

Diam Reduces Carbon Footprint Of Technical Closures For Wine Bottles

Successful environmental policy implementation produces on-target results



FOR IMMEDIATE RELEASE

Aug 31, 2009 – Napa Valley, CA - Just two years after commissioning the world's first carbon footprint study into the impact of wine closure production on the environment, leading wine closure producer, Diam reduced its carbon footprint by 12 percent bringing it more in line with the carbon footprint of natural cork production.

DIAM is a technological wine bottle closure that addresses two major threats to the wine industry: closure consistency and cork taint. Cork taint is detected by its characteristic odor, often described as “wet cardboard or wet dog,” and renders affected bottles spoiled and unfit for drinking. Most cork taint is caused by 2,4,6-trichloroanisole (TCA), the product of a reaction between naturally-occurring fungi with environmental pollutants (chlorine). TCA is estimated to impact approximately 4-6 percent of wine bottles closed with natural cork. DIAM is a technical cork, produced by the patented and ISO 9001-certified DIAMANT process, which uses super-critical CO₂ to eradicate 2,4,6-trichloroanisole (TCA) and 150 other compounds found in natural cork to deliver a consistently neutral, TCA-free cork closure. Over 1800 wineries and distributors use DIAM, including premium producers Louis Jadot, Hugel, Stonestreet, Freemark Abbey, Kunde, Bouchard, Moët & Chandon, Langtry and Kendall Jackson. In addition, UK retail giant Tesco has named DIAM as one of only three- permitted closure types for its vast private-label wines. Globally, DIAM is the leading technical cork closure; in 2008, DIAM experienced an 8.5 percent increase in US market share.

In 2006, Diam commissioned the French agency Cairn Environment to study the impact of three wine closure types on the environment: natural cork, the DIAM closure and Oeneo's S-Cap screwcap. The natural cork and DIAM technical cork were both dressed with a PVC capsule, the foil covering normally found at the top of

a wine bottle. Using the patented Carbon Appraisal® method, research revealed that natural cork with PVC emits 5,490 lbs of equivalent CO2 per ton while the DIAM closure with PVC emits 9,376 lbs of equivalent CO2 per ton. Oeneo's S-Cap screwcap, manufactured with 35 percent recycled aluminium, was found to emit 23,442 lbs of equivalent CO2 per ton, a carbon footprint 250 percent greater than DIAM. Results were ratified by the French Environmental Agency.

Immediately after these results were announced, Diam sales director Dean Banister declared, "this represents the initial phase of our efforts to reduce our carbon usage. We will investigate additional means of reducing our carbon footprint, including a detailed evaluation of our energy sources, packaging and transport. We firmly believe that we can improve the impact of DIAM production by reducing emissions from energy consumption, with a potential reduction in impact of around 40 percent."

Today's announcement reflects Diam's commitment to Banister's 2006 pledge to reduce carbon emissions and Diam's overall pledge to preserve the environment. Between 2006 and 2008, DIAM production increased four-fold, with a net carbon footprint increase of just 3 percent. "In real terms, this represents a 60 percent reduction in our total carbon footprint by volume output," Banister explained. To achieve these results, Diam focused its efforts on reducing emissions from its two largest sources: energy consumption and incoming materials. Also, in 2007, the company terminated the sale of screwcaps due to their high carbon footprint and impact on the environment.

The news comes as DIAM announces the implementation of a restructured environmental policy designed to meet current and future environmental challenges. The policy encourages a proactive internal approach to control over energy consumption and carbon footprint, recycling of cork sub-products and waste, control over industrial risks and the design of more environmentally friendly products through investment in research and development.

Diam will continue to update its carbon footprint assessment in conjunction with BilanCarbone® every two years to assess the progress achieved from the implementation of their complete environmental approach.

About Diam

Globally, DIAM is the leading technical cork closure with value sales of \$82M in 2008, and enjoyed an 8.5 percent increase in US market share in 2008. Diam is committed to engaging with winemakers, retailers and distributors to drive awareness of current issues and to ensure all key stakeholders start to 'think' about the benefits of the closure options available.

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