

Ruffino Cares



The Ruffino Cares logo – a leaf, a hug and a glass that make a heart – symbolize a strategy that extends across 4 action areas: environmental sustainability, responsible drinking education, a commitment to others, and diversity and inclusion.

A heart as strategy

The drive to make sustainability a core brand value led to the creation of **Ruffino Cares** in 2018. Initially a container for all Corporate Social Responsibility actions, **Ruffino Cares has now become our strategy**. This change in perspective has resulted in Ruffino Cares extending across a number of different and complex business areas and becoming a unique stamp across all the company's best practices. Ruffino Cares conveys our **commitment for every project, everyday activity and strategic choice to create a systemic, responsible and mindful vision**.

The four Ruffino Cares pillars permeate our company business model and represent a **constant drive to improve the Group's production processes and offering**.

Our aim is to continue producing wines that respect the environment, are high-quality and that also evoke the aesthetic experience of the strategic positioning of Ruffino's "Vivere di Gusto" (a life of taste), hence to facilitate conviviality and the joy of being together. That's why we are working hard to become a "Brand of Purpose" by 2025. This ambitious objective is an answer to consumers who are increasingly in search of sustainable products that come from a chain with responsible value.

In this Sustainability Report, visibility has been given to the Ruffino Cares action areas, stating the reference to the logo and the four pillars at the start of the chapter or paragraph, depending on the subject.

Ruffino wins Drinks Business Green Award 2021

We were presented with the Amorim Sustainability Award for the Wine, Beer and Cider category in the Drinks Business Green Awards 2021. The Drinks Business Green Awards are the most important program in the world for issues associated with sustainability applied to the drinks sector.

"It is proof that the care that put into producing our wines and in preserving the environment where we work is recognized internationally. We firmly believe that we are custodians of our land, which is why we lead the change, setting an example in our sector and to our suppliers."

Sandro Sartor (President, Ruffino Group)

Environment

Protect the environment and its biodiversity through the use of sustainable practices, converting to organic, adopting precision viticulture and the informed use of resources.

Responsible drinking

Encouraging responsibility and moderation in drinking through recreational and educational campaigns aimed at providing information about the harm caused by alcohol abuse and the sociocultural value of responsible drinking.



Diversity and inclusion

Encouraging an inclusive culture characterized by a diversity of backgrounds and mindsets, which reflects our consumers and the communities in which we live and work, and to which we all feel we belong.

Commitment to others

Support local communities through initiatives aimed at local excellence, associations, the weakest members of society and those in need.

A shared responsibility

Activities in the wine industry depend on the availability of natural resources (energy, water, climate, soil, air and ecosystem) and the socio-economic fabric in which they are positioned.

From the point of view of long-term sustainability in winemaking⁴, adopting production systems and conduct that maintain these natural resources and improve their conditions of use is fundamental. But this is not enough by itself: a sustainable wine company must take part in improving the social and economic conditions of the place where it operates.

The 2030 Agenda and Sustainable Development Goals

On September 25, 2015, the United Nations General Assembly, during the World Sustainable Development Summit, which assembled the 193 member states, approved the 2030 Agenda and its 17 Sustainable Development Goals (SDGs).

The goals, which are universal in nature, define the need for a shared direction to achieve sustainable development by 2030, focusing on **5 key areas** in particular: **people, planet, prosperity, peace and partnership.**

⁴ General principles of sustainable grape growing of the OIV – environmental, social, economic and cultural aspects – International Organisation of Vine and Wine.

Efforts must be coordinated globally while not being restricted to the wine industry. Given that we believe in the importance of a responsible development plan that is tangible and guided by **priorities that are shared at an international level**, we have been monitoring our alignment with the

goals of the UN's 2030 Agenda for many years. In line with our strategy, and the activities, plans and initiatives that have been implemented, we have pinpointed **9 goals that we can work towards under our direct responsibility**⁵.

3.5

Strengthen the prevention of the harmful use of alcohol



17.6

Intensify the global partnership for Sustainable Development, assisted by multilateral collaborations that develop and share knowledge, skills, and technological and financial resources to achieve the Sustainable Development Goals in all countries

15.1

Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services

15.5

Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and protect and prevent the extinction of threatened species

13.1

Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters

⁵ Analysis conducted by consulting publications from the main international organizations in this field, linking the SDGs and the GRI Standards and SDG Compass.

Figure 2: Our contribution to the Sustainable Development Goals

For the sake of clarity, the SDGs are stated for which the Ruffino Group can make an indirect contribution.



We have also acknowledged and adopted the principles of two European strategies, which are set out in the broader **European Green Deal** and which will play a key role in converting our food systems: the **Farm to Fork Strategy** and the **Biodiversity Strategy for 2030**. The aspects we are working on to strengthen our protection are biodiversity, organic conversion and corporate governance⁶.

Regarding the Biodiversity Strategy, we have been conducting our activities for many years with the aim of preserving and promoting the biodiversity of the places where we work, especially encouraging naturally regulating processes and removing the use of chemical substances in vineyard treatments.

From this perspective, Italy is meeting the growing challenges for the farming sector, especially in the wine segment by harmonizing leading national self-assessment and certification systems.

The “Farm to Fork” strategy

The “Farm to Fork strategy tackles the challenges faced by achieving sustainable food systems in a global way with a ten-year plan, recognizing the inseparable ties between healthy people, a healthy society and a healthy planet. The initiatives of the strategy are a central element of the European Commission’s Agenda to achieve the UN’s Sustainable Development Goals.

⁶ Further information can be found in the “Management and “Conservation” chapters.



Agriculture and the Green Deal

The Green Deal was presented by the European Commission on 11 December 2019 and summarizes the new European growth strategy towards ecological transition.

The EU goals are:

- ensure food security faced with climate change and biodiversity loss
- reduce the environmental and climate footprint of the EU’s food system
- strengthen the resilience of the EU’s food system
- lead global transition towards competitive sustainability from producer to consumer.

The European Commission has adopted a set of proposals to align EU policies on climate, energy, transportation and taxation in order to reduce greenhouse gas emissions to at least 55% below 1990 levels by 2030.

Biodiversity Strategy

The EU’s Biodiversity Strategy for 2030 is an overarching, ambitious and long-term plan to protect nature and inverse the deterioration of ecosystems. It calls for specific commitments and action, including:

- +25% of agricultural land in areas for organic farming;
- -50% use of chemical pesticides;
- -50% loss in nutrients, at the same time guaranteeing that soil fertility does not deteriorate, reducing the use of fertilizers by 20%;
- -50% of total EU sales of antimicrobics for reared animals and antibiotics for aquaculture.



In March 2022, the Italian Ministry of Farming, Food and Forestry Policies (MIPAAF), with the departmental decree no. 124900 of 16 March 2022, approved the **Guidelines for the Wine Industry Sustainability Certification System**⁷. The guidelines were drawn up by the Committee for Wine Sustainability (CoSVi), established by ministerial decree of 23 June 2021, formed by representatives of MIPAAF, the regions, the Council for Research in Agriculture and Analysis of the Agricultural Economy (CREA) and ACCREDIA, a non-profit association and the only certification body in Italy and, in an advisory capacity, representatives from the three assessment systems for sustainability in the wine industry (Equalitas, Viva and Tergeo). The certification standardizes the best practices and experiences regarding sustainability in the wine industry and enables organizations to deal with a unified certification system. For 2022, this certification will be implemented using the procedures and standards set out by the National Quality System of Integrated Production (SQNPI), to which Ruffino has belonged since FY 2021.

The latest legislative changes confirm that the direction we have taken embraces and responds to the evolution of the context in which we operate.

In order to strengthen the actions already taken in recent years, since FY 2021 we have been working in sync with our parent company CBI to develop a **strategic sustainability plan**. The plan, which was formalized and shared with our stakeholders in FY 2022, aims to establish goals to be achieved over the next few years, taking into account the broader and aforementioned European context. To this end, the plan sets out the goals and the timescale for achieving them.

We have also set out a plan up to 2025 for the allocation of funding aimed at sustainable development, totaling approximately **28% of the total investments made**, as seen in Figure 3.

Guidelines for the Wine Industry Sustainability Certification System

The Guidelines for the Wine Industry Sustainability Certification System states the set of regulations for production and the best practices aimed at ensuring **respect for the environment, food quality and security, protection for workers and citizens**, and an adequate **income from agriculture**.

In 2023, the process to define additional aspects is expected to be completed, including:

- Specific requirements to protect natural/semi-natural surfaces and protected species that characterize the area;
- Specific requirement to monitor water usage;
- Requirements to protect the rights of workers and contractual obligations.

For the post-harvest and winemaking stage, in addition to the aforesaid requirements, the following apply:

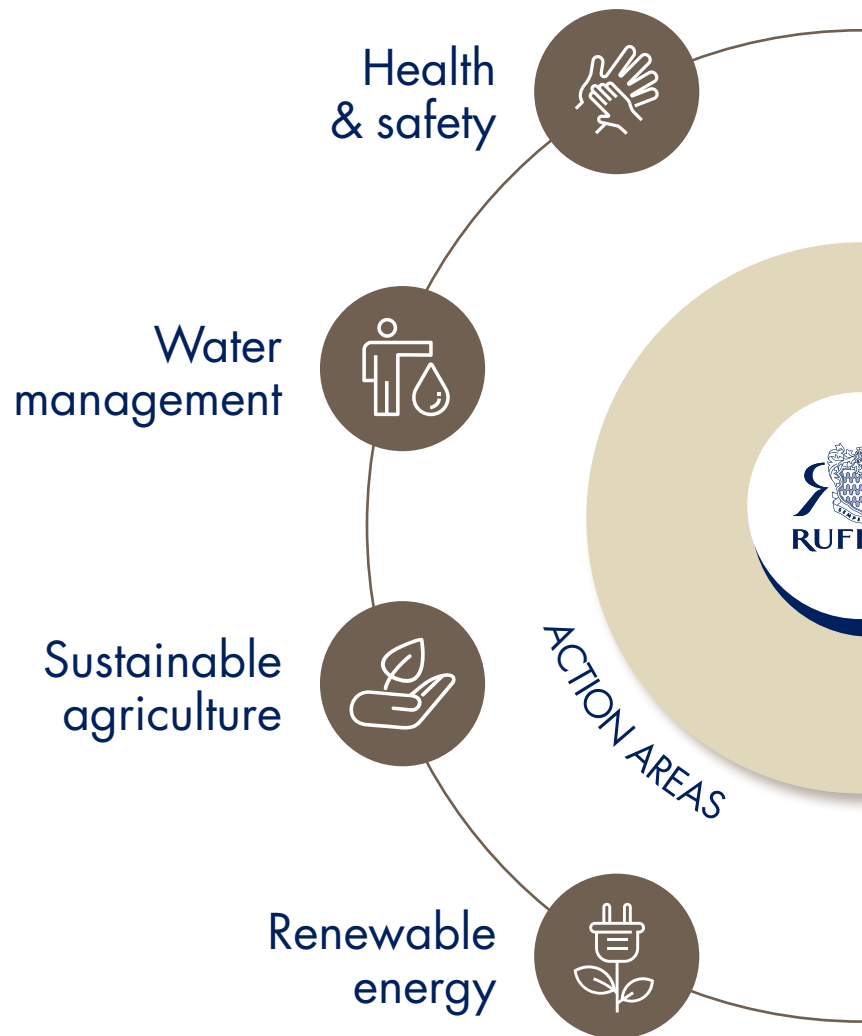
- Wastewater monitoring and management;
- Monitoring and reducing the weight of packaging;
- Monitoring and reducing the energy used in the winery for every liter of wine produced;
- Financial contribution to the development of the local community through promoting activities and investments in services of public use and/or in infrastructure not ascribable to its ownership/management.

⁷ Established in compliance with Article 224 ter of law decree 19 May 2020, no. 34, introduced by conversion law 17 July 2020, no. 77, formed

by the set of production regulations adopted by the entire industry, starting with field practices through to release to market.



Figure 3: Sustainability investment plan



INVESTMENTS

FY 2019

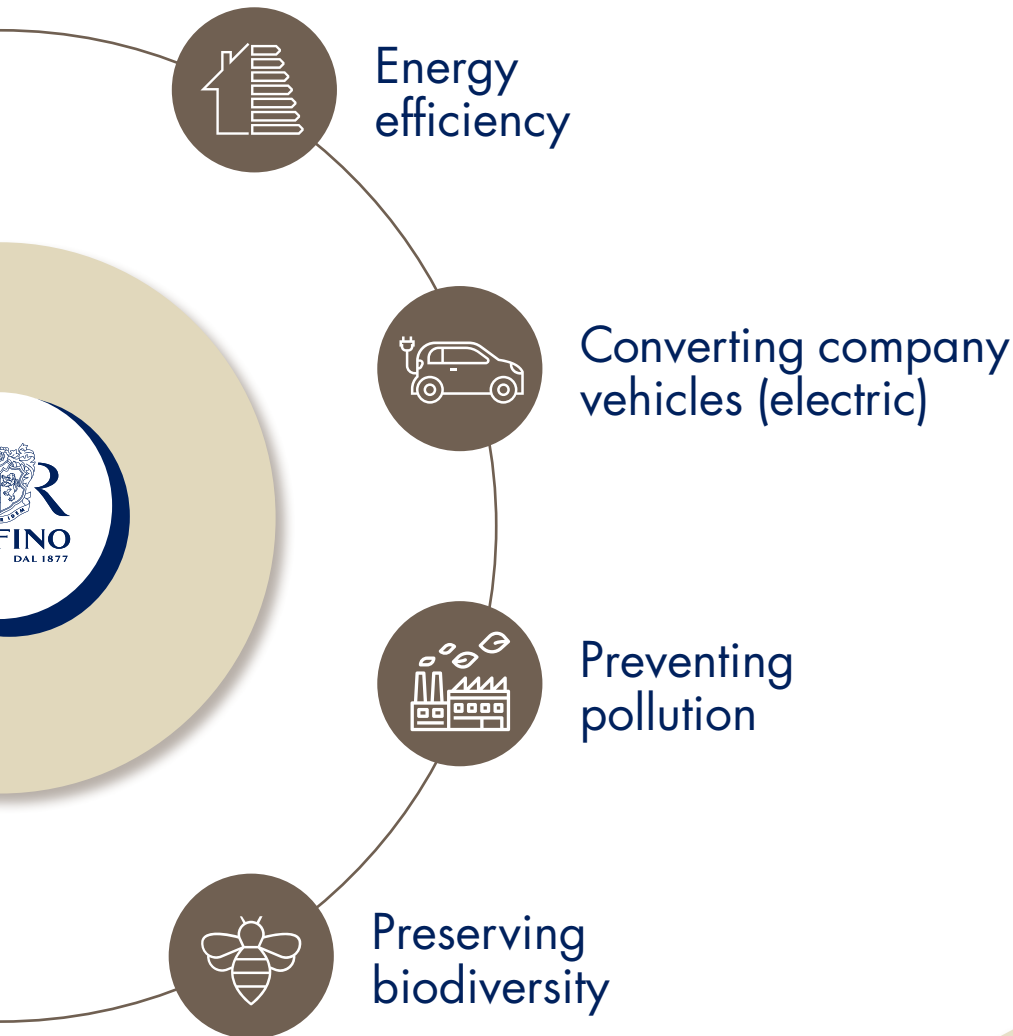
855,000 €

FY 2020

790,000 €

FY 2021

860,000 €



FY 2022
2,508,600 €

FY 2023
2,234,000 €

FY 2024
2,268,000 €

FY 2025
1,455,000 €

Materiality Assessment and Identifying Stakeholders

In line with what was stated in the previous paragraphs, the materiality assessment, a process that enables the identification for the most relevant sustainability-related aspects for the company and its stakeholders⁸, saw changes in the operational, institutional and market context as key inputs, as well as in the Group's strategy and stakeholder requests.

The process, which is aimed at continuous improvement and the wider **involvement of Ruffino co-workers**, involved the participation of a larger number of members of company departments compared with the previous year, and was conducted in two stages:

- a **questionnaire** was shared with **internal stakeholders** in the first stage, involving the main representatives from company departments such as Marketing, Communication, Operations, Finance, Production, H&S, Purchasing, Customer Service, HR, CSR, Legal, Quality and Estate. This initial moment of

comparison enabled elements to be assessed, such as content, quality, the completeness and accuracy of the Sustainability Report FY 2021, and defining the material topics covered in the FY 2022 report; the stakeholders involved conveyed not only the company point of view, but also the requests of their own reference stakeholder/s. It was also an opportunity to share the stakeholder map formalized the previous year, which was partly revised (Figure 4).

- a second stage involved semi-structured interviews with **top management**, aimed at analyzing management methods, protection, plans, risks and opportunities associated with the material topics and validating the relevant points that emerged from the questionnaire.

We deem it important to involve all our stakeholders through flexible channels of communication that are suitable to the need for discussion.

⁸ Further information about the materiality assessment can be found in the "Methodological Notes" section in this document.



Figure 4: Stakeholders and channels of communication





Participation and communication methods

Piazza Ruffino, Publication of Company Code of Conduct and Ethics, Sharing Policies, Training, Dedicated Meetings

Sharing Code of Conduct and Sustainability Guidelines for Suppliers, Sharing Agricultural Best Practices Handbook, Site Visits, Involvement in Grower Project, Contracts

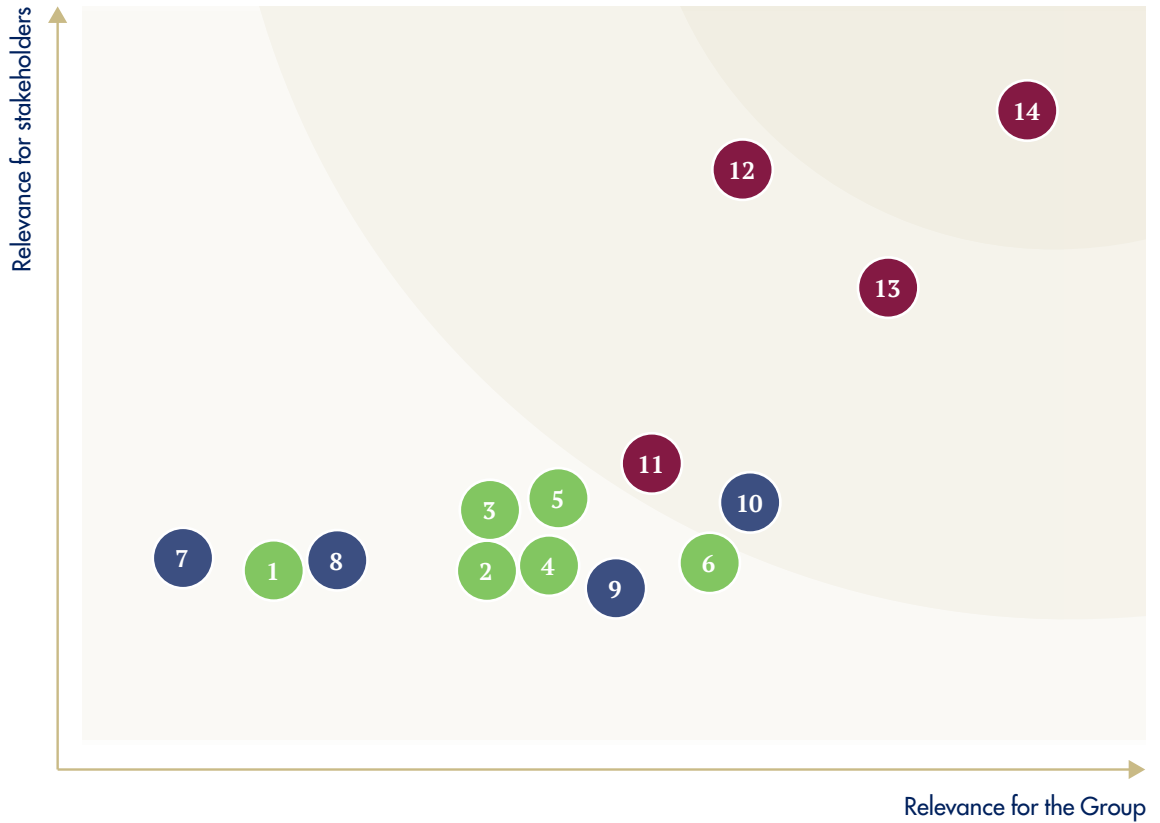
Website, Marketing, Sustainability Report, Vivere di Gusto Magazine, Estate Visits, Social Media, Press Activities, TV Campaigns

Participation in Wine In Moderation, Collaboration with the Prosecco Consortium for the Sustainable Consortium Project, Members of Federvini and Unione Italiana Vini

Sharing the 2030 Strategic Plan, Specific Projects and Meetings, Group Analysis

Due to the afore-described assessment process⁹, the Group defined the materiality matrix, which was approved by the CEO on 1 April 2022. Below you will find the top-right quadrant of the materiality matrix for the Ruffino Group, namely a selection of the most relevant aspects, hence “material”, for the organization (x-axis) and the internal and external stakeholders (y-axis). All the topics covered in this quadrant have a value equal to or greater than the materiality threshold as it emerged from the questionnaires with the stakeholders.

Figure 5: materiality matrix of the Ruffino Group



Environmental topics

- 1 Climate change
- 2 Waste + wastewater
- 3 Naturally regulating processes and gradual removal of chemical substances
- 4 Energy saving and management
- 5 Preserving biodiversity and valuing wine landscapes
- 6 Water management

Governance-financial topics

- 7 Transparency + traceability
- 8 Sustainability governance
- 9 Creating sustainable value over time
- 10 Certified sustainability

Social topics

- 11 HR management + workers’ rights
- 12 Diversity + inclusion
- 13 Human rights
- 14 Consumer health + safety

⁹ Further information about the materiality assessment can be found in the Methodological Notes.

