



TELIANI VALLEY



*Teliani Valley PLC*

TELIANI VALLEY PLC– REPORT ON COMMUNICATION ON PROGRESS  
GLOBAL COMPACT

Statement of the General Director,

We are pleased to affirm our continued support and commitment to the Global Compact initiative, as well as to the principles and values it promotes

The company pledges to uphold human rights, adhere to the rights and dignity of labour, promote and encourage greater environmental responsibility, and fight against corruption.

Teliani Valley adheres to and shares the ten principles of the charter regularly with its employees and partners. It has always shown a growing intention to link the development of its activity to an acute sense of responsibility, combined with concrete, reasoned actions, in favour of an ethical approach to our activity, preservation of the environment and the professional development of our employees.

Our company is publicly accountable and transparent organization that clearly and fully reports its activities and results to the stakeholders and the society in general.

Through the year 2009 Teliani Valley will stay focused on continued progress as a quality driven organisation with respect to people, the environment and social responsibility.

Initiative of Global Compact is very important for business as well as for the society generally and we will actively promote and support it.

Gela Gabelia

General Director  
Teliani Valley PLC

# Company Profile

Since 1997 Georgia's one of the largest wine producer **Teliani Valley PLC** has created world renowned brands that bring the best out of the country's major wine regions.

**Teliani Valley** markets and sells quality wines to millions of consumers worldwide. With more than 20 brands in its portfolio, Teliani Valley is committed to providing consumers with great tasting brands that are reasonably priced, and the perfect choice for every day enjoyment and special occasions. Teliani Valley currently markets and sells a wide array of affordable popular and premium wines in several segments.

Most of the brands are exported outside Georgia, giving the company a global reach.

**Teliani Valley** is a leading integrated wine producer, accounting for approximately 50% of the sales of bottled wines domestically and circa 11% of the Georgian bottled wine exports.



## About us

Teliani Valley traces its roots to 1954. A new page was turned in 2004, when the shareholders' structure changed and a new management team was brought in, the EBRD (The European Bank for Reconstruction and Development) acquired a 29%

equity interest in Teliani Valley. This investment enabled the company to build a new well-equipped winery in Telavi, with the vinification and bottling capacity of 3 million bottles.

In 2007 Galt&Taggard Capital, the merchant banking subsidiary of Bank of Georgia has acquired a 32% equity interest in Teliani Valley, that was preceded by the buyout of the EBRD's equity interest by the Georgian shareholders, financed by Bank of Georgia.

Teliani Valley produces:

- Still wines
- Varietal blends
- Appellation-controlled and premium bottled wines
- Sparkling wines
- Chacha (Georgian grappa)
- Brandy (under the Le Caucase brand).







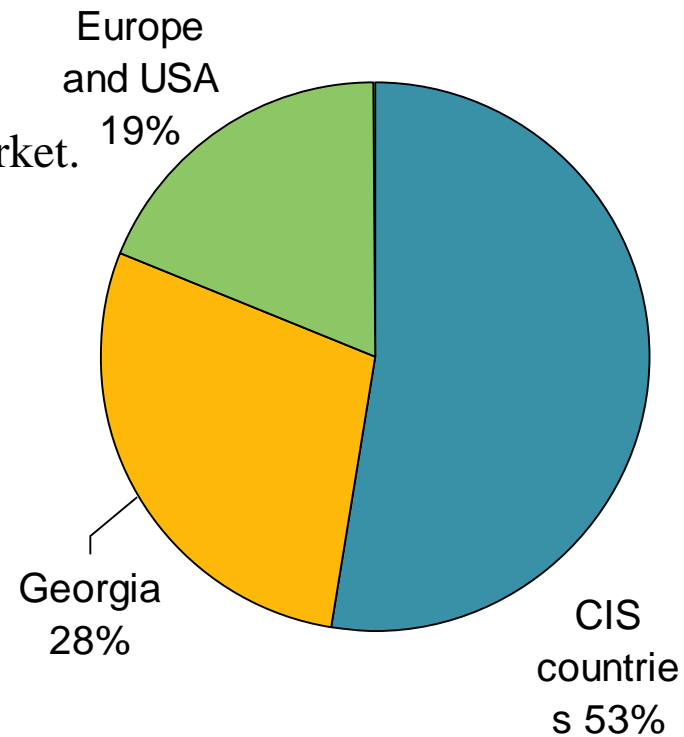
## Company today

- ❑ own oak barrel producing company.
- ❑ modern western bottling lines and cooling system.
- ❑ modern laboratory to follow the strictest quality demands.
- ❑ own vineyards in all main viticulture districts of Georgia.
- ❑ own distribution company in Ukraine  
**Teliani Trading Ukraine.**



# Goals and forecast

- ❑ 55 % of exports will be on CIS countries.
- ❑ to maintain leading positions in Georgian & Ukrainian markets.
- ❑ to become main player in Georgian wine segment in CIS countries.
- ❑ to expand sales of Georgian wine in the world market.
- ❑ to be in the center of all industry processes.





# Our strategy

- ❑ **Vineyard acquisition:** The company plans to continue acquiring producing vineyards and suitable land in order to insure the quality of grapes and secure access to high-quality grapes as and when the competition strengthens.
- ❑ **Quality improvement and upshift in product mix:** Teliani valley intends to further improve the quality of its wines and broaden the product lineup by creating new high-margin products.
- ❑ **Establishing a sizeable distribution footprint in the CIS and other markets:** In addition to establishing a subsidiary in Ukraine, the company plans to invest in the distribution and marketing in other CIS countries and other markets as well.





JSC “Teliani Valley”, with 10 years of successful trading, has gained customers trust and a stable company image, permanently expanded business activities, ensured legislative compliance, and has concentrated on using local resources.

Currently, the company is wholly customer oriented. The development of its overall strategy has taken into consideration local market demands and been based on market analysis broadening both production capacity and its trade distribution chain. In a competitive environment, quarterly assessments of the local market have been used to determine customer demand for “Teliani Valley” brand products. By analysing the results of this market research, all relevant departments react to meet customer preferences; an essential element for further development and improved service. Market research surveys are frequently carried out on external and internal factors impacting on specific product development (statistical analysis, corporate and private customer opinion studies).

In 2007 Teliani Valley obtained the ISO Certificate **ISO 22000** and **9001**.  
Currently, the company employs more than 100 people that are selected on the basis of their professional experience and competencies.

The benefits of corporate responsibility can be summarised by the following:

The enhanced image of the company and customers' loyalty.

The growth in demand of Teliani Valley's products.

Attraction and retention of quality personnel.

Teliani Valley purchases grapes from local farmers annually in amount of about 2000 tons. Their vineyards are under the constant control of our specialists in order to provide all necessary procedures to get the high quality harvest. Meanwhile we employ these farmers on their own vineyards during the harvest period. About 500 people take part in it.

Personnel welfare is considered to be a primary responsibility. The company offers to its employees excellent benefits, namely, insurance cover, full compensation for maternity leave, a corporative phone service, remuneration bonus packages, periodic salary reviews, encouragement and training for career development.



## Responsible investment: Charity and Sponsorship

The company considers the social responsibility as one of the most important principles and for years we tried to contribute in this direction in various spheres:

- Assistance to disabled children
- Assistance to homeless children
- Assistance to the Old
- Support to cultural activities

For promotion of Georgian wines generally we organized many different events for local as well as foreign people: wine festivals, wine tours, wine tastings.

## Unlimited Opportunities Together!!!

“Teliani Valley” Easter Action together with Disabled Children.

JSC “Teliani Valley” has ordered wooden eggs to the Adolescent School of Disabled Children. The Easter eggs would be produced in the school’s workshop.

Pupils up to 18 years old with the help of their teachers has started the egg production since April 1 and for the Eater Holiday about 2000 eggs would be made.

Disabled Children up to 13 years old together with their peers from other schools would be involved in egg decoration process.

“Teliani Valley” will gift the Easter Eggs specially made by the children for the holiday purpose to its consumers.



  
შეწოდების  
შესაძლებლობები ერთად!

08.09.10.

Refugees from Tskhinvali Region took part in “Telaini Valley” Harvest

On September 8, Charity Fund “Ertguleba” with the initiative of the Majoritarian Deputy Archil Gegenava from Mtatsminda District organized the Harvest for the Refugees from Ttskinvali Region, which are currently settled in Mtatsminda District, Tbilisi. With this purpose Company “Teliani Valley” hosted them in Kakheti. Guests visited the winery in Telavi and were acquainted with production process.

About fifty refugees personally took part in the Harvest and the hand selected grapes by their own were presented to them.



**08.07.17.**

**“Teliani Valley” winery receives disabled children**

**On July 16 at 11:30 disabled children visited “Teliani Valley” winery in Telavi. At the initiative of Women’s Information Center up to 40 children will spend holidays in Telavi Summer Camp from July 16 up to August 26. The camp is integrated; both homeless children and those living in families of Tbilisi and different regions will spend holidays there. “Teliani Valley” gave the children’s summer camp tents as a present.**

**On the very first day of holidays in Telavi the children got acquainted with production of wine in “Teliani Valley” winery and its history.**



**08.02.28.**

**The works of 30 year-old Georgian painter, descendant of The Balanchivadzes, have been exhibited in France. The painter should be grateful to Georgian wine together with the talent for such success.**

He has been waiting for this chance for 4 years. He even had no hope, but unexpectedly he was called and told – “Come”.

Teliani Valley took the sponsorship under its responsibility and in May 6 the exhibition was opened.

With the works of Balanchine, the Georgian and foreign visitors were equally attracted.

Some said, that his paintings were like those fluffy toys, with which the artist probably used to play in his room in his childhood.

It is the fourth personal exhibition for Anton, the painter as well as his works will stay for 1 month in Paris.



# Our Activities

07.12.28.

## "Teliani Valley" has specially bottled the wine for charity purpose

"Teliani valley" was also involved in charity action conducted by Fund "Iavnana". Within the frame of charity action couple of charity boxes were places around the city, Company Geocell has defined the special telephone number and "Teliani Valley" has specially bottled the wine with Caballe Montserrat label which is distributed in Populi city network in order to purchase the apartments for three poor families. Price per bottle is 120GEL. The whole incoming budget would be transferred to Iavnana Fund. The first night of the action was conducted in Trade Center GTC on December 29. Inmates of the House of the Future and Tamar Chokhonelidz's pupils were singing. The charity action will continue for three weeks.





**07.10.24.**

**"Teliani Valley" arranged a wine tour for the diplomatic corps accredited in Georgia**

On Saturday, October 13, the company "Teliani Valley" arranged wine tour for the diplomatic corps accredited in Georgia. Nearly 50 foreign guests gathered grapes themselves in the vineyard of "Teliani Valley". The diplomats performed the Georgian tradition fully and pressed the grapes themselves in winepress. At the end of the day the 10th anniversary of "Teliani Valley" was celebrated.





# Our Activities

2007-07-13

## Teliani Valley sponsors "Pen Marathon"

Literature contest "Pen Marathon" was held for the fifth time. 26 authors took part in the competition. On June 28-29, "Pen Marathon" started in the house museum of Aleksandre Chavchavadze in Tsinandali, Kakheti Region. Contestant had 30 hours for writing a composition. "Teliani Valley" was the sponsor of this event. Closing ceremony was held on July 13, at the "Two Side" restaurant.



## 2007-06-28 Teliani Valley - a sponsor of Mass Moda (Fashion) 2007

Mass Moda was a fashion show of popular Georgian journalists, demonstrating collection of a designer Eka (Dadu) Tadumadze.

Only 50 celebrity journalists took part in the project; suites, footwear, bags and various accessories were individually created for each journalist, presented as gifts to them.

Mass Moda 2007 was held at Courtyard Marriott on June 30, 2007. Right before the start, "Teliani Valley" hosted a wine reception for guests and presented special Saperavi wines with personalized labels to fashion show participant journalists.

2006-10-20

## Teliani Valley Wine Festival

Teliani Valley held the Wine Festival in Georgia from 15th of September 2006 for the period of one month, the aim of which was to popularize the ancient culture of Georgian wines.

Different social projects were implemented in terms of this festival like familiarizing coming generations with wine culture, building sport facility in Kakheti region and involving students in Rtveli (vintage).

Teliani Wine Festival inspired and stimulated peasants to survive the Georgian vineyards, the Georgian viticulture.

Almost every field private companies, business sector, winemakers and government stood as one to support development of Georgian national treasure the wine culture.

Despite the difficulties winemaking is developing in the country and the wine festival has vividly shown this.





# TELIANI VALLEY AWARDS 2009



Best in Class  
Silver medal-best in class  
IWSC 2009

**Mondial  
de Bruxelles 2009**  
Silver medal



Commended  
Decanter  
2009



Bronze medal  
IWSC 2009



Bronze medal  
Decanter  
2009



Bronze medal  
IWSC 2009



Commended  
IWC 2009



Bronze medal  
IWSC 2009

**Mondial  
de Bruxelles 2009**  
Silver medal



Challenge du vin  
Bronze medal



Bronze medal  
IWSC 2009

**Mondial  
de Bruxelles 2009**  
Silver medal



Commended  
IWC 2009



Bronze medal  
IWSC 2009



Bronze medal  
IWSC 2009