucial.

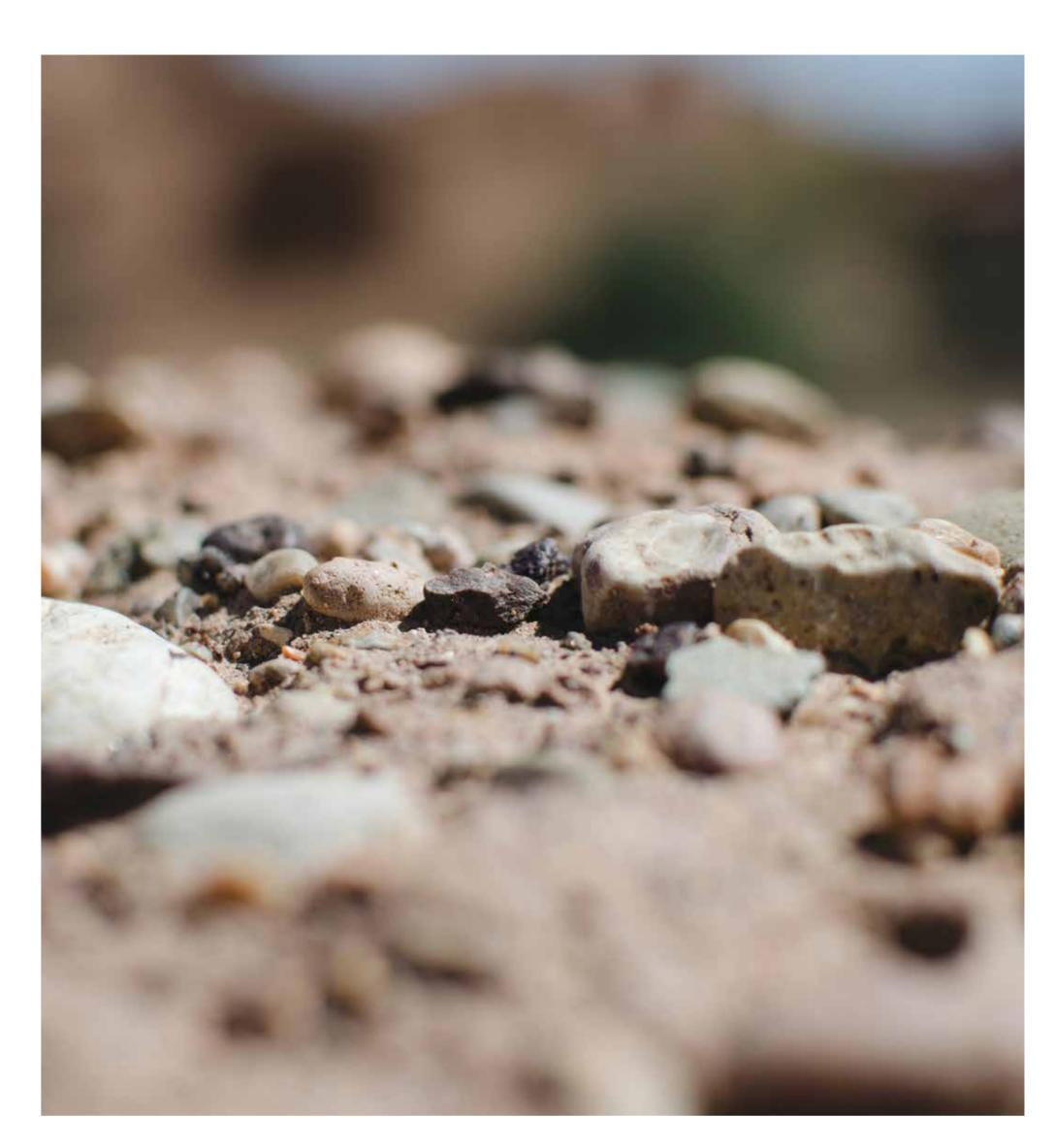


Second, that same methodological framework will allow us to define our goals, understand the benefits coming from the actions we plan to take, and finally, define the trajectory that will guide us from the starting point to our target.

This might all sound simple, but we assure you it isn't! Carbon accounting is a complex and highly technical field. To even draw up a complete and reliable carbon footprint (which is the first step towards making progress) requires a specific technical skillset. A little like filing your yearly tax return, it's a big job in itself...

And, as we've said before, this isn't our area of expertise. Our job is to make high-quality champagne. That's why we decided to partner





with professionals: Quantis. And we're glad we did. They've guided us through each step of the process, clearly showing us the choices we must make in order to achieve our goals.

Throughout this process, we've learned that the methods that enable businesses to transition towards Net Positive stem from an ever-evolving science. That's why we have to be humble and inventive. We have to make choices, and sometimes even predictions, about what we don't know yet. We have to accept that both the science and the methodologies are always evolving. And we will have to adapt our approach throughout this iterative process.

All that complexity might seem intimidating. But don't worry – you are not alone! On a journey like this, you can rely both on highly competent partners and a rigorous, scientific frame of reference: the SBTi framework.



The SBTi (the Science-Based Targets Initiative) methodology

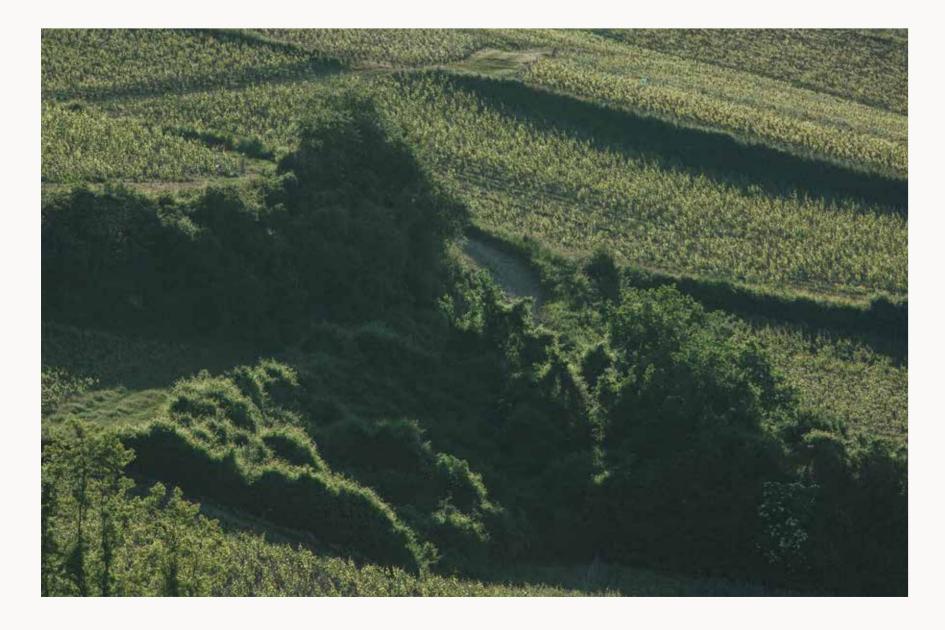
The SBTi is an initiative undertaken by key players in the fight against climate change⁵. It helps businesses to voluntarily adopt an ambitious climate approach, including objectives to reduce their greenhouse gas emissions in line with the Paris Agreement objectives. In concrete terms, this is the answer to the question that many of us are asking: "What must I change in my business so I can play my part in limiting global warming to 1.5 °C?"

Adopting the SBTi methodology provides companies a rigorous scientific framework for reducing their emissions and is as accurate as current levels of knowledge allow. The science of measuring and predicting the impact of our actions on the climate is still in its infancy, but



Paris Agreement.

Of course, there are still limitations. The SBTi approach is highly codified, and any business that wants to make use of this



First and foremost, we have to commit to reducing our emissions across our value chain. This commitment means we must follow a trajectory to become Net Positive by 2050, at the latest. But it also involves ambitious reduction obligations in a much shorter time span, by 2030 actually.

method must also respect certain steps.

the SBTi framework allows us to ensure

as much as possible that our trajectory

aligns with the 1.5 °C target stated in the

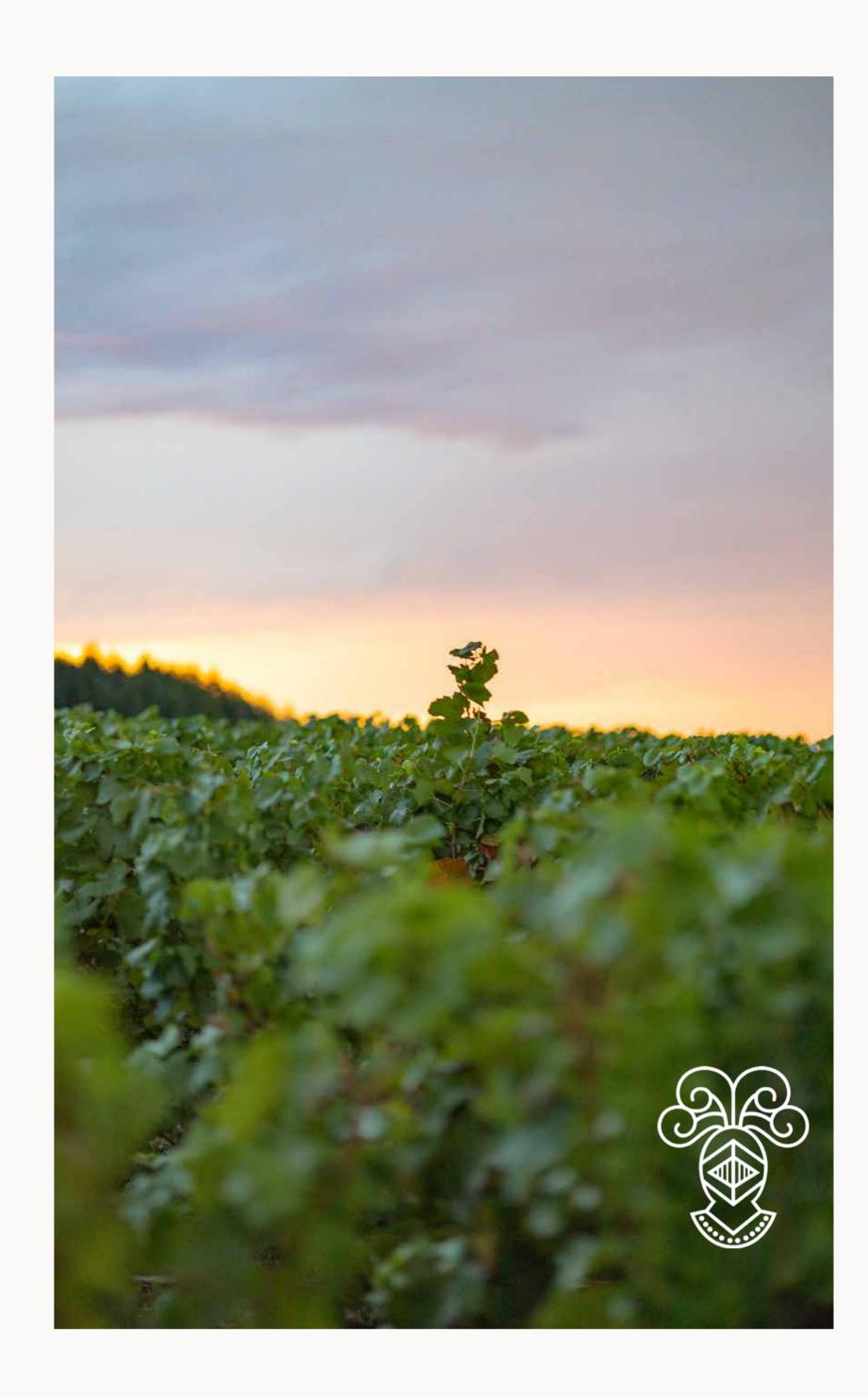
Once that trajectory is confirmed, it has to be publicly stated. Your stakeholders bearing witness to your commitment is definitely the strongest form of pressure! Finally, throughout the whole process, we have to be transparent on the progress made and communicate regularly on the evolution of our emissions.

In other words, the SBTi method sets the bar high!

The method drawn up by the SBTi contains another specific requirement: absolute contraction of greenhouse gas emissions. That means reducing the total volume of greenhouse gas measured in tons of carbon dioxide equivalent (TCO₂eq), rather than linking them to units produced. Because, if we really want to meet the goals set out in the Paris Agreement, what counts is the total quantity of GHG emissions in the atmosphere.

The SBTi was the natural choice when Rémy Cointreau decided to engage its entire business activity in a carbon reduction program. Because the subject is so complex, relying on science is the best way to be certain of adopting the highest standards, and to know exactly where we're heading. Playing our part in reducing global warming is far too important to do things half-heartedly.

Telmont's approach, quite logically, is deeply embedded within the Rémy Cointreau Group. We've chosen to contribute to the Group's commitment by setting targets for ourselves that are at least as ambitious as theirs. This means that our carbon reduction trajectory aims to contribute to Rémy Cointreau's commitments and will

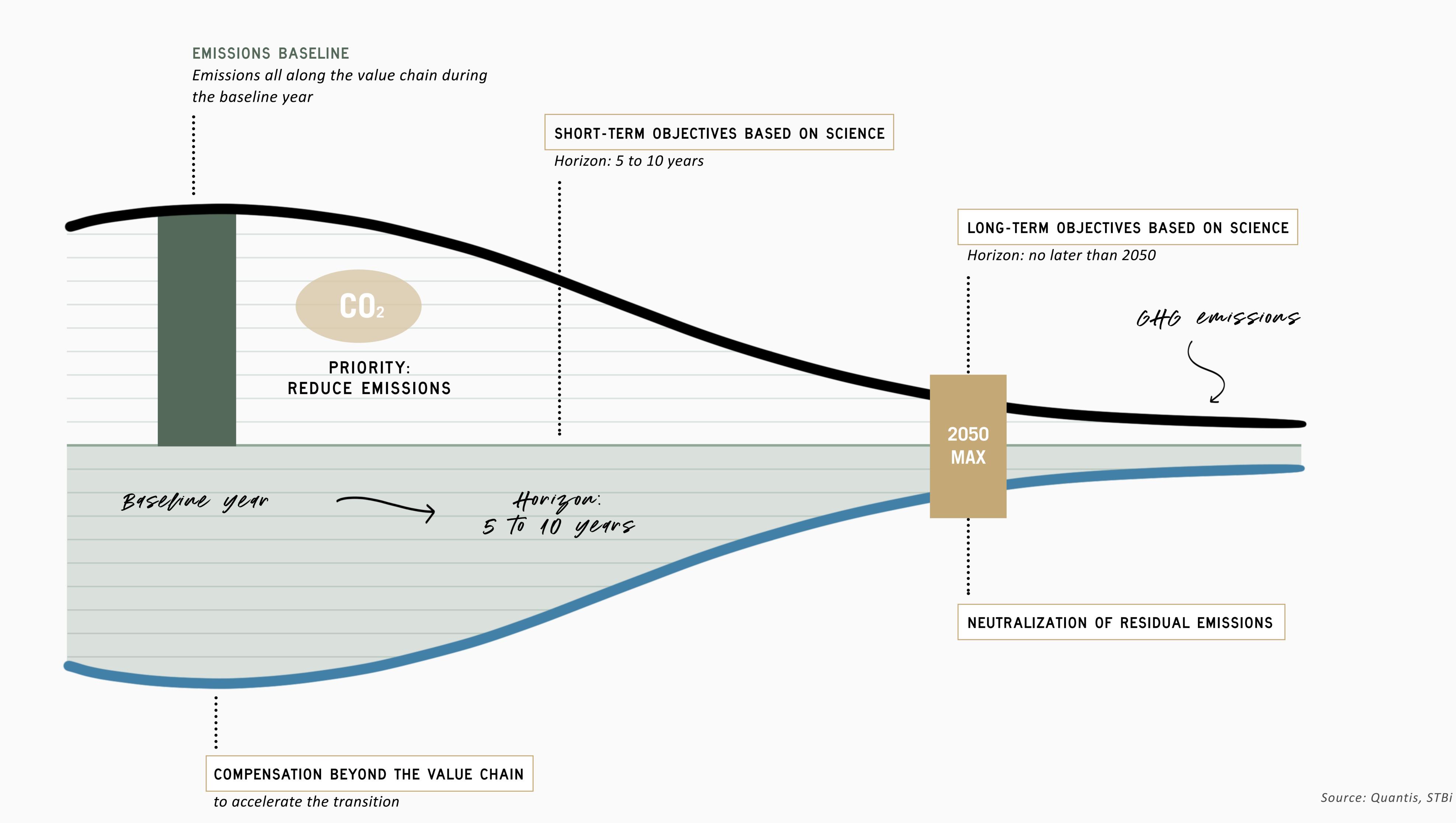


not be independently submitted to the SBTi. More and more businesses are committing to the SBTi approach. Today, over 4,099⁶ companies, all at different stages of development, are working with the SBTi. That's twice as many as last year, and we find that really encouraging to see a real snowball effect happening. That's why we decided to write this guide: maybe at our own level we can help to further contribute to the movement.

⁵ The Carbon Disclosure Project (CDP), the UN Global Compact, the World Resources Institute (WRI) and the World Wildlife Fund (WWF).

⁶ Source: https://sciencebasedtargets.org/

THE JOURNEY TOWARDS NET POSITIVE



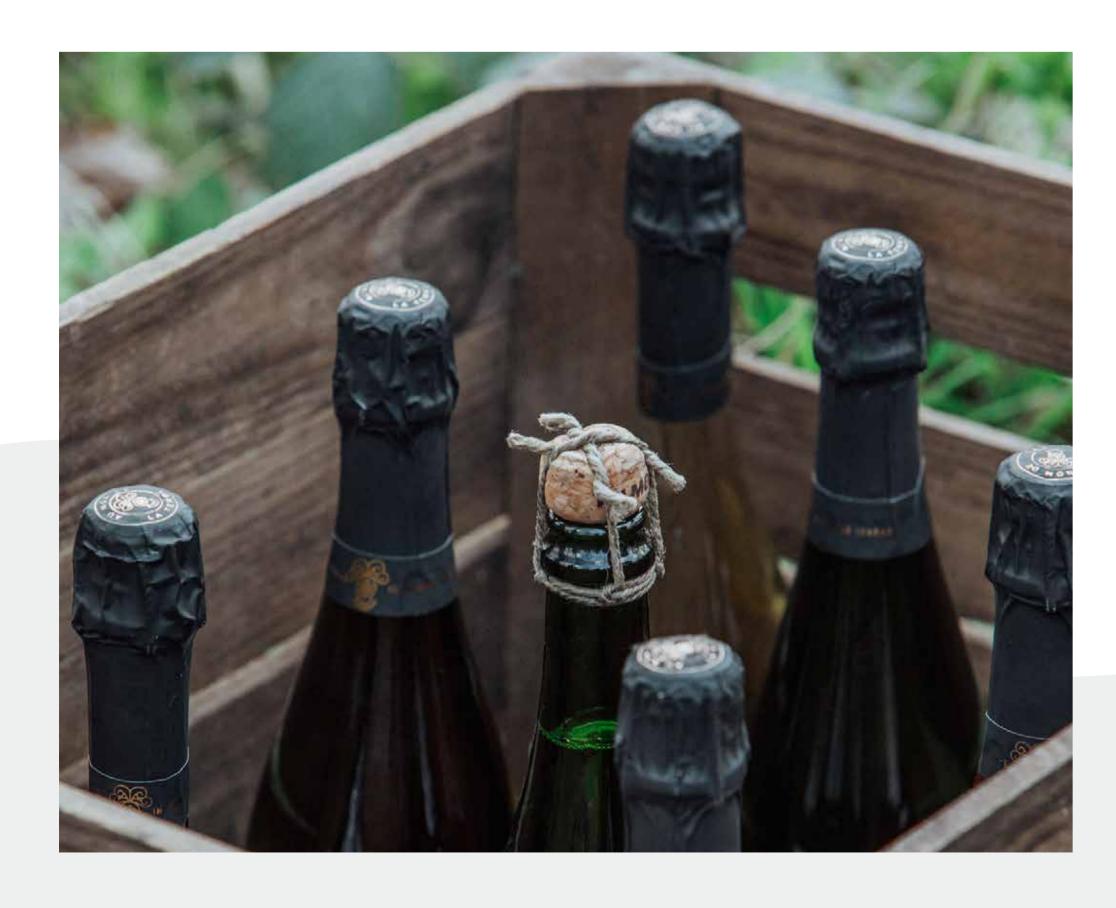
How can we pecome Net Positive?

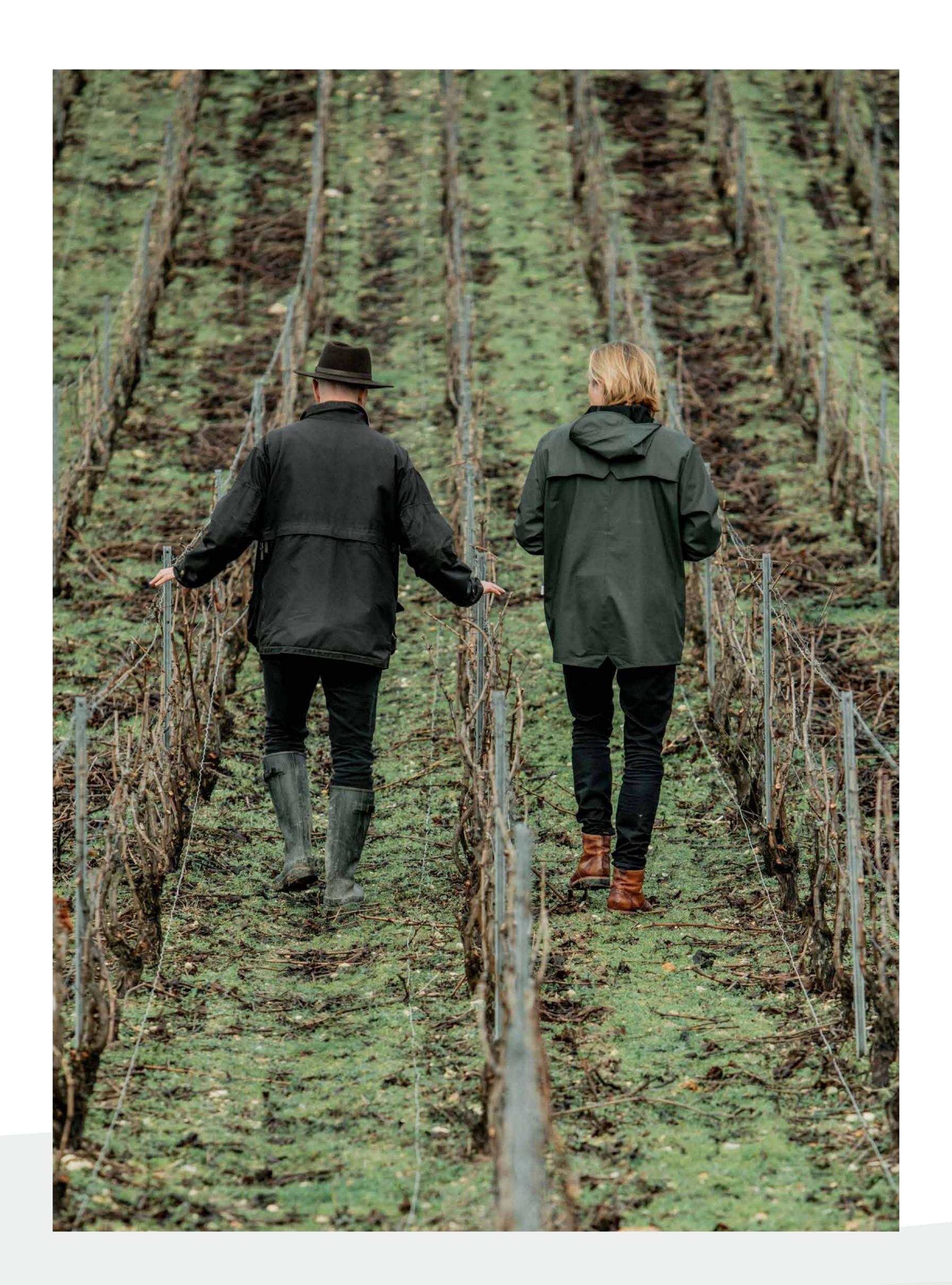
You can be Net Zero, in other words Neutral, which is already great for the planet. But we can do better by having a Net Positive approach.

Being Net Positive means that CO₂ and other greenhouse gases (GHG) emissions have been drastically reduced by 90%. It also means that residual emissions are more than offset by the quantity of greenhouse gas captured from the atmosphere and sustainably stored. In short, you capture more than you emit.

Quite logically, there are two ways to reduce your carbon footprint: first reduce your emissions, and then increase the quantity of sequestered GHGs.

At Telmont, we've decided to work on both fronts. Lowering our CO₂ emissions to zero is very ambitious and probably unrealistic in the short term. However, Mother Nature that we're helping to protect offers a very practical way of capturing CO₂: through plants and hornbeams!







We've therefore combined these two levers to define our trajectory and become Net Positive in the most effective way.

What's unique to our business is that while we cultivate 25 hectares of our own estate, this does not supply us with all the grapes we need. We therefore work with a number of winegrowing partners that cover an area totaling more than 55 hectares. Of course, since we buy these grapes, the GHG emissions involved in growing them will fall under what we call Scope 3. This is mentioned in Part 2 of this Guide. These key partners become naturally involved in our environmental approach, and together we're working to reduce the GHGs emitted through our winegrowing practices. Sequestration of carbon dioxide will take place as much on their land as on ours.

specific features of the winemaking sector

Winegrowing, just like livestock farming, growing crops, or producing timber, involves working with organic matter. And where there's organic matter, there's carbon, especially as all plants sequester CO₂.

That's why the SBTi believes that this sector needs slightly different rules to calculate its greenhouse gas emissions. In particular, these rules must allow companies to integrate their sequestration initiatives to their overall emission reductions. These rules are not yet entirely fixed at the time of the writing of this guide. As we mentioned earlier, climate science is still an evolving field.

With the help of experts at Quantis, we have defined our trajectory based on the SBTi provisional guidance issued in January 2022. We did this knowing that we may have to redo our calculations, perhaps even adjust our trajectory, once the "definitive" rules (but when are things really "definitive" in this field?) will be published.

Once again, we see the complexity of this subject, which may seem disheartening for some, or motivating for others. In any case, there's no getting around it if you wish to reduce your carbon footprint in a scientific and rigorous manner. It's still a pioneering approach. At Telmont, this pushes us to think about the impact of our actions with even greater humility.



OUR COMMITMENT: TO BECOME CLIMATE POSITIVE AS OF 2030 AND NET POSITIVE BY 2050

We're reaching the heart of the matter: our commitment to reduce emissions and how we can achieve this. To get there, we followed a number of steps.

The first step is defining your ambition. What target will you set yourself? Within which timeframe?

For us, clearly the objective is to be Net Positive by 2050. But in the short term, and as first step, we will set a very ambitious intermediary gate pass: to be Climate Positive as early as 2030. Which entails for us to engage, as of now, in considerable efforts to sequester as we simultaneously reduce our emissions. It's a positive dynamic that we're setting in motion.

These are strong commitments, but we couldn't do less than our maximum if we are to act In the Name of Mother Nature.

The next step, is to make structural choices regarding the approach to follow. This will allow you to draw a trajectory mapping out your starting point and required target to reach. At Telmont, we've committed to the Absolute Contraction Approach (ACA), following recommendations from the SBTi. This means that each year we must reduce our emissions by a fixed proportion in relation to our chosen starting point. This equates to a 4.2% reduction for Scopes 1 and 2, and 2.5% for Scope 3.

To understand what all this means, we have to look at how it works in concrete terms. That's what we aimed to do with the below charts, without going into too much detail.

Range of climate objectives

CARBON

NEUTRALITY

ADDRESSES ONLY CO.

Reduce CO₂ emissions and compensate remaining emissions by removing CO₂ from the atmosphere through carbon sequestration.



CLIMATE POSITIVE ADDRESSES ALL GREENHOUSE GASES, NOT ONLY CO.

Reduce all greenhouse gases, not only CO₂. But that's not enough. You need to compensate more greenhouse gases than you emit.



NET

ZERO

ADDRESSES ALL GREENHOUSE GASES, NOT ONLY CO.

This standard requires to reduce emissions by 90% and to compensate remaining emissions.

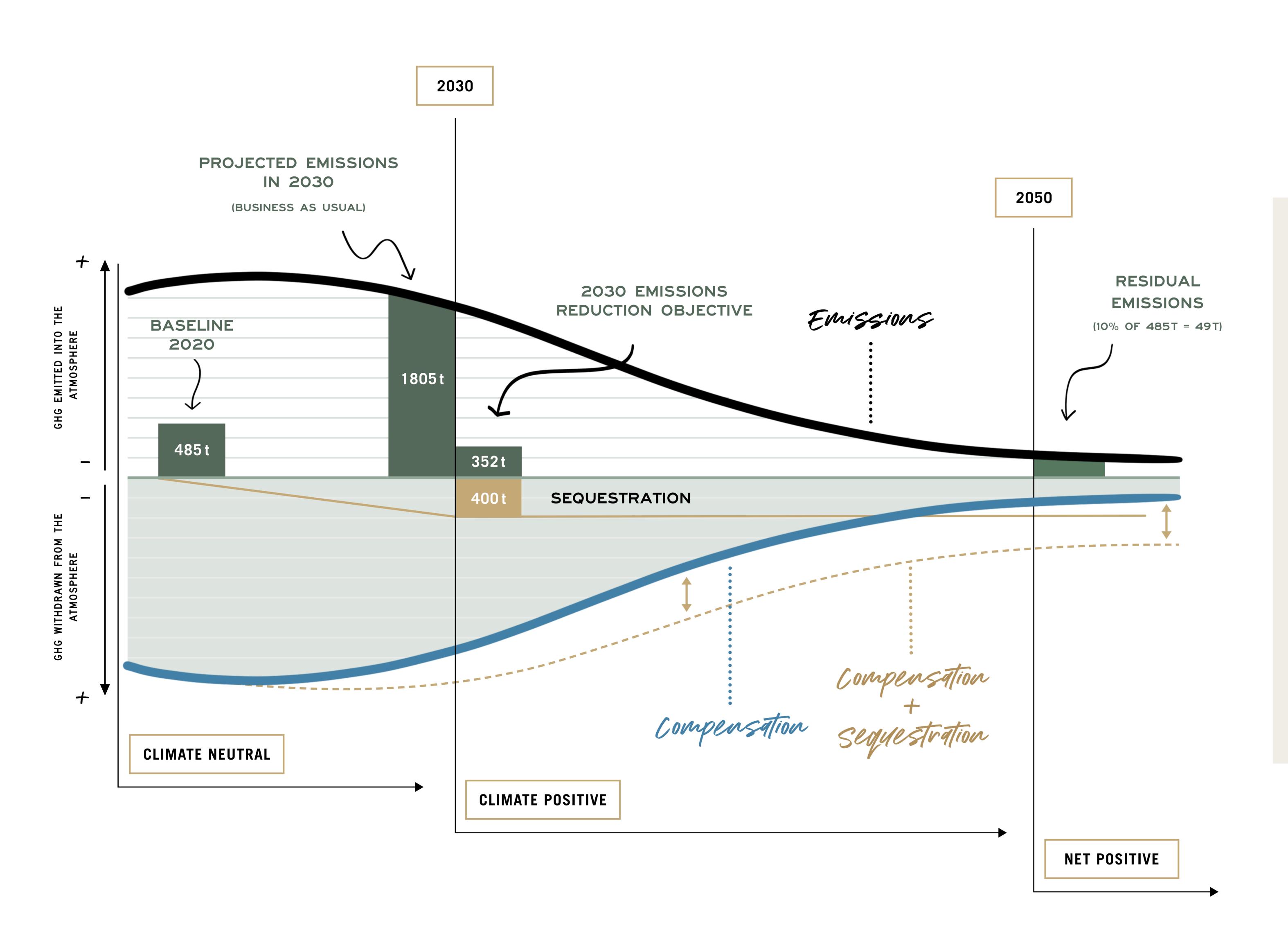


NET POSITIVE ADDRESSES ALL GREENHOUSE GASES, NOT ONLY CO.

You have to not only reach the Net Zero reduction targets, but also remove more GHG from the atmosphere than you emit.



THE JOURNEY TOWARDS NET POSITIVE: TELMONT VERSION

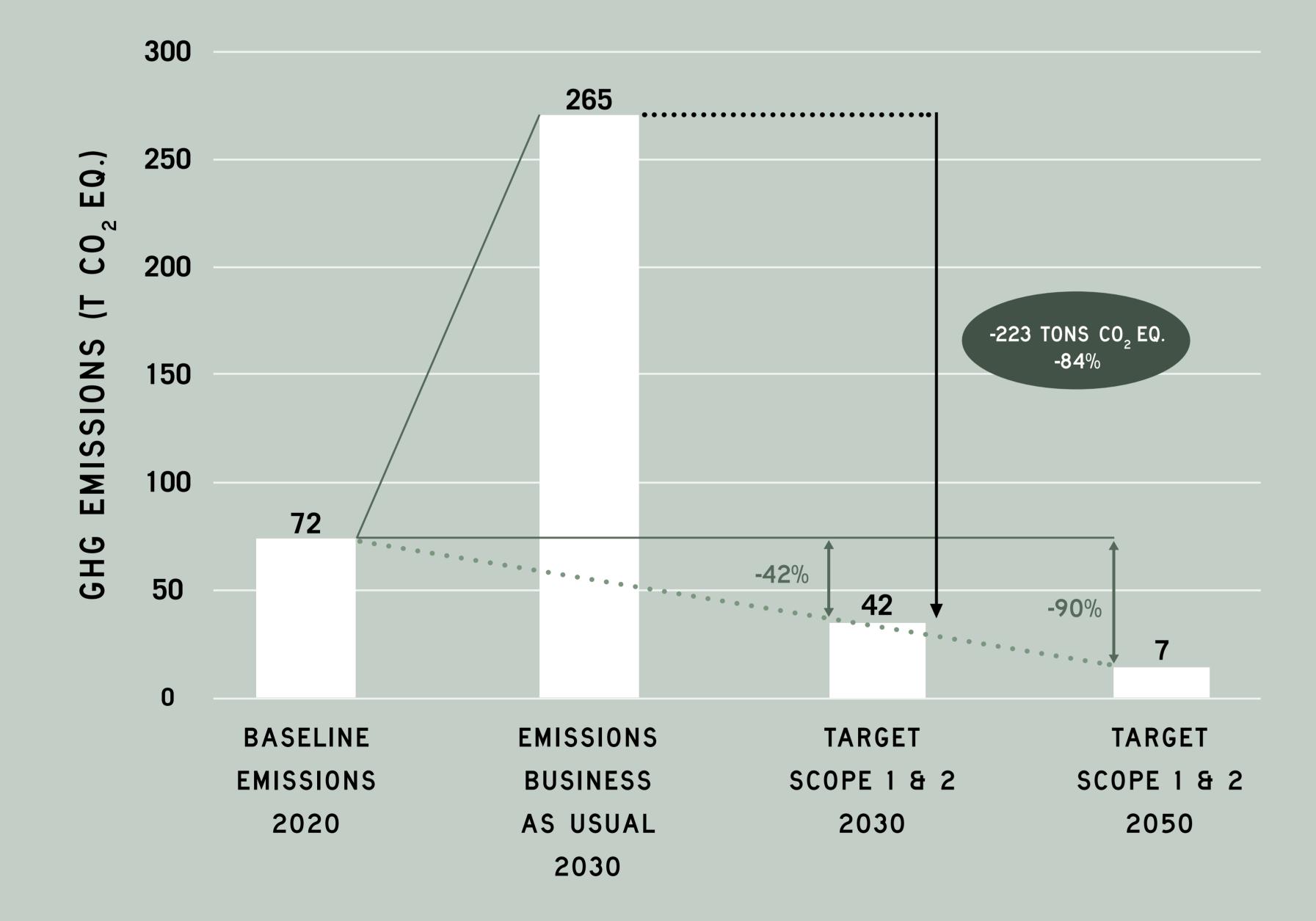


Don't worry, this chart is meant to simplify things! You'll see.

It shows that our approach is slightly different than the SBTi trajectory presented page 19. A "classic" approach would require to "only" compensate residual emissions. This is shown on the bottom blue line, which decreases as our emissions (the black line above) progressively decrease on the path towards Net Zero.

At Telmont we aim to go one step further. Because we will sequester more than we need to compensate. Why? Nature: that's why. When you plant hornbeams, they don't stop sequestering carbon overnight, thankfully! This corresponds to the green line. In the end, the gap between what we will sequester and what we will need to compensate (see the gap \$\cup\$) represents a positive externality. In other words, doing more good for the planet.

TRAJECTORY IN ABSOLUTE CONTRACTION SCOPE 1 & 2



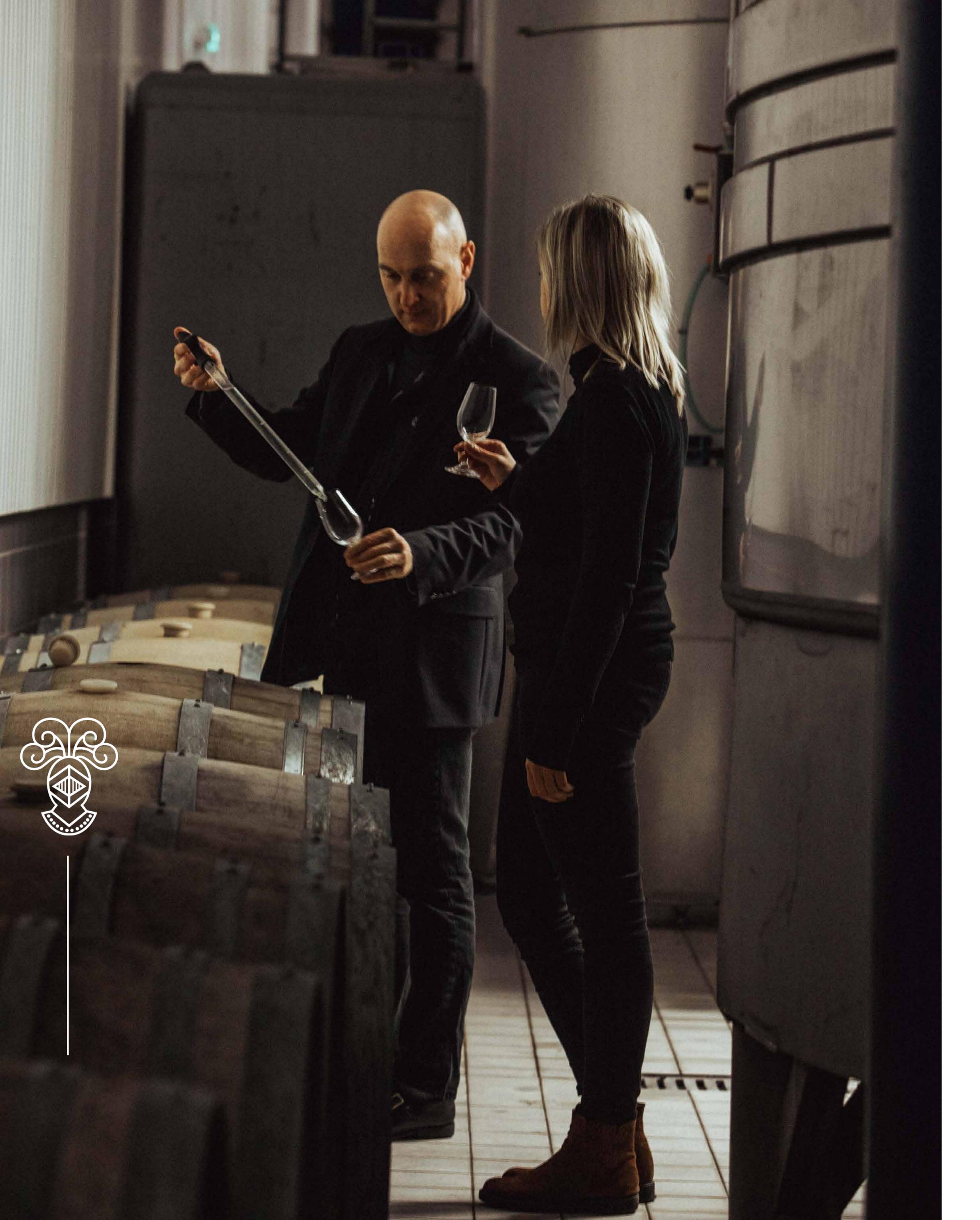


This is our trajectory for reducing the emissions of our Scopes 1 and 2. Emissions from our own activity and those from our energy purchases currently account for 72 tons in equivalent CO₂. This starting point allows us to calculate our target for 2050: 7 tons in equivalent CO₂, which is a 90% reduction in our emissions. The intermediary 2030 objective entails a 42% reduction compared to 2020, compounded to a considerable effort to sequester in order to compensate more than we emit.

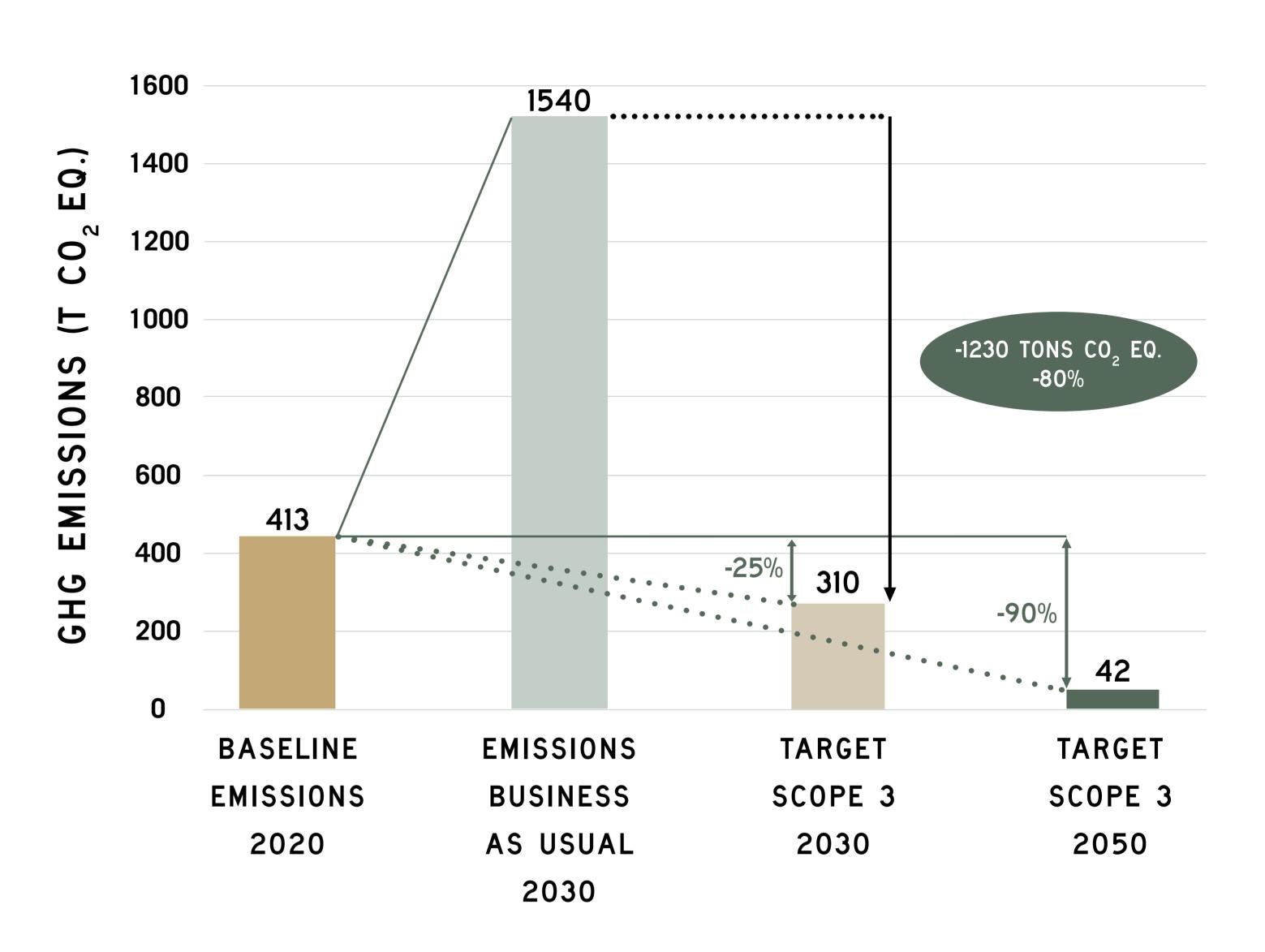
A 90% reduction is considerable. But in fact, the effort we'll have to make will be much greater because, while our carbon footprint will decline, our business activity will continue to grow.

To better understand this tension (between reducing emissions and continuing to develop production), we have put together a "business as usual" scenario on this chart. It shows the emissions we would produce if we continued to grow our business activity without taking any steps to mitigate our carbon footprint. Here, we can see that we'll have to reduce our emissions by more than 80% by 2030!

Now let's look at Scope 3, which accounts for 90% of our emissions.



TRAJECTORY IN ABSOLUTE CONTRACTION SCOPE 3



Our starting point, as per the perimeter established by our SBTi approach, is 413 tons in equivalent CO_2^7 . Our target for 2050 is 42 tons in equivalent CO_2 , a 90% reduction compared to 2020. The intermediary 2030 objective is 310 tons in equivalent CO_2 , a 25% reduction compared to 2020, entailing here as well a considerable sequestration effort to be Climate Positive.

As you can see, this trajectory was not determined by quantifying the benefits of the actions we knew we could already implement, but by defining the targets and working out where we need to be at each milestone. Now all we need to know is how to get there...

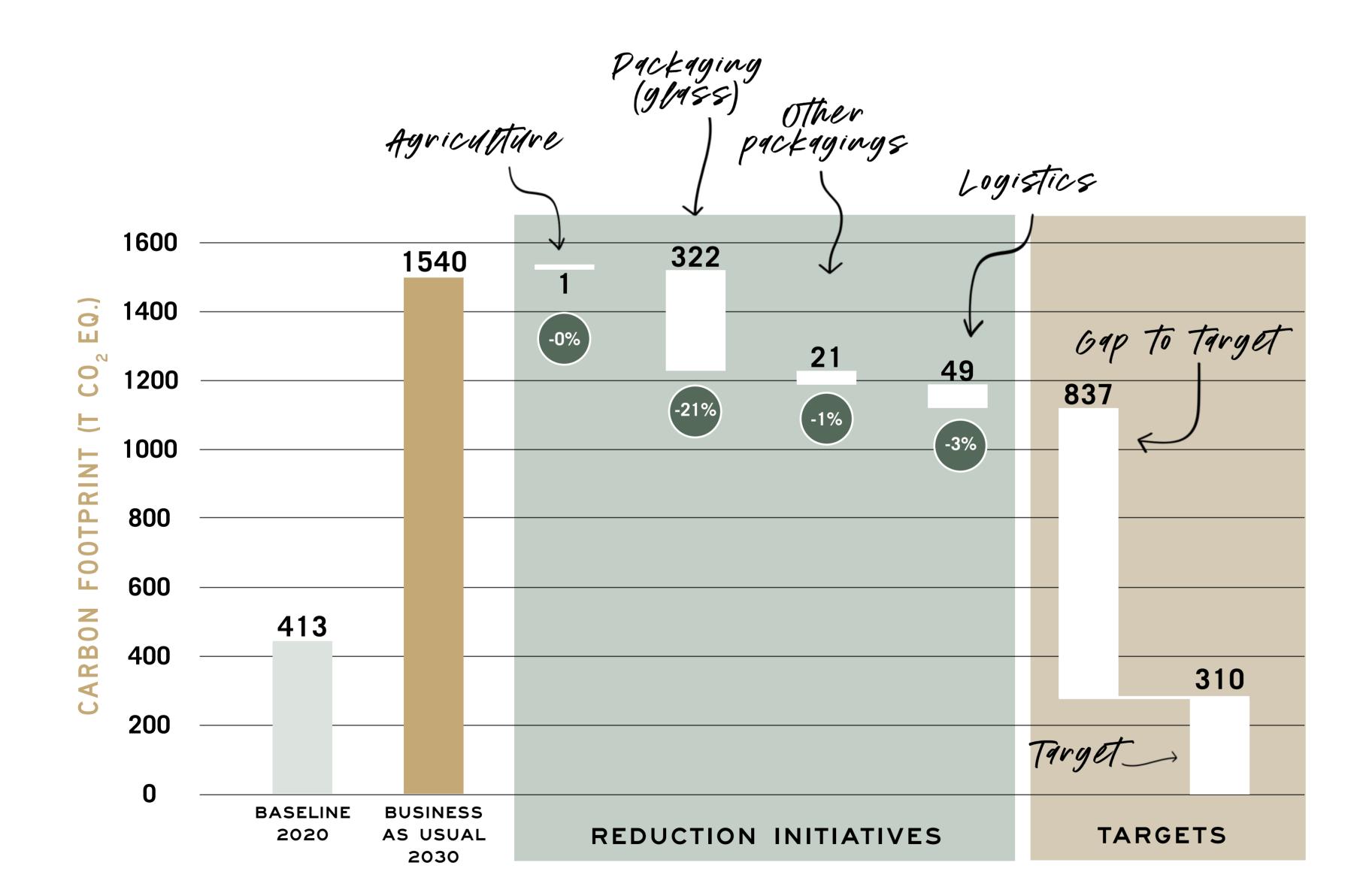
⁷The SBTi methodology is very pragmatic: it encourages companies that adopt the methodology to work on a scope that covers the main sources of emissions and the full spectrum of those they are directly responsible for. It is in this spirit that we have adopted the same scope as Rémy Cointreau, which covers all of Scope 1 & 2 emissions and two-thirds of Scope 3 (corresponding to our main GHG emissions: packaging, raw materials and transportation).

How can we reach these goals? Reduce and sequester

To become Climate Positive and eventually Net Positive, we must remove more greenhouse gas from the atmosphere than we emit. We've seen that there are two ways to reduce your net footprint: first, lower your emissions, and second, find ways to capture and sustainably store greenhouse gases that are already in the atmosphere. Both can be carried out at the same time.

We've found many ways to reduce emissions, and we'll come to these in greater detail in the following section. But when we look carefully at how much CO₂ these initiatives might stop us from emitting, we realized that we were still far from where we needed to be.

LET'S LOOK AT SCOPE 3 AS AN EXAMPLE:





As you can see from this chart, a reduction of no less than 837 tons in equivalent CO₂ is required to reach our target even though we've already included ambitious reduction initiatives!

We'll fill this gap through our carbon sequestration projects. Now let's dive into the specifics. We aim to plant thousands of hornbeams, both on our own vineyard and that of our winegrower partners. We will also increase cover crops across all our vineyards or our partners'. Every year, as they grow, these plants will capture CO₂. If we add all that up between now and 2030, we will end up with several hundred tons of

captured CO₂. That's great news, and this also contributes to another commitment of ours.

But even if we do all this, there's still a "Gap to Target". How can we decrease this gap? To be completely honest, we don't have all the answers. But we do know that we'll do everything we can to reach this goal, and that science and technology are progressing rapidly in this field. There's also plenty more for us to learn on the journey towards Climate Positive first, and then Net Positive. The challenge is huge, we will tackle it with humility and determination.



PART 4

INITIATIVES WE AIM TO IMPLEMENT

Our efforts to become Climate positive and Net Positive

This section dives deeper into the topic: how do you go about reducing your net GHG emissions? We'll explain the concrete steps we're taking, both to reduce our emissions and to capture and sustainably sequester CO₂ from the atmosphere.

Acting to reduce our emissions

The majority of our greenhouse gas emissions come from four major areas:









We've taken a number of actions in each of these four areas in order to significantly reduce our GHG emissions. As part of our "In the Name of Mother Nature" project, we had already launched the majority of these actions well before initiating this highly structured approach to reduce our carbon footprint.

"In the Name of Mother Nature" is an overarching sustainability approach, aimed at reducing our environmental footprint. This includes greenhouse gas emissions, biodiversity and soil preservation, the conversion to organic agriculture, and more. All of this is done so future generations can enjoy champagne tomorrow as we do today.

Over the following pages, we'll present the main actions we're taking to become Climate Positive first and then Net Positive. We've chosen to do this pedagogically, without focusing too heavily on the carbon accounting process behind these decisions, which ensures that the balance sheet is as it should be.

That's why the aim of this Guide is, above all, to share what we've done and how we did it. Our hope is that it will make things clearer for whoever embarks on a similar journey for the good of the planet; And maybe this will foster discussions with those who are following a slightly different route towards Net Positive, and surely any ideas that move us in the right direction are worth adopting!



CHANGING OUR AGRICULTURAL PRACTICES

#ORGANICCONVERSION #BIODIVERSITY

CONVERTING TO ORGANIC WINEGROWING

Converting to organic winegrowing means switching to production methods that are more respectful of the natural equilibrium. In concrete terms, it also means stopping the use of synthetic chemical products and GMOs, and replacing them with more natural alternatives. Organic winegrowing often relies on traditional and even long-lost practices that promote positive interactions between the vine, the soil, and other plants.

In a region such as Champagne, the climate is colder than the majority of other winegrowing regions in France. These conditions are often hard on the vine, so to stop using synthetic fertilizer altogether is risky! Inevitably, yields will decrease. What's more, in Champagne, the land which falls under the designation is strictly delimited. This makes it impossible to make up yields by increasing cultivated

areas. That explains why only 4% of the Champagne region is certified organic.

At Telmont, we're fully committed to this conversion. Last June 21st, we announced that 83% of our estate was now organic-certified or in conversion and 45% of the estate of our partner winegrowers is also organic-certified or in conversion. Our target is to reach 100% organic-certified by 2025 for our own estate, and by 2031 on our partners' vineyards.

The impact of the conversion to organic agriculture is enormous, and it's especially positive for biodiversity, the health of the biota in our soils, and for reducing the quantity of chemical products in the natural environment.



#BIODIVERSITY

COVER CROPS

What we call "cover crops", or even "green fertilizer", are the plants we grow between two rows of vines. These plants are intended to create biomass. We allow them to decompose, which enriches the soil with substances that are needed for vine growth, including phosphorous and other minerals, nitrogen compounds, a number of nutrients, and more.

Today, we implement regular grass cover crops on every other row on our estate. To maximize sequestration, we're also testing specific cover crops on certain plots of our vineyard. If these tests are successful, our aim is to extend this to every row of vine across our entire vineyard. Here again, our ambition is to include our winegrower partners in this approach.

Cover crops have a positive impact on emissions as they allow us to reduce our use of treatments, such as fertilizers. Even if these treatments are organic, they still have a carbon footprint. We aim to cut our use of organic fertilizer by 25%.

The overall impact of this change in our agricultural practices is to reduce by 2030 our Scope 1 and 2 emissions by 1.4%, and Scope 3 emissions by 0.9%.





Going further. carpon sequestration

The decisions we make in terms of carbon sequestration are intimately linked to our winegrowing processes. The main focus is to plant hornbeams and other crops on our estate and that of our partners.

PLANTING HORNBEAM

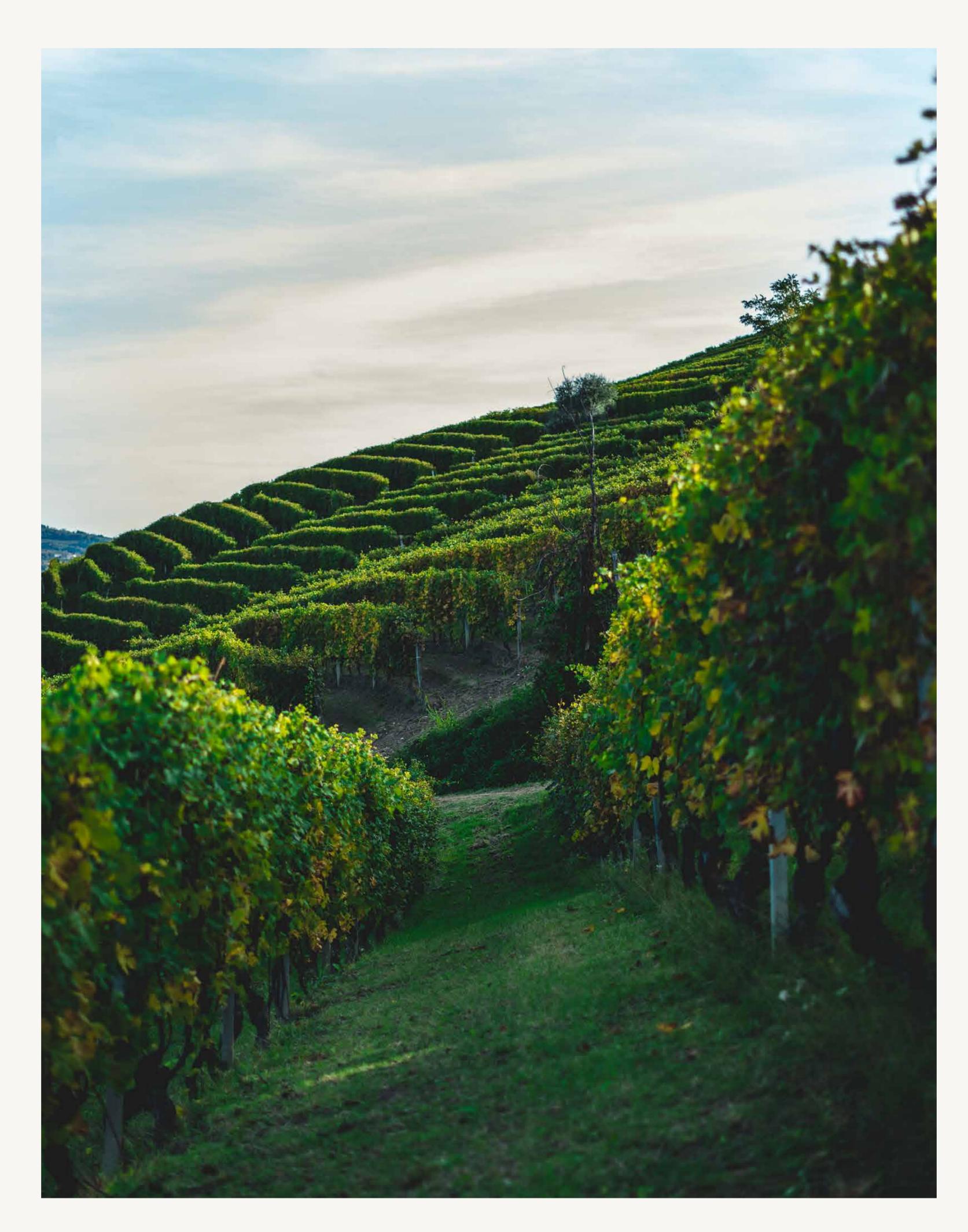
Hornbeam, a tree which quickly and naturally divides into branches, is ideal for hedges. That's why we've started to plant it on our estate. Hornbeam, like all plants, is a carbon sink. It captures the CO₂ in the atmosphere, fixing it and storing it sustainably.

We aim to plant a significant amount to be Climate Positive by 2030: 4,900 in total on our estate. In doing so, we'll sequester a very large quantity of CO₂.

PLANTING COVER CROPS

Cover crops allow us to reduce the quantity of organic fertilizer we use on our vines, and therefore also help reduce the related carbon emissions. This cover also acts as a carbon sink.

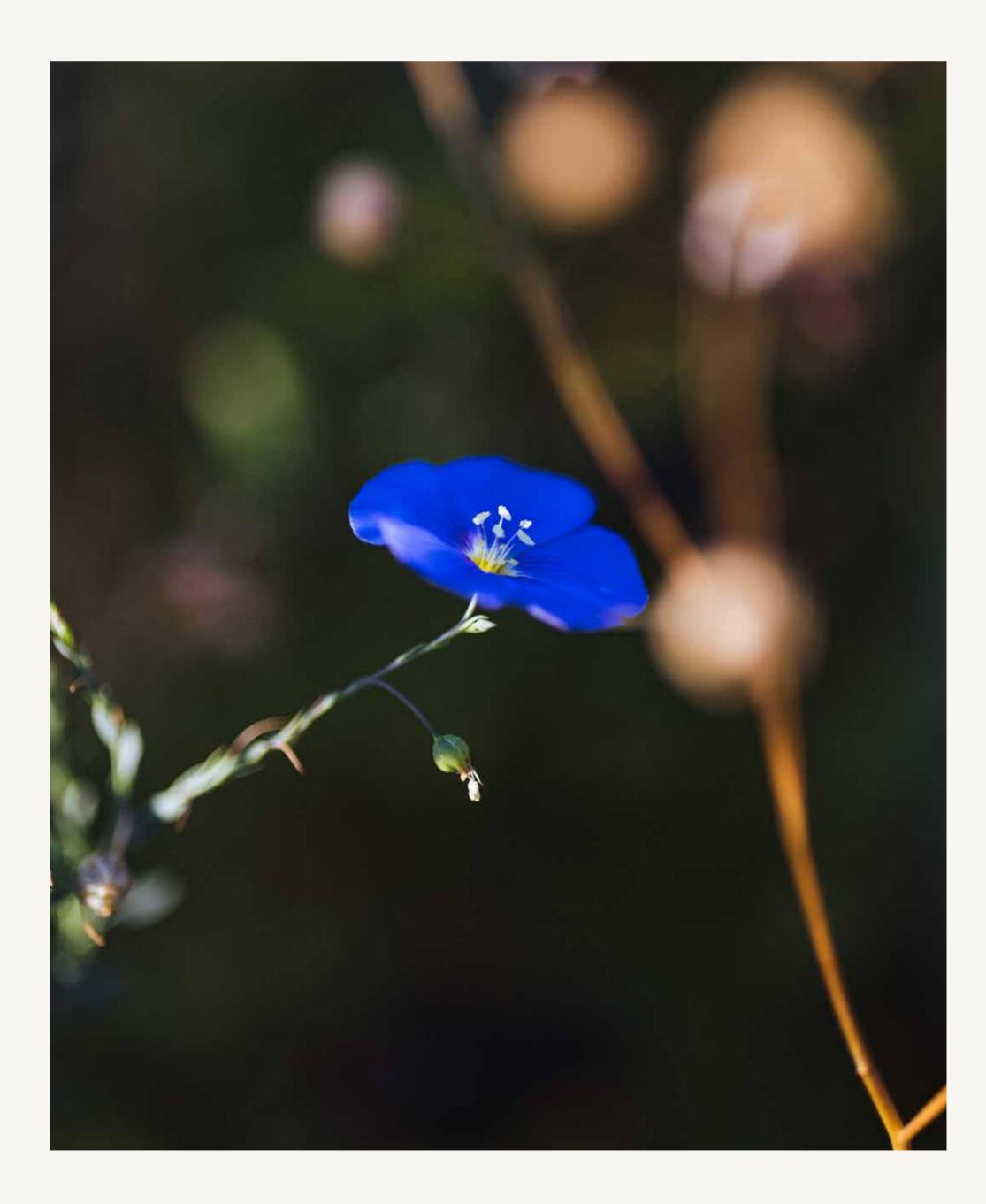
We've begun to plant cover crops systematically across all our vineyards. For the moment, we're implementing it in every other row, and we are testing other crops that have a greater sequestration potential than grass. Our goal ultimately is to extend these high-sequestration cover crops to every row in our estate, therefore positively contributing to our carbon reduction efforts.



We aim to encourage our winegrowing partners to adopt both of these sequestration measures: planting hornbeams and implementing cover crops. Together, we'll help them plant at least 13,800 hornbeam plants, and to implement cover crops systematically, just as we plan to do. Overall, the carbon sequestration potential is huge, several hundred tons of CO₂ equivalent.

This section is less detailed than the previous because we can't fully integrate the impact of these sequestration initiatives. And that's because the specific SBTi guidance for agriculture (Forest, Land and Agriculture) hasn't been completely fixed yet.

The path towards becoming Net Positive is a journey and we plan on updating everyone regularly on our progress, allowing us to provide more detail on the impact of our sequestration actions.





ECODESIGNING ALL OUR PACKAGING

The term "packaging" covers all the essential containers, like our glass bottles, as well as all other packing, some of which might not be entirely necessary.

Packaging represents more than a quarter of our Scope 3 emissions. It's a huge area of focus to reduce our carbon footprint, one where we can truly cut down on non-essentials.

From the very beginning, ecodesign has been at the heart of our "In the Name of Mother Nature" approach.

#ST0PBESP0KEB0TTLES

STOP BESPOKE BOTTLES



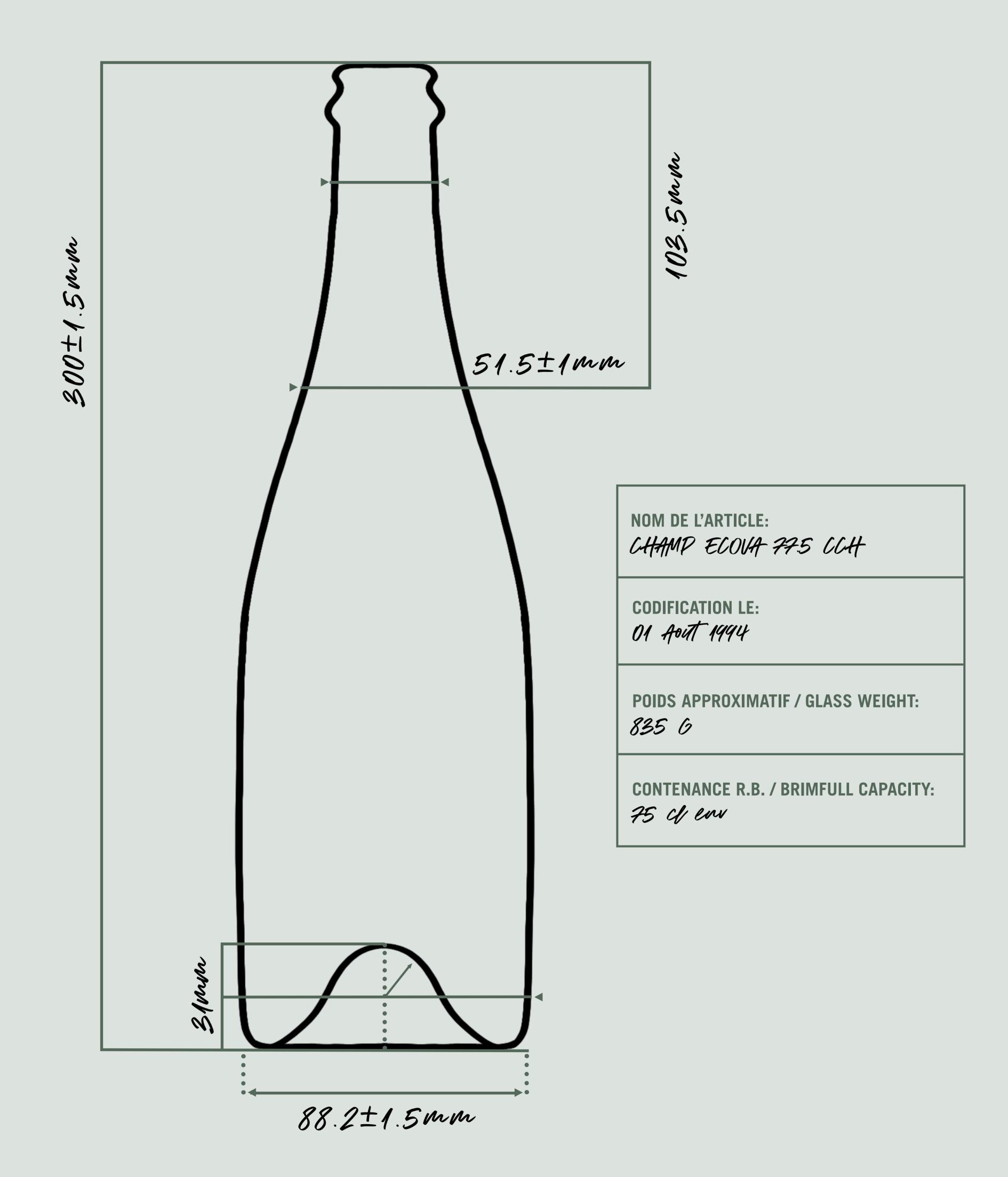
Designing, producing and using bespoke bottles answers to a long-standing and widespread aesthetic tradition in the highend wine and spirits industry. The purpose is to enhance the perception of the most prestigious and rare cuvées by bottling them in a container as refined as the liquid inside. Bottles heights are extended, shapes revisited and adorned with markings to provide a more sophisticated aspect. In the end, bottles now come in all shapes and sizes. Designers and glass producers really can do wonders!

But there are no miracles and unfortunately these bespoke bottles come at a cost in terms of carbon footprint. Every bottle transformation reduces the resistance to pressure whereas the classic champagne bottle has been optimized over time for just that purpose. And that pressure is huge. There is actually twice more pressure in a bottle of champagne than in a car tire. To compensate the loss of pressure resistance it

becomes necessary to increase the thickness of the shell by using more glass. The bottom line is that these bespoke bottles weigh at least 900g whereas the classic champagne bottle has been optimized at 835g. And if you use more glass, you generate more CO₂ emissions.

When we launched our project In the Name of Mother Nature and started looking into ways to reduce our emissions, we didn't have to think long and hard. These beautiful bespoke bottles, used until then for our special cuvées, were not indispensable to the quality of the wine or the tasting experience. The decision was obvious to us.

So from the get-go we decided to stop all bespoke formats for our bottles. Since June 2021 all our cuvées are bottled in the classic green glass champagne bottle, made up of 87% recycled glass. A bottle we are currently trying to improve even further...



#STOPTRANSPARENTBOTTLES

BECAUSE TRANSPARENT BOTTLES CONTAIN 0% RECYCLED GLASS

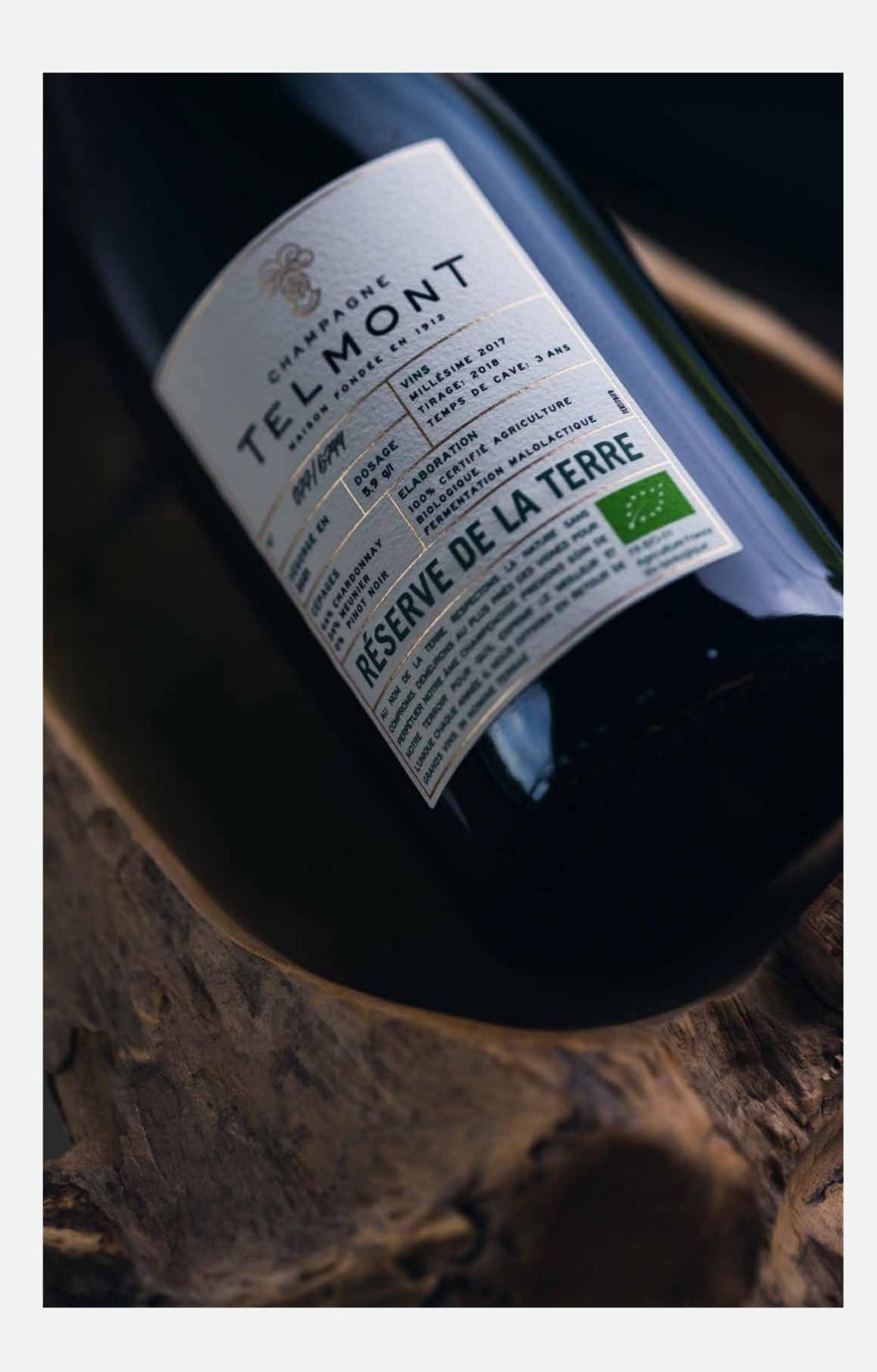
When it comes to wine, the most important packaging is, of course, the bottle. We're proud of our beautiful champagne bottle. Since the very beginning, we've tried to reduce its carbon footprint while preserving its traditional character and specific identity. To understand the technical stakes at hand, you have to keep certain things in mind. Champagne bottles are subject to significant mechanical constraints as a result of the pressure of the gas contained in the wine – those famous bubbles, that make champagne so unique. That pressure – the one that propels the cork into the air when a bottle is opened - is much greater in champagne bottles than in any other sparkling wine. As we mentioned before, there is twice the pressure in a champagne bottle than in a car tire! It goes to show the real technical skills required to create a glass bottle that can contain all that pressure.

The most important choice that we made here was to only use recycled glass bottles. In the past, we used transparent white glass for some of our cuvées, containing 0% recycled glass. That's all finished now. Today, we only use green glass bottles. They contain up to 87% recycled glass and are 100% recyclable. This means that since the 2021 harvest all our Rosé and Blanc de Blancs champagnes are bottled in green glass bottles.

This has a major impact on our CO₂ emissions as glass is produced at extremely high temperatures and therefore requires an enormous amount of energy. Through this one change alone, we'll reduce by 2030 our Scope 3 emissions by 19.3%.



At the same time, we are trying to further increase the amount of recycled glass used in making these green bottles. There are, however, certain physical limits to this. For a bottle to have the necessary strength, some non-recycled glass must enter into the composition. Currently, our bottles are made from 87% recycled glass, and we hope to increase this to 90%. The impact on our emissions would be a 0.7% decrease within Scope 3. Every drop counts, because after all, small streams make big rivers!



#LIGHTESTB0TTLE

REDUCING THE BOTTLE WEIGHT

On top of addressing the amount of recycled glass used in the production of our bottles, we've also chosen to make the bottles lighter.

Compared to bottles from other regions, champagne bottles tend to be heavier as they need to withstand the additional pressure created by the bubbles. Our beautiful bottle currently weighs 835g⁸, a standard weight, due to the thickness of the glass that is required to withstand this pressure. Since we have abandoned the use of special format bottles, focusing 100% on the classic champagne bottle, the next logical step was to do everything we can to shave some more weight.

Reducing the bottle weight is even more critical in Champagne since consignment is unfortunately not an option. Bottles would simply not resist the pressure of a second fermentation. With all this in mind, the best strategy is to use classic green glass champagne bottles, manufactured with a maximum of recycled glass in the composition, and ultimately reduce their weight even more.

To that end, we have partnered with our glassmaker Verallia to undertake an experiment to reduce the weight of our bottle even further. Together, we've designed a bottle whose weight has been reduced to 800g, making it the lightest champagne bottle ever. We're currently testing a batch of 3,000 bottles, which will undergo the entire manufacturing process specific to champagne production. We'll also run a real-life transportation test. If all goes well, we'll gradually transition to this lightweight bottle across all of our cuvées.

35g less glass might seem like nothing, but less glass means lower CO₂ emissions... and a further 0.9% drop in our Scope 3 emissions.



⁸ Source: CIVC



STOP PACKAGING

In the world of champagne and luxury products, the tradition is to use large amounts of packaging. The logic is the following: the more beautiful a product is, the more its packaging must appear refined, sumptuous, and significant. The intentions are good. After all, this is about offering consumers a more complete experience. Champagne brands are no exception; giftboxes of all sorts have multiplied in recent history.

Until recently, Telmont was following the same path. But when we launched our "In the Name of Mother Nature" project, we embarked on a complete overhaul. Nothing was out of the question, across our entire production cycle. We had one simple commitment: to keep only what was absolutely necessary for wine production, its preservation and consumption. All this, of course, without the slightest compromise on quality.

The question of packaging was a sensitive one. It's such a visible marker, positioning a brand on what was, until now, very much a linear scale. But packaging is not, strictly speaking, necessary. We can't honestly

claim otherwise. We took a long, hard look at our packaging and decided to get rid of everything that was unnecessary. An ambitious approach to sustainability sometimes means stopping certain practices altogether.

Is this forward-thinking or self-destructive for a high-quality wine house? Well, we've made our choice. We've banked on the fact that, in the future, consumer perceptions will be entirely different. Consumers will value the product and only the product: minimalism over extravagance.

Some Champagne Houses still propose packaging around their bottles to avoid the wine being damaged by exposure to light... But this "taste of light" only affects transparent bottles made from non-recycled glass. This problem becomes mute with the green bottles we use. Further packaging becomes therefore even more useless...

Removing gift boxes has allowed us to reduce the CO₂ emissions directly related to each bottle by 8%. Overall, this decision means we can reduce by 2030 our Scope 3 emissions by 1.4%.

RETHINKING OUR LOGISTICS

#STOPAIRFREIGHT

STOP AIR FREIGHT

This is possibly one of the most radical choices that we've made so far: a complete halt to air freight, even when delivering to the furthest of locations. Let's be honest here, it doesn't make our lives any easier.

Stopping air freight requires us to plan weeks, or even months, in advance. Our business activity is seasonal, with peak consumption during the end-of-year celebrations. This means that we sometimes have to adapt our planning, carrying out the final stages of production a little earlier in the year. But, rest assured, none of this affects the quality of the wine.

It does however represent additional constraints. In the end, these longer supply chain lead-times have a virtue: it leads us to better manage our stock levels, both in

Champagne and in the different countries and cities where we are present. And everything is running smoothly.

Air freight represented an initial 27% of emissions linked to bottle transportation. The level of emissions per bottle and per kilometer was significantly higher than other modes of transportation. This is not well-known, but air freight emits 27 times more greenhouse gas than maritime transport. These emissions can easily be avoided.

By putting a stop to all air freight, we've reduced our Scope 3 emissions by 0.9%, with immediate effect.

And, from 2025, the beautiful cargo sail ships of Neoline will transport our bottles across the Atlantic.



⁹ Source: Maison Telmont carbon emissions report 2020/2021, conducted by Quantis

#BIOFUEL

CONVERTING TRACTORS TO BIOFUEL

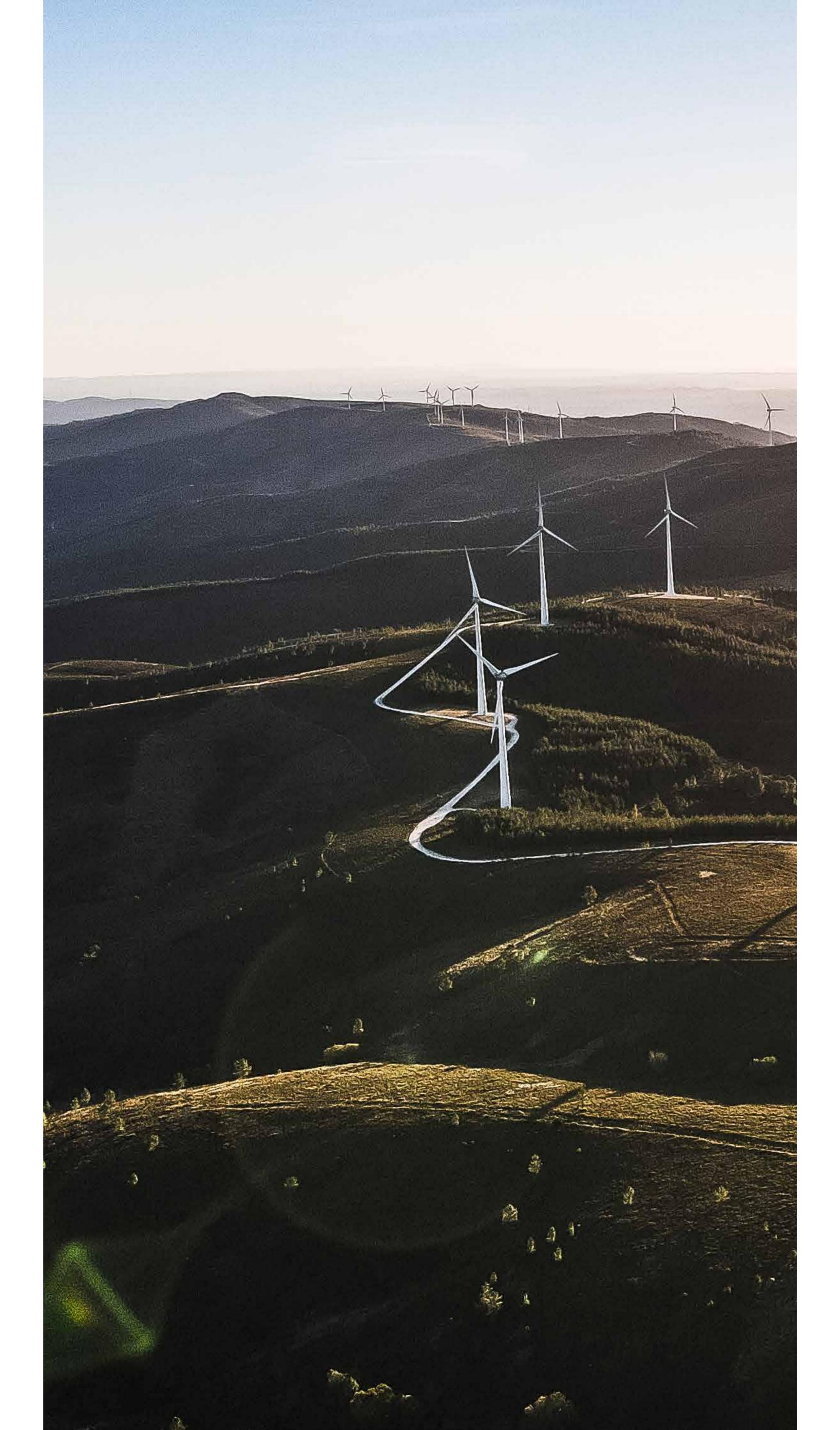
When we looked at our energy use, the first thing we did was replace our entire on-site vehicle fleet with electric alternatives. And it wasn't too difficult, honestly. We've even installed rapid chargers onsite, which can be used both by staff and visitors.

Our tractors and winegrowing machinery had, until now, run on diesel. And that's another issue altogether. For a start, from a technical perspective, there isn't always a fully electric solution that suits our needs. There's also the fact that our winemaking vehicles are sizable investments. We can't simply replace them all at once. We'll get there one day, as we gradually renew our machinery.

In the meantime, we've been searching for alternatives to electricity, as a way of leaving diesel behind and reducing our carbon footprint. And we've found them.

Converting a diesel vehicle to biofuel doesn't usually require much modification. It might not even need any change at all. You just need to find a supplier and establish a reliable supply chain.

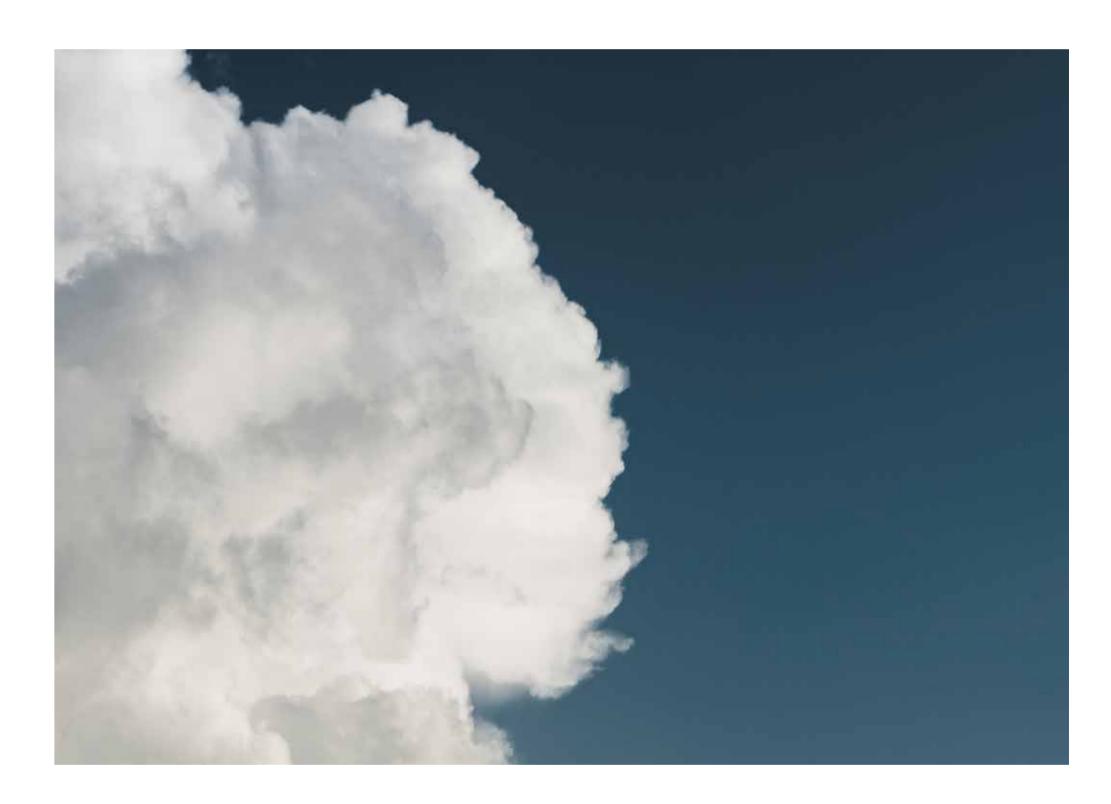
The impact of this decision, to be completed well before 2030, is highly significant on Scopes 1 and 2: a reduction of 26.2%. It will involve, however, a slight increase in Scope 3 emissions (0.3%), as a result of producing this fuel.



DOWNSTREAM ROAD TRANSPORT

At 68%, road transport is by far the largest contributor to GHG emissions linked to the distribution of our champagne. And for good reason. Most trucks currently used by hauliers run on fossil fuels.

But times are changing. More and more of us want to reduce the carbon footprint of our logistics. The entire sector is starting to evolve. Moving forwards, some haulers now use trucks that run mostly on biofuels.



Of course, these trucks are not always available depending on loading and unloading areas, transport volumes and required frequency. But at Telmont, this has become one of our major expectations. It's therefore an essential part of our calls to tender.

Gradually, we hope to use only vehicles that run on biofuels or electricity. We've estimated that this will reduce our Scope 3 emissions by 2.6%.

REDUCING THE IMPACT OF OUR ELECTRICITY USE



REDUCING OUR CONSUMPTION

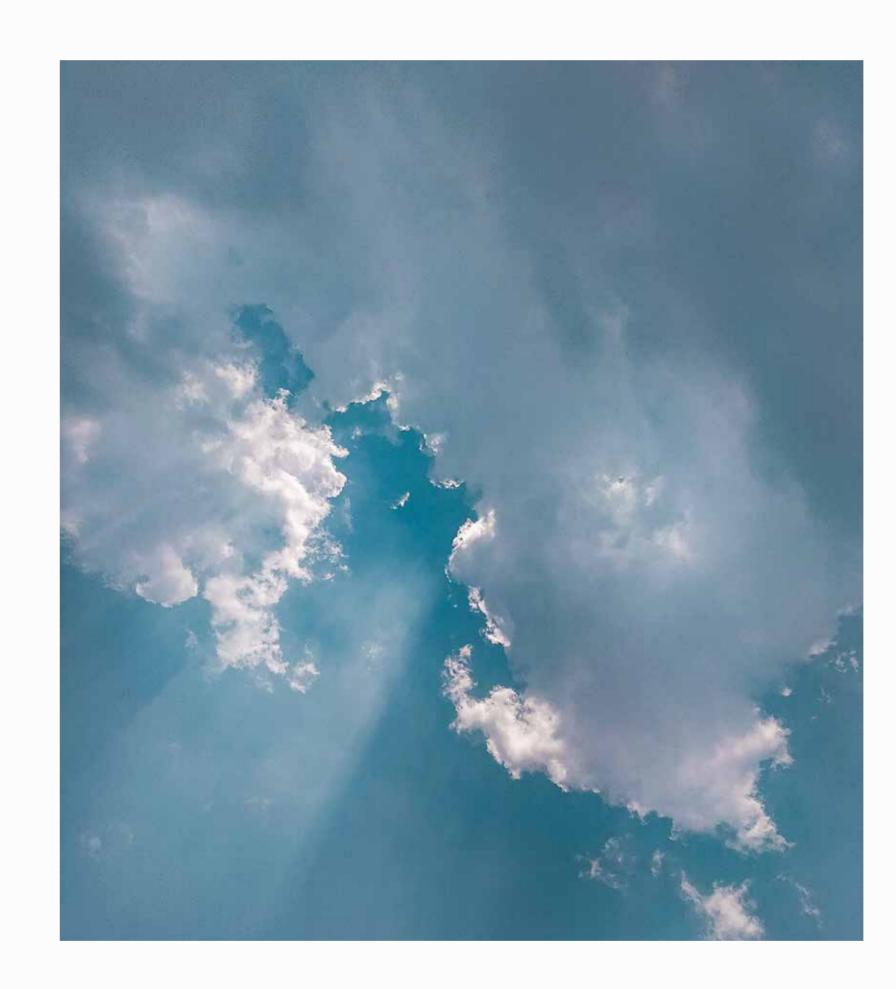
Like everyone, we use electricity on our production site. It powers our machines, but we also rely on it for lighting and a range of other daily activities. Just like everyone else too, we've also taken steps to improve our energy efficiency.

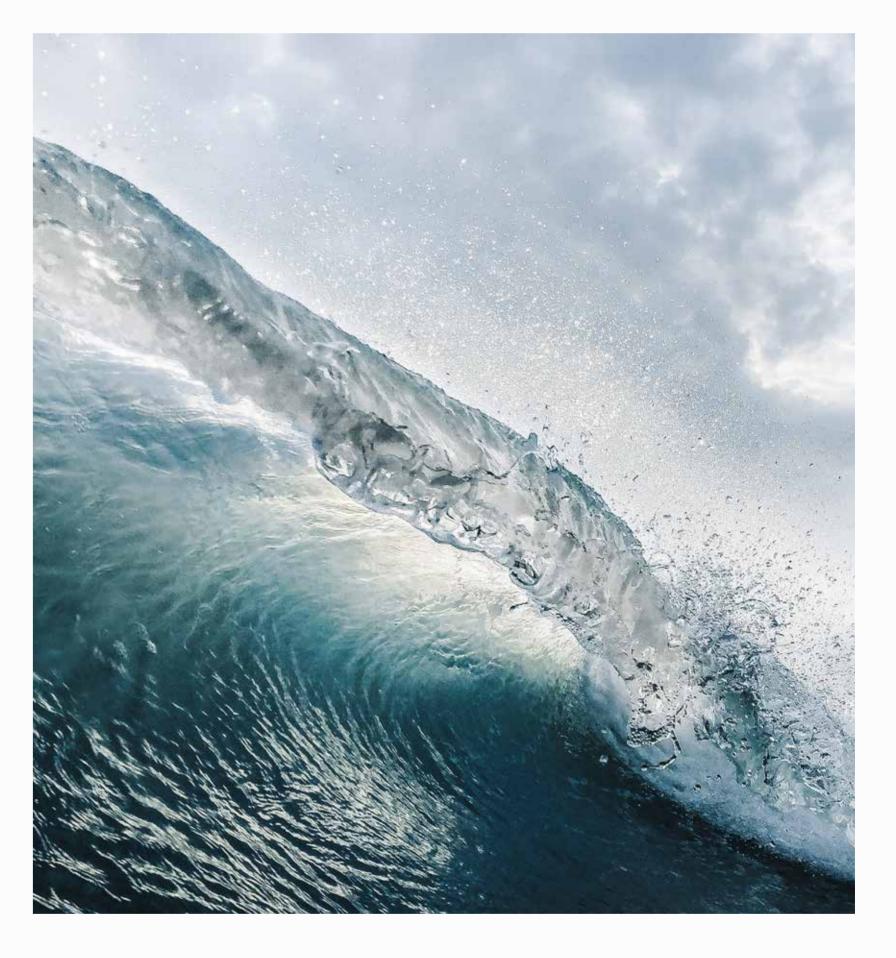
Our ambition is to reduce electricity use by 5%, which will reduce our Scope 1 and 2 emissions by 1%.

#RENEWABLEENERGY

USING 100% RENEWABLE ELECTRICITY

When acting "In the Name of Mother Nature", it's the least you can do to use 100% renewable electricity. As for how we'll get to that point, well, we have to ask ourselves another question: should we generate the electricity ourselves, using onsite solar panels? Or should we continue to buy electricity from renewable producers? We have to look at this in greater detail, both technically and financially. The impact on emissions, however, will be the same: a reduction of 19.9% for Scopes 1 and 2.





The actions listed above represent the major efforts we have to undertake. There are many others too, with a lower impact. There will be other opportunities where we will present them to you in more detail.

It's also important to remember that constant discipline is required if you want to become Climate Positive and Net Positive. You have to act on a number of fronts all at once, launching and following many different initiatives. The process never ends...

PART 5

CONCLUSION

And to conclude...

As you've noticed by now, the aim of this guide isn't to act as if we know it all or claim that we do everything right. We'd love to be perfect, but embarking upon this journey has been a real lesson in humility.

What we do know, however, is exactly where we want to go. We want to show progress in the years to come and deliver on our commitments. To do this, we will need to be inventive as we rethink how we do things.

Thankfully, we won't be doing this alone. We know that many others around us are also swinging into action: our suppliers, our winegrower partners, all lovers of champagne, and, of course, everybody who cares about Mother Nature.

Our commitment to the climate is also a commitment to transparency. We'll publish our results regularly: every June 21st to be precise. This date means a lot Solstice, the longest day of the year, but

also because it's on that day we launched our project "In the Name of Mother Nature". So we'll account for our progress every June 21st, not just until 2030 or 2050, but way beyond. Telmont is a centuryold champagne house. Having this history also forces us to think a century ahead. That might seem intimidating, but it's also a great source of motivation for all of us at Telmont.

And we won't stop there. We still have plenty of projects in mind. We're very interested in the Science Based Targets Network (SBTN) approach, which not only sets goals for reducing carbon emissions, but also scientific goals to preserve freshwater resources, regenerate land, secure clean oceans and support biodiversity. We'll tell you more about that very soon.

Don't hesitate to reach out if you have any questions or ideas to share. We'll always to us. Not only because it's the Summer be delighted to reply so that we can move forward together.



Acknowledgements

TO ALL THOSE WHO HAVE WORKED WITH US:

THE UTOPIES TEAM

(utopies.com)

Who have helped us to rethink our way of doing things. They might sometimes have pushed us to our limits — but that's the way we move forward!

QUANTIS

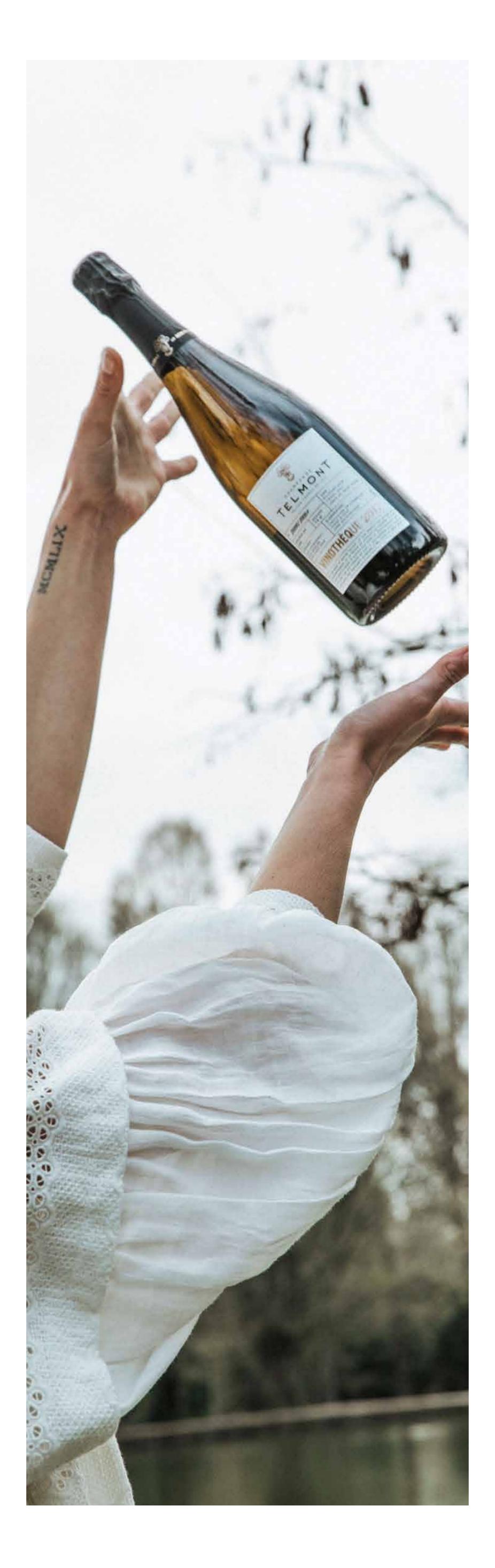
(quantis.com)

Who have brought their crucial scientific rigor to our approach. With them by our side, we've generated a lot of figures... not quite as many figures as there are grapes in our vineyard... but still, a lot of figures! And with them we drew out our action plans.

VERALLIA

(verallia.com)

Our glassmaking partner, who share our objectives and with whom we are making every effort to make our champagne bottle even lighter. We'll get there!



ALL OUR WINEMAKING PARTNERS

Who we can count on year-round. Working the vine is an art, and one they all master to perfection. Our champagne owes so much to them.

ALL OUR PARTNERS IN CHAMPAGNE

With whom we speak constantly so that together we can prepare our beautiful vineyard for the future: the Comité Champagne (champagne.fr), the Union of Champagne Houses (maisons-champagne.com) and the Association of Organic Champagnes (champagnesbiologiques.com).

THE TOWNS OF EPERNAY AND DAMERY (epernay.fr) (damery51.fr)

For the beautiful projects we have in the works. More to come soon.

TO ALL THOSE WHO HAVE INSPIRED US:

Reformation (thereformation.com), the sustainable women's clothing brand. Their work might be far from the world of champagne, but we have been blown away by their desire to tackle their carbon footprint. So we want to congratulate them. Very well done, and many thanks!

All those who pelieve in our project and continue to support us along the way.

Telmonttegun

OUR COMMITMENT,
IN THE NAME OF MOTHER
NATURE



BERTRAND LHOPITAL

Bertrand Lhopital

CELLAR MASTER

& VINEYARD DIRECTOR



Trans to the state of the state

LUDOVIC DU PLESSIS

PRESIDENT OF MAISON TELMONT



AURORE GUERLESQUIN
Aurore Guerlesquin

WINE PRODUCTION

& CELLAR MANAGER



HENRICK BOUCHE

Henrick Bouche

PRODUCTION

& EXPEDITION OFFICER



FRANCK BARILLET

Franck Barillet

WINERY OFFICER



LAURINE GAGELIN
Laurine Gagelin

FINANCE MANAGER



JUSTIN MEADE

TUSTIN Meade

GLOBAL MARKETING

& BUSINESS DEVELOPMENT DIRECTOR



CÉLIA MARCHAND

Célia Marchand

PACKAGING

& QUALITY OFFICER





JÉRÔME PASCUAL

Térôme Pascual

SUPPLY OFFICER



Elizabeth Parte

COMMUNICATION
& HOSPITALITY DIRECTOR



AURÉLIE NANQUETTE Aurélie Nanquette

COMMUNICATION

& HOSPITALITY OFFICER



SANDRINE ITASSE

SANDRINE ITASSE

SHOP MANAGER
& HOSPITALITY ASSISTANT



FLORANCE BERAT

Florence Bergt

OFFICE MANAGER

