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LETTER TO STAKEHOLDERS

Compiling the Sustainability Report is always a very important time for Ruffino, which allows us to verify the progress we are making in achieving our goals and assessing our concrete commitment to these topics.

It is a time that incorporates wider contemplation about whether we are doing enough and, more importantly, whether we are working with the urgency that the situation requires.

These issues must be important to us, but above all we must feel their urgency. The environmental, climatic and social situation around us is changing much faster than we imagined, which means that we must react at the same speed, doubling down on our commitment.

Up until now, being sustainable meant working in such a way to reduce, or even zero, our negative impact on the environment and society.

Now, instead, we are required to move things up a gear: to have a positive impact, to strive to combat climate change and to seek to improve social equity by eliminating the gender gap and improving the wellbeing of our employees, suppliers, clients and the communities that interact with us

In order to reduce the disruptive effects of these changes, a change of pace and an overhaul of the ESG strategy is required right now.

This is why we implemented eco-design projects for our products a few years ago. The aim is to reduce the impact of our materials by working on bottles and packaging to reduce the use of unnecessary materials as much as possible, while also lowering the weight. The results have been truly encouraging.

For years, we have been incorporating sustainability as an operational strategy, laying the foundations to manage this difficult challenge. We started mapping the soil and vineyards back in 2011, something that we have maintained and holds us in good standing today. Not only have we been capable of irrigating the vineyards when required, but we have also reduced water usage as much as possible in order to ensure that water is available as a vital resource to local communities.

As we have said in the past, as a market leader we have the moral duty to show the way as well as highlighting a new mindset of doing business, now more than ever in these fragile times, when the effects of climate change have become especially intense and unpredictable. This is the time to be bold and speed up our progress. We strongly believe that we are doing this every single day.

Last but not least, I would like to thank our long-standing partners and suppliers, who feel the same need and who are pursuing progress similar to ours. Together we are certain that we will achieve not only our goals ahead of schedule, but also encourage our sector and other industries to accelerate their sustainable efforts.

Sandro Sartor
President and CEO



HOW TO READ THIS REPORT

This page aims to help you use and understand this Sustainability Report as easily as possible.

This Sustainability Report sets out information and the environmental, social, financial and governance performance of the Ruffino Group (hereinafter also "Group" or "Ruffino") with reference to the companies Ruffino S.r.l., Tenute Ruffino S.r.l. Società Agricola ("Tenute Ruffino") and Poderi Ducali Ruffino S.r.l. Società Agricola ("Poderi Ducali"). The reporting period is structured into financial years, which run from February in one fiscal year to March in the next. In the report, reference to the financial years is stated as follows: FY 2023 (2022), FY 2022 (2021) and FY2021 (2020).

We have continued to enrich our sustainability reporting this year, making the most of the opportunity to share the progress made and results achieved with all stakeholders. We are therefore publishing this report in order to ensure understanding of our business activities and the impact produced by them through setting out, for every material theme identified, the strategic guidelines, management methods, organizational structures, policies adopted, and the risks and opportunities connected with them.

This Sustainability Report was compiled in accordance with Global Reporting Initiative (GRI) reporting principles, ensuring the quality of the information stated and enabling stakeholders to evaluate the Group's performance in a realistic and reasonable way. We have also added some Key Performance Indicators (KPI) compared to the previous edition published in 2022.

Additional details about the methodology are stated in the "Methodological Notes" section. This report is a result of the work and collaboration of all company departments. The Sustainability & Environment Team coordinated the compilation.

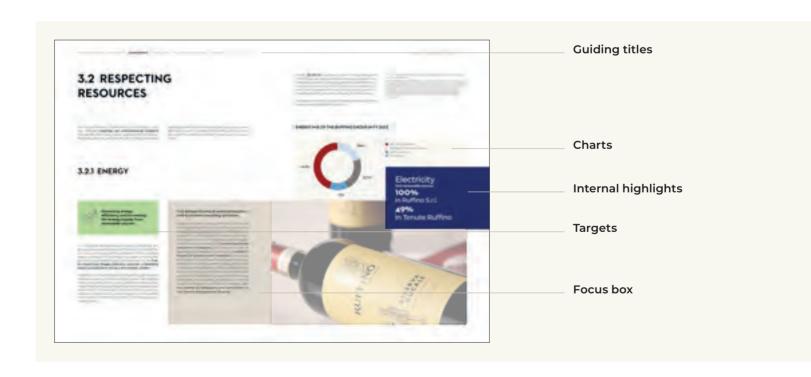
For questions regarding the Sustainability Report, please contact thomas.blasi@ruffino.it.

Enjoy the read!

CHAPTER COVER PAGE



INTERNAL PAGE







01 WORLD OF RUFFINO

GRI STANDARDS

GRI 2-1, GRI 2-6, GRI 2-28, GRI 2-29, GRI 3-1, GRI 3-2

1.1 ABOUT US

4

Companies

Ruffino S.r.l., Tenute Ruffino S.r.l. Società Agricola and Poderi Ducali S.r.l. Società Agricola, CBET S.r.l.*

240

People

+1,200

Hectares of land

more than 585 under vine

9

Estates

7 in Tuscany and 2 in Veneto, plus a bottling plant in Tuscany (Pontassieve)

37

Labels

4,307

Tons

of grapes managed

28,309,228

Bottles of wine

89

Countries served¹

123,929,798

Value produced

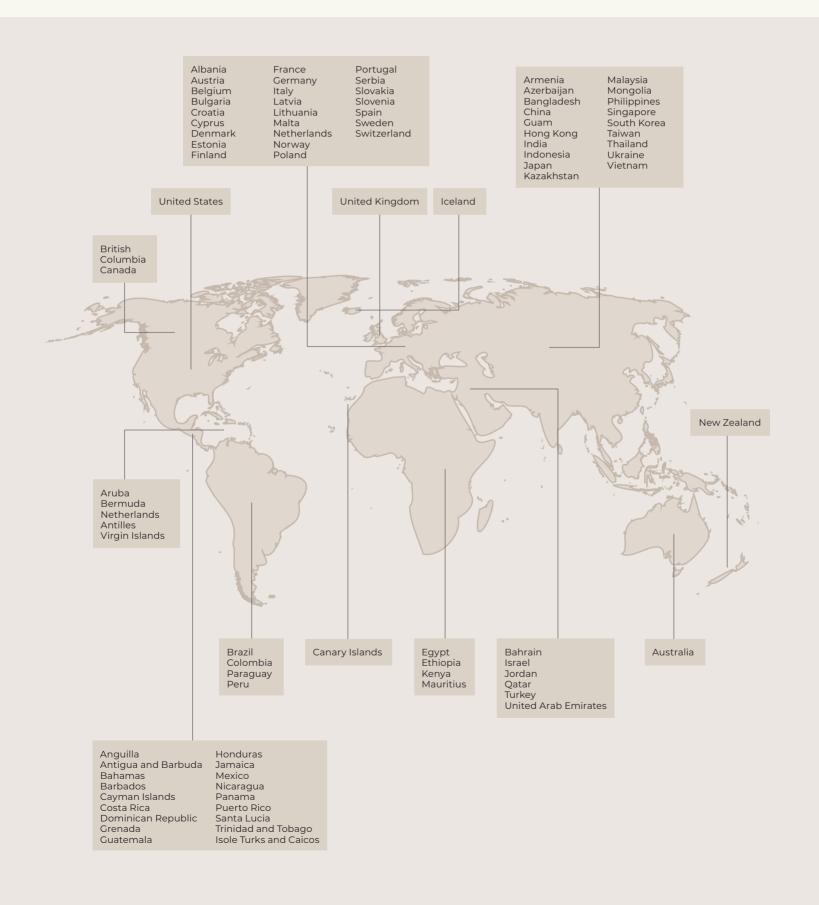
Euro

by the Group in FY 2023

^{*} Not included in the scope of the qualitative and quantitative data of this Report, net of the economic and financial data. For more information, see the Methodological Notes.

¹ For the Italian market, the Hotellerie, Restoration and Cafè (HoReCa) and mass retail distribution is included among the distribution channels, in addition to direct distribution.

1.1.1 MARKETS SERVED



1.1.2 HISTORY

Ruffino was founded in 1877 by two cousins, llario and Leopoldo Ruffino, who discovered the ideal place to establish what continues to be the headquarters of the company (and Chianti itself) in Pontassieve. The original name when the company was founded was actually Chianti I.L. Ruffino: synonymous of the Italian lifestyle all over the world, it represented quality wine for everyone.

Over 150 years of history, the estates and production facilities belonging to Ruffino have grown, been updated and equipped with up-to-the-minute technology without ever forgetting the tradition and ties with the place of origin. 240 people across the Group's 9 estates now contribute to the growth of Ruffino through their daily work.

The company produces and sells approximately 28 million bottles across 40 labels, most of which are linked to historic appellations in Tuscany, including Chianti, Chianti Classico and Brunello di Montalcino, as well as Prosecco and Pinot Grigio in Veneto.

Ruffino relies on more than **585 hectares of vineyards**, across **9 estates**: 7 in **Tuscany** – **Poggio Casciano**, **Montemasso**, **Santedame**, **Gretole**, **La Solatia**, **Greppone Mazzi**, and now also in Castagneto Carducci – and 2 in **Veneto**: **Cà del Duca** and **La Duchessa**.

In 2011, the company became part of **Constellation Brands** (hereafter "CBI" or "CBI Group"), an American market leader in the beer, wine & spirits sector. The acquisition reinforced Ruffino's international calling, while maintaining its trademark attachment to the land.







Figure 1: Ruffino Winemaker

1877

FOUNDATION

Ruffino is established.

Cousins Ilario and Leopoldo Ruffino dream of bringing the "ideal wine" to tables worldwide as a symbol of beauty, taste and the essence of Italy.

The winery is founded in Pontassieve, near Florence, where the headquarters are still located today.

1890

DUKE OF AOSTA

Ruffino is appointed official supplier to the Duke of Aosta and the Italian royal family. The Duke visits Pontassieve and chooses his personal Chianti Riserva. Giuseppe Verdi is another Ruffino wine enthusiast: one of his letters is kept at the Ruffino headquarters.

1927

RISERVA DUCALE

The first bottle of "Riserva Ducale" is produced, named for the Duke of Aosta, a royal connoisseur of Chianti Ruffino. (At the time, it was called "Chianti Stravecchio".) The label designed in his honor still features on bottles of Riserva Ducale today.

1947

RISERVA DUCALE ORO

The first bottle of Riserva Ducale Oro is produced to celebrate an exceptional vintage, which is now one of Ruffino's most iconic wines and belongs to the Gran Selezione category, only made in the best years.

1950s

ROSATELLO

Rosatello is born, the first Italian rosé wine. It marks the start of a trend associated with the Italian "dolce vita" lifestyle and proves a runaway success with its drop-shaped bottles.

2010

MODUS 2007

Modus 2007 is named as one of Wine Spectator's 100 Top Wines. It is a nod to Ruffino's innovation, proof of the winery's ability to experiment and obtain the highest quality with its Supertuscan.

2018

PODERI DUCALI

Ruffino acquires Ca' del Duca and La Duchessa, two estates in the Veneto where Prosecco DOC and other white wines are produced. This is the company's first investment outside of Tuscany and is a mark of Ruffino's success in Italy and around the world.

2020

AQUA DI VENUS

Aqua di Venus is launched, a brand that evokes the wild spirit of the Maremma in southern Tuscany. Wines that elicit an unforgettable experience and that became an immediate success.

2021

MODUS PRIMO

Modus Primo makes its debut with grapes grown in the vineyards of the Poggio Casciano estate, where Modus has always been made as the perfect place for Supertuscans. This wine, the result of careful selection, is the best that the exceptional Poggio Casciano terroir has to offer.

2022

NEW BRAND IDENTITY

A new image celebrates tradition and represents the evolution to an elevated and contemporary style.

2023

BOLGHERI

Ruffino acquires 15 hectares of vineyards in Bolgheri, one of the best wine regions in the world.



1.1.3 MISSION AND VALUES

VISION

To become the benchmark for high-end Tuscan wines



VALUES

PEOPLE FIRST

Respect, Inclusive environment, Teamwork and success, Helping the community

INTEGRITY

High ethical and moral standards, Always acting correctly

ENTREPRENEURIAL SPIRIT

Shared management, Promoting innovation, Responsibility, Fast and flexible implementation

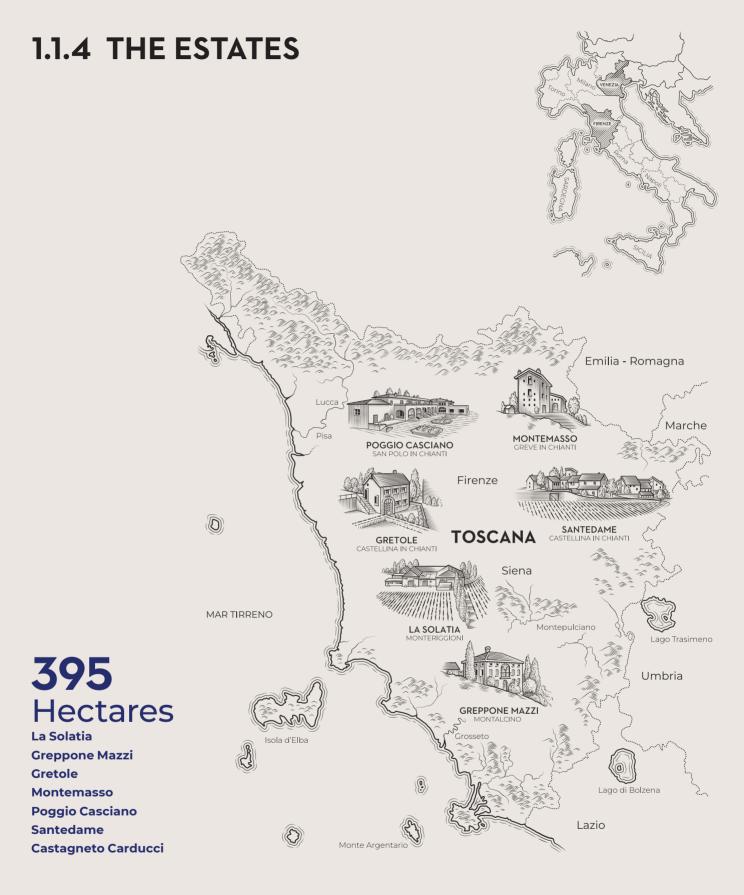
CLIENT FOCUS

Understanding and anticipating client needs, Exceeding expectations

FOCUS ON QUALITY

Passion for products and commercial activities, Commitment to quality, Continuous improvement





228Employees
140 in Ruffino S.r.l.
88 in Tenute Ruffino S.r.l.



190 Hectares

Poderi Ducali S.r.l. and Tenute Ruffino S.r.l.

12 Employees in Poderi Ducali S.r.l. Our **Tuscan estates** extend across more than **1,000 hectares**, with approximately **395 under vine**.

For us, every vineyard is precious and comes from the land that we strive to look after. We honor tradition and existing history, while pursuing modern winemaking techniques to obtain the very best from every vintage.

Red Wine

- Chianti
- Leo Chianti Superiore
- Torgaio
- Modus
- Ducale rosso
- Riserva Ducale Chianti Classico
- Riserva Ducale Oro Chianti Classico Gran Selezione
- Aziano Chianti Classico
- Santedame Chianti Classico
- Lodola Nuova Nobile di Montepulciano
- Lodola Nuova Rosso di Montepulciano
- Romitorio Chianti Classico Gran Selezione
- Fiasco Chianti Superiore
- Chianti Bio
- Modus Primo
- Alauda Rosso
 Ilula Dassa
- Urlo Rosso
- Lodola Bio
- Santedame Bio
- Brunello di Montalcino

White Wine

- La Solatìa Pinot Grigio
- Libaio Chardonnay
- Pinot Grigio BIO
- Aqua di Venus Bianco

- Lumina Pinot Grigio delle Venezie
- Galestro
- Orvieto Secco
- Orvieto Abboccato
- Orvieto Dolce
- Aqua di Venus Friuli

Rosé

- Aqua di Venus Rosato
- Rosatello Veneto

Prosecco

- Prosecco
- Prosecco BIO
- Prosecco Rose

Other

- Amaro Antica Ricetta
- Vermouth Antica Ricetta
- Olio Extravergine di oliva Laudemio Ruffino
- Olio Extravergine di oliva Chianti Classico Ruffino
- Olio Extravergine di oliva italiano
- Serelle Vinsanto
- Moscato d'Asti

Poggio Casciano is situated in the Tuscan hills a few miles from Florence. After scientific research into the soil and microclimate conducted on the estate, new Sangiovese, Cabernet Sauvignon, Merlot, Cabernet Franc and Colorino vineyards were planted, aimed at achieving grapes with greater resilience and even higher quality. Poggio Casciano is also the hub of all of Tenute Ruffino Società Agricola's hospitality activities: the "Tre Rane Ruffino" restaurant, Enoteca Ruffino and Casa Ruffino are located here, and it's where we take clients on cellar tours and estate wine tastings. In FY23, the hospitality activities gained even greater importance to welcome visitors in an elegant way and communicate the quality and uniqueness of Ruffino wines.

Castello di Montemasso, the first Tuscan estate belonging to Tenute Ruffino S.r.l., with a centuries-long history, is located at altitude in the Chianti Classico wine region in the municipality of Greve. Sangiovese has always been grown on the estate, although suitable agronomic techniques have enabled Merlot and especially Cabernet Sauvignon to be planted and grown here, where grape growing is hard work on steep slopes, yet yields the highest quality.

Santedame is located in the municipality of Castellina in Chianti, in the area known as the Chianti Classico "golden basin" (Conca d'Oro), a strikingly scenic area where the vines produce grapes of the highest quality due to the superb exposition of the vines, the altitude and impoverished soils (galestro and alberese are the main soil types in Chianti Classico). The presence of exceptional olive trees provided the opportunity to produce high-quality Chianti Classico DOP extra-virgin olive oil², in accordance with strict regulations. Approximately 9 hectares of Colorino vineyards are also found on the estate, an old native grape variety that had been on the brink of extinction and was brought back to life with a retrieval operation that started on the estate in the late 1990s.

Gretole is located in Castellina in Chianti, covers the largest area and serves as the lodestar for all of **Ruffino's Chianti Classico** production. Almost all of the soil is used to produce our most representative wine: Riserva Ducale Oro Chianti Classico Gran Selezione.

Greppone Mazzi is a small and significant estate near Borgo di Montalcino, whose vines grow in dry, drought-like soils where Sangiovese is grown, which is referred to locally as **Brunello di Montalcino**.

Solatia, in Monteriggioni, has all the qualities needed to produce traditional Tuscan varieties, such as Sangiovese and Canaiolo, as well as international varieties like Merlot, Cabernet Sauvignon and Alicante Bouschet due to the distinctive terroir and cooler, deeper soils. Grapes for white wines like Chardonnay and Pinot Grigio also prosper in these perfect conditions.

Castagneto Carducci, on the Tuscan coast. At the end of FY23, Ruffino achieved a long-held goal: to have vine-yards in the DOC Bolgheri appellation through acquiring an initial few hectares, to which others will be added soon. Bolgheri is a unique place for the production of high-end red wines made from Cabernet Franc, Cabernet Sauvignon and Merlot, as well as whites. Bolgheri represents a new challenge for Ruffino in a region of established producers, which has become important on the global wine scene over the last 20 years.

 $^{^2}$ Given that the production is residual in terms of turnover and quantity, therefore insignificant for the Group and its impact, the production of olive oil will not be included in the quantitative data stated in this document.







PODERI DUCALI

The **Poderi Ducali Ruffino estates in Veneto** extend across approximately **190 hectares**, are **fully organic** and now boast a total production capacity of about 140,000 hectoliters.

La Duchessa is the core winery of Poderi Ducali Ruffino and is located in San Donà di Piave, in the Venice province. Glera is the main grape variety grown here due to its importance in the production of **Prosecco**, as well as **Pinot Grigio**. The estate has two prevalently clay vineyards: Rialto, in the San Donà di Piave municipality, and Arsenale, in the Cessalto municipality (Treviso).

Ca' del Duca is located in the Motta di Livenza municipality, in the Treviso province, and is home to the hospitality center for Poderi Ducali Ruffino. Glera is the main grape variety grown here. The soil is particularly suited to the cultivation of this variety due to its structure. Combined with meticulous techniques, the soil instills the finest aromas and flavors in the resultant wines, which is typically **Prosecco**.

Last year, we registered Poderi Ducali Ruffino as a **Honey Producer**. In FY22, we started by installing a couple of hives and last year we reached a total of 6 hives, producing approximately 50 kg of honey.

1.2 RUFFINO CARES

1.2.1 A HEART AS STRATEGY

Wine is identity and civilization; it has always represented a sublime interaction between humans and nature, which is a delicate balance that must be looked after. "Ruffino Cares" is our way of caring about the environment, inclusivity and cultural education, embodying the beauty of shared moments. In 2018, Ruffino decided to communicate the company's CSR actions by implementing a consumer project aimed at encouraging responsible drinking. Since then, Ruffino Cares has extended its area of responsibility by including and communicating all the Group's ESG actions.

The ESG aspects have now been structured and spread across the entire company strategy. The Group is investing human and economic capital across 4 action areas in particular:

- Environmental Sustainability, with goals shared by the United Nations;
- · Diversity and inclusion;
- Responsibility drinking education, reinforced by endorsing WIM;
- Commitment to others.

For Ruffino, the sale of wine is our core business, while pursuing these goals is a deeper purpose. On this basis, we are working hard to become a "Brand of Purpose" by 2025. This ambitious goal is an answer to consumers increasingly in search of sustainable products that come from a responsible production chain.

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

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.

Figure 2: Ruffino Cares action areas

ENVIRONMENTAL AND PRODUCTION SUSTAINABILITY

Protect the environment and its biodiversity through the use of sustainable practices, converting to organic, adopting precision viticulture and the informed use of resources, adjusting to climate change through innovation and digitalization for a better informed protection of environmental resources and the land.

RESPONSIBLE DRINKING

Encourage 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

Encourage 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.



Ruffino wins the Premio Gavi LA BUONA ITALIA 2023 for the "communication of sustainable wine"

Ruffino was awarded for its ability to communicate its "green heart": spotlighting, clearly and with the right emphasis, environmental protection, responsible drinking, giving back activities, responsibility and company welfare, and combating gender inequality.

"We are proud and delighted to have received this award. It's wonderful to see that the essence of our commitment has been understood, as well as its tangibility and transversal nature."

Sandro Sartor President, Ruffino Group



1.2.2 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 winemaking³, 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.

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 responsibility⁴.

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.

³ General principles of sustainable grape growing of the OIV – environmental, social, economic and cultural aspects – International Organisation of Vine and Wine.

⁴ Analysis conducted by consulting publications from the main International Organizations in this field: Linking the SDGs and the GRI Standards & SDG Compass.

UN SUSTAINABLE DEVELOPMENT GOALS





Figure 3: Our contribution to the Sustainable Development Goals

The SDGs are clearly stated whereby the Ruffino Group can make an indirect contribution.

3.5 Strengthen the prevention of the harmful use of alcohol





5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life



6.3 Improve water quality

6.4 Increase water-use efficiency



7.2 Increase the share of renewable energy in the energy mix



8.2 Diversify, innovate and upgrade for economic productivity



8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value



8.8 Protect labour rights and promote safe and secure working environments for all workers







12.2 Achieve sustainable management and the efficient use of natural resources

12.4 Achieve the environmentally sound management of chemicals and all waste throughout their life cycle and significantly reduce their release to air, water and soil

12.5 By 2030, substantially reduce waste generation through prevention, reduction and reuse

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle



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





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





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





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 governance⁵.

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.

In 2014, we started by gaining certification with the **ISO 14001** environmental management system for all our Estates. This certification enabled us to **map our impact on the environment** before implementing strategies to manage the impact and mitigate the effects on the local area.

In 2018, we started to **convert to organic** on all our Estates, which will be completed by the 2024 grape harvest. Additionally, during 2019, we endorsed the **Biodiversity Friends** certification and in 2022 the Guidelines for the Wine Industry Sustainability Certification System.

All these activities, which are the result of management with clear and lasting goals, have resulted in **environmental protection** and, where possible, a tangible refreshing of the **biodiversity**.

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

Indeed, in March 2022, the Italian Ministry of Farming, Food and Forestry Policies (MIPAAF) approved the **Guidelines for the Wine Industry Sustainability Certification System**⁶. The certification standardizes the best practices and experiences regarding sustainability in the wine industry and enables organizations to deal with a unified certification system. In 2022, the certification was 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 aforementioned European context. To this end, the plan sets out the goals and the timescale for achieving them.

In FY23, 29% of total investments was allocated to ESG.

⁵ Further information can be found in the "Management" and "Conservation" chapters.

⁶ 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.



INVESTMENTS

FY19 794,924 €

FY20 932,795 €

FY21 794,664 €

FY22 1,990,505 €

FY23 1,790,023 €

FY24 2,128,550 €

FY25 2,109,000 €

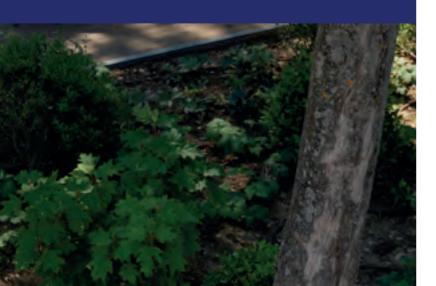


Figure 4: Sustainability investment plan

In particular, for the following years (FY24 and FY25), we have set the following goals in terms of ESG investments to develop our sustainability strategy:

- Energy 965,000 € in FY24 and 519,000 € in FY25, making a total of 1,484,000 €, to develop renewable energy, increase energy efficiency and convert company vehicles to electric and low-emission cars;
- Water management 545,000 € in FY24 and 720,000 € in FY25 making a total of 1,265,000 €;
- **Health & safety** 261,550 € in FY24 and 50,000 € in FY25 making a total of 311,550 €.

1.2.3 MATERIALITY ASSESSMENT AND STAKEHOLDER INCLUSION

In line with what was stated in the previous paragraphs, the materiality assessment, a process that enables the most relevant sustainability-related aspects to be identified for the company and its stakeholders⁷, saw changes in the operational, institutional and market context as key inputs, as well as in the Group's strategy and stakeholder requests. In order to do so, during 2023 we updated the context assessment of our organization, which resulted in pinpointing **27 topics**, which will be submitted to our internal and external stakeholders as well as company departments.

The process, which is aimed at continuous improvement and the wider **involvement of Ruffino stakeholders**, involved the participation of more company department members and a stakeholder engagement stage. The materiality assessment was conducted in three 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, making up a total of 26 replies received by the Top Management. This initial moment of comparison enabled the material topics covered in

the Sustainability Report for FY 2023 to be assessed and defined. This year, they have not been asked to give their assessment based on requests from their reference stakeholder/s, but instead to give the point of view of the Group.

- at a second stage, the questionnaire was also shared with the Group's stakeholders in order to start a stakeholder engagement process, which saw the involvement of 114 employees, 5 representatives from the large-scale retail trade and 8 importers. Stakeholder assessments, crossed with Management assessments, resulted in the Materiality Matrix stated on page 36.
- lastly, semi-structured interviews were conducted 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, in line with what was achieved during 2022, to identify organizational changes and new planning in EY23

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

 $^{^{7}\,\}rm Further$ information about the materiality assessment can be found in the "Methodological Notes" section.



Figure 5: Ruffino Group stakeholders and channels of communication

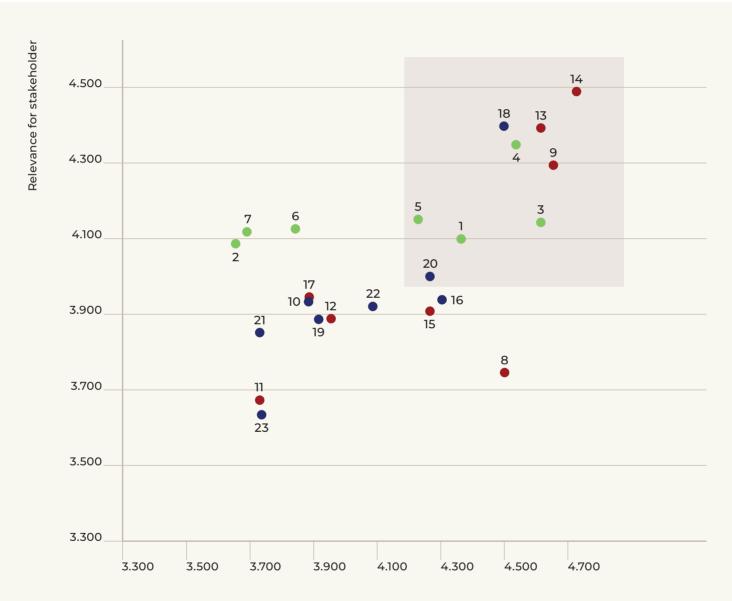
Communication and participation methods	CHANNELS OF COMMUNICATION
Dedicated projects, Specific meetings, Partnerships with Universities, Ruffino Cares scheme	COMMUNITIES AND INSTITUTIONS
Regular financial reports, Sustainability Report	ျှိုင်္ကြို့ SHAREHOLDERS
Website, Sustainability Report, Vivere di Gusto Magazine, Interviews and talks about Sustainability	MEDIA
Ongoing collaborations with UIV and Confagricoltura Firenze and Siena, Membership to the Italian Professional Association for the Environment and Safety	PROFESSIONAL ASSOCIATIONS
Open Days at universities, Partnerships with Universities, Specific section on the website	NEW TALENT

STAKEHOLDER	Communication and participation methods		
EMPLOYEES A	Piazza Ruffino, Publication of Company Code of Conduct and Ethics, Sharing Policies, Training, Dedicated Meetings		
SUPPLIERS	Sharing Code of Conduct and Sustainability Guidelines for Suppliers, Sharing Agricultural Best Practices Handbook, Site Visits, Involvement in Grower Project, Contracts		
CLIENTS	Website, Marketing, Sustainability Report, Vivere di Gusto Magazine, Estate Visits, Social Media, Press Activities, TV Campaigns		
TRADE ASSOCIATIONS	Participation in Wine In Moderation, Collaboration with the Prosecco Consortium for the Sustainable Consortium Project, Members of Federvini and Unione Italiana Vini		
CBI COLLEAGUES	Sharing the 2030 Strategic Plan, Specific Projects and Meetings, Group Analysis		

Due to the afore-described assessment process⁸, the Group defined the materiality matrix, which was approved by the CEO on 10 May 2023. Below you will find the Materiality Matrix updated by the Ruffino Group, with a focus on the top-right quadrant, namely a selection of the most

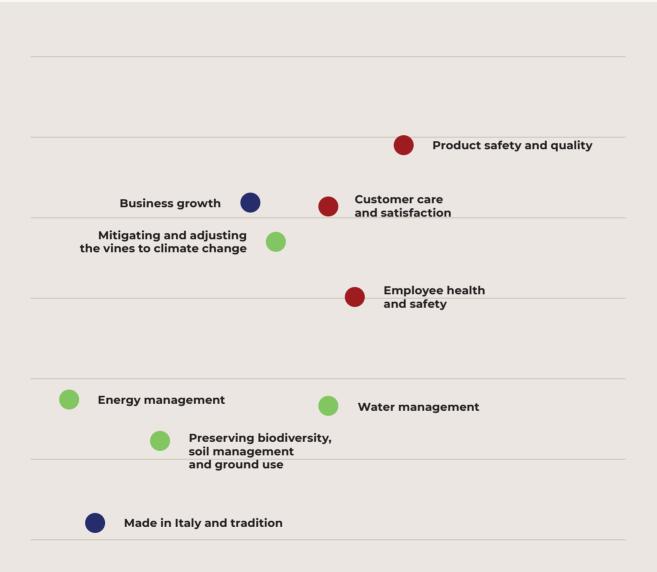
relevant aspects, hence "material", for the organization (x-axis) and internal and external stakeholders (y-axis). All the topics covered in this quadrant have a value equal to or greater than the materiality threshold as it emerged from the questionnaires with the stakeholders.

MATERIALITY MATRIX



Relevance for Top Management

 $^{^{\}rm g}$ More details about the materiality assessment are stated in the Methodological Notes.





Over 80% fewer unsafe actions or situations

identified due to the TPM system

+4%
Factory efficiency
achieved with the TPM pathway

98.2%
Economic value
generated and distributed among stakeholders





02 **MANAGEMENT**

MATERIAL TOPICS COVERED

• Business Growth

GRI STANDARDS

GRI 2-9, GRI 2-10, GRI 2-11, GRI 2-12, GRI 2-13, GRI 2-14, GRI 2-15, GRI 2-23, GRI 2-24, GRI 3-3, GRI 201-1, GRI 201-2, GRI 205-2, GRI 205-3, GRI 207-1, GRI 207-2, GRI 207-4, GRI 405-1

SDGs









2.1 THE ROAD TO TPM

Starting in early 2019, Ruffino wanted to adopt an industrialized system of **continued improvement** of all performances: **Total Productive Maintenance** (TPM), namely adopting an industrialized system of **continuous improvement** of all the performances.

TPM puts into practice the "Learning Organization" through participatory people management and calls for dedicated cooperation among all teams that work in an interdependent way to reach shared goals.

TPM is based on the philosophy of continued improvement and its main purpose is to eliminate waste, namely to eliminate everything that does not create "value" for the product, stakeholders and shareholders.

TPM encourages workplace conditions that can be described as an "evolutionary dynamic". In seeking to improve their work activities, people are obliged to change

their way of working to belong to a deeply integrated and interconnected organization.

This methodology is helping us to tackle the global challenges posed by climate change and the economy, which are dictated by the needs of agro-industrial production and increasingly responsible and sustainable consumption, as it trains people to work and be proactive in the "change".

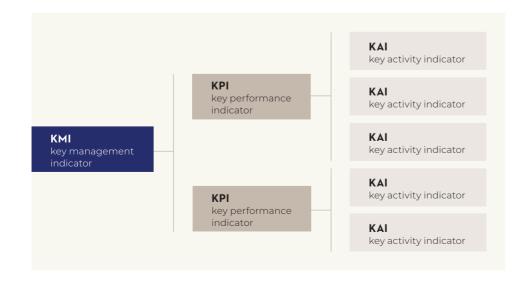
The system consists of **9 pillars** that correspond with the company departments and concentrate on **proactive and preventive techniques** to achieve an excellent management system aimed at removing losses. This methodology allows us to avoid wasted resources such as water and energy, to reduce waste production and to prevent accidents from the point of view of safety for persons and the environment.



TPM PILLARS

5S METHODOLOGY	Performance Control System	FOCUSED IMPROVEMENT	Support continuous change to eradicate losses and increase production efficiency. Guide the teams in structuring objectives and improvement interventions, endorsing their strategy and results
		AUTONOMOUS MAINTENANCE	Act daily, in safety, with the aim of increasing the autonomy of the operators in the effective and efficient management of production machinery, through the development of knowledge, management methods, maintenance and inspection techniques
		PROFESSIONAL MAINTENANCE	Eliminate breakdowns and keep the systems efficient, guaranteeing their safety and reliability over time. Growth and technological innovation aimed at constant prevention and energy saving
		QUALITY MANAGEMENT	Control process and components to have zero defects
		EARLY EQUIPMENT MANAGEMENT	Support the design phase of new investments by capitalizing the experience of the various functions in order to respect the estimated times and costs and reach the expected performance
	Performa	TRAINING & EDUCATION	Support the continuous development of personnel skills and train staff on relevant topics, emerged from the losses analysis performed by each other pillar and create a structured training program TPM oriented for all type of training needed in order to reduce losses due to lack of knowledge
		LEAN OFFICE	Improve Customer Satisfaction through effective and efficient process management in the offices, defining systems to eradicate losses and creating an efficient, pleasant and safe work environment
		ENVIRONMENT	Making Ruffino a major player in sustainable international wine production
		HEALTH & SAFETY	Make Ruffino a safe workplace today & tomorrow

The key indicators have been organized according to a tree structure and for each pillar they have been agreed in line with the company strategy.



To support a process aimed at continuous improvement, the Governance of the Ruffino Group calls for a **system of regular meetings**, at which information is shared, company performance is monitored and decisions are made.

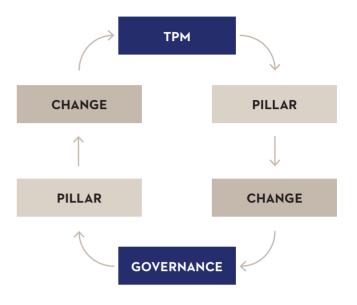
own **mission** and by using the **standard tools and methods** of the TPM, the pillar works to reduce or zero specific losses for the department through implementing improvement plans.



The system begins with the Daily PCS (Performance Control System) meeting, at which the KPIs and KAIs from the day before are set out and shared with production operators, in order to identify in a timely manner solutions, where possible, to any problems encountered, through to a quarterly meeting at which the Operations Management Committee examines the KPIs and progress of each pillar in depth by updating the Hoshin-Kanri matrix, a tool used to guarantee that the site strategy and high-level indicators (KMI) are pursued correctly through the right projects.

Involving all the operational roles is important as it encourages the people who are involved to become **responsible** and increases the **knowledge** of the entire group through collaborative learning. At the meetings, each person has a key role in sharing their skills, enriched with the experience of the group, to draw up a resolution-based action plan, which aims to eradicate the issue, taking into account the practical needs of all the roles.

Governance and TPM are the driving forces that generate the change processes, intercepting company needs and the external and internal challenges. The pillars set short- and long-term goals and their achievement creates a process of continuous improvement. Every pillar has its



Since 2019 the many plans managed by **interdepartmental teams** that operate according to an **inclusive managerial strategy based on skills** have brought the company concrete results:

- **+4 PERCENTAGE POINTS** production efficiency **-80%** malfunctions
- -65% complaints
- **+17%** punctuality of deliveries (achieving values of over 90%)

MORE THAN 80% FEWER unsafe actions or conditions identified

FIVE TIMES the staff training hours have been increased by five times the amount

Using the TPM method has helped us to manage a **radical organizational and cultural change**.

People have been encouraged to leave their comfort zone, meaning that psychological barriers and preconceptions have been overcome with a clear vision of continued improvement and through tangible and structured methodologies.

Ruffino aims to become a benchmark site within Constellation Brands and to become the Group's first Business Unit to receive the Award for TPM Excellence from JIPM (Japan Institute of Plant Maintenance).

In May 2023, for this reason, the company underwent an initial assessment by two Japanese auditors. At present, the company has passed the first stage required to achieve the certification.

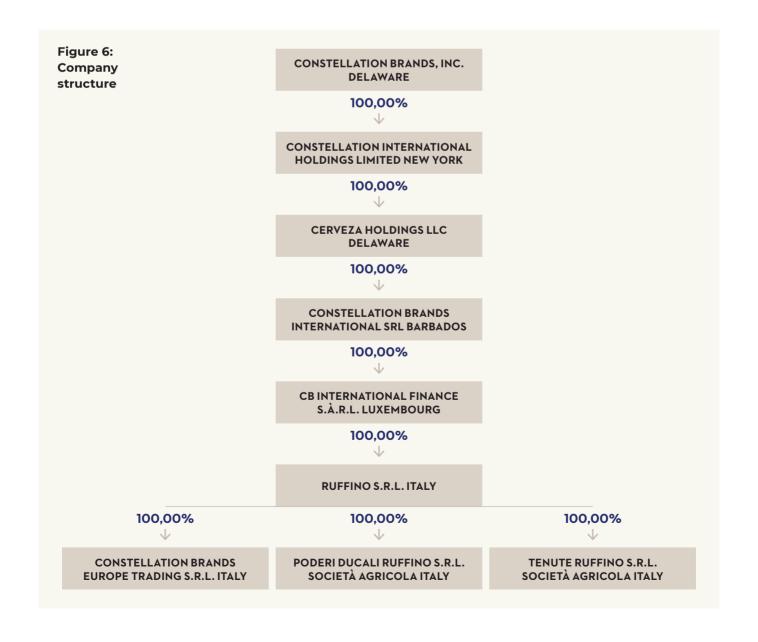
2.2 GROUP GOVERNANCE

2.2.1 COMPANY STRUCTURE

The companies Ruffino S.r.l. (parent company), Tenute Ruffino S.r.l. Società Agricola and Poderi Ducali Ruffino S.r.l. Società Agricola (overall, Ruffino Group) have been part of the US group CBI since 2011. The sole proprietor of Ruffino is CB International Finance S.à.r.l. and therefore the entire Ruffino Group.

In particular, CBI has the control and coordination role and therefore takes high-level decisions regarding the strategy and management of the Ruffino Group.

These strategic lines are implemented by the CEO of the Ruffino Group, who reports directly to the Global Operations & International Sales of CBI.



2.2.2 GOVERNANCE SYSTEM OF THE RUFFINO GROUP

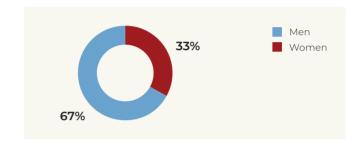
The Ruffino Group adopts the traditional model of corporate governance, whose main administration and control bodies are:

- the **Board of Directors**¹ of Ruffino S.r.l., Tenute Ruffino S.r.l. Società Agricola and Poderi Ducali Ruffino S.r.l., Società Agricola, which has regular and special administrative powers. In particular, when high-level decisions set out by CBI are considered as special administration, they are deliberated by the Board of Directors prior to implementation;
- the sole statutory auditor, with a control role;
- the **auditing company**, which has been attributed with the role of legally auditing the accounts.

The Board of Directors is appointed based on a proposal by CBI and consists of at least four board members:

- i. the CEO appointed by CBI to run the companies in the Ruffino Group. He/she has the role of President of the Board, implements the strategy and achieves the results that have been set. The President of the Board of Directors has many powers, which can be inferred from the company statute for each company in the Ruffino Group, with the exception of powers for special management which are not covered by those highlighted in the company statute;
- **ii.** a Senior Director of CBI in the Legal area, who has powers similar to the CEO;
- iii. a Senior Director of CBI in the Financial area (Treasury);
- iv. a Senior Director of CBI in the Tax area (Fiscal);
- **v.** for each agricultural company, an additional member is required: *Imprenditore agricolo professionale* (IAP).

BOARD MEMBERS, BY GENDER



DIVERSITY ON THE MANAGEMENT COMMITTEES (FY 2023)



 $^{^{\}rm I}$ For more information about the composition of the Board of Directors, see the "Annex" section of this document.

In carrying out its functions, the Board of Directors is assisted by the following committees and working groups.

EXECUTIVE COMMITTEE

Evaluates the financial performance and general policies of the Ruffino Group and related strategies, organizational aspects, the personnel and general risk assessment of the company as well as risk management, The Executive Committee also manages the Corporate Social Responsibility aspects of the Ruffino Group, including this topic annually or more frequently in its meetings. The CSR manager of the Ruffino Group is sent to this meeting to coordinate this part.

MONTHLY ESTATE OPERATION MEETING

Defines how the strategies will be executed that have been decided and set out, based on the agricultural aspects of grape growing and the sourcing of grapes from third parties for Tuscan production.

MONTHLY OPERATIONS & SUPPLY LEADERSHIP TEAM

Executes strategic decision related to winemaking, bottling, storage and logistics. The following are analyzed at monthly meetings:

- Demand & Supply Forecast Accuracy, Planning Alignment, Efficiency of Production Lines, Quality and Non-Conformities, Logistics and Distribution, Service Level, Inventories and Warehouse, Laboratories, Cellars, Out of Stock, etc.;
- Financial performance of Operations: production costs, production variance, purchasing, efficiency and personnel;
- Progress in investment projects (Capex) for the Winemaking areas, Operations & Supply Chain, drawing up the Annual Capital Plan, related approval and year-on-year amendments;
- SH&E (Safety, Health & Environment) updates with indicator and performance tracking.

ITALIAN MARKET COMMERCIAL TEAM E EMEA MARKET COMMERCIAL TEAM

Manages the commercial strategy and the following activities:

- Analyzes commercial performance for sales on the domestic market for the month in question and risk and opportunity assessment for forthcoming months;
- Proposes Annual Plan and subsequent amendments to be sent to CBI for approval;
- Proposes commercial actions to achieve sales targets, analyzes market dynamics to refine tactics and assesses the performance of the sales network.

NEW PRODUCT DEVELOPMENT TEAM

Plans, implements, industrializes and launches new products and/or alters existing products.

OPERATIONS COMPLIANCE TEAM

Verifies the impact on company management or the procedures/ protocols deriving from new legislation, directives or practices of a legislative nature pertaining to production/ winemaking.

GROUP ENVIRONMENT HEALTH & SAFETY TEAM (SHE MEETING)

Analyzes and shares non-conformities for environment and safety, improvement plans, updating legislative obligations, outcomes from auditing and certifications, strategy and investment.

SUSTAINABILITY & ENVIRONMENT TEAM

Analyzes dynamics and projects regarding sustainability and environmental compliance to refine Group policies and assess the performance of Ruffino, drawing up the annual sustainability report and defining the strategies for the years to come.

LEADERSHIP TEAM

Leads, coordinates and supervises D&I projects and activities



2.2.3 RESPONSIBLE MANAGEMENT

In directing and conducting its activities, the Ruffino Group pursues a balance between financial, environmental and social goals, whose essential components are the main requests made by stakeholders.

Figure 7: Sustainability governance



The active management of the sustainability topics occurs through a governance structure that sees the CBI ESG Committee issue strategic guidelines for its subsidiaries. Representatives of the Ruffino Group report to this committee during annual meetings for a debate and update about strategic lines.

Within the Ruffino Group, managing sustainability aspects calls for the **co-participation** of company roles and departments based on the area of responsibility and an approach based on the maximum **involvement and integration** of sustainability in the management model.

The **Executive Committee**, formed by directors across the various company departments, takes note of the sustainability guidelines set out by the CBI ESG Committee and defines the Ruffino Group's specific ESG priorities by breaking down the guidelines locally and sometimes adding, based on the needs of the context in which the company operates, aspects that do not feature in the guidelines set out by the CBI parent company, but which are deemed relevant and strategic for the Ruffino Group. Moreover, the committee is tasked with monitoring the development and prevention of risks based on the tools implemented by the company.

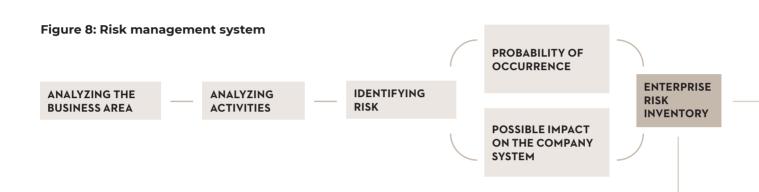
The **Sustainability & Environmental Team**, formed by the directors of the company departments and the CEO, coordinated by the CSR & Environmental Sustainability Manager, implements the guidelines set out by the Executive Committee. The Sustainability & Environmental Team holds six-monthly meetings with the Executive Committee to share updates about the sustainability plans and initiatives.²

In order to integrate fully the Ruffino Group's sustainability goals with the personal goals of the department heads – some of which are board members – and the first-level management, including the Group's CEO, the **sustainability goals** deriving from the wider general goals set out by the Ruffino Group were introduced into the **MBO performance evaluation system** in FY 2020.

As far as sustainability reporting is concerned, the process involves the interaction of all company management coordinated by the CSR & Environmental Sustainability Manager. The materiality assessment and Sustainability Report are approved and signed by the Ruffino Group's CEO.

2.2.4 RISK MANAGEMENT

The dynamic context in which the company works requires a **proactive approach** to risk management in order to prevent, mitigate and manage internal and external impacts. **Preventing** risks, both environmental and social, is now necessary at a decision-making, strategic and operational level, which is why we pay the utmost attention to **informing** all company departments about risks, with the aim of creating a **risk-aware culture** throughout the company.



FINANCIAL

Internal

Managing financial resources Reporting and disclosure

External

Fluctuating interest and exchange rates Credit/Counterpart New accounting statements

STRATEGIC

Internal

Organizational structure Staff retention Budget and planning M&A planning

External

Investor relations Changing consumer preferences Price increases of raw materials

COMPLIANCE

Internal

OPERATIONAL

Health and safety of workers Supply of raw materials Natural resources Information Technology Reputation

External

Climate change Commercial relations with suppliers

Internal

Corruption
Unfair competition
Staff discrimination
Data protection
Brand protection

External

Legislative changes regarding environmental, social and legal aspects

MISSION & VALUES

Risk management, whose process is set out in brief in Figure 8, is led by the Executive Committee and is mainly monitored using two tools, the **Enterprise Risk Inventory** and the **Risk Heat Map**, by the Legal and Compliance Director of the Ruffino Group and the Business Integrity and Health and Safety Compliance Manager.

BOX ON THE RISK HEAT MAP MODEL THAT ALLOWS THE GRAPHIC REPRESENTATION OF THE RISKS BASED ON THE PROBABILITY OF THE RISK OCCURRING AND THE IMPACT OF THE RISK ON THE COMPANY SYSTEM

Impact				HIGH RISK
			MEDIUM /HIGH RISK	
		LOW/ MEDIUM RISK		
	LOW RISK			
				Probability

3 RISK LEVELS

LEVEL 1-ISSUE

An event that could have an impact on the normal operation of the business, whose management has sufficient resources and time available.

LEVEL 2 - EMERGENCY

An event that does not create significant downtime for the business or damage to the structures, products, employees, customers or shareholders, and that can be controlled locally through the collaboration or special activities by several departments and/or external entities and consultants.

LEVEL 3 - CRISIS

An event that has or that could have a significant impact on the normal operation of the company, its reputation and financial stability. An event that could damage the sites, products, employees, customers, trademarks or shareholders, halting the normal operation of activities and attract the attention of traditional channels of communication or social media.

Crisis Management Plan goals:

- prevent and/or minimize negative impacts;
- · re-establish operations as quickly as possible;
- guarantee the safety of employees, customers and others;
- activate effective internal and external communication plans;
- minimize risks and set out responsibilities.

SPECIFIC ACTION PLANS

Defining and implementing operating procedures and mitigation plans that differ according to the risks faced and which can involve different company departments.

Activating a specific Crisis Management Plan to define the resources needed to respond in an effective, timely and structured way in addition to suitable procedures.

Leadership:

A team formed by 7 leading figures for the risk assessment, prevention and management as well as implementing the Crisis Management Plan, each with clearly defined roles and responsibilities.

2.2.4.1 FOCUS ON ENVIRONMENTAL RISK MANAGEMENT

The assessment and management of environmental risks specifically for Ruffino S.r.l. and Tenute Ruffino S.r.l. Società Agricola uses two methodologies in addition to the tools listed above: assessing impacts connected to these topics and a specific survey about water resources and climate change.

These methodologies make it possible, for every stage in the value chain, to analyze the impacts of possible risks, hence direct and indirect risks generated by the activity conducted and the subsequent assessment of any environmental emergencies. The main dimensions analyzed by the model are:

- (i.) energy use;
- (ii.) greenhouse gas production;
- (iii.) ozone-depleting substances emitted into the air (ODS);
- (iv.) waste production;
- (v.) hazardous and potentially hazardous substances;
- (vi.) soil contamination;
- (vii.) soil use and loss of biodiversity;
- (viii.) impact on the landscape;
- (ix.) sound emissions;
- (x.) odor emissions.

Based on the significance of the external impact, the type of legislation in force (voluntary/cogent/cogent with penal responsibility) and the involvement of interested parties (public administration, opinion leaders, trade associations, control bodies), every activity is assigned with a **Priority Index of the risk** and the subsequent **assessment of the actions to be taken to mitigate the risk**.

In particular, regarding the effects of **climate change**, this assessment saw **main risks** emerge such as those associated with unstable weather conditions marked by extended spells of drought, extreme variability in precipitation and extreme climate phenomena. The effects of climate change affect the delicate balance between the climate, soil and other key factors for wine production.

The **main opportunities** include the use of renewable or low-emission energy sources and participating in local programs to obtain financial or technical support in combating climate change in order to achieve the climate-related goals.





RISKS AND OPPORTUNITIES DERIVING FROM CLIMATE CHANGE

Classification	Description	Associated impact	Financial implication (prior to implementing interventions	Risk or opportunity management methods	Costs of the actions conducted to manage the risk or opportunity
Legislative	Changes in legislation	Environmental legislation is constantly changing alongside international and European mediumand long-term goals impacting on conducting the company's activities.		Constantly updating staff. Signing technical and judicial agreements. Feedback from consultants and trade associations (UIV, Federvini, etc.).	Financial and human resources.
Physical	Extreme events	Climate change has already been impacting production for years (earlier budbreak and greater exposure to late frosts; hot, dry summers; overripe grape with high alcohol content), as well as causing risks associated with sudden events (downbursts, heat waves, heavy hail). The consequences might have an impact on the working conditions.		The Ruffino Group draws up and updates a Heat Risk Map, in which environmental factors and climate change are analyzed in their potential effects and reducing the risk. The Group draws up action plans to improve the management of environmental events as they happen and mitigate the effect.	Financial resources for investments and human resources. Possible losses due to extreme events.
Physical	Cost and availability of raw materials	The most important raw materials, energy and raw materials to bottle wine, as well as plant health defense substances are experiencing constant price increases.		Investments to increase the amount of self-produced energy, energy efficiency and raw materials. Plans to renew company vehicles, with a possible focus on electric vehicles.	Financial resources.
Physical	Use of chemical products	The Group's activities call for the use of chemical products in the vineyard, cellar and company workshops. Adopting sustainable choices and biological defense significantly reduces the hazard and risks of environmental contamination (soil, groundwater and waterways).		The company has adopted sustainable management strategies and organic vineyard management, as well as maintaining biodiversity. The company undergoes monitoring and checks by external watchdogs.	Economic value of the supply of assets and services and investment for organic conversion.
Physical	Water management	The water supply could experience criticality in the future, in terms of quantity, quality and price. This risk allows the company to review and optimize all the activities and processes in which water is used.		Investments for the retrieval and reuse of water in various production processes, including building manmade basins to collect rainwater and possible reuse for irrigation.	Economic value of the investment.
Physical	Waste management	The Group is increasingly active in lowering its waste, but especially in reusing and recycling waste.		Possibility to take part in various "circular" industries for incoming materials (e.g. cardboard, glass, etc.) and outgoing materials (e.g. corks reused in furniture factories), taking a leading role in the dynamics of the circular economy.	Labor hours and investment in enabling technologies

2.3 ETHICS AND INTEGRITY

2.3.1 RELIABILITY OF THE GROUP

Our long history is one of success, in addition to the reputation we have developed day after day with quality products, financial stability and ethical reliability.

Our aim is to consolidate this reputation through concrete actions and preserving our integrity with a set of guidelines for us and for all those who interact with the Group in some way. The Company Code of Conduct and Ethics (hereinafter referred to as the "Code") set out by Constellation Brands Inc (CBI), and based on company values, adopted by Ruffino Srl, Tenute Ruffino Srl, Società Agricola and Poderi Ducali Ruffino S.r.l. Società Agricola, was updated in May 2023. The Code is regarded as a guide to help recipients whenever a decision must be made regarding company procedures, policies and values, as well as applicable legislation. The code covers various topics including conflict of interest, protecting personal data and confidentiality, defending human and workers' rights, responsible drinking, external communications, anti-corruption, anti-trust, anti-abuse of office, and data protection. In addition to practical examples that can help recipients make the right decision, some general useful questions are suggested in the document prior to making a decision or conducting an initiative on behalf of the company. The channels are also stated in case of doubt and/or reporting.

IT IS LEGAL?

DOES IT COMPLY WITH COMPANY POLICIES, PRACTICES AND VALUES?

WOULD THIS INITIATIVE SEEM SUITABLE TO OTHERS?

IS IT HONEST FROM EVERY POINT OF VIEW?

These provisions are also given to suppliers and consultants with contractual clauses that refer to the contents of the code, as well as the contents of the Code of Conduct and Sustainability Guidelines for Suppliers³, to which the latter must conform. The document sets out the expectations of Constellation Brands Inc. for suppliers, who are required to act according to the highest levels of ethical and legal conduct and to conduct their business sustainably.

The Organization Model, in accordance with Italian Legislative Decree 231/01, of Ruffino S.r.l., Tenute Ruffino S.r.l. Società Agricola e Poderi Ducali Ruffino S.r.l. Società Agricola was updated to take into account the new types of offences introduced after 23 November 2021 and the risk assessment that was conducted.

During the board meetings held on 8 February 2023, the Legal & Compliance Director illustrated the new offences that have been introduced, namely:

- Offences introduced through adopting Italian Legislative Decree 184/2021, regarding non-cash payments:
 - Abuse and falsification of payment methods other than cash
 - Computer fraud if aggravated by making a money transfer, monetary value or virtual currency
 - Possession and diffusion of equipment, devices or computer programs aimed at committing offences concerning payment methods other than cash
- Offences introduced through adopting Law 22/2022, against cultural heritage as well as pertaining to recycling laundering cultural heritage, damaging and ransacking cultural and landscape heritage:
 - Stealing cultural heritage
 - Undue appropriation of cultural heritage
 - Receiving stolen cultural heritage
 - Private contract falsification pertaining to cultural heritage
 - Violations pertaining to the transfer of cultural heritage
 - Illegal importation of cultural heritage
 - Illegal exportation of cultural heritage
 - Destruction, dispersion, degradation, disfigurement and abusive use of cultural and landscape heritage
 - Forgery of artworks
 - Laundering cultural heritage

In particular, the inclusion in perimeter 231 of the offences introduced with the afore-stated adoption of the Law 22/2022 deserves attention and will involve the adoption of an ad hoc procedure.

Other offences instead were dealt with in a mitigation plan directly in existing procedures and protocols applicable to the Ruffino Group. The Board of Directors of the afore-stated companies took note and approved the new version of the Organizational Model.

The new 231 Models are based on an approach for processes instead of by offence in order to facilitate operational application. Each of the Group's companies set up a **Control Body**, which is independent, impartial and reports directly to the Board of Directors. The control body is attributed with controlling powers over the correct application set out in the documents as well as spending powers, whose budget is deliberated directly by the Board of Directors.

The companies in the Ruffino Group pledge to communicate the provisions of the "Modelli 231" in order to ensure that all recipients are informed, in particular:

- about where the document and the Code of Conduct are available;
- a specific and differentiated training plan is provided depending on the company roles and departments;
- useful tools are available to clarify any doubts regarding the correctness of one's conduct and its alignment with what is set out in the Code and in the "Modelli 231":
- recipients are informed about any updates to the documents in question.



Several ways to communicate violations⁴, even suspected violations, and any irregularities linked to the implementation of the Code and "Modelli 231" are available for all recipients. In particular, employees can contact directly and confidentially: i) their line manager; ii) the HR Department; iii) the Legal Department; iv) the Corporate Compliance Organization; vi) the 24/7 free Ethics and Compliance Helpline, managed by an external professional outside of Constellation Brands Inc.

The afore-stated means of communicating offences or irregularities are set out in the **Whistleblowing Procedure**, which is part of the "Modelli 231", also shown on company noticeboards.

With specific reference to anti-corruption, the **Anticorruption Policy** has been in force since FY 2016. It is valid for the CBI Group, which supports the companies to comply with the anti-corruption laws in force in the various countries where the subsidiaries operate. **Anticorruption is covered by training** provided by the CBI Group for staff who have company computers, while employees are obliged to declare any actual or potential conflict of interest.

In FY 2023, interactive training introduced by the parent company through Corporate Compliance for all staff with company computers covered:

- preventing harassment in the workplace, as in the previous FY;
- IT security and privacy;
- Anticorruption Policy, as in the previous FY.

All these courses describe the contents in the respective policies issued by the parent company and are also applicable to the Italian companies. They consist of various questions requiring responses during the course video to be able to continue and complete the training.

In FY 2023, training for non-computer users was refreshed concerning the **prevention of harassment** in the workplace. The Legal & Compliance Office of the Ruffino Group decided to organize specific sessions to tackle the issue of dignity and respect in the workplace, hence covering the topic of preventing harassment; the principles set out in the Company Code of Ethics and Conduct were covered therein.

In FY 2023, the Policy Acknowledgement for computer users was on Travel Policy, Expense Policy, Electronic Signature Use and Acceptance Policy, Anti-Harassment, Conflict of Interest Disclosure and Code of Conduct.

For **new hires**, the training using the parent company's internal training system was as follows: Code of Conduct, Anti-Harassment, IT Security Awareness, Anticorruption and Policy Acknowledgement on the Company Code of Ethics and Conduct, Travel and Expenses, Anticorruption, COVID-19 and Declaring Conflict of Interest.

0%Cases of corruption ascertained during FY 23

0%
Cases of corruption
ascertained during the last three years

100% Board members

73% Employees

Furthermore, the filling in and signing of an informational questionnaire about potential or current **conflicts of interest**, as well as declaring any previous or current relations with the Public Administration, by the Human Resources department was a requirement for all candidates at the advanced stages of selection, on the request of the Control Body.

Lastly, regarding company policies, **three Social Media Policies** were drawn up by the Ruffino Group. An "external" policy uploaded to ruffino.com aimed at users interfacing with the Group's various social media pages, an "internal" policy sent to companies who work with the Group to create social media content and to the individuals who publish on socials and the website on behalf of the Ruffino Group, and a policy for employees with guidelines to be followed when talking on the social media channels belonging to the Ruffino Group.

⁴ Ascertained violations are subject to disciplinary measures, whose sanction level is directly proportional to the seriousness of the action, all within the sectorial CCNL. A specific penalty system also exists if the violation refers to members of the company bodies. It is hereby specified that the whistleblower is always protected against any reprisal or intimidatory behavior.





2.3.2 DATA INTEGRITY

The Ruffino Group pays considerable attention to the processes that protect personal data, which is why we implemented **information notes, contractual standards and company policies** suited to the changing contest since the General Data Protection Regulation (GDPR) came into effect, as well as holding training sessions for all staff with continued monitoring of these aspects by the Privacy Team⁵.

The latter evaluates and coordinates compliance activities with the privacy legislation of all the companies comprising the Group to ensure timely management of these issues, also in the smaller companies. The Privacy Team consists of representatives from the areas with the greatest impact on personal data, such as the Legal, HR, Marketing and IT Departments. When required, other employees representing a specific topic are asked to take part in the meetings. The Ruffino Group has also adopted a Data Protection Agreement (DPA) standard, which sets out the conditions and means of processing personal data that are required from the data processor. To support the implementation of the process that safeguards personal data protection, a digital tool has been introduced that verifies the data processor automatically a year after signing the DPA and starts a check on the data processor with an audit that involves compiling a checklist to ensure that the processing is conducted in line with the data processing standards.

The most critical risks with suitable mitigation plans were discussed in the FY 2023 meetings of the Privacy Team. Specifically, the actions to be carried out from what had emerged from the risk assessment were taken into consideration and an external legal team in FY 2022 was tasked with evaluating compliance with the legislation pertaining to the protection of personal data. Legal issues related to the management of cookies, video surveillance and various obligations associated with D.L. no. 104/2022 ("Decreto Trasparenza") were also tackled.

Moreover, in July, the company IT provider, on the request of the Legal & Compliance Office of the Ruffino Group and in agreement with the Privacy Team, held **cyber security training for the Extended Leadership Team of the Ruffino Group** on the Poggio Casciano estate.

The topics covered during this training were: data theft (password management and characteristics), Social Engineering (phishing, spam and spear phishing), Business Email Compromise (an extremely targeted type of attack that compromises official email account to carry out unauthorized money transfers), cyber security within the company and the importance of protecting your smartphone. The IT provider also focused on the safeguards to

be implemented by the Group to avoid security issues:

- password management and password management systems (two Factor Authentication on critical systems and evaluating an enterprise tool for credential management);
- regular simulations by the parent company concerning Phishing and Business Email Compromise, and the existence of a reporting policy using Outlook as well as supervising access to the internal network (segregation project of production networks, proactive approach by employees).

A data breach refresh was also carried out as well as what to do in the event of situations that could cause it, and lastly the parent company's privacy-related policies were listed.

In September 2022, external consultants were required to undergo additional training specific to the recipients of generic and PEC Ruffino Group emails on the "Policy Pertaining to the Operational Requirements of the Rights of those Concerned in compliance with the GDPR".

In October 2022, Ruffino S.r.l. shared the updated new DPA standards with data processors, which will replace the standards previously in use. In the next FY, this will also proceed with the other companies in the Ruffino Group. The new DPA presents descriptions of data processing details and technical and organizational security measures.

CBI's Italian companies have arranged employee training through workday aimed at illustrating a set of CBI policies that regulate certain important aspects for personal data management.

Due to this prudent management, no complaints have been lodged by parties concerned and no personal data violations have been reported in the last three years.

⁵ It is hereby specified that the Group has adjusted to what is set out by the European Commission regarding the new Standard Contractual Clauses, following the Schrems II decision, referring to the transfer of personal data overseas.

2.4 CREATING SUSTAINABLE VALUE⁶

The value of the wine market in **Italy** in 2021 is approximately **14 billion euro** and it is estimated that it will **rise to 19 billion by 2025**, also due to e-commerce, which doubled following the Covid-19 pandemic and now represents 4% of the total wine market⁷. Globally, on the other hand, forecasts for the wine industry equaled 246 billion euro in 2021, which is set to become 305 billion by 2025⁸.

Italy exports just under **8 billion euro of wine, ending 2022 with a new commercial record** of 7.9 billion euro **(+9.8%) compared with stable volumes** (22 million hectoliters, -0.6%). France is confirmed as global leader among competitors **with 12.3 billion euro** (+11% value and -5% volume). Italy nevertheless confirms its leadership in terms of volume, while it holds **second place in terms of value ahead of Spain**, which is third with 2.98 billion euro (+3.5% in value and -9% in volume).

All the main global market increased value in 2022, starting with the **USA (+10%)**, confirmed as the first market for the export of Italian wine with a 23% market share.

Sparkling wines lead the categories that act as a driving force internationally, up by 19% in value (Prosecco +22%) and confirm the positive trend in terms of volume (+6%, of which +6% Prosecco and +9% Asti Spumante), while bottled still wines are struggling (-3% volume), with reds on the wane at -4% compared with +12% for whites.

At a regional level, on the other hand, with more than 2.8 billion euro in turnover overseas and a 12-month performance above the Italian average (+13.4%) **Veneto** reinforces its record in Italian exports, **with a 36% share of the Italian total**. Second and third place are also confirmed for **Piedmont**, slowly growing (+4.6%, at 1.28 billion euro) followed by **Tuscany**, which ended the year in line with national results (+10.4% and 1.25 billion euro).¹⁰

For us, creating sustainable value is a required condition in order to preserve and increase the value of the assets entrusted to us over time. Sustainability is very important for consumers who pay considerable attention to sustainable production and ESG elements associated with the brand (48% in the US and 70% in China).¹¹

Among these elements we can observe that that the **land** and the **vineyard** must grow enough grapes to meet the qualitative and quantitative production expectations. Being **organic** is another aspect that is met positively among clients. In the last three years, organic wine sales have increased by approximately 60%.¹²

In the future, the growth of the wine industry will no longer be based on volume, which might even settle or shrink slightly, instead on the turnover value demonstrated by the sale of bottles that communicate the riches and beauty of our lands and the quality of our products to clients, as analyzed by the Osservatorio Unione Italiana Vini (UIV). One component – that of value – can be viewed in several ways, from physical and spiritual wellbeing to environmental sustainability and ethics, even "social" consumption, where wine competes heavily with other beverages.¹³

The ability to produce a sustainable income over time for our Group is also directly linked to the fact that the **overall wealth** generated must be **distributed fairly among all the production factors** that contributed to its formation.

In FY 2022, the economic value generated by the Ruffino Group was 123.93 million euro, down by 0.5% compared with the previous year. The financial year ended with an EBITDA of 7.87 million euro (18.10 million in FY 2022) and a profit of 4.10 million euro.

In FY 2023, we distributed approximately 98% of the overall value generated to the Group's priority stakeholder categories, keeping 2% internally to fulfill the Group's growth and development goals, shown below.

 $^{^{\}rm 6}$ CBET is included in the calculation of the economic-financial indicators, despite having been excluded from the Sustainability Report.

⁷ Wine Report Cross Border Growth Capital, 2021.

⁸ Wine Report 2021, Cross Border Growth Capital and Vino.com.

⁹ Oss. Uiv-Ismea-Vinitaly – Export vino nel 2022 – Press release.

 $^{^{\}rm 10}$ Oss. Uiv-Ismea-Vinitaly – Export vino nel 2022 – Press release

[™] Wine Intelligence.

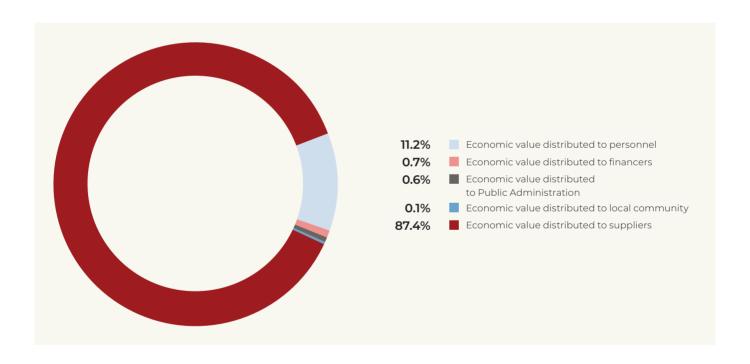
¹² Report Wine Monitor Nomisma per Valoritalia.

¹³ Osservatorio Unione Italiana Vini (Uiv).

ECONOMIC VALUE GENERATED



ECONOMIC VALUE DISTRIBUTED





100% Company sites

100% Estates

Biodiversity Friend certified

80% Estates

have a precision irrigation system

3 Systems for wastewater





03 **GUARDIANSHIP**

MATERIAL TOPICS COVERED

- **Energy management**
- Water management
- Preserving biodiversity, soil management and ground use
- · Mitigating and adjusting vines to climate change

GRI STANDARDS

GRI 3-3, GRI 302-1, GRI 302-3, GRI 302-4, GRI 303-1, GRI 303-2, GRI 303-3, GRI 303-4, GRI 303-5, GRI 304-1, GRI 304-2, GRI 304-4, GRI 305-1, GRI 305-2, GRI 305-4, GRI 306-1, GRI 306-2, GRI 306-3; GRI 306-4; GRI 306-5

SDGs











3.1 IN SYNC WITH NATURE



The conservation and appreciation of the local area are distinguishing elements of our business. We strive to preserve the environment by adopting a production system that safeguards the history of places and the biodiversity of the soil. It is an enduring system that maintains

the capability of repeating itself an infinite number of times, without consuming or exhausting the various factors that make it possible.

For this reason, we are committed to environmental sustainability projects and campaigns, with the goal of **looking beyond the concept of profit and innovating our production practices** to build a more responsible future. These principles are set out in detail in the "Environment and Sustainability" section of our Company Code of Ethics and Conduct¹.

Environmental sustainability is a **key part of continuity, growth and success** for the Ruffino Group. In 2014, we adopted an ISO 14001 certified Environmental Management System that now covers all Ruffino S.r.l., Tenute Ruffino S.r.l. and Poderi Ducali S.r.l. sites, and goes hand in hand with a virtuous improvement process that ventures beyond merely conforming with legislation.

The management system is based on analyzing environmental risks (see Focus on environmental risk management) and is viewed as a dynamic tool, which is why it is updated at least once a year. This analysis also leads to the definition of control and monitoring processes of the main environmental aspects through various levels of internal instructions and procedures. We quantify, monitor and check the impact of all our operational activities on the environment, while improving the environmental performance of the supply chain.

The strategic and operational sustainability management is headed up by the **Sustainability & Environment Team**, which meets several times a year to define the Ruffino Group's strategy, in line with international, European and CBI's ESG goals.



3.1.1 OUR APPROACH

We are aware that maintaining the quality of the soil, understood as the richness and variability of the biodiversity therein, is essential to ensure **correct interaction between the vineyard and the environment**. Therefore, we do not merely restrict ourselves to preserving the local area; we strive to **increase and boost biodiversity**. To ensure the correct protection of the landscape, we care for the green areas that surround our vineyards, preferring native species and, in some cases, we extend the defense to nearby wooded areas, guaranteeing that they uphold their purpose.

Italy's flora is made up of 8,195 plant species² and Tuscany is the region with the second most plant biodiversity with 3,249 species, while the fauna consists of 84 types of mammals, 421 bird species, 19 amphibians, 22 reptiles, more than 60 fish species and a wealth of invertebrates³. Our estates can benefit from this **vast patrimony**: all the estates include swathes of natural woodlands that constitute greenbelts around the agricultural activities. Our role and actions are aimed at ensuring conservation and preservation, avoiding all invasive interventions for production purposes that could potentially harm the ecosystems in which we work. In **Veneto**, the **planting** of tree species, addition of hedges, protection of the local avifauna by maintaining wetlands (via waterways) and the addition of **beehives** are just some of the projects that we started in FY 2022 and which have been added to the practices and tools already implemented to look after the soil and local area.

Our approach towards a cultivation method with a low environmental impact began in 2013 and continues with best practices from the point of view of continuous improvement.

Other important milestones include adopting an Environmental Management System, which allowed us to analyze our impact and begin impact mitigation. Alongside the decision to convert all our estates to organic, we started the Biodiversity Friends certification process, which over time has ascertained how organic conversion has helped the flora and fauna, and made species return that previously had been absent, such as swallows on the Gretole estate.

At the same time, to support the organic conversion process, with the aim of contributing to the preservation and defense of the values of nature, we adopted an **integrated agriculture** system, namely a production system **with a low environmental impact** that calls for a coordinated and rational use of all production factors, in order to reduce to a minimum the impact on the environment, consumer health with the use of a reduced and well defined number of chemical products, endorsing a voluntary integrated defense system.

We retained that it was important to obtain certification that attests to our compliance with the Integrated Production Guidelines and, starting with the 2020 harvest, all our companies were certified with the standard "Sistema di Qualità Nazionale di Produzione Integrata" (SQNPI).

In 2022, the SQNPI certification became not only environmental, but also included social aspects, such as **respect for human and workers' rights**. As a result, given our previous commitment to these issues, **the entire Ruffino Group obtained the new "Certificazione vitivinicola sostenibile" (Sustainable Winemaking Certification)**, promoted by the Italian Ministry for Agricultural and Forestry Policies.

Our approach to biodiversity defense will culminate with the 2024 harvest, when all the estates will have converted to organic, meaning that Ruffino will have a fully organic harvest⁴.

We are continuing to establish our activities according to these principles and in line with these certifications, striving to respect and implement processes and plans aimed at:

- managing water responsibly;
- ensuring weed and parasite control with low environmental impact methods;
- · encouraging widespread woodland and hedges;
- implementing cultivated land rotation processes.

 $^{^2}$ Plant Biosystems - An International Journal Dealing with all Aspects of Plant Biology – Giornale Ufficiale della Società Botanica Italiana.

³ Ispra

 $^{^4}$ Except for the vineyards purchased in Bolgheri, which have already embarked on converting to organic (by 2027) totaling 2.5% of cultivated vineyards.

ROADMAP

2013

AGRICULTURAL BEST PRACTICES HANDBOOK

2014

ADOPTING ENVIRONMENTAL MANAGEMENT SYSTEM ISO 14001

2017

STARTING TOTAL CONVERSION TO ORGANIC

2018

BIODIVERSITY FRIEND CERTIFICATION (100% OF ESTATES)

2020

CERTIFICATION
OF INTEGRATED PRODUCTION
NATIONAL SYSTEM

2022

SUSTAINABLE WINEMAKING CERTIFICATION

2024

TOTAL CONVERSION TO ORGANIC



Converting to organic and organic vineyard management

The process of converting our estates to organic agriculture began in FY 2016. In FY 2017, we removed herbicides on the Poggio Casciano and Greppone Mazzi estates, replacing them with mechanical actions. Insecticides were replaced by biological fighting against the main insects that attack the vines.

In FY 2019, following the natural evolution of the practices implemented in estate management, we structured and defined an organic conversion process in Tuscany that aims for 100% organic production by FY 2025.

Adopting an organic production method entails a radical change in vineyard management, profound knowledge.

Continuous **monitoring** is essential to ensure the required protection of the vineyard against disease and parasites. The use of cultivation methods with a reduction in chemical products requires the use of **specific agricultural machinery** and **timeliness in operational choices** to guarantee maximum efficiency and a minimum impact on the land.

The principles on which organic production are based are:

- no herbicides;
- · organic manure;
- protection against the main vine diseases using solely copper, sulfur and products of natural origin;
- alternative means for the fight against the main insects, including the "sexual confusion" technique.



PROTECTED AREAS

Although we do not operate in protected areas that are part of the national or regional park system, Tenute Ruffino has parts of its land in the Siena province, in the sites classified as **Rete Natura 2000**. The area of the Solatia estate vineyard near Case Nuove, which extends across about four hectares and grows Sangiovese to make quality IGT and DOCG Chianti Superiore wine, is part of La **Montagnola Senese**⁵. The site consists of a mainly wooded sub-mountainous area with parcels scattered with crops, conifers and small pastures. The area has a decent level of nature with a high biodiversity of species and habitats, including predators like the **short-toed snake eagle** (*Circaetus gallicus*), amphibians like **northern crested newt** (*Triturus carnifex*), species that are endemic to Italy and some endemic invertebrate species.

On the Murlo farm, which is part of the Greppone Mazzi estate, about five hectares of pasture next to the Cerrino vineyard, where international grapes like Alicante Bouschet and Petit Verdot grow, belong to the **Basso Merse** Rete Natura 2000 site⁶. The site consists of a mainly wooded hilly area with an abundance of evergreen sclerophyllic formations, as well as hornbeam and oak woods. The high level of nature means that there are many predators such as the short-toed snake eagle, the European honey buzzard and the Eurasian hobby, while mammals include the **European pine marten** (*Martes martes*) and wildcats. The pristine environment allows for abundant native fish species and the now rare **Eurasian otter** (*Lutra lutra*). Amphibians include the spectacled salamander in addition to numerous rare invertebrates.

On both sites, Ruffino's agricultural and anthropic activities are minimal and have limited impact on the flora and fauna. The land is used to grow vineyards or used as pastures; there are no buildings or other activities. Although the European and regional legislation for these two sites is not particularly strict, we constantly monitor our activities to protect the biodiversity of the terrain and habitats.



⁵ For more information about the Montagnola Senese site: https://natura2000.eea.europa.eu/Natura2000/SDF.aspx?site=IT5190003.

 $^{^{\}rm 6}$ For more information about the Bassa Merse site: N2K IT5190007 dataforms (europa.eu).

OUR PROJECTS TO PROTECT THE ENVIRONMENT AND BIODIVERSITY

Ruffino and the Council for Agricultural Research and Agricultural Economics (CREA) of Conegliano

The partnership continues with CREA-Viticoltura Enologia di Conegliano, which started in FY 2019, to **monitor flavescence dorée**, a disease that causes vines to struggle to grow and grapes not to ripen.

The work carried out between the center and our Ca' del Duca estate enables us firstly to monitor any infestation and then to direct measures taken in the vineyards. This allows us to pinpoint any infected vines that have to be removed to contain the spread. This partnership enables the center to obtain more information and knowledge about the disease in order to develop statistics about its evolution in the area.



Wetlands project to safeguard the biodiversity by Ruffino's waterways

To protect biodiversity and support the habitats of native species, we have designated a large area, by Ruffino's waterways, for the creation of wetlands with the planting of rushes along the edges of the canals. Moreover, as a boundary with neighboring lots, we have planted hedges, such as viburnum and wild apple trees.

This flora is managed in a "wild" way and only receives human intervention occasionally in order to support the local fauna and help to strengthen the resilience of the local habitats.

Biodiversity – Protecting pollinating insects

In order to preserve and protect our biodiversity, we have been committed to safeguarding bees since 2008, first in Tuscany, on the Gretole estate, through the installation of 2 hives, before growing them over the years, oscillating between 10 and 15 hives, depending on the seasons.

In 2021, we started a similar project in Veneto on our Ca' Del Duca estate, initially with 3 hives, which grew to 6 during 2022.

Due to our organic vineyard management, we protect bees and extract honey of the finest quality. In Tuscany, we manage honey production by means of a third-party company, while in Veneto we produce our own honey and make it available to our employees. Bees are a very important indirect indicator of the health of our ecosystems and of how our habitat and biodiversity protection strategy is working.



Precision viticulture project

Precision agriculture is an agricultural management strategy based on observation, data measurement and response to temporal and spatial variability in order to improve the sustainability of agricultural production.

In our case, this tool enables us to conduct **site-specific viticulture**, i.e. it allows us to manage variability in the vineyard due to varying soil characteristics and their position of hillsides with the aim of distributing fertilizers and conducting the work needed to achieve the best balance between vegetation and production, as well as analysis to grow the best possible grapes on that site.

Starting in 2010, we decided to make the most of the potential of precision agriculture to best manage our vineyards, also from the point of view of a deeper and more authentic choice of environmental sustainability, protecting biodiversity and reducing the impact of agricultural activities. This decision was flanked with the choice to convert to organic farming.

Starting in 2011, in our Chianti Classico vineyards, we obtained the first maps with the NDVI (Normalized Difference Vegetation Index) and related vigor maps of the vineyards down to details of the single rows. Combined with GIS technology and integrating control technolo-

gy on the machines, these maps allowed machinery to be adopted for "variable rate" fertilizing to distribute nutrients based on the actual needs of the vineyard area.

This approach was developed further with Ruffino's participation in the "Kattivo" working group in 2019 to distribute a technological kit, which when applied to traditional atomizers, allows pesticides to be dispersed in variable amounts. The amount of vegetation to be treated is read instantaneously by the machine with ultrasound technology. The technique, which is still experimental, has allowed **pesticide waste to be reduced by up to 30%**.

Precision viticulture and automation are also seen in successful operational solution, such as **automated selective harvesting**. We are now equipped with a mechanical harvester that has a automatic grape selection system that decides, based on a quality map of the vineyard, to divide the grapes of different quality levels into two categories and two different loading hoppers.

The results are remarkable 13 years after embarking on this approach. Managing in a site-specific way means reducing waste (correct amounts of fertilizers and pesticides), respecting and raising the quality of the grapes and ensuring a longer life of the vineyard.

3.2 RESPECTING RESOURCES

We are committed to implementing a production cycle that includes **reducing our environmental footprint** through efficient energy usage, a gradual shift to renewable energy sources, reducing the use of natural resources,

especially water, and the reduction, recycling and correct disposal of waste, in addition to working with suppliers who share the same philosophy throughout the supply chain

3.2.1 ENERGY



In FY 2021, we started research to plan photovoltaic systems on our production sites. In FY 2023, for Tenute Ruffino S.r.l., the system was put into operation for the La Solatia winery, whereas in FY 2024 the same system will enter into function at the bottling facility in Pontassieve. For the **Poderi Ducali and Poggio Casciano wineries, a feasibility study was started to set up a photovoltaic system**.

In addition to the self-production of electricity by means of installing panels on the roofs of the cellars and bottling plants, since 2020 we have only used "green energy" distributed by third-party producers for the Pontassieve plant (more than 2 GW annually) and as from this tax year we have also moved over to green energy for all our estates and wineries in Veneto for a further 1.3 GW of energy provided annually.

In FY 2023, the energy mix consisted in **44.5% of the electricity acquired** (15,844 GJ), 72% of which was for production processes (11,420 GJ), 19% for air conditioning (heating and cooling) (3,052 GJ) and the remaining 9% for lighting (1,372 GJ).

19.9% consists in the fuel (diesel and petrol) (7,069 GJ) used by company vehicles. In order to lower the CO2 emissions from company vehicles, in FY 2022 the company installed electric charging points in Pontassieve in line with replacing company vehicles with electric ones (currently 8 full-electric company vehicles, plus 8 hybrid vehicles and 4 plug-in hybrid).

Lastly, the lesser figures concern the **natural gas (13%)** used by Ruffino S.r.l. and Tenute Ruffino for air conditioning (heating/cooling) and to a lesser degree for production in Ruffino S.r.l. (2,920 GJ).

The LGP used for heating, which in FY 2022 was only 3.1% of the total consumption, went up to 22.7% in FY 2023 with a considerable increase in the last year for heating in Tenute Ruffino S.r.I (8,061 GJ). The reason for this increase lies in the energy used for hospitality on the Montemasso site, which was not considered within the accounting perimeter in FY 2022. Likewise, the other hospitality sites, already included in the previous Sustainability Report, had increases in the use of LPG due to higher visitor numbers and more stays. This energy usage is very flexible and depends on the amount of work on site.

Overall, **35,325 GJ** was used, up from the previous year (+52%). If we take into consideration the consumption only related to production, excluding hospitality at Montemasso, the consumption in FY 2023 would only be 26,870 GJ⁷, with a 16% increase on FY2022, mainly due to growth in other hospitality hubs and a higher number of vehicles.

The energy intensity⁸ is slightly higher compared to the previous year (0.00019) at 0.00029.

- $^{7}\,\mathrm{The}\,\mathrm{LPG}$ and electricity used on the Montemasso site were excluded from this calculation.
- ⁸ Energy intensity is calculated as a ratio of the total volume of the Group's energy consumption in GJ and the Economic Value generated by Ruffino, and is therefore calculated in GJ/€. The following energy sources were included in this calculation: electricity purchased by the organization, natural gas for heating, cooling and production, LPG for heating and the fuel used by company vehicles and farming vehicles (LPG, petrol and diesel)

ENERGY MIX OF THE RUFFINO GROUP IN FY 2023



3.2.2 EMISSIONS



The direct CO_2 eq (Scope 1) emissions generated in FY 2023 totaled 1,221 tCO_2 eq, up from 610 the previous year; the indirect CO_2 eq emissions⁹ (Scope 2 location based) totaled 977 tCO_2 eq, compared to 977 tCO_2 eq in FY 2022; indirect CO_2 eq emissions (Scope 2 market based) amount to 808 tCO_2 eq (607 tCO_2 eq in FY 2021).

In FY 2023, emission intensity 10 totaled 0.00002 tCO $_2\rm eq/$ K $\!\!\in$ up from the previous year.

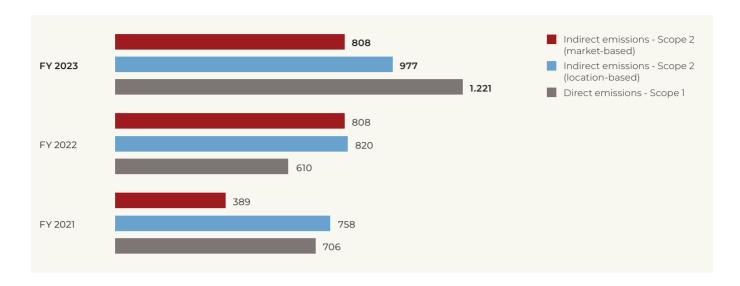
Company vehicles CO₂ used in the winemaking processes and in other processes Soil emissions where there are vineyards On-site waste Coolants for wineries and other places Scope 2 Energy purchased from the local grid Energy produced from on-site renewable sources

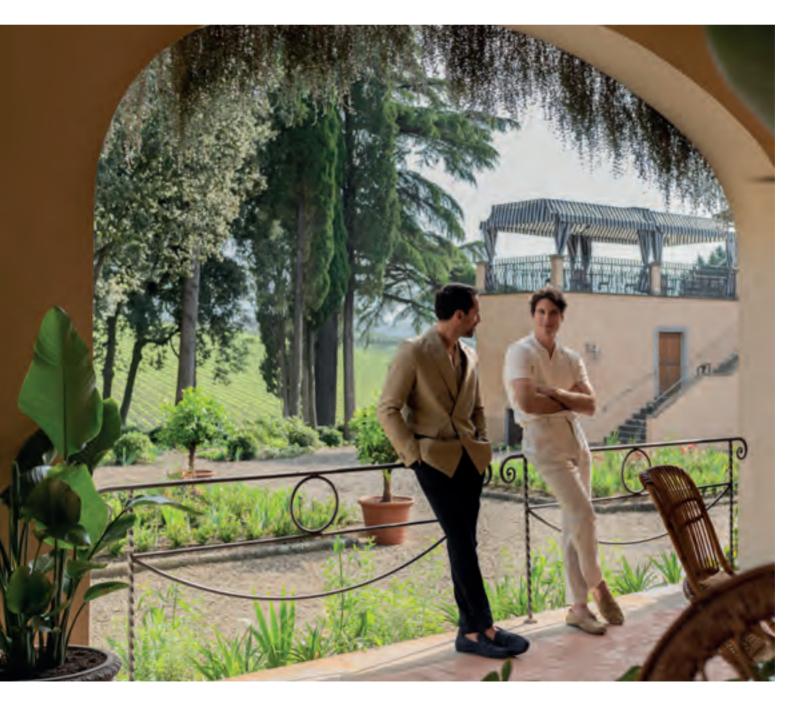
in the case of other non-renewable energy sources, a residual mix is used (defined at a country level) if the intensity level of the organization's emissions is not specified in contracts.

 $^{^9}$ Indirect CO $_2$ eq emissions (Scope 2) can be calculated using a double methodology: "location based" and "market based". More specifically, the first method considers an average factor of CO $_2$ eq emission of the national electricity network (the country where the electricity is used), while the latter takes into account emissions from electricity, based on the contractual form intentionally chosen by an organization. For example, for energy from FER, the emission factor of CO $_2$ eq will be zero;

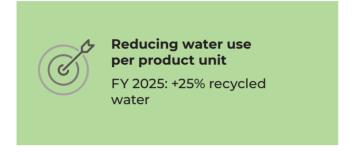
 $^{^{10}}$ Emission intensity is calculated as a ratio of the Group's total CO $_2\rm eq$ emissions (Scope 1 and Scope 2 location based) in CO $_2\rm eq$ and the Economic Value generated by Ruffino.

DIRECT AND INDIRECT EMISSIONS (tCO2eq)





3.2.3 WATER



The nature of the winemaking business requires a high amount of water. Water availability is central to all our production processes: from irrigation in the vineyards to plant treatments, washing and cleaning spaces and equipment, and the winemaking process itself.

We are deeply aware of the value of water: it is an invaluable resource with limited availability. For this reason, we are committed to management aimed at rational use through a precise monitoring system of the water withdrawn and consumed, which is equipped with meters installed on the sites. We also encourage investments in technological innovation to improve water efficiency and we seek new water supply sources by restoring the springs on our estates and creating new wells, plus treating and reusing wastewater.

Throughout this process, climate change is having a major impact on our agricultural activities. Less rainfall occurs at times of the year formerly associated with precipitation or heavy rainfall alternates with extremely dry spells, and extreme weather events, such as downbursts, storms and hailstorms, are highlighted.

Up until 15-20 years ago, no irrigation methods were used on our estates in Tuscany and we relied on rainfall alone. Now, in order to protect our production, it has become fundamental to make use of water on-site and at specific times.

Irrigation has become a powerful means of stabilization in the production in response to climate change. In recent years, we have sought to make the best use of all existing water resources and to ensure storage in manmade water basins.

We have created 3 man-made basins (with another 3 under construction) for the collection of rainwater, with which to supply out irrigation systems, which help to dilute the effect of sudden rain locally, slowing down the water flow.

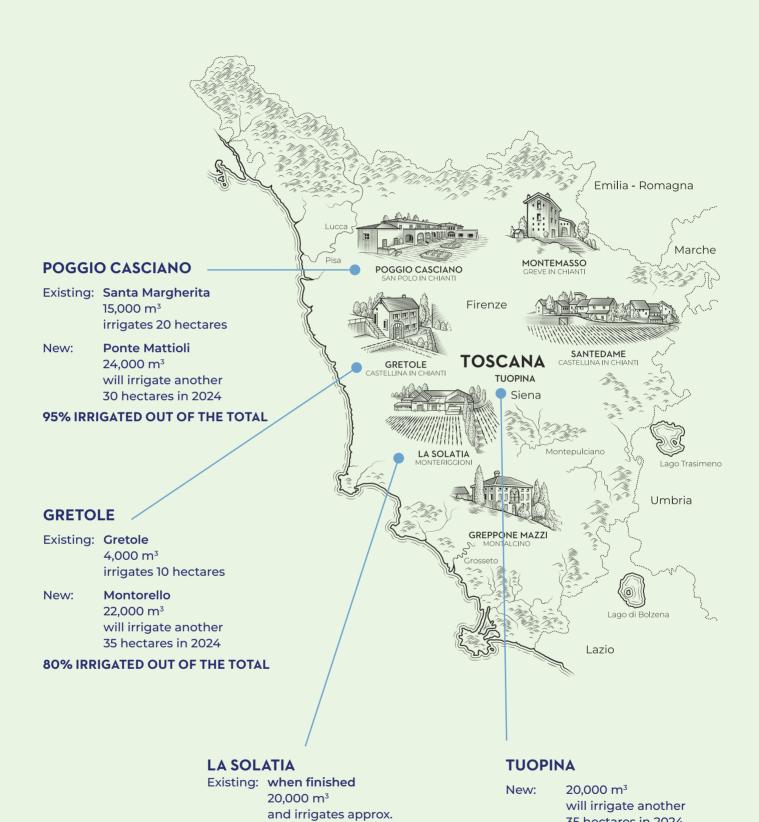
By 2025, we expect to be able to meet the needs of approximately 60% of our vineyards in Tuscany.

To achieve this target, we are supported by the adoption of precision agriculture as we have embarked on creating a **drop irrigation system**, which allows water to be supplied gradually and in a controlled way directly to the roots, **drastically reducing usage compared with traditional irrigation methods** and related maintenance costs. In so doing, especially where water availability is a limiting factor, we are capable of providing the vines with the amounts of water needed, saving more than 50% of the water volumes usually used by traditional types of irrigation.

Now 80% of all the surface area under vine on the estates in Veneto use a precision irrigation system, while irrigation systems are being introduced or reinforced on the Poggio Casciano, La Solatia, Gretole and Tuopina estates, reaching irrigated surfaces respectively of 50 hectares at Poggio Casciano, 53 hectares at Gretole, 35 hectares at Tuopina and 20 hectares at La Solatia.

35 hectares in 2024

100% IRRIGATED OUT OF THE TOTAL



16 hectares

20% IRRIGATED OUT OF THE TOTAL

Every year, the Ruffino Group compiles a report on the company's water use through quantitative and qualitative analysis. The quantitative data refer to the amount of water taken from the supply and discharge by treatment type.

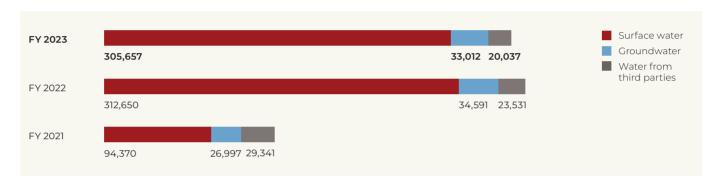
The qualitative data measure the physical and chemical parameters of the incoming and outgoing water. The TPM methodology uses data gathered to identify the projects to be implemented following the results obtained from the screening from the standpoint of continuous improvement (ref. "Road to TPM" section).

The Aqueduct Water Risk Atlas by World Resources was used to certify the level of water stress. In particular, the analysis showed that the water stress at the Ruffino S.r.l. (Pontassieve) headquarters is "high" (80%), at the Poderi Ducali HQ (San Dona di Piave) "medium-high" (20-40%) and at Tenute Ruffino S.r.l. (Bagno a Ripoli) "extremely high" (>80%).

In FY 2023, the water withdrawal decreased by 3.3% following the increase recorded in FT2022 after purchasing the new Portogruaro vineyard of Poderi Ducali.

Furthermore, we note that water is not blocked in the production process. It is used for irrigation and is mostly returned to the ground.

WATER WITHDRAWN BY SOURCE (m³)





WASTEWATER TREATMENT

In order to manage water responsibly, we have installed **three water treatment plants** – for Ruffino S.r.l. in Pontassieve, for Tenute Ruffino on the Poggio Casciano estate and for Poderi Ducali S.r.l. on the San Donà site – and **three constructed wetlands for wastewater** on the Greppone Mazzi, Solatia and Gretole estates. In particular:

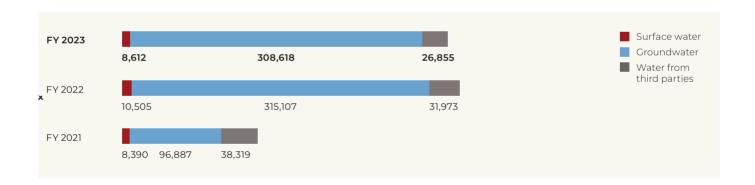
- The water treatment plants consist in organic purification systems, namely the biodegradation by micro-organisms, known as active mud, of all the organic substances in the water that undergoes treatment, turning them into simpler and more innocuous substances from an environmental perspective. The action of the active mud is supported by a system that separates the organic mud from the rest of the clarified or treated wastewater. The treated water is stored in a tank before being channeled back into the municipal sewers.
- The constructed wetlands enable the cellar's wastewater to be treated naturally through the use of common marsh plants and the natural filtration of the water with sand and gravel. The marsh plants support the purification process by absorbing the polluting substances discharged into the water, turning them into organic substances that are useful to the growth

of the plants. Moreover, the transpiration of the water absorbed by the plants, combined with the evaporation of the surface of the soil, enables a considerable reduction in the volume of the treated wastewater. The wastewater, which is no longer managed as waste, is regularly analyzed in terms of physical and chemical properties. Having checked the compliance with legal requirements, it is discharged, depending on the site, into surface water or into drainage channels. Potentially or if required, following analysis, the treated waters can also be used for irrigation.

The water discharge in FY 2023 was primarily used for irrigation (89.7%). As shown by the chart, in the last year water discharge became stabilized after the increase seen in FY2022 due to the irrigation of the new Portogruaro vineyard of Poderi Ducali. All additional discharged water, compared with previous years, is not wasted. It is used for irrigation as it is mostly returned to the ground.

Overall, by observing the **water use** over the three-year period, as seen in the chart, a slight increase can be noted for the last year, albeit much smaller (+10.8%) than the water used in FY 2022.

WATER DISCHARGE BY AREA (ML)



WATER USAGE (ML)



3.2.4 WASTE

The Ruffino Group is divided into two types of macro activities: agriculture, including the cellar, and bottling.

In terms of **agriculture**, the ongoing conversion to organic farming requires timely monitoring of the use of pesticides and other chemicals, in addition to a gradual and sizable reduction in the amounts used. Pruning and tending to the greenery create trimmings that are left on the ground to restore the plant material in the soil.

One of the practices adopted by the Group for the reuse of **production waste** is that the stalks produced by the grapes, after an initial spell in storage, are returned to the soil on the various estates as a natural conditioner during preparations for a new vineyard.

The maintenance of equipment and workshop activities produces waste that is sometimes hazardous, albeit in extremely small amounts, of materials like rags and used clothing, used oil containers, paint, empty canisters, etc. Cellar activities generate residual waste deriving mainly from regular upkeep.

At the Pontassieve site, the most waste comes from the **purification mud**. This is a non-hazardous type of waste that is recycled. On the same site, where the **bottling** takes place, different types of waste linked to packaging activities are generated (glass, packaging plastic, paper and card, wood, labels, closures and capsules), in addition to the normal non-hazardous waste from office work (paper, plastic, etc.) that follows urban waste regulations.

Through TPM, in recent years waste production has been reduced considerably on the Pontassieve site, which recorded a reduction of more than 40% between FY22 and FY23. This reduction was mostly caused by improved efficiency of the purification plant and mud management – down by 48% - and, secondly, by reducing processes for raw material waste, which produced a 37% reduction in the remaining types of waste.

Furthermore, over time we have worked on where our waste goes in an informed way. Starting in mid-FY23 more than 97% of the waste produced on the Pontassieve site is recycled.

Lastly, rethinking our products, from the point of view of eco-design, as well as making the use of raw materials more efficient, allowed us to create an end product in all three packaging stages (primary, secondary and tertiary), which guarantees that the end consumer can manage it completely in the recycling chain¹¹, that is, no component must be disposed of in general waste.

Our internal **laboratory** produces a small amount of hazardous waste (mainly acid used in analyses), while the remainder comes from plastic packaging, such as vats and cans that contained hazardous substances.





Due to work across company departments, **criteria have also been defined to create a list of suppliers** that take into accounts certain environmental parameters, preferring suppliers that already use recovered and/or recycled material and that permit improved waste disposal from the point of view of the circular economy.

In particular, to **increase more awareness** about waste management and constant alignment with legislative developments, in FY 2023 various **training sessions** were organized for all the roles involved.

In particular, for the Poggio Casciano estate, which also includes hospitality dependent on fixed-term seasonal workers, the "Poggio Casciano Recycling Games" were created, in which all employees were trained in correct waste management divided across 5 groups. During the high season, 14 audits were carried out through spot checks and the group with the fewest mistakes and observations was

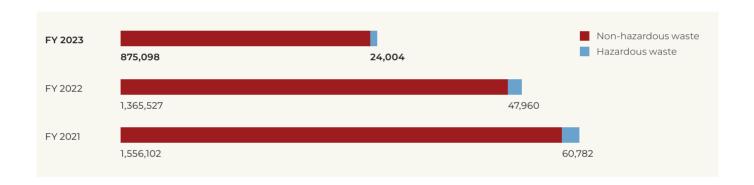
awarded at the end of the summer season. This project allows **waste management to be optimized** and all staff to be involved.

In FY 2023, **two audits** were also carried out to **check** waste management on every main site.

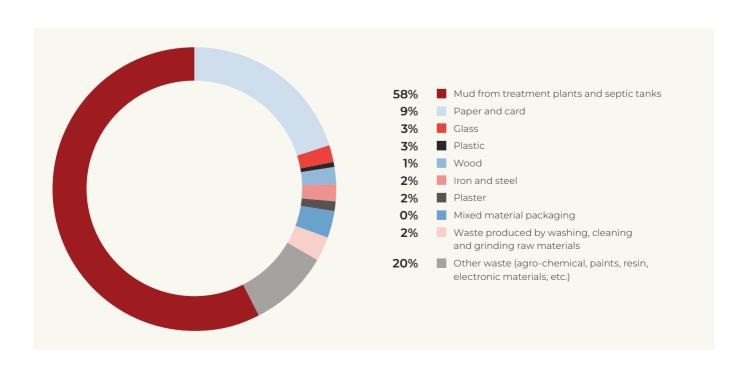
During the year, there has been a **36.5% reduction in the waste produced** compared with FY 2022. Efficient management over the years has resulted in the considerable reduction of waste production, also taking into account the almost constant levels of production. Due to the pursuit of efficient management, **the production of hazardous waste**, which concerns 3% of the total, **is down by 50%** compared to the previous year.

In FY 2023, **48.8% of the waste was recycled**, while the remainder ends up as landfill.

WASTE BY TYPE (Kg)



WASTE PRODUCED BY TYPE FY 2023





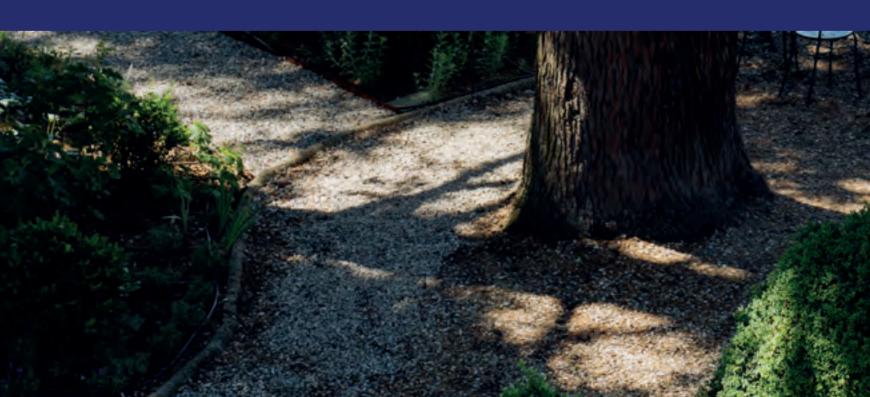
Ruffino Ambassador Company of Wine in Moderation

Training hours dedicated to HACCP, food defense, food legislation and labeling during 2023

100% Red wines

undergo microbiological checks

Endorsing PDR 125/22 certification for gender equality





04 CONNECTIONS

MATERIAL TOPICS COVERED

- Employee health and safety
- Customer care and satisfaction Product safety and quality
- Made in Italy and Tradition

GRI STANDARDS

GRI 2-7, GRI 2-8, GRI 2-30, GRI 3-3, GRI 201-3, GRI 202-2, GRI 204-1, GRI 301-1, GRI 308-1, GRI 401-1, GRI 401-2, GRI 401-3, GRI 402-1, GRI 403-1, GRI 403-2, GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-8, GRI 403-9, GRI 404-1, GRI 404-3, GRI 405-2, GRI 409-1, GRI 413-1, GRI 416-2, GRI 417-1, GRI 417-2, GRI 417-3

SDGs









4.1 OUR PEOPLE

Our employees are the **key to sustainable growth, in line with the Group's values**, and are the **driving force** of the company and the reason for its success. At Ruffino, we work hard so that the **relationship** between the company and our employees has a solid base and serves as a source of reciprocal growth.

A relationship like this can only be developed through **respect** and **appreciating everyone's rights**, which is why we encourage the inclusion and diversity of our employees in every aspect of their professional life within the company, quashing any behavior that is distant to our vision.

A **shared company culture** is developed in the workplace with everyone's involvement. That's why we encourage, seek and organize specific moments of dialog and feedback, which ensure mutual understanding and developing initiatives that meet everyone's expectations.

For many years now, "Piazza Ruffino" has become a fixed appointment, open to all and established to inform about everything that's going on in the company, from the Group's strategies to progress regarding sustainability, projects and initiatives started or planned throughout the year, and commercial news.



4.1.1 GROUP OVERVIEW

In FY 2023, the company is made up of 255 people, 15 of which are seasonal workers (6%). A reduction in employees have been seen in the last year (229 people in FY 2021 and 373 in FY 2022), mainly due to a reduction in temporary workers that cause variability and that depend on the time of year when they are needed.

Out of the 240 employees, 39% are women and 61% are men, in line with trends in the industry that employs a primarily male workforce.

STAFF COMPOSITION OVER THE THREE-YEAR PERIOD

FY 2023

FY 2022

FY 2021



100%

Employees covered by CCNL1

Ruffino S.r.l.

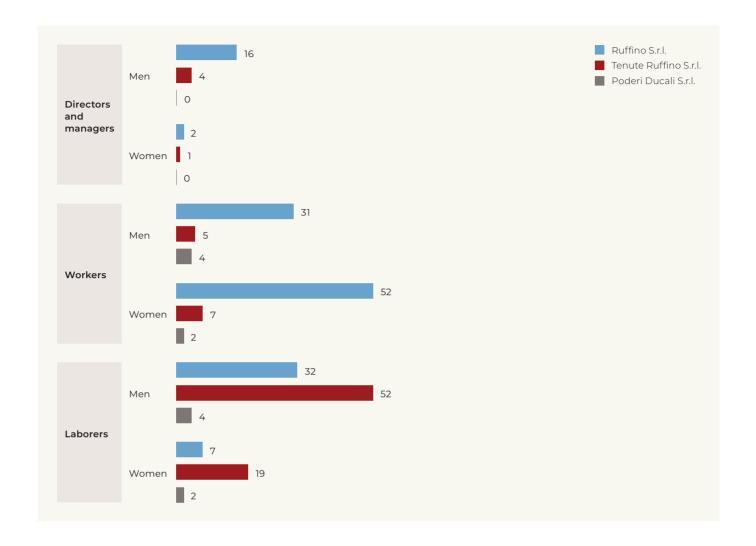
138

- · CCNL Alimentari Industria e Dirigenti Azienda Industria
- \cdot Second-level stipulation, which covers 100% of employees with a Alimentari Industria contract, apart from the directors

Tenute Ruffino S.r.l. and Poderi Ducali S.r.l.

- CCNL Operai Agricoli (integrated by Contratti Collettivi Territoriali in the Florence, Prato, Siena and Venice provinces)
- $\cdot\,$ CCNL Impiegati Agricoli, CCNL Dirigenti Agricoltura.
- ² The senior manager category consists in directors and managers. By the local community, we mean Tuscany.

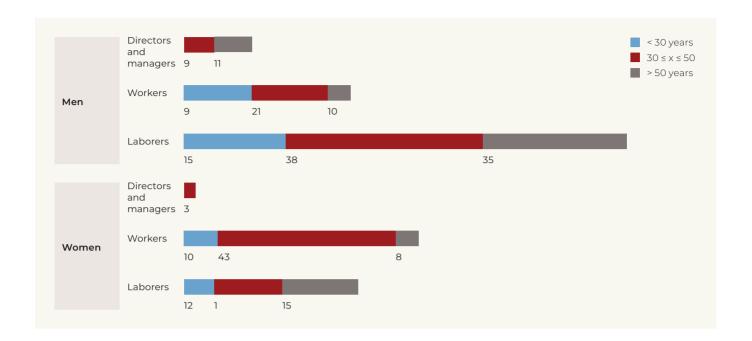
COMPOSITION OF THE WORKFORCE AMONG THE COMPANIES OF THE GROUP - FY 2023



Looking at the composition of the companies comprising the Group (Ruffino S.r.I., Tenute Ruffino S.r.I. and Poderi Ducali S.r.I.), a **mixed** picture emerges, mainly due to the diverse roles and action areas of each. The laborers category in the Tenute Ruffino workforce (80.7%) and the office workers in Ruffino S.r.l. (59.3%) prevail in particular. Each shows a different side to Ruffino's identity, which we regard as precious.



PROFESSIONAL CATEGORIES BY GENDER AND AGE - FY 2023





Regarding the composition by professional category, gender and age, in the last year, **about half** (53%) **of the company population was between 30 and 50 years** and 33% above 50 years.

In FY23, there was a slight decrease in the number of employees aged under 30, which went from 21% in FY22 to 15% in FY23.

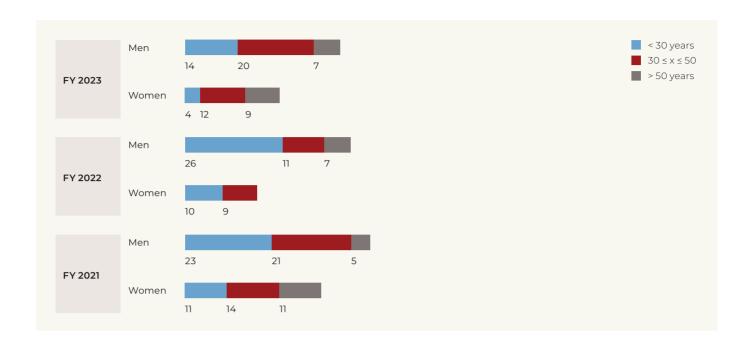
As seen in the chart, the company population has an impressive number of female office workers aged between 30 and 50, and mainly male laborers aged over 50.

In terms of **new hires**, in FY 2023 **66 people** were hired (7 fewer than in FY 2022), **73% of whom were temporary employees**. 62% of the new hires are men and 38% are women. For the first time in the three-year period, in the last year, the youngest part of the workforce was not the band with the most new hires, surpassed instead by employees aged between 30 and 50 years.

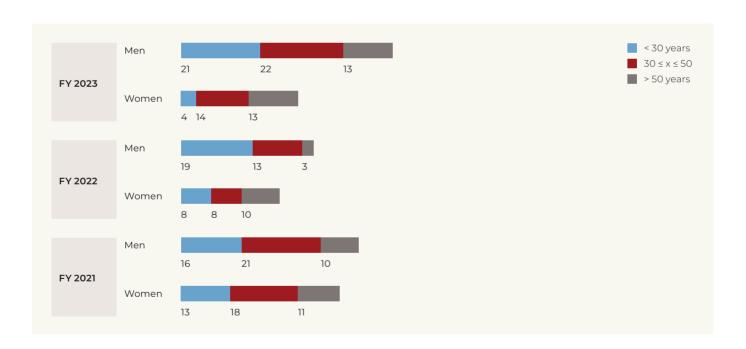
The incoming turnover ${\rm rate^3}$ was 6.2%, in line with FY 2022.

 $^{^3}$ The incoming turnover is calculated based on the fixed workforce total, namely temporary staff are not included, as a ratio between the total hires as of 28/02 of the year in question and the total number of employees as of 28/02 of the previous year.

NEW HIRES BY GENDER AND AGE IN THE THIRD-YEAR PERIOD



PEOPLE LEAVING THE COMPANY BY GENDER AND AGE IN THE THREE-YEAR PERIOD



87 people left the company during the year (up from 61 in FY 2020), **85% of which were temporary employees**.

The outgoing turnover rate⁴ was 4.5%, down slightly compared to 6.2% the year before.

As regards the return to work and the retention rates of employees who used **parental leave**, in FY 2023 these were 100% and 66.7% respectively. Employees of Ruffino S.r.l. (11 employees, 2 men and 9 women) mainly used parental leave, while two people (women employees) went on parental leave at Tenute Ruffino S.r.l. and nobody used it at Poderi Ducali S.r.l.

 $^{^4}$ The outgoing turnover is calculated based on the fixed workforce total, namely temporary staff are not included, as a ratio between the total departures as of 28/02 of the year in question and the total number of employees as of 28/02 of the previous year.

4.1.2 SELECTION, TRAINING AND DEVELOPMENT

Our focus on people management can be seen in the selection and training procedures that we do for new employees, regardless of whether they are permanent or temporary. For new recruits, we take part in **events and job fairs to strengthen our presence and connection with the local area**.

In particular, we have participated for many years at the recruiting days organized by the region's higher education institutes, with which Ruffino has consolidated partnerships.

1,940
Training hours

8.1Hours on average

Ruffino and knowledge sharing

Being present and involved in the activities of local higher education institutes is a privilege and an opportunity. The interaction among students, academics and the company has proven – and continues – to be a source of mutual learning and enrichment.

We open our doors to students from various faculties with the aim of sharing our hands-on experience as well as theoretical notions. We are especially proud of the following collaborations:

- The Master VENIT Viniculture and Enology of the University of Piacenza benefitted from the expertise and know-how of our agronomists;
- The Master Vinifera of the University of Milan was hosted for a week at our Poggio Casciano estate for the Sustainable Viticulture course;

- A student as part of the UIV and University Ariel
 - di Samaria (Israel) agreement did a week's internship at our estates;
- The Master's in Marketing and Sustainability Communication organized by Oregon University held a lesson at our Poggio Casciano estate.

In the future, our aim is to intensify these important and profitable relationships with scholars and future operators in our field of knowledge and activities, especially at this juncture when the focus is on learning to relate to the land according to sustainable principles and criteria, values that Ruffino shares and is happy to apply and communicate in every instance.



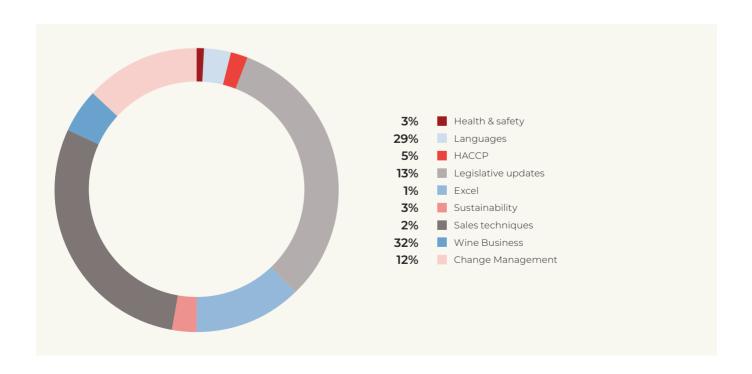
All new hires are greeted with a **welcome** and **shadowing process**, so that they are able to learn about the history, products and organization of the Group and, on the other hand, can learn everything required for them to carry out their roles through specific training sessions.

The **welcome kit** given to new arrivals enables them to get to grips with the tools used to manage the more administrative aspects of company life and the Group's policies, which they are obliged to comply with and apply on a daily basis, such as the Policy on the consumption of alcoholic beverages and the Policy on the prevention of harassment. An important part of the welcome process consists in a visit to the Pontassieve site and induction into the history of Ruffino.

The development of professional skills is a key value on which we place particular importance, setting out training as a result of carefully analyzing the training needs of the company population. The analysis is carried out in collaboration with the HR department and department heads, and results in drawing up an annual company training plan.

In particular, in FY 2023, 1,940 hours were dedicated to training (about 8.1 hours on average per employee), down compared to the previous year. In the chart, we can see how most of the training hours provided regarded the topic of Wine Business. Other areas focused on languages, Change Management and legislative updates.

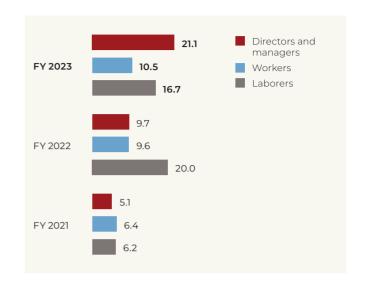
DISTRIBUTIONS OF TRAINING HOURS BY TOPIC - FY 2023



Regarding the average number of training hours, we can notice a considerable rise for directors and managers and a slight increase for office workers, while training hours are down slightly for laborers, whose training hours were increased on average in FY 2022.

Moreover, in FY23, sustainability training was introduced for the first time, which on one hand allowed a shared culture to be cultivated surrounding ESG topics and, on the other hand, advanced Ruffino's policies associated with these aspects, raising awareness about our goals throughout the organization. These sessions were carried out across the company, with groups consisting of directors, managers, office workers and laborers. This allowed better knowledge sharing and a high level of alignment across all levels of the organization.

AVERAGE NUMBER OF TRAINING HOURS BY PROFESSIONAL CATEGORY



Training for sustainability

The principles and values of corporate social responsibility are increasingly essential elements for all businesses and we believe that it is especially important that our employees are aware of the issue, which is why we have commenced specific training courses.

In particular, the sessions are dedicated to deepening the ways in which Ruffino acts in a rapidly changing context, the actions taken, ongoing projects and future goals in order to perpetuate best practices in a more informed way.

The training started in previous years includes information activities for the entire staff (through company communications and specific meetings) about sustainability policies, goals and projects, both for the Group and for parent company CBI.

Starting in FY23, we have set a target of providing sustainability training sessions and information for 100% of our staff in order to become a positive driving force for the entire community.

As part of the professional development of each employee, particular attention is paid to the award system for individual and the Group's performance. In Ruffino, a MBO (Management By Objectives) annual variable incentive system is active, as well as an Award for Objectives system (known as PPO) set out by the framework employment contract and defined with the internal worker representative. Considering that the company's performance is linked to the performance of our employees, these award systems aim to enhance the connection with our people, rewarding their contribution to achieving the company's targets.

The **MBO** is active for employees from the first level of the Alimentari Industria contract to the directors and it is based on assessing the achievement of objectives set out by CBI for the Wine & Spirits sector. Personal goals are added to these objectives, defined by the employee in agreement with his/her manager. Achieving these goals has an impact on the bonus, according to the parameters set out by CBI. A quarterly personal performance review is scheduled by the employee and his/her line manager, and the objectives can be integrated and/or changed during the year.

The **PPO** system, on the other hand, is extended to all employees with an Industria Alimentare contract and is linked to achieving the Group's financial targets. It can be converted into welfare and represents part of the reward for employees who are subject to assessment with the MBO system.

In FY 2023

22.1% of employees

received a performance and professional development evaluation, up by 7 percent compared to FY 2022

The healthcare and quality of life of our staff are also reflected in our **company welfare system**, which is extended to all employees and includes⁵:

- · Health assistance;
- Paid leave for medical appointments for staff and their family members*;
- Insurance cover in case of disability and/or invalidity;
- · Parental leave;
- Pension contributions;
- Budget to buy the Group's products*;
- Contributions to buy school books*.

Stock ownership systems are added to these benefits. Since FY 2022 all employees have the option to **purchase** shares in the parent company at an advantageous price.

Directors and managers can also benefit from life insurance, flexible benefits that can be re-allocated to various categories of services (e.g. education costs, personal assistance, free time, sport and travel) and stock ownership.

Remote working policy

Following the positive outcome of remote working during the Covid-19 emergency, remote working was introduced within the company, starting in April 2022, after an agreement with the internal worker representative. Employees who have signed up for remote working may work remotely up to 2 days a week.

This element has proven to be valuable not only in ensuring greater flexibility for employees and in defining a life-work balance policy, as well as a strategic element to attract new professionals.



⁵ The benefits marked with an asterisk are only provided for the employees of Ruffino S.r.I.

4.1.3 DIVERSITY AND INCLUSION



According to the International Labour Organization, inequality between men and women in the working world worsened during the COVID-19 pandemic. Between 2019 and 2020, the number of women in employment reduced by 4.2%, while the number of employed men in the same period was

down by 3%, especially for the wine and food & beverage industries, which statistically employs more men. According to ISTAT, the number of women employed in the drinks industry in 2022 was 28.2%, with 29.9% in agriculture.

At Ruffino, we have always been attentive to inclusion, gender equality and the women in our workforce in particular. In 2020, we formalized our strategy regarding this topic, including it as a pillar with a specific long-term strategy in Ruffino Cares.

This commitment resulted in a 44% women/men ratio at Ruffino and 31% in the two Società Agricole.

These results are the outcome of a well-defined, long-term strategy and led to the introduction of a Diversity & Inclusion project two years ago, which is aimed at analyzing and actively involving the entire staff to activate work plans and schemes to eliminate any gender gap.

We believe that a healthy and positive work environment leads to improved productivity and a loyal workplace, which is the true strength of a fair and winning organization.

To show our commitment and recognition of the values of gender equality, we decided to endorse the PDR 125/22 – Parità di Genere certification. The process to achieve this certification started in January 2023 by implementing the Gender Equality Management System, which aims to encourage:

- an inclusive environment;
- the parenting experience, with a focus on maternity and meeting the needs of the family;
- the availability of various channels of communication among personnel to facilitate direct and sincere communication as much as possible in order to avoid any non-inclusive incidents or harassment;
- meeting the goal of zero harassment in the workplace and, where necessary, to conduct timely investigations to check the circumstances and assess any disciplinary action;
- the possibility, where requested by the employee, of changing to part-time, where possible with the role and the company needs;
- the implementation of Welfare to support the parenting experience and the work-life balance.

At the end of FY23, we appointed a Guidance Committee within the organization to manage the main issues related to gender equality, with the following tasks:

- Drawing up a strategic plan;
- Monitoring the level of satisfaction and the progress of the strategic plan;
- Recommending improvements regarding gender equality;
- Identifying long-term goals, quantifiable targets (KPI) and timely goals;
- Supporting and asking staff within the organization to suggest areas for improvement and any non-compliant behavior.

The process culminated in the certification in July 2023.

The entire activity is relevant not only in terms of its results, which will enrich the company culture and respond more fittingly to the needs of our employees, but also in the process chosen for its implementation: a bottom-up process that is much more valid in the results that it will produce.

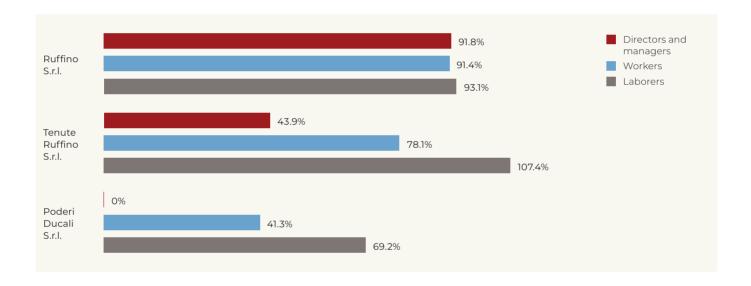
We believe that equal rights begin with equal pay, which we strive to guarantee to our employees based on their roles. The following charts show the ratio of the base wage (minimum set amount set out in the employment contract) and the remuneration (including the variable part) of women compared to men for the companies.

The data show different results between the Group's companies. While in Ruffino S.r.l. the base wage and remuneration of men and women are very close, with the values of both indicators exceeding 90%, a potential gender pay gap can be observed in the other two companies.

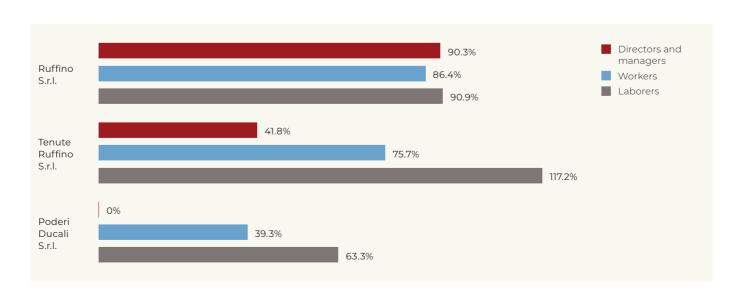
This difference is mainly due to the **size of the two Società Agricole**, which having fewer employees are mostly affected by the values of individual remunerations and the **nature of the roles in these two companies**. Looking at the laborers, for example, it is necessary to take into account that this category includes the people who work in the vineyards and the plant as well as those who work in hospitality.

Lastly, it must be specified that the ratio for the Directors and Managers category for Poderi Ducali is null and void as there are no directors and managers therein.

RATIO OF THE BASE WAGE OF WOMEN AND MEN BY PROFESSIONAL LEVEL



RATIO OF REMUNERATION OF MEN AND WOMEN BY PROFESSIONAL LEVEL



4.1.4 HEALTH AND SAFETY OF WORKERS

The health and safety of our people is a top priority that combines observance of the legislation in force and the continuous improvement of conduct and operating procedures, with the aim of making the workplace increasingly safe. We strive for continued improvement through competence-based participatory management. By involving all employees in a systematic and dynamic way, this management puts the focus on safety in all work activities. The main goal shared throughout the Group is to increase a culture of safety at all levels of the organization. In the Società Agricole, in line with this strategy, we identified and trained internal resources dedicated to safety as ASPP (Employees at the Service of Prevention and Protection).

Our organization of safety sets out well-defined roles, responsibilities and duties in an organizational chart that is shared with the parties involved, whether internal or external, and which forms the basis of the **Health & Safety Management System** of the companies comprising the Ruffino Group. In FY23, 3 new Safety Directors and 5 Managers were identified, who will be trained in FY24.

Our safety management takes into account varied and diversified work activities, which starts with vineyard management, through to managing accommodation and our restaurant, and more industrial activities, such as bottling. From the standpoint of ensuring similar standards of quality and performance, the Group's organization appointed the Head of Operations and Vice President with operational responsibility for the two Società Agricole.

In FY23, **9 external audits** were conducted, which did not highlight any critical issues and whose surveys were duly taken onboard.

The Governance system encourages proactivity among all employees to report any anomalies and to recommend improvements. The management software, which is in use by all the Group's companies, also supports the management of reporting, near misses, accidents and any other types of non-compliance or ideas for improvement that require an action plan, as well as by the safety team and all employees.

In the Ruffino Group, there are two RSPP (Prevention and Protection Service Managers), one for Poderi Ducali and one for Ruffino S.r.l and Tenute Ruffino. Through synergy and continued collaboration, we succeed in integrating diverse experiences and points of view that help to improve the resilience of our Group's entire health and safety system.

The health of workers is monitored with regular **health protection checks**, conducted by doctors (one for each company), who take part in annual meetings set out by Legislative Decree 81/08 and who work with the employer and health and safety officer to assess risks related to work and implement measures to safeguard the health of workers. All our employees are registered with the **Fondo Assistenza Sanitaria Alimentaristi** and, where necessary, through the company welfare system, they have the possibility to access discounted healthcare (specialist appointments, dental care, preventive medicine, diagnostic checks).





Regular meetings are scheduled to analyze and monitor the safety indicators, reporting and improvement plans defined by the Risk Assessment. Moreover, all employees can participate in this model through reporting, making suggestions or communicating about the outcome of the checks. The system also calls for protection for employees to avoid any reprisal towards anyone who reports in good faith as well as providing designated channels to ensure anonymity.

To guarantee everyone's safety, whenever operational activities occur that present more risks than usual, they must be subject to a formal meeting between the Employer, Health and Safety Manager, Workers' Safety Representative, the head of department affected, the person in charge and the Manager of the Workplace Safety Management System. The activities are analyzed and work instructions are defined, which are communicated to the staff involved.

As confirmation of the importance of this topic, both operationally and strategically, some particularly important projects were set out in FY 2023, especially for the Pontassieve site: upgrading internal signage, reinforcing the overhead walkway along Via Aretina and implementing the TAG project on fork-lift trucks, ensuring improved safety on Ruffino's sites.

PROJECT DESCRIPTION

Poggio Casciano Hospitality

Internal signage

Fire prevention

Seismic retrofitting

Door automation

FY23

30,000.00€

24,920.75 €

3,450.00€

62,047.20 €

6,340.00€

In FY 2023, **9 accidents** were recorded overall, 2 in Ruffino S.r.l., 6 in Tenute Ruffino S.r.l and 1 in Poderi Ducali S.r.l. None had serious consequences.

4.2 SUPPLY CHAIN

We conduct our supplier relationships according to the principles of honesty, integrity and coherence with the legislation in force, ethical standards and the company's rules of conduct. Safe in the knowledge that a sustainable supply chain is a key aspect of company responsibility, encouraging commercial best practices throughout the product lifecycle is a fundamental asset of our management. We are committed to choosing partners who, like us, encourage a respectful management of people, the environment and their business. Over time, we have created and developed a network of lasting and stable relationships with local companies, thereby promoting local products and ensuring a high level of quality.

To communicate our commitment and expectations, we have adopted and shared the "Code of conduct and sustainability guidelines for suppliers", which sets out the principles with which suppliers must comply in terms of ethics and integrity, operating practices and conditions, and environmental and sustainability compliance in favor of a transparent and respectful supply chain.

By signing the document, suppliers pledge not to act, directly or via coworkers, in such a way that contradicts the principles set out in the code and declare that they are aware that any non-compliant behavior could result in the termination of the rapport between the parties⁶. Suppliers are nevertheless **encouraged to exceed the requirements of the code** and to promote **continuous improvement** in their business.

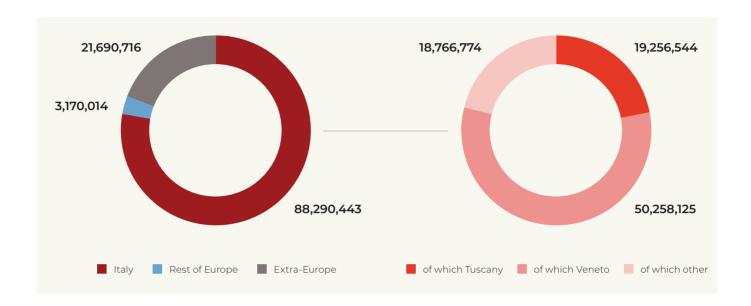
Supplies mainly apply to **two product categories**: comestibles such as **grapes, wine and must**, and **dry goods**, namely the **bottling, packaging and distribution** of products, including bottles, corks, labels, cardboard boxes and wooden boxes.

Five figures manage supplier relations, overseeing every stage in the production process:

- Procurement Manager: procures all the dry goods, leads negotiations, formalizes contracts for supplies and checks the quality of the supplies. For more information on the quality management processes, see the "Our consumers" section;
- External Grower Manager: in charge of purchasing grapes from suppliers; works alongside growers to ensure agronomic content is met as well as the quality and quantity of the contracts; manages harvest logistics and organization to transport the grapes to the Group's wineries;
- Wine Strategic Sourcing and Regulatory Affairs: manages the strategic procurement of wines and observance of regulations;
- Chief Winemaker: manages and monitors the production process, starting with choosing which vines to grow, based on the traits of the geographical area and the company's market objectives, through to the harvest, winemaking and bottling;
- Quality Manager: represents Ruffino's management in the application of food safety standards. Enforces and directly manages product checks, helped by the laboratory and quality control team, throughout the production process. For more information on the quality management processes, see the "Our consumers" section.

Overall, in FY 2023, **78% of purchases** were made in Italy and **61% in our local communities of Tuscany and Veneto**.

EXPENDITURE FOR SUPPLIES (EURO) - FY 2023

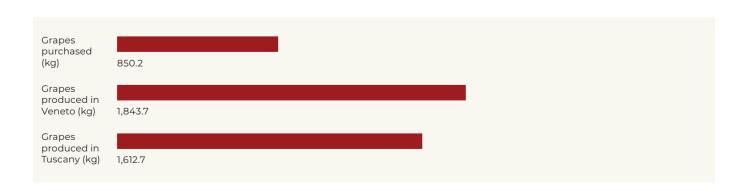


The graph shows the production and supply of raw materials for the 2022 harvest (FY 2023).

WINE FY 2023

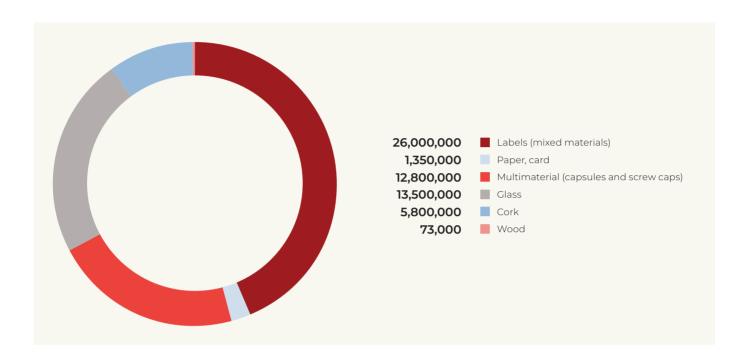


GRAPES PRODUCED AND PURCHASED FY 2023



The graph shows the packaging and distribution materials purchased by the Group.

MATERIALS (NO. ITEMS FY 2023)



For our packaging, we work closely with the supply chain on several fronts.

On one hand, we strive to identify and work only with suppliers that are sensitive to our ethical and sustainable needs. For this reason, in FY23, we devised an index called "Evaluation of Sustainability" (EoS), which assesses suppliers from the points of view of the environment, social and governance (ESG) through more than 30 questions. The index was applied for the first time to all our dry goods suppliers with superb results. 79% of our dry goods suppliers are in line with our sustainable values and are proactively involved in meeting the UN Agenda 2030 Goals. In addition to being a tool with which to choose our suppliers, this index will shortly be extended to other product categories.

On the other hand, we started to work on the eco-design of our packaging, meeting the following goals:

- 100% of packaging is **fully recyclable** for end consumers;
- 60% of the cardboard in our packaging is FSC-certified in FY23, with the target of becoming 100% by FY257:

- 100% of wooden boxes will be PEFC-certified by 2028;
- -300 tons of glass used in FY23 compared to the previous year, with a further 6% reduction in average weight by FY24, saving another 600 tons of glass.

GROWING TOGETHER: A ROAD MAP TO 2025 FOR GRAPE SUPPLIERS

In FY 2020, Tenute Ruffino S.r.l. embarked on a development process with its grape suppliers for the production of Chianti Classico, Chianti, Chianti Superiore and IGT Toscana. The aim of the partnership is to **support suppliers** in achieving more sustainable management for their businesses. The **roadmap to 2025**, presented on the following pages, sets out several key steps to obtain **integrated quality production certification (SQNPI) or organic production**, in line with the Group's ambitious goal of creating a 100% sustainable or organic grape supply.

 $^{^{7}}$ When this report was compiled (FY24), the conversion to the use of FSC-certified cardboard had reached 90% of the volume used.

Knowing that the shift towards organic growing or the SQNPI certification requires considerable technical, operational and managerial investments, we strive to provide both technical knowledge and contractual guarantees to all our partners involved in the project.

The process includes an initial evaluation stage of the status quo through **filling out a questionnaire** before mapping the current management, the Ruffino team and suppliers, and **jointly identifying establishing gradual improvements**. **Visits to the suppliers' estates** also enabled the team to assess the steps made and to support the suppliers where needed.

The sustainable management of the supply chain is guaranteed through a **solid contractual basis**, which includes specific requests regarding production process operating methods, as well as defining and implementing an agronomical protocol, regulations on the use of pesticides, the exclusion of certain chemical products, and defining checks regarding compliance with the conditions implemented directly by the company.

By following the road map to 2025 scheme, set out on the following pages and divided by harvest (HY) for Tenute Ruffino suppliers, we have seen that our suppliers have observed most of the KPI with positive outcomes.

During FY 2023, we have seen that, out of the 12 suppliers that are actively involved and have a contract, 83% are organic or embarked on converting to organic (2 are already organic and 6 are converting).

The partnership with our suppliers, also with the smallest external producers, is based primarily on communicating our ethical and sustainable values, which is why we actively work with them, providing support, where necessary, to adopt certifications that are important for us, but above all for them and for the areas where they work.

Our commitment to **promoting and guiding** other companies that work locally does not end there as our collaborations with suppliers has also been extended to bulk wine suppliers, who are required to have our same values and that of our grape suppliers.

In FY22, only 29% of our suppliers had the requested certifications. Now in FY23, that percentage has risen to 61%. These suppliers represent over 90% of the bulk wine we purchase from external suppliers. We are very proud of the goals achieved so far and know that we must continue to work and actively collaborate with our entire supply chain to further improve these results.



12 Suppliers

involved in the road map for a 100% organic or sustainable grape supply chain

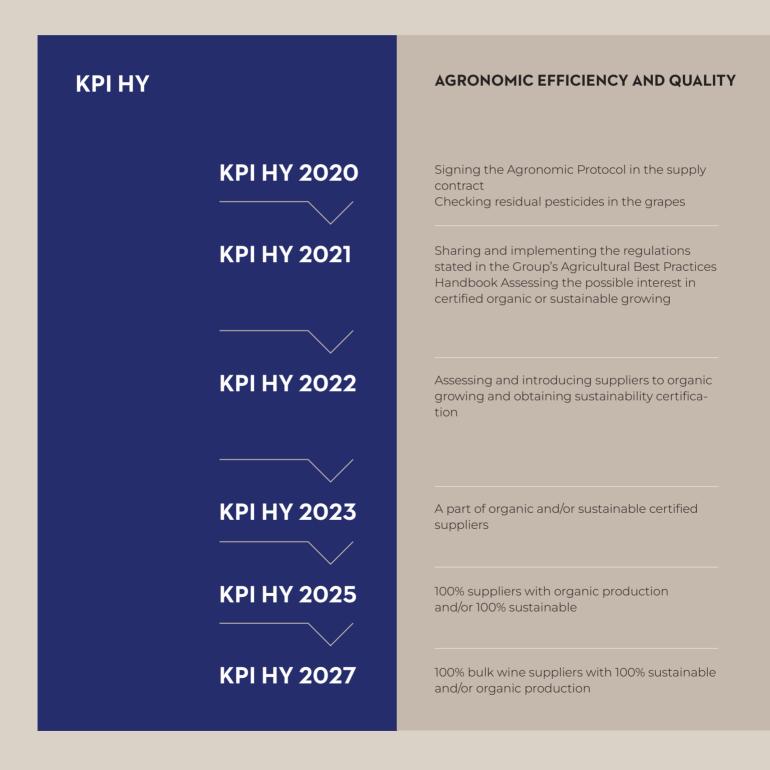
61.4%Bulk wine suppliers

are organic certified or sustainable

91.2% Wine

from certified suppliers

Figure 9: Action areas and KPI monitored



EFFICIENCY AND SOCIAL SUSTAINABILITY OF WORK

Participating in and signing the Company Code of Conduct and Ethics

Existence of a signed cost estimate with subcontractors
Participating in the Code of Conduct and Sustainability Guidelines for Suppliers

Suggested participation in the Quality Agricultural Network, which involves checking compliance with work and social legislation as well as income tax and VAT Checking the existence of a structured contract with subcontractors

EFFICIENCY AND ENVIRONMENTAL SUSTAINABILITY AND SAFETY OF WORKERS

Checking the Country Register for the analysis of pesticides used by suppliers

Checking that calibrations have been carried out (checking compliance with legislation on safety and quality in the production process) Checking the dispersion of pesticides into the environment

Checking that waste is disposed of correctly

Checking compliance with the national action plan for the sustainable use of pesticides (PAN) and pesticide warehouse management Checking compliance with the Mandatory Integrated Defense (Difesa Integrata Obbligatoria)

Suggested participation in the SQNPI and/or organic

Assessing environmental and/or sustainable certification

Assessing environmental and/or sustainable certification

4.3 RESPONSIBLE DRINKING



Tasting and appreciating good wine has a close connection with our culture of the "pleasure of drinking". Doing so in a responsible and informed way is important in maintaining the concept of sharing pleasure. That's why our aim is to guide consumers in tasting wine in an informed way.

For Ruffino, responsible drinking is a shared value, in which resources are invested for **employee training** and **public awareness campaigns**. An **internal policy** has been drawn up for all employees, who also attend an online course aimed at raising awareness about problems and behavior related to excessive alcohol consumption and to assess individual knowledge about responsible drinking.



WHAT IS MODERATE CONSUMPTION?



At present, there are no universal guidelines on the ideal consumption of alcoholic beverages and every country makes its own decisions, publishing its own guidelines about the consumption of wine. Nevertheless, according to the most recent scientific evidence⁹, the responsible consumption of wine for healthy adults can be regarded as:

- No more than 2 units (max. 200 ml of wine with 13 vol.
 %) a day for women;
- No more than 3 units (max. 300 ml of wine with 13 vol. %) a day for men;
- No more than 4 units for special occasions.

The attention paid to responsible drinking is the same in all marketing and communication activities. We have set out and implemented a "Code for responsible practices in the marketing and publicity of alcoholic beverages", which defines the public at which marketing materials are targeted, the ethical standards for the publicity intended for the press (radio, TV and web), image use standards, symbols, figures and subjects.

Ruffino & Wine in Moderation

As a social responsibility movement for the wine industry, Wine in Moderation (WIM) aims at providing information and tools for professionals to present wine responsibly and inspire consumers to appreciate wine and its culture in a healthy, positive and sociable way.

The program encourages moderate consumption through training courses, communication campaigns, communication standards for responsible marketing for wine and scientific research.

We have supported Wine in Moderation since FY 2015 and in FY 2020 Ruffino S.r.l. became an **Ambassador Company** of Wine in Moderation. The **President of the Ruffino Group** is currently the **President of Wine in Moderation**.

Being an Ambassador Company of Wine in Moderation means acting as a reference in terms of **leadership and activism for responsible drinking**, also encouraging wine companies to step up. That's why many of our wine labels refer to the Wine in Moderation website and to responsible drinking.

Over the course of last year, our efforts were mainly focused on two fronts: supporting the activities of Wine in Moderation, especially compiling new materials and supporting training activities, and communicating the message of responsible drinking as widely as possible, starting with visitors to our sites and at trade events.

We carried out the following main activities last year as part of Responsible Drinking strategic pillar:

- Financing a study grant for students as part of SERT (Drug Addiction Service) to examine the pathological aspects of drinking continuing from 2020;
- Sustainability training for employees for the whole of Ruffino by 2025, focusing on responsible drinking;
- Actively participating in modifying the "Wine in Moderation – Training Handout" training and information modules, involving Ruffino's ESG Committee in the process and publishing a handbook that is used as a training tool by all WiM partners;
- Taking part in the Master's in Sustainability Communication and Marketing organized by Oregon University. One of the lessons took place at the Poggio Casciano estate and included the participation of Ruffino's CSR & Environmental Manager, who pointed out Ruffino's activities on the responsible drinking front.
- The results of our sustainable development were presented to the press, with a key focus on responsible drinking, during the presentation of last year's Sustainability Report at Palazzo Mezzanotte, with the participation of Prof. Marco Frey, Professor of Economics and Business Management at Scuola Superiore Universitaria Sant'Anna in Pisa and President of Fondazione Global Compact Italia;
- Taking part in the 10th Edition of "Salone della CSR e dell'innovazione sociale" organized by Bocconi University with a speech focused on responsible drinking by President of Ruffino, Sandro Sartor, as Vice-President of UIV, titled "Il mondo del vino: impegno, innovazione, coinvolgimento" (The Wine World: Commitment, Innovation, Involvement);
- Hosting the annual conference of the Wine in Moderation (WiM) Association at the Poggio Casciano and Montemasso estates;
- Participating and promoting the social awareness campaign "In Vino Virtus" organized by UIV, in collaboration with the Italian police force, aimed at encourages moderate and conscious consumption of alcoholic beverages and safe driving to combat the serious issue of drink driving;
- Publishing 29 posts on our social media about sustainability, the Ruffino Cares strategy and responsible drinking (11 on Instagram, 12 on Facebook and 6 on LinkedIn).

⁹ For more information, see the full document: https://www.ruffino.it/media/codice-etico/Codice-Marketing-Gruppo-Ruffino.pdf

4.4 OUR CONSUMERS

"Attention to quality" and "Attention to the client" are two of the five core values stated in the Company Code of Conduct and Ethics. Attention to our consumers also consists in encouraging best practices when it comes to **consuming wine**. Educating people about responsible drinking is one of the pillars comprising Ruffino Cares and our aim is to guide consumers in tasting wine in an informed way.

4.4.1 PRODUCT QUALITY AND SAFETY

Training hours

dedicated to HACCP, food defense,

food legislation and labeling during 2023

Consumer focus and product quality are two inextricably linked values that form the core of our management. High standards and strict food health and safety checks underpin our quality management system, which has always focused on continuous improvement.

As set out in the European directive, our processing and preservation processes are based on the Hazard Analysis and Critical Control Points (HACCP) system, a set of procedures and recommendations aimed at preventing food contamination and ensuring product quality by means of analyzing potential risks at every stage in the production process. The information and guidelines for carrying out these checks are stated in the HACCP Handbook, which is compiled by a multidisciplinary team and revised at least once a year and according to legislative updates and amendments to internal standards.

The **Quality Team**, which is responsible for product quality and safety, is currently made up of seven people, four of whom work in the laboratory and three are focused on process and dry goods control. The laboratory also conducts **research and development projects** aimed at improving the quality of our products and developing new ones.

Ruffino S.r.l. works according to the requirements set out in the voluntary **International Food Standard (IFS)**¹⁰, which aims to ensure observance of food safety and quality as well as the legal standards that regulate the sector, and is certified by the **ISO 9001 Quality Management System**.

These standards enable us to:

- Renew the company's commitment and the Quality Team to support the culture of food safety and quality assurance policy;
- Implement an effective and meticulous food safety and quality management system;
- Measure, analyze, validate or improve the processes or complaints management and corrective actions;
- Safeguard the integrity of the company and the products made.

During FY 2023, the Quality Team focused on improving and implementing new checks to be carried out during bottling, which is one of the most critical stages to manage, as well as defining industrial testing on new materials in order to overcome problems during use and to prevent complaints.

The Quality Team also managed the creation process of a digital label for every product sold on the European market. (For more information, see page 113.)

Lastly, mitigation and monitoring plans were amended and expanded to protect the company against food fraud and counterfeiting to the detriment of consumers, as well as for food defense. A multidisciplinary team was appointed for each of these areas.

In order to collect ideas for improvements, every year we ask an **external market leader** to conduct a **two-day audit** on our premises. Moreover, in order to ensure continuous monitoring of the quality of our processes, the hygiene and correct conduct of operators, we have **increased the frequency of the internal audits** (carried by Quality Team personnel) across the various production departments (bottling, warehouse, cellar), scheduling them **every month**.

The results of the audit show a gradual improvement over time. The results are shared not only with production department managers, but also with operators at **daily meetings**, with the aim of communicating a **culture of food safety and quality** across all levels.

In the last three years, **more than 400,000 euro** have been invested to develop projects aimed at **improving quality processes**, including:

- Replacing the cellar's filtration system;
- Implementing an automated deep cleaning system for bottling machines;
- Purchasing two machines that automatically inspects empty glass bottles, which ensures food safety.



4.4.2 THE LABORATORY

Regardless of the origin of the wine supply, namely whether it comes from our estates or has been purchased from external suppliers or co-packers, the **control plan**, aimed at guaranteeing product safety and quality, is extremely strict and complex. It embraces the **entire production process**, from the vineyard to sales. The checks are primarily analytical and **approximately 90% of the parameters monitored are carried out by our internal lab**, also calling upon external bodies and consultants. Our advanced laboratory for the wine sector has sophisti-

cated instrumentation that enables more than 300 parameters to be checked with a total of approximately 10,000 samples a year to check.

At the end of FY 2023, we also invested **260,000 euro** to purchase new machinery for the laboratory, which will allow us to analyze any pesticides in organic wines, requiring increased sensitivity in the instrumentation. This goes hand in hand with the organic conversion of all our estates.

LABORATORY	
WINEMAKERS	Cellar winemaking Aging, clarifyng, stabilizing
WINEMAKERS	Bottling
QUALITY	Purchasing Italy, internationally
AGRONOMISTS WINEMAKERS	Purchasing Grapes / wine
夏齡 AGRONOMISTS	Grape ripeness
E WINEMAKERS	Winemaking
QUALITY TEAM	Complaints/non-compliance management



Here are the main activities of our laboratory:



Checks the **legal limits** and **production guidelines** of wines and spirits, for which the lab has defined a continuous update system. Given that Ruffino exports to more than 90 countries, the check is carried out according to all the legislation in force in those countries, not only for Europe. To ensure reliable results obtained during the checks, we work with two of the main wine laboratories in Italy and every year we take part in an analytical and sensory ring test 11;



Checks all **production stages** for the wine on our sites and external suppliers;



Daily checks of the **ripening level** of the grapes to establish the optimal time for their harvest;



Checks **product stability over time** in terms of changes in color, the formation of precipitates and the organoleptic evolution that the wine could undergo following a certain amount of time after being bottled. Regarding this aspect there is a regular control plan of warehoused products to check the quality and decide their saleability;





Checking **bulk wine** prior to purchase and until it is unloaded from the tank through an extremely strict analytical protocol;



Microbiological check of 100% of red wines before and during aging in barrels in order to preserve the distinctive aromas and flavors of each wine and to combat off flavors.

Useful for assessing the performance of the testing lab and to ensure improved control and quality of results.

When **grapes are purchased**, precise quality requirements and the utmost production diligence are needed to ensure the standard required by the Group. The grapes must be free from obvious defects, such as rot and deterioration from fungal diseases, damage caused by insects and parasites, and defects caused by adverse weather. The ripeness of the grapes is established by parameters like the required amount of sugars, acids and the pH levels needed to make wine. For the **procurement of bulk wines**, a strict analytical and sensory control procedure is followed, which starts with sampling the "purchase proposal" through to unloading the tank. Only full compliance with the analytical and sensory chemical and physical analysis will result in the purchase.

Lastly, the wines produced and bottled by external suppliers are followed and checked at every stage in the production by a winemaking manager, in collaboration with our laboratory, applying the same analytical protocols as the wines produced by Ruffino. In each instance, external suppliers must pass the qualification stage and initial validation, and their performances are monitored continually.

For the bottling and packaging materials, in FY 2022 we included an acceptance check of all new materials. The parameters to be evaluated are for all categories (at least as far as the dimension and graphic design is concerned); corks and labels will require additional checks. For the labels, for example, the stickiness to the bottle will be checked, as well as withstanding heat changes and the ice bucket test. Corks are tested for humidity and extraction strength; an organoleptic test is carried out by an internal panel of experts.

In addition to regular internal checks, once a year specific analyses are also carried out on the materials that come into contact with the wine, aimed at checking their suitability and preventing the risk of harmful substances migrating into the wine. These analyses are outsourced to a certified external laboratory in addition to the certification and documentation provided by suppliers.

Due to implementing the TPM methodology (see "The road to TPM" section), the quality management system has been developed from the point of view of full integration with the various departments.

Quality is supported by our analysis lab to resolve **product complaints and non-compliance** reported by consumers and the retail chain.

FOCUSED IMPROVEMENT AUTONOMOUS MAINTENANCE PROFESSIONAL MAINTENANCE QUALITY MANAGEMENT EARLY EQUIPMENT MANAGEMENT TRAINING & EDUCATION LEAN OFFICE ENVIRONMENT HEALTH & SAFETY

Complaints and non-compliance are managed by a multidisciplinary team that uses TPM solving methodologies to pinpoint the root causes of the problems in order to find definitive solutions. Once the problem has been solved, feedback is sent to the client with the outcome of the action taken. Moreover, complaints and non-compliance are discussed with operators and other roles at **regular meetings**, which become a time for sharing as well as training and increased awareness among our people.

At the start of the year, we examine the complaints and non-compliance reported in the previous 12 months before implementing projects specifically aimed at preventing and improving the quality of our products and processes.

During FY 2023, 26 complaints were recorded in total out of **30,276,178 bottles sold** (**0.00008588%**), gradually and constantly down compared to 2018 and particularly significant in the last year. It must be stated that the main reason for the complaints received from consumers regarded their personal taste in wine and cannot be associated to a problem with the wine sold.

With reference to non-compliance regarding information and the labeling of products and services, 2 instances concerned incorrect bar codes on boxes and 1 related to a label whereby the height of the typeface of the appellation was less than the 0.1mm required by law.

PRODUCT LABELING

Between the end of 2022 and the start of 2023, Ruffino was one of the first wineries in Italy to develop a digital label for every product sold in Europe, thereby not only meeting the legal requirements for environmental labeling in Italy, but also meeting the legal requirements that will come into force in December 2023 for food labels.

This is part of the company's drive to innovate and be fully transparent towards consumers.

On all the back labels, a QR code was included that refers to the digital label, as well as the wording about calorie counts.





4.5 COMMUNITY AND THE LOCAL AREA



We firmly believe in the **responsibility** to the community that all companies are obliged to have, which is why we promote campaigns and projects aimed at strengthening our presence in the local area with the aim of giving back for the hospitality that we receive.

The drive to give back is one of the pillars of Ruffino Cares (see the "Ruffino Cares" section). It is a key element that ensures continued **relationships with the local area** and **business development**. Over the years, we have helped communities close to us with activities with a focus on **society, education, economy and the environment**.

Here are the activities that we developed during FY 2023.

MIA.DI

MIA.DI was established in 2015 by two pairs of parents whose children are cancer survivors. They wanted to give something back to Meyer, Florence's children hospital. Every year, the association organizes a **fundraising dinner** and promotes a solidarity project for a medical department at Meyer. We support this charity by giving products for the fundraising dinner.

SUPPORTING THE UKRAINIAN PEOPLE

Following the outbreak of war in Ukraine, we have donated 20,000 Euro to UNICEF to support the populations in need as a way of pledging our commitment to an extremely sensitive issue of the utmost topicality that deeply affects us all.

SUPPORTING THE PARISH OF SAN GIORGIO MARTIRE

During the Covid-19 emergency, it was not possible to celebrate the Polenta Festival held by the small Community of San Donà di Piave, which was a way to raise funds for the upkeep of local parishes. In FY23, we decided to help the parish of San Giorgio Martire di Grassaga San Donà di Piave by making a donation for the maintenance of their parish organ.

RUFFINO BRAND EXPERIENCE. "SOTTO LE STELLE" SUMMER EVENTS SERIES

The Sotto Le Stelle summer events series, which took place in the estate's gardens, featured music, movie and poetry, which embraces a vision of life that is sustainable and responsible (small groups connected in the present, without overly large groups, wine that meets seasonal zero food mile food, wine as a cup of civilization and never isolated drinking).

Scope	Aspect	Unit of measurement	FY 2023	FY 2022	FY 2021
COMMITMENT TO OTHERS	Donations	Euro	36,022	52,000	289,926
RESPONSIBLE DRINKING	Merchandising, Study Grants	Euro	12,600	14,500	21,632
SUSTAINABILITY	Ruffino Cares Activities	Euro	35,000	30,200	52,570

The Ruffino Group takes part in a range of associations, none of which are mandatory. Our endorsement of these organizations is purely motivated by the opportunities provided and to protect the general interests of the wine industry.

In particular, we are members of:

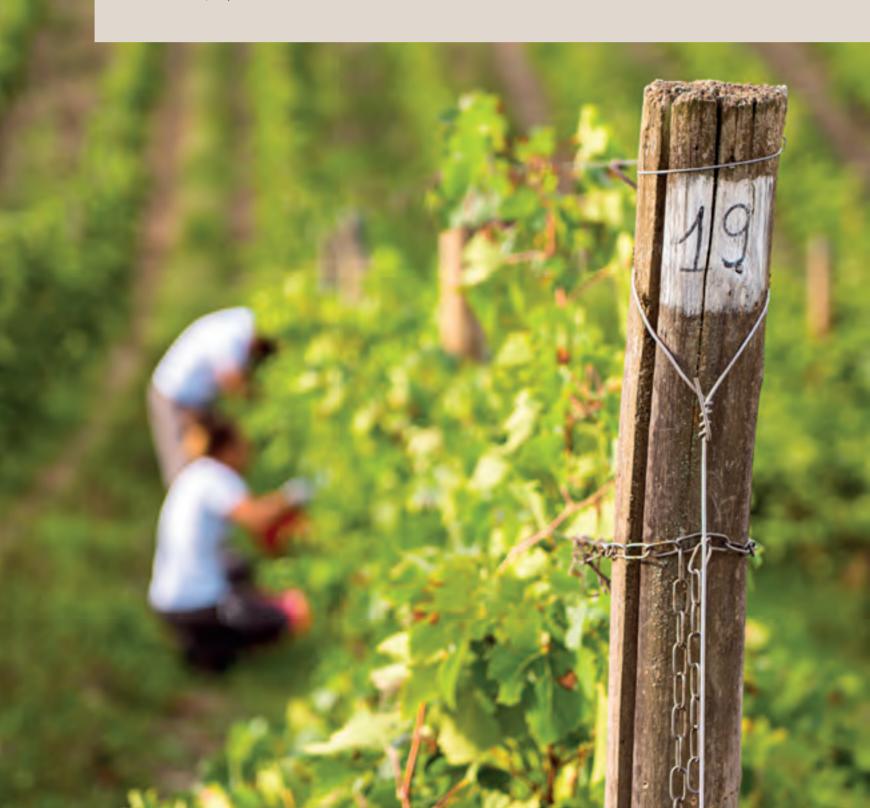
• Consortia:

i) Consorzio del Vino Chianti, ii) Consorzio del Vino Chianti Classico, iii) Consorzio del Vino Orvieto, iv) Consorzio del Pinot Grigio delle Venezie, v) Consorzio del IGT Toscana, vi) Consorzio del Vino Nobile di Montepulciano, vii) Consorzio del Prosecco, viii) Consorzio del Brunello di Montal-

cino, ix) Consorzio dell'Olio di Oliva Laudemio, x) Consorzio del Olio di Oliva del Chianti Classico. We are also members of the board for the first 5 consortia on the list.

• Trade associations

i) Confindustria Firenze – Territorial section of Confindustria, ii) Federvini (trade association part of Confindustria) – board member, iii) Unione Italiana Vini – board member, also as vice-president, iv) Confagricoltori Florence and Siena sections, v) Confindustria Treviso, vi) Wine In Moderation, vii) Chianti Classico di Castellina in Chianti wine producers association.







METHODOLOGICAL NOTES

METHODOLOGICAL NOTES

The Sustainability Report from the Ruffino Group (hereinafter also referred to as the "Group" or "Ruffino" is the fifth edition of this document compiled on a voluntary basis, whose most recent publication was in 2022.

The Report contains data and information about the Group's activities for the financial year that ended on February 28, 2023, with reference to Ruffino S.r.l., Tenute Ruffino S.r.l. Società Agricola and Poderi Ducali Ruffino S.r.l. Società Agricola. CBET S.r.l. has been excluded from the reporting, apart from economic data, since it has no significant social and environmental impact on the business. Moreover, tourism hospitality-related activities have been included in the reported activities, unlike the previous edition of the Sustainability Report. The production of olive oil has been omitted. Given its residual production in terms of turnover and quantity, it is not deemed significant for assessing the performance of the Group.

The data and information are stated in an aggregate and individual way for the individual companies, where it is deemed useful for understanding performance and related impacts. Where possible a comparison has been given with the previous three-year period in order to show the company's progress regarding sustainability in a clear and complete way as well as enabling all Ruffino stakeholders to compare trends over time.

The Report was compiled in compliance with the GRI Universal Standards set out in 2021 by the Global Reporting Initiative (GRI), in the new release (GRI 1; GRI 2; GRI 3), according to the "With reference to" option, with the goal of moving to the "In accordance with" reporting method over the coming years.

In order to help readers to retrace the information stated in the document, the GRI Content Index can be consulted on page 124.

The GRI principles of accuracy, balance, clarity, comparability, completeness, sustainable context, timeliness and verifiability were the prerequisites for identifying and reporting the contents in this Sustainability Report for the Ruffino Group.

Moreover, as set out in the GRI Standards and continuing the progress made in previous years, the Group carried out a materiality assessment in order to report sustainability topics deemed relevant by internal and external stakeholders. For the first time this also involved a structured stakeholder engagement activity, which is examined in this document.

Parallel to selecting the GRI indications, we identified which of the 17 Sustainable Development Goals (SDGs) and related specific targets to which the Group contributes directly due to safeguarding the material topics that have been identified. A link analysis was carried out among the selected GRI and the SDGs, following instructions in the document titled "Linking the SDGs and the GRI Standards" (2021 version), published by UN Global Compact. The document maps the 17 SDGs and the related 169 targets compared with the Standards and GRI information notes applicable for each, with the aim of guiding organizations towards better assessment of their contributions towards achieving the SDGs.



MATERIALITY ASSESSMENT AND IDENTIFYING STAKEHOLDERS

Starting with the principles set out in the GRI Standard 3 "Material topics" and with the aim of updating the material topics for FY 2023, the analysis was conducted in the following stages:

- 1. Analysis of the sustainability context: the first stage of the materiality assessment process focused on updating last year's analysis aimed at mapping the external, operational, market and corporate context for the Group, with a focus on the following sources:
 - a. International associations including the European Union, the International Organisation of Vine and Wine (OIV), International Federation Of Wine And Spirits (FIVS), European Committee Of Wine Companies (CEEV), World Economic Forum (WEF), UN Global Compact (UNGC), Council for Research in Agriculture and the Agricultural Economy (CREA), Global Reporting Initiative (GRI) and the SAI platform;
 - b. Professional bodies like Federvini, Unione Italiana Vini, Associazione Giovani Imprenditori Vinicoli Italiani (AGIVI), Associazione Nazionale Donne del Vino, VIVA La sostenibilità nella vitivinicoltura in Italia, Wine Intelligence, Wine in Moderation, Consorzio Chianti Classico, Consorzio tutela Prosecco DOC, Consorzio Pinot Grigio delle Venezie, Equalitas, Rete Rurale (SQNPI), Confagricoltura and Unione Agricoltori;
 - c. Academia and sector studies through the analysis of sector-related articles on social, environmental, economic and governance topics, especially from the following sources: Federvini, Mediobanca, Wine monitor, Scopus, Lifegate and Duegradi;
 - **d. Peers** to examine the material topics set out in the Sustainability Report;
 - e. The press in order to examine sectorial trends through a sentiment analysis between 1 January 2022 and 31 December 2022, using the Google News platform and setting a search for keywords such as "Ruffino", "environment", "sustainability", "community", "climate change", "work", "anticorruption", "organic", "circular economy", "Diversity & Inclusion", "gender equality" and "viticulture";

f. Internal documents such as the Company Code of Conduct and Ethics, the Company Code of Conduct and Sustainability Guidelines for Suppliers, company policies, documents and information on the Group's website, previous Sustainability Reports, and the goals that the Group has set for itself.

2. Involving management and stakeholders:

- a. Sharing an update materiality assessment survey, which the Group shared with top management and main representatives from the Marketing, Communications, Operations, Finance, Production, H&S, Purchasing, Customer Service, HR, CSR, Legal, Quality and Estates departments, as well as with internal stakeholders (the Group's employees) and external stakeholders¹ (importers and large-scale retailers) in order to identify the material topics for reporting in FY 2023, providing them with a range of potentially relevant topics that emerged from the context analysis and recategorized based on three dimensions of sustainability: economic/governance, environmental and social. Unlike last year, the stakeholders are therefore called upon to express their opinion about the relevance of the proposed topics, while top management and the company departments gave their assessment from a corporate standpoint.
- b. semi-structured interviews involved the CEO, the Vice-President and Operations Director, the Estates Director, the HR Director, the Marketing Director, the Chief Financial Officer (CFO), the Director of Sales for the Italy Market, the Director of Sales for Foreign Markets, the Head of Legal & Compliance, and the CSR & Environment Manager, in order to examine the Group's strategy and vision in relation to the selected topics, risks and opportunities, stakeholder expectations, impacts generated along the value chain, organizational base and initiatives carried out during the year.

These two moments of comparison enabled the topics that emerged from the analysis to be confirmed, integrated, removed or aggregated, setting out the **material topics for the Group**², namely those of an economic, environmental and social nature deemed strategically and operationally relevant for the company and its stakeholders, whether internal or external, from the point of view of a positive or negative, real or potential impact, as well as

gathering information about the implemented strategies, the initiatives carried out and the results achieved for each topics.

The following table shows the material topics, the related description in context for the Ruffino Group and the impact boundary.

Table 1: Material topics of Ruffino and impact boundary

Material topics	Definitions	Internal boundary	External boundary
ENVIRONMENTAL			
Preserving biodiversity, soil management, ground use	Attentive and sustainable use and management of the soil in order to preserve its fertility, organic diversity and nutrients, limiting the exploitation of already scarce natural resources, preferring the cultivation of native varieties and avoiding invasive vine growing practices	Ruffino Group	- Environment - Community and institutions - Suppliers
Adapting vines to climate change	Analysis and design of scenarios and initiatives that help to prevent and reduce the negative risks of climate change on the vines, such as water shortages, higher temperatures, etc.	Ruffino Group	- Environment - Community and institutions - Suppliers
Energy management	Implementing energy efficiency measures and sourcing energy from renewable sources within all stages of the production cycle	Ruffino Group	- Environment - Community and institutions - Suppliers
Water management	Sustainable management of the water used in the vineyard and cellar, and preventing water pollution by reducing to a minimum the discharge of chemical substances and hazardous materials to preserve water quality	Ruffino Group	- Environment - Community and institutions - Suppliers
SOCIAL			
Employee health and safety	Protecting the health and safety of workers during the entire production cycle through protective actions, targeted investments and training for technical staff	Ruffino Group	- New talent - Employees
Customer care and satisfaction	Producing quality products and providing effective service to ensure client and customer satisfaction, also during after-sales	Ruffino Group	- Clients
Product quality and safety	Ensuring product quality in order to promote and protect consumer health and safety	Ruffino Group	- Clients
ECONOMIC AND GOVERNANCE			
Business growth	Business growth as well as strengthening the presence of the Ruffino brand on the Italian and global markets	Ruffino Group	- Shareholders - Community and institutions - Suppliers - Strategic partners
Made in Italy and tradition	Promoting Made in Italy, the culture of wine as Italian cultural heritage and tradition	Ruffino Group	- Community and institutions - Trade associations - Professional associations - Suppliers - Clients

 $^{^2}$ The evaluation scale ranged from 1 to 5 and the materiality threshold for defining the material issues was identified in the median of the evaluations (4.23 for the organization's Top Management and 4.00 for Ruffino's stakeholders).





GRI CONTENT INDEX

GRI CONTENT INDEX

The following table shows the GRI indicators used to compile the Sustainability Report FY 2023 of the Ruffino Group. In line with the new version of the GRI Standards 2021, the

standards and individual indicators are stated, with reference to the page number where they are covered. Any omissions and justifications are explained.

Table 2: GRI Content Index

GRI standard ¹	Disclosure	Reference	Comments/Omissions		
GENERAL DISCLOSURES					
	2-1 Organizational details	Cover of this Sustainability Repor	t		
	2-2 Entities included in the organization's sustainability reporting	Pg. 4			
	2-3 Reporting period, frequency and contact point	Pg. 4			
	2-4 Restatements of information	Pg. 118-121			
	2-5 External assurance	Pg. 152			
	2-6 Activities, value chain and other business relationships	Pg. 9-10, 16-17			
	2-7 Employees	Pg. 143			
GRI 2 – General disclosure	2-8 Workers who are not employees	Pg.143			
	2-9 Governance structure and compositions	Pg. 132			
	2-10 Nomination and selection of the highest governance body	To choose the board members of the companies comprising the Ruffino Group, the Executive Vice President, Chief Leg Officer, is involved. The roles are SVP Tax, SVP Treasury, the CEO of the Italian company and a SVP who works for CBI's Swiss companies as well as the Sole Auditor. For the agricultural companies, an IAP for each company is also a board member.			
	2-11 Chair of the highest governance body	The chair of the board of each cor is Sandro Sartor, whose powers ar articles of each company.			
	2-12 Role of the highest governance body in overseeing the management of impacts	Pg. 47			

GRI standard ¹	Disclosure	Reference	Comments/Omissions	
	2-13 Delegation of responsibility for managing impacts	of the CEOs, who in turn of which have the broadest p in the workplace and the The routine management & Environmental Manage	of ESG issues falls to the CSR r, who reports the management, ificant ESG matters to the CEO	
	2-14 Role of the highest governance body in sustainability reporting	Pg. 36		
	2-15 Conflicts of interest	Pg. 56		
	2-16 Communication of critical concerns	/	Information not available / incomplete	
	2-17 Collective knowledge of the highest governance body	and external committees active participation in loca by stakeholders. The CSR & Environmental	ement take part in ESG conferences on a regular basis. There is also al events and support requests Manager updates the highest egislative and/or sectorial changes	
	2-18 Evaluation of the performance of the highest governance body	/	Information not available / incomplete	
	2-19 Remuneration policies	/	Information not available /incomplete	
	2-20 Process to determine remuneration	/	Information not available / incomplete	
GRI 2 – General disclosure	2-21 Annual total compensation ratio	/	Information not available / incomplete	
	2-22 Statement from a senior executive	Pg. 2		
	2-23 Policy commitments	have adopted an internal as a road map to achieve t Internal due diligence is c that the policy is being ap Policy commitments exte discrimination, safe worki	arried out every year to check plied correctly. Ind to harassment and ng conditions, forced labor, slavery Ind labor, work hours, remuneration,	
	2-24 Embedding policy commitments	company strategy, which and checks correct applic The CEO controls the polic departments, such as top correctly implementing th		
	2-25 Processes to remediate negative impacts	implement projects and in Scope 1, 2 and 3 emissions waste production and rec materials. If a complaint is received, to manage the complaint	de sufficient finances every year to nvestments concerning: Reducing s, water management, reducing overing raw and secondary internal procedures are activated , checking it and drawing up an resolve the issue, involving the	
	2-26 Mechanisms for seeking advice and raising concerns	/	Information not available / incomplete	
	2-27 Compliance with laws and regulations	No cases of non-complian recorded during FY 2021, 2	ce with laws and regulations were 2022 and 2023	
	2-28 Membership associations	Pg. 35, 115, 120		
	2-29 Approach to stakeholder engagement	Pg. 34-35		
	2-30 Collective bargaining agreements	Pg. 87, 144		

GRI standard ¹	Disclosure	Reference	Comments/Omissions	
GENERAL DISCLOSURES				
CDIZ Maraidania	3-1 Process to determine material topics	Pg. 32		
GRI 3 – Material topics	3-2 List of material topics	Pg. 36-37, 121		
GRI 3 – Material topics	3-3 Management of material topics	Pg. 48-49, 60		
SPECIFIC DISCLOSURES				
Topic: Economic performance				
	201-1: Direct economic value generated and distributed	Pg. 61, 133		
GRI 201 – Economic performance 2016	201-2: Financial implications and other risks and opportunities due to climate change	Pg.50		
	201-3: Defined benefit plan obligations and other retirement plans	In FY 2023, 2022, 2021 and 2020, the Group fulfilled th welfare obligations set out by the law and employme contracts provided by the CCNL.		
Topic: Market presence				
GRI 202 – Market presence	202-2: Proportion of senior management hired from the local community	Pg. 87, 144		
Topic: Procurement practices				
GRI 204 – Procurement practices	204-1: Proportion of spending on local suppliers	Pg.101		
Topic: Anti-corruption				
GRI 205 – Anti-corruption 2016	205-2: Communication and training about anti-corruption policies and procedures	Pg. 133		
GKI 200 - AHL-COITUPLOH 2010	205-3: Confirmed incidents of corruption and actions taken	Pg. 56		
Topic: Anti-competitive behavior				
GRI 206 – Anti-competitive behavior 2016	206-1: Legal actions for anti-competitive behavior, anti-trust and monopoly practices	No legal action has been taken fo anti-trust or monopolistic practic		
Topic: Taxes				
	207-1: Approach to tax	Pg. 135		
GRI 207 – Taxes 2019	207-2: Tax governance, control and risk management	Pg. 135		
GRI 207 – Taxes 2019	207-3: Stakeholder engagement and management of concerns related to tax	Pg. 135		
	207-4: Country-by-country reporting	Pg. 135		
Topic: Materials				
GRI 301 – Materials 2016	301-1: Materials used by weight or volume	Pg. 102, 136		
Topic: Energy				
	302-1: Energy consumption within the organization	Pg. 72-73, 137		
GRI 302 – Energy 2016	302-3: Energy intensity	Pg. 73, 137		
	302-4: Reduction of energy consumption	Pg. 72		

GRI standard ¹	Disclosure	Reference	Comments/Omissions
Topic: Water and effluents			
	303-1: Interaction with water as a shared resource	Pg. 26-27, 40, 53, 66, 76-79	
	303-2: Management of water discharge-related impacts	Pg. 26-27, 40, 53, 66, 76-79	
GRI 303 – Water and effluents 2018	303-3: Water withdrawal	Pg. 78, 138	
	303-4: Water discharge	Pg. 79, 138	
	303-5: Water consumption	Pg. 79, 139	
Topic: Biodiversity			
	304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Pg. 69-71	
GRI 304 – Biodiversity	304-2: Significant impacts of activities, products and services on biodiversity	Pg. 69-71	
,	304-3: Habitats protected or restored	Pg. 27, 29, 76	
	304-4: IUCN Red List species and national conservation list species with habitats in areas affected by operations	Pg. 69-71	
Topic: Emissions			
	305-1: Direct (Scope 1) GHG emissions	Pg. 74-75, 140	
GRI 305 – Emissions 2016	305-2: Energy indirect (Scope 2) GHG emissions	Pg. 74-75, 140	
	305-4: GHG emissions intensity	Pg. 74-75, 140	
Topic: Waste			
	306-1: Waste production and significant waste- related impacts	Pg. 80-83	
001705 111 1 0000	306-2: Management of significant waste-related impacts	Pg. 80-83	
GRI 306 – Waste 2020	306-3: Product waste	Pg. 83, 141	
	306-4: Non-disposal waste	Pg. 141	
	306-5: Disposal waste	Pg. 141	
Topic: Environmental complian	nce		
GRI 307 – Environmental compliance 2016	307-1: Non-compliance with environmental laws and regulations	No significant sanctions have or to observe environmental laws period.	
Topic: Supplier environmental	assessment		
GRI 308 – Supplier environmental assessment	308-1: New suppliers that were screened using environmental criteria	100% of dry goods suppliers we environmental criteria.	re evaluated using
Topic: Employment			
	401-1: New employee hires and employee turnover	Pg. 91, 144-145	
GRI 401 – Employment 2016	401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	Pg. 95, 146	
	401-3: Parental leave	Pg. 91, 147	

GRI standard ¹	Disclosure	Reference	Comments/Omissions	
Topic: Labor/management relati	ons			
GRI 402 – Occupational health and safety 2018	402-1: Occupational health and safety management system	could have a significant imp	d to workers and their nicate organizational changes tha pact is established in observance he applied collective bargaining	
Topic: Occupational health and s	safety			
	403-1: Occupational health and safety management	Pg. 98-99		
	403-2: Hazard identification, risk assessment, and communication on occupational health and safety	Pg. 98-99		
	403-3: Occupational health services	Pg. 98-99		
GRI 403 – Occupational health	403-4: Worker participation, consultation, and communication on occupational health and safety	Pg. 98-99		
GRI 403 – Occupational health and safety 2018	403-5: Worker training on occupational health and safety	Pg. 93		
	403-6: Promotion of worker health	Pg. 98-99		
	403-8: Workers covered by an occupational health and safety management system	Pg. 98-99		
	403-9: Work-related injuries	Pg. 99, 148		
	403-10: Work-related ill health	No employee has reported 3-year period.	work-related ill health in the	
Topic: Training and education				
GRI 404 – Training and	404-1: Average hours of training per year per employee	Pg. 92-94, 149		
education 2016	404-3: Percentage of employees receiving regular performance and career development reviews	Pg. 95, 149		
Topic: Diversity and equal oppor	tunities			
GRI 405 – Diversity and equal	405-1: Diversity of governance bodies and employees	Pg. 88, 90, 135, 150		
opportunities 2016	405-2: Ratio of basic salary and remuneration of women to men	Pg. 151		
Topic: Non-discrimination				
GRI 406 – Non-discrimination 2016	GRI 406-1: Incidents of discrimination and correction actions taken	No incidents of discriminati in the 3-year period.	on have been reported	
Topic: Freedom of association an	nd collective bargaining			
GRI 407 – Freedom of association and collective bargaining 2016	407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		d suppliers in which the right nd collective bargaining may be	
Topic: Child labor				
GRI 408 – Child labor 2016	408-1: Operations and suppliers at significant risk for incidents of child labor	There are no operations or sof child labor.	suppliers at risk of incidents	
Topic: Child labor				
GRI 409 – Forced or compulsory labor 2016	409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor	There are no operations or so of forced or compulsory lab		

GRI standard ¹	Disclosure	Reference	Comments/Omissions
Topic: Local communities			
GRI 413 – Local communities 2016	413-1: Operations with local community engagement, impact assessments, and development programs	Pg. 114-115	
Topic: Public policy			
GRI 415 – Public policy 2016	415-1: Political contributions	The Group has not made an in the 3-year period.	y political contributions
Topic: Customer health and safet	ty		
GRI 416 – Customer health and safety 2018	416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	No incidents of non-compli and safety impacts of produ reported in the 3-year perio	ıcts and services have been
Topic: Marketing and labeling			
	417-1: Requirements for product and service information and labeling	Pg. 113	
GRI 417 – Marketing and labeling	417-2: Incidents of non-compliance concerning product and service information and labeling	In 2023, there was one case legislation, which resulted ir of non-compliance with self	n a warning, and one case
	417-3: Incidents of non-compliance concerning marketing communications	No incidents of non-compli and/or self-management cc and safety have been verifie	des for consumer health
Topic: Customer privacy			
GRI 418 – Customer privacy 2016	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data		oreaches of customer privacy I have occurred in the 3-year
Topic: Socio-economic complian	ce		
GRI 419 – Socio-economic compliance	GRI 419-1: Non-compliance with laws and regulations in the social and economic area		ance with laws and regulations area have been reported in the





ANNEX

MANAGEMENT

GRI 2-9: Governance composition and structure

Members of	the highest g	overnance body					
Name and surname	Nationality	Executive or non- executive	Independence	Position	Gender	Participation in underrepresented social groups (e.g. social minorities, vulnerable categories, as well as those underrepresented in terms of education or work background)	Competence for sustainability, environment and social topics
Sandro Sartor	Italian	Executive	Independent	CEO and President of Ruffino S.r.l., Tenute Ruffino S.r.l. Società Agricola and Poderi Ducali S.r.l. Società Agricola	Male	President of Wine in Moderation Member of the board of directors of Federvini, part of Federalimentare and expression in Confindustria of the wine sector; Vice-President of Unione Italiana Vini (UIV)	Member of the Environment Health &Safety Team Group
Michael David Lurie	USA	Non- executive*	Independent	Vice-President of the Board of Directors of Tenute Ruffino S.r.l. Società Agricola and Poderi Ducali S.r.l. Società Agricola	Male	No relevant representation of Ruffino Group stakeholders	Member of the CBI Annual Environmental Sustainability Awards Commission
Sandy Dominach Oksana	USA	Treasury Executive	Independent	Director of Ruffino S.r.l., Tenute Ruffino S.r.l. Società Agricola and CEO of Poderi Ducali S.r.l. Società Agricola	Female	No relevant representation of Ruffino Group stakeholders	Treasurer and Director of Clima Solutions Accelerator - collective impact organization, based in Rochester
Becka Micheal Jan	USA	Non- executive*	Independent	Director of Ruffino S.r.l. Tenute Ruffino S.r.l. Società Agricola and Poderi Ducali S.r.l. Società Agricola	Male	-	-
Lorena Troccoli	Italian	Executive as part of her role as Professional Agricultural Entrepreneur (IAP)	Independent	CEO of Poderi Ducali S.r.l. Società Agricola	Female	No relevant representation of Ruffino Group stakeholders	-
Maurizio Bogoni	Italian	Executive (Employer)	Independent	Director of Tenute Ruffino S.r.l. Società Agricola	Male	Member of the management committee of Confagricoltura di Firenze e di Siena	Member of the Environment Health & Safety Team Group

 $[\]ensuremath{^{*}}$ Non-executive members can have or do have a managerial role in the Group.

GRI 201-1: Economic value directly generated and distributed¹

Euro/000	FY 2023	FY 2022	FY 2021
Economic value generated	123,929,798 €	124,526,833	101,174,768
Economic value distributed to suppliers	106,324,040€	106,165,839	69,386,681
Economic value distributed to staff	13,666,711 €	13,726,370	13,973,767
Economic value distributed to financers	811,585€	504,444	1,006,520
Economic value distributed to the Public Administration	756,794€	2,739,819	3,408,393
Economic value distributed to the local community	154,575€	47,075	304,916
Economic value distributed	121,713,706 €	123,183,547	88,080,277
Economic value retained	2,216,093 €	1,343,286	13,094,491

GRI 205-2: Communication and training about anti-corruption policies and procedures

Total number and percentage of board members who received training about the Group's anti-corruption policies and procedures	FY 2023			FY 2022			FY 2021		
	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
Board members who received training	4	5	5	4	5	5	4	5	5
Total board members	4	5	5	4	5	5	4	5	5
% participation	100%	100%	100%	100%	100%	100%	100%	100%	100%

 $^{^{\}rm 1}$ CBET is included in the calculation of the economic-financial indicators, despite having been excluded from the Sustainability Report.

Total number and percentage of employees who received training about the Group's anti-corruption policies and procedures		FY 2023			FY 2022			FY 2021	
	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
Directors who received training	10	1	0	10	1	0	9	1	0
Total directors	11	1	0	11	1	0	11	1	0
% participation	91%	100%	0%	91%	100%	0%	82%	100%	0%
Office workers who received training	73	16	5	74	13	6	70	14	5
Total office workers	75	19	5	82	13	6	78	14	6
% participation	97%	84%	100%	90%	100%	100%	90%	100%	83%
Laborers who received training	11	14	3	10	16	0	11	16	0
Total laborers	45	23	4	45	84	6	45	70	5
% participation	24%	61%	75%	22%	19%	0%	24%	23%	0%
Total employees who received training	94	30	9	94	30	6	90	31	5
Total employees	131	42	9	138	98	12	134	85	11
% participation	72%	71%	100%	68%	31%	50%	67%	36%	45%

Total number and percentage of board members who received the Group's anti-corruption policies and procedures ²	FY 2023	FY 2022	FY 2021
Board members who received communications	4	4	4
Total board members	4	4	4
% participation	100%	100%	100%

Total number of employees who received the organization's anti-corruption policies and procedures ²	FY 2023	FY 2022	FY 2021
Directors who received communications	11	11	11
Total directors	11	11	11
% participation	100%	100%	100%
Office workers who received communications	73	0	0
Total office workers	75	82	78
% participation	97%	0%	0%
Laborers who received communications	11	0	0
Total laborers	45	45	45
% participation	24%	0%	0%
Total employees who received communications	30	30	31
Total employees	42	98	85
% participation	71%	31%	36%

 $^{^{\}rm 2}$ This information only refers to Ruffino S.r.l. as it is unavailable for the two Società Agricole.

GRI 207-1 Approach to tax

GRI 207-2 Tax governance, control and risk management

GRI 207-3 Stakeholder engagement and management of concerns related to tax

The fiscal strategy management of the Group is the responsibility of the Chief Financial Officer (CFO). It is aimed at ensuring utmost transparency and correctness in the relationship with fiscal authorities and consists in observing all applicable laws and legislation. We work so that every transaction is managed with due professional diligence and in relation to the assessment of all fiscal-related risks. A fiscal risk assessment is updated regularly to fulfill new legislation. Given the heightened awareness about fiscal aspects, in 2018 we started to revise the fiscal department with more internal activities for the drafting and audit of all fiscal declarations of the companies comprising the Group. Due to the collaboration with external

consultants, continuous checks and audits are also conducted by third parties.

As regards the reporting of critical issues concerning non-ethical or illicit behavior and the organization's integrity in terms of taxes, Ruffino has set out the methods in its Organization and Control Model in accordance with Italian Legislative Decree 231.

At present, the company does not have a specific approach to involve stakeholders and to manager their concerns regarding taxes.

GRI 207-4: Country-by-country reporting³

	FY 2023	FY 2022	FY 2021
Names of the resident entities	Ruffino S.r.l., Tenute R	uffino S.r.l., Poderi Ducali R	uffino S.r.l., CBET S.r.l.
Primary activities		ng, wine and must product d distribution of bottled wi	
Number of employees	248	239	229
Revenue from third-party sales	54,907,647	-50,266,713	40,814,683
Revenue from intra-group transactions with other tax jurisdictions	72,459,588	-74,773,614	60,360,085
Profit/loss before tax	5,409,792	13,379,099	6,132,534
Tangible assets other than cash and cash equivalents	185,341,673	168,927,916	148,676,597
Corporate income tax paid on a cash basis			-
Corporate income tax accrued on profit/loss	1,314,459	2,591,048	1,601,519

GRI 405-1: Diversity of governance bodies

Members of the maximum governance body, by age and gender	FY 2023				FY 2022		FY 2021		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
< 30 years	-	-	-	-	=	-	-	-	-
30 ≤ x ≤ 50 years	-	1	1	-	1	1	-	1	1
> 50 years	4	1	5	3	2	5	3	2	5
Total members, by gender	4	2	6	3	3	6	3	3	6

 $^{^{\}rm 3}$ CBET is included in the calculation of the economic-financial indicators, despite having been excluded from the Sustainability Report.

GUARDIANSHIP

GRI 301-1: Materials used by weight or volume⁴

Material purchased	Material type	Number of pieces FY 23
Labels	Paper, plastic or mixed	33,966,952
Bottles	Glass	14,401,571
Tags	Paper	13,122,102
Screw caps	Multi-material	8,118,660
Corks	Cork	7,323,737
Capsules	Multi-material	7,301,918
Separators	Cardboard	1,529,594
Boxes	Cardboard	1,503,058
Other packaging	Multi-material	141,965
Wooden cases	Wood	124,167
Parcels	Cardboard	14,099

GRI 302-1: Energy consumption within the organization GRI 302-3: Energy intensity⁵

Type of consumption (GJ)		FY 2023			FY 2022			FY 2021	
	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
Electricity purchased	7,340	4,255	4,250	6,974	3,276	2,968	6,889	2,772	2,038
for lighting	734	425	212	697	315	297	689	444	102
for air conditioning (heating/cooling)	2,202	213	637	2,092	0	890	2,067	1,041	306
for production	4,404	3,617	3,400	4,184	2,961	1,781	4,133	1,287	1,631
of which from renewable sources	7,340	2,081	0	6,974	1,557	0	6,889	1,802	0
Natural gas	2,920	1,693	0	3,961	278	0	3,283	291	0
for air conditioning (heating/cooling)	2,628	1,693	0	3,565	278	0	3,123	291	0
for production	292	0	0	396	0	0	160	0	0
LPG for heating	0	8,061	0	0	708	0	0	419	0
Fuel used for company cars	1,809	4,575	686	1,166	3,643	194	1,548	4,926	506
LPG	0	0	0	0	0	0	0	0	0
Petrol	78	405	27	143	205	0	14	116	0
Diesel (100% mineral diesel)	1,404	4,170	659	1,023	3,438	194	1,434	4,810	506
Diesel + hybrid	327	0	0	0	0	0	100	0	0
Total energy consumption	12,069	18,585	4,936	12,101	7,905	3,163	11,720	8,408	2,544
Total of Group energy consumption		35,589			23,169			22,672	
from renewable sources		9,420			8,531			8,691	
Percentage of Group energy consumption from renewable sources out of the total		26.5%			36.8%			38.3%	
Group energy intensity (GJ/K€)		0.00029			0.00019			0.00022	

 $^{^5}$ Energy intensity is calculated as a ratio of the total volume of the Group's energy consumption in GJ and the Production Value in the Consolidated Financial Statement for the third-year period.

GRI 303-3: Water withdrawal

Sources		FY 2023			FY 2022			FY 2021	
	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
Surface water	0	14,325	291,332	0	15,000	297,650	0	15,081	79,289
Group total		305,657			312,650			94,370	
Groundwater	22,886	5,378	4,748	24,435	5,604	4,552	20,339	5,097	1,561
Group total		33,012			34,591			26,997	
Third-party water	1	11,654	8,382	405	16,601	6,525	136	23,096	6,109
Group total		20,037			23,531			29,341	
Total water withdrawal	22,887	31,357	304,462	24,840	37,205	308,727	20,475	43,274	86,959
From areas with water stress	100%	100%	100%	100%	100%	100%	100%	100%	100%
Group total		358,706			370,772			150,708	

GRI 303-4: Water discharge

Sources		FY 2023			FY 2022			FY 2021		
	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	
Surface water	0	2,400	6,212	0	5,794	4,711	0	1,850	6,540	
Group total		8,612			10,505			8,390		
Groundwater	0	17,286	291,332	0	17,457	297,650	0	17,598	79,289	
Group total		308,618			315,107			96,887		
Third-party water	17,069	9,786	0	19,931	12,042	0	19,618	18,701	0	
Group total		26,855			31,973			38,319		
Total water withdrawal	17,069	5,242	297,544	19,931	35,293	302,361	19,618	38,149	85,829	
From areas with water stress	100%	18%	100%	100%	100%	100%	100%	100%	100%	
Group total		319,855			357,585			143,596		

GRI 303-5: Water consumption

Sources		FY 2023			FY 2022			FY 2021	
	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
Withdrawal	22,887	31,357	304,462	24,840	37,205	308,727	20,475	43,274	86,959
Discharge	17,069	29,472	297,544	19,931	35,293	302,361	19,618	38,149	85,828.95
Consumption	5,818	1,885	6,918	4,909	1,912	6,366	857	5,125	1,130.05
Group total		14,621			13,187			7,112.05	
From areas with water stress	100%	100%	100%	100%	100%	100%	100%	100%	100%
Total water storage at the end of the year	0	10,000	0	0	10,000	0	0	10,000	0
Total water storage at the start of the year	0	10,000	0	0	10,000	0	0	10,000	0
Change in water storage	0	0	0	0	0	0	0	0	0
Group total		20,000			20,000			20,000	



GRI 305-1: Direct (Scope 1) GHG emissions

GRI 305-2: Energy indirect (Scope 2) GHG emissions

GRI 305-4: GHG emissions intensity⁶

Direct and indirect emissions (tCO ₂ eq)		FY 2023			FY 2022			FY 2021	
	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
Direct Scope 1 emissions	286	887	48	283	313	14	285	385	36
from natural gas	148	86	0	202	14	0	167	15	0
from refrigerants	11	0	0	0	0	0	16	0	0
from LPG for heating	0	480	0	0	42	0	0	25	0
from fuel (petrol + diesel) for company cars	127	321	48	81	257	14	102	346	36
Direct Scope 1 emissions - Group		1.221			610			706	
Indirect Scope 2 emissions (location based)	475	251	251	452	193	175	446	180	132
from electricity consumption	475	251	251	452	193	175	446	180	132
Indirect Scope 2 emissions - Group (location based)		977			820			758	
Indirect Scope 2 emissions (market based)	0	258	550	0	424	384	0	126	264
from electricity consumption	0	258	550	0	424	384	0	126	264
Indirect Scope 2 emissions - Group (market based)		808			808			389	
Total Scope 1 and Scope 2 emissions - Group (location based)		2,198.3			1,429.7			1,463.6	
Intensity of emissions (Scope 1 + Scope 2 - location based) (tCO $_2$ eq/K \in)		0.00002			0.00001				
Total Scope 1 and Scope 2 emissions - Group (market based)	2,029.4 1,418.0 1,095.3				1,095.3				
Intensity of emissions (Scope 1 + Scope 2 - market based) (tCO₂eq/K€)		0.00002			0.00001			0.00001	

 $^{^6}$ Emission intensity is calculated as a ratio of the Group's total CO $_2$ emissions (Scope 1 and Scope 2 location based) in tCO $_2$ eq and the Production Value in the Consolidated Financial Statement for the third-year period.

GRI 306-3; 306-4; 306-5: Waste by type and disposal method⁷

Waste produced by type and disposal method (Kg)			FY 2023				FY 2022			FY 2021	
	Total	% sul totale	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
Treatment and septic tank mud	508,150	56%	314,180	0	193,970	511,680	13,921	379,790	830,000	91,968	317,120
Paper and cardboard	75,873	8%	75,100	713	60	121,360	1,221	340	70,920	1,827	0
Glass	27,700	3%	26,820	0	880	41,900	0	0	30,680	0	0
Plastic	30,978	3%	28,370	2,608	0	35,090	12,600	160	27,610	5,078	0
Wood	5,260	1%	5,260	0	0	17,020	0	1,300	9,848	0	0
Iron and steel	18,232	2%	5,200	13,032	0	18,420	13,680	2,535	19,430	13,050	5,840
Plaster	13,540	2%	7,800	5,740	0	13,280	5,800	780	19,700	970	0
Mixed material packaging	3,675	0%	2,315	0	1,360	6,270	1,297	1,135	430	260	200
Waste produced from washing, cleaning and grinding raw materials	15,710	2%	0	15,710	0	0	15,980	0	0	15,800	0
Other waste (agrochemical waste, paint, resin, electronic materials, etc.)	199,984	22%	14,705	97,244	88,035	21,075	79,603	97,250	18,078	82,575	55,500
Total	899,102	100%	479,750	135,047	284,305	786,095	144,102	483,290	1,026,696	211,528	378,660
of which to be disposed	438,352	49%	141,810	33,032	263,510	106,820	98,226	450,055	32,936	174,176	368,930
Hazardous	17,582	2%	1,110	16,412	60	3,025	30,781	2,650	3,481	6,520	30,320
Non-hazardous	420,770	47%	140,700	16,620	263,450	103,795	67,445	447,405	29,455	167,656	338,610
of which not to be disposed	460,750	51%	337,940	102,015	20,795	679,275	45,876	33,235	993,760	37,352	9,730
Hazardous	6,422	1%	1,555	2,342	2,525	3,380	6,214	1,910	1,592	15,179	3,690
Non-hazardous	454,328	51%	336,385	99,673	18,270	675,895	39,662	31,325	992,168	22,173	6,040

⁷ It is specified that, following a re-examination of the data, benefiting greater precision of the data, the datum for the 2019 fiscal year could not be retraced. Moreover, the data for Poderi Ducali S.r.I refer to the solar and not the fiscal year. For this reason, it is pointed out that, in the last



CONNECTIONS

GRI 2-7 and 2-8 Information on employees and other workers

		FY 2023			FY 2022			FY 2021	
Type of employment contract	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poder Ducal S.r.l
Permanent contract	135	48	10	136	43	10	123	37	į
men	75	34	7	78	30	7	69	25	
women	60	14	3	58	13	3	54	12	
Fixed-term contract	5	40	2	17	81	3	11	47	
men	4	27	1	12	50	2	7	30	
of which temporary	0	0	1	0	50	2	0	29	
women	1	13	1	5	31	1	4	17	
of which temporary	0	13	1	0	30	1	0	17	
Total men	79	61	8	90	80	9	76	55	
Total women	61	27	4	63	44	4	58	29	
Total employees per company	140	88	12	153	124	13	134	84	
Group total men		148			179			138	
of which temporary		1			52				
Group total women		92			111				
of which temporary		14			31			19	
Total Group employees		240			290			229	
of which temporary		15			83			48	
Type of job									
Full time	134	86	11	146	122	12	128	82	1
men	78	60	8	89	79	9	76	54	
of which temporary	0	27	1	0	47	2	0	29	
women	56	26	3	57	43	3	52	28	
of which temporary	0	13	1	0	27	1	0	17	
Part time	6	2	1	7	2	1	6	2	
men	1	1	0	1	1	0	0	1	
of which temporary	0	0	0	0	0	0	0	0	
women	5	1	1	6	1	1	6	1	
of which temporary	0	0	0	0	0	0	0	0	
Total per company	140	88	12	153	124	13	134	84	
Group total		240			290			229	

GRI 2-30: Collective bargaining agreements

Employees covered by collective bargaining agreements, by professional category	FY 2023	FY 2022	FY 2021
Directors and managers			
Number of directors and managers	23	21	19
Directors and managers covered by collective bargaining	23	21	19
agreements	100.0%	100.0%	100.0%
Office workers			
Number of office workers	103	106	90
	103	106	90
Office workers covered by collective bargaining agreements	100.0%	100.0%	100.0%
Laborers			
Number of laborers	114	163	120
	114	163	120
Laborers covered by collective bargaining agreements	100.0%	100.0%	100.0%
Employees			
Number of employees	240	290	229
	240	290	229
Employees covered by collective bargaining agreements	100.0%	100.0%	100.0%

GRI 202-2: Proportion of senior management hired from the local community

Percentage of senior management at significant locations of operation hired from the local community	FY 2023	FY 2022	FY 2021
%	83.0%	81%	78.9%

GRI 401-1: New employee hires and employee turnover

New hires		FY 2023			FY 2022			FY 2021	
New employee hires, by age group and gender	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
<30 years	7	10	1	11	25	0	9	22	3
men	4	10	0	8	18	0	7	14	2
of which temporary	0	10	0	0	18	0	0	14	2
women	3	0	1	3	7	0	2	8	1
of which temporary	0	0	0	0	5	0	0	8	1

New hires	ı	FY 2023			FY 2022		F	Y 2021	
30 ≤ x ≤ 50 years	5	26	1	3	14	1	6	25	4
men	4	15	1	2	8	1	2	17	2
of which temporary	0	13	0	0	8	0	0	17	2
women	1	11	0	1	6	0	4	8	2
of which temporary	0	10	0	0	6	0	0	8	0
>50 years	0	15	1	1	10	0	1	14	1
men	0	7	0	1	6	0	0	5	0
of which temporary	0	7	0	0	6	0	0	5	0
women	0	8	1	0	4	0	1	9	1
of which temporary	0	8	0	0	4	0	0	8	1
Total per company	12	51	3	15	49	1	16	61	8
of which temporary	0	48	0	0	47	0	0	60	6
Group total		66			65			85	
of which temporary		48			47			66	

Terminations		FY 2023			FY 2022			FY 2021	
New employee hires, by age group and gender	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
<30 years	3	22	0	9	18	0	2	25	2
men	3	18	0	7	12	0	1	14	1
of which temporary	0	18	0	0	11	0		14	2
women	0	4	0	2	6	0	1	11	1
of which temporary	0	4	0	0	6	0		11	1
30 ≤ x ≤ 50 years	4	31	1	3	17	1	6	31	2
men	4	17	1	0	12	1	2	17	2
of which temporary	0	16	0	0	12	0		17	2
women	0	14	0	3	5	0	4	14	0
of which temporary	0	13	0	0	5	0		13	0
>50 years	3	22	1	3	19	1	2	18	1
men	2	11	0	3	10	0	1	9	0
of which temporary	0	11	0	0	10	0		8	0
women	1	11	1	0	9	1	1	9	1
of which temporary	0	11	1	0	9	0		9	1
Total per company	10	75	2	15	54	2	10	74	5
of which temporary	0	73	1	0	53	0	0	72	6
Group total		87			71			89	
of which temporary		74			53			78	

GRI 401-2: Benefits provided to full-time employees

Type of benefit		FY 2023			FY 2022			FY 2021	
	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
Directors and managers									
Life insurance (directors only)	×	×	Х	×	×	X	×	×	Х
Health care	×	×	Х	×	×	X	×	×	Х
Disability and invalidity coverage	×	×	Х	×	×	Х	×	×	Х
Parental leave	×	×	Х	×	×	X	×	×	Х
Retirement provision	×	×	Х	×	×	Х	×	×	Х
Stock ownership	×	×	Х	×	×	Х	×	×	Х
Flexible Benefit (directors only)	×	×	Х	×	×	Х	×	×	Х
Wine	×	×	Х	×	×	Х	×	×	Х
Office workers									
Life insurance									
Health care	×			×			×		
Disability and invalidity coverage	×	×	Х	×	×	Х	×	×	Х
Parental leave	×	×	Х	×	×	Х	×	×	Х
Retirement provision	×	×	Х	×	×	Х	×	×	Х
Stock ownership	×		Х	×					
Wine	×			×			×		
Refunding school books	×			×			×		
Paid leave for medical appointments	×			×			×		
Laborers									
Life insurance									
Health care	×								
Disability and invalidity coverage	×	×	Х	×	×	Х	×	×	Х
Parental leave	×	×	Х	×	×	Х	×	×	Х
Retirement provision	×	×	х	Х	×	×	Х	×	X
Stock ownership	×	×	х	Х					
Wine	×			×			Х		
Refunding school books	×			Х			Х		
Paid leave for medical appointments	×			×			×		

GRI 401-3: Parental leave

			FY 2023			FY 2022			FY 2021	
Employee type	Unit of measure- ment	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
Total number	of employees t	hat were entitle	ed to parenta	l leave, by g	ender					
Men	n.	80	65	8	90	80	9	76	55	7
Women	n.	58	33	4	63	44	4	58	29	4
Total number	of employees t	hat took paren	tal leave, by g	ender						
Men	n.	2	0	0	4	0	1	0	0	3
Women	n.	9	2	0	2	0	0	0	0	3
Total number	of employees t	hat returned to	work in the r	eporting pe	riod after par	ental leave en	ded, by gen	der		
Men	n.	2	0	0	4	0	1	0	0	3
Women	n.	2	0	0	2	0	0	0	0	3
Total number by gender	of employees t	hat returned to	work after pa	arental leave	e ended that v	were still emp	loyed 12 mor	nths after thei	r return to wo	rk,
Men	n.	2	0	0	3	0	0	0	0	3
Women	n.	2	0	0	5	0	0	0	0	3
Total number	of employees t	hat should hav	e returned to	work after h	naving taken p	parental leave	by gender			
Men	n.	2	0	0	4	0	1	0	0	3
Women	n.	2	0	0	2	0	0	0	0	3
Return to wo	rk rate of emplo	yees who took	parental leav	e, by gende	r					
Men	n.	100%	0	0	100%	0	100%	0	0	0
Women	n.	22%	0	0	100%	0	0	0	0	0
Retention rat	e of employees	that took pare	ntal leave, by	gender						
Men	n.	3%	0%	0%	4%	0%	11%	0	0	0%
Women	n.	16%	6%	0%	3%	0%	0%	0	0	0%

GRI 403-9: Work-related injuries

		FY 2023			FY 2022			FY 2021	
Work-related injuries and fatalities	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
Employees									
Number of hours worked	227,169	164,186	21,374	232,943	151,924	21,632	209,535	132,582	13,998
Number of recordable work-related injuries (including fatalities)	2	6	1	0	4	0	0	2	0
of which as a result of commuting incidents only where the transport has been organized by the organization	0	0	0	0	0	0	0	0	0
Number of high-consequence work-related injuries (excluding fatalities)	0	0	0	0	0	0	0	0	0
Number of fatalities from work-related injuries	0	0	0	0	0	0	0	0	0
Total number of hours worked		412,729			406,499			356,115	
Total accidents		9 4			2				
Accident rate		21.81			9.84			5.62	



GRI 404-1: Average hours of training per year per employee

Average hours of training by professional category and gender		FY 2023			FY 2022			FY 2021	
	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
Directors and managers									
Men	3.13	55	0	12.67	2	0	5.2	1.3	-
Women	16	184	0	0	8	0	10	4.0	-
Group average		21.13			9.71			5.1	
Office workers									
Men	6.84	52.8	4	6.06	35.8	6	2.7	20.8	13.8
Women	10.77	5.71	2	8.08	21.14	12	4.0	27.2	8.5
Group average		10.51			9.58			6.4	
Laborers									
Men	4.5625	2.19231	4	11.35	17.75	12.4	6	7.9	9.0
Women	3.14286	4.95	2	12.5	3.81	0	2.5	3.7	7.0
Group average		16.72			19.97			6.2	
Group total		8.1			11.2			6.1	

GRI 404-3: Percentage of employees receiving regular performance and career development reviews

Employee category	FY 2023				FY 2022			FY 2021	
	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
Directors and managers									
Men	100%	100%	-	100%	100%	-	100%	100%	-
Women	100%	100%	-	100%	100%	-	100%	100%	-
Office workers									
Men	35%	20%	50%	29%	20%	50%	31%	20%	50%
Women	29%	14%	0%	13%	14%	0%	17%	20%	0%
Laborers									
Men	0%	0%	0%	5.0%	0%	0%	3%	0%	0%
Women	0%	0%	0%	0%	0%	0%	0%	0%	0%

GRI 405-1: Employee diversity

Employee category, by age group and gender		FY 2023			FY 2022			FY 2021	
	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
Directors and managers	18	5	0	17	4	0	15	4	0
<30 years	0	0	0	0	0	0	0	0	0
Men	0	0	0	0	0	0	0	0	0
Women	0	0	0	0	0	0	0	0	0
30 ≤ x ≤ 50	10	2	0	9	2	0	7	2	0
Men	8	1	0	7	1	0	5	1	0
Women	2	1	0	2	1	0	2	1	0
>50 years	8	3	0	8	2	0	8	2	0
Men	8	3	0	8	2	0	8	2	0
Women	0	0	0	0	0	0	0	0	0
Office workers	83	12	6	88	12	6	74	10	6
<30 years	16	3	0	23	3	1	18	2	1
Men	8	1	0	16	1	1	9	1	1
Women	8	2	0	7	2	0	9	1	0
30 ≤ x ≤ 50	51	8	5	55	8	4	48	8	4
Men	14	4	3	14	4	2	13	4	2
Women	37	4	2	41	4	2	35	4	2
>50 years	16	1	1	10	1	1	8	0	1
Men	9	0	1	5	0	1	4	0	1
Women	7	1	0	5	1	0	4	0	0
Laborers	39	71	6	48	108	7	45	70	5
<30 years	2	12	2	2	31	2	1	12	2
Men	2	12	1	2	24	1	1	9	1
Women	0	0	1	0	7	1	0	3	1
30 ≤ x ≤ 50	11	37	2	22	46	2	23	33	2
Men	9	27	2	19	31	2	19	24	2
Women	2	10	0	3	15	0	4	9	0
>50 years	26	22	2	24	31	3	21	25	1
Men	21	13	1	19	17	2	17	14	0
Women	5	9	1	5	14	1	4	11	1
Total	140	88	12	153	124	13	134	84	11
<30 years	18	15	2	25	34	3	19	14	3
30 ≤ x ≤ 50	72	47	7	86	56	6	78	43	6
>50 years	50	26	3	42	34	4	37	27	2

GRI 405-2: Ratio of basic salary and remuneration of women to men

Employee category, by gender	FY 2023		FY 2022			FY 2021			
	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
Directors and managers									
Ratio of basic salary	91,8%	43,9%	0,0%	86,0%	36,5%	0,0%	81,2%	38,0%	0,0%
Ratio of remuneration	90,3%	41,8%	0,0%	83,4%	33,3%	0,0%	80,3%	35,3%	0,0%
Office workers									
Ratio of basic salary	91,4%	78,1%	0,0%	110,7%	96,4%	77,8%	93,8%	70,4%	0,0%
Ratio of remuneration	86,4%	75,7%	33,9%	109,7%	93,8%	71,4%	84,2%	72,4%	0,0%
Laborers									
Ratio of basic salary	93,1%	107,4%	0,0%	96,6%	103,7%	75,0%	83,3%	92,3%	53,6%
Ratio of remuneration	90,9%	117,2%	0,0%	96,9%	110,3%	75,0%	78,8%	103,8%	51,7%





Independent Assurance Statement

Ruffino S.r.I. ("Ruffino") commissioned DNV Business Assurance Italy S.r.I. ("DNV", "we", or "us") to undertake independent assurance of a sub-set of the information disclosed in the company's Sustainability Report (the "Report") for the FY 2023 (1st March 2022 – 28th February 2023).

Scope and approach

We performed our work using DNV's assurance methodology VeriSustainTM, which is based on our professional experience, which is based on our professional experience and on criteria found in sustainability reporting assurance standards, including the International Standard on Assurance Engagements 3000 - Revised ("ISAE 3000"), issued by the International Auditing and Assurance Standards Board.

We evaluated the Report for adherence to the reporting standards used by Ruffino, i.e. Global Reporting Initiative ("GRI") Sustainability Reporting Standards. We evaluated the Report for adherence to the GRI 1 Principles for defining report content of stakeholder inclusiveness, materiality, sustainability context and completeness, and we evaluated the Performance data and information using the GRI 1 Reporting Principles for defining report quality (accuracy, balance, clarity, comparability, reliability and timeliness) together with Ruffino's data protocols for how the data are measured, recorded and reported.

The review of any data from prior years is not within the scope of our work (this includes any data in scope in previous years that has been re-stated).

Performance data and information

The scope and boundary of our work covers the following areas in accordance with the Reporting Criteria:

- Organization's profile and Market presence
- Stakeholders e materiality analysis
- Governance and Strategy
- Etichs and integrity
- Management approach
- Economic performance
- Impacts on the territory and local communities
- Supply chain and Materials
- Anti-corruption, anti-competitive behaviour and Compliance
- Tax

- Energy and ed emissions
- Water and Effluents
- Biodiversity
- Waste
- Employment and Labor Relations
- management
- Health and Security
- Training and Education
- Diversity and InclusionRespect of human rights
- Public policy
- Marketing and Labeling

Responsibilities of Ruffino and of the assurance provider

The Management of Ruffino has sole responsibility for:

- Preparing and presenting the information included in the Report;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Report that is free from material misstatements.

DNV's responsibility is to plan and perform the work to obtain assurance about whether the Report has been prepared in accordance with the criteria and to report to Ruffino in the form of an independent limited assurance conclusion, based on the work performed and the evidence obtained.

Our statement represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

Level of assurance

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our Assurance Opinion. We are providing a 'limited level' of assurance. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a 'reasonable' assurance engagement.

Basis of our opinion

We are required to plan and perform our work in order to consider the risk of material misstatements in the Report; our work included:

 Conducting interviews with Ruffino's management to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the data included in the Report;

WHEN TRUST MATTERS



- Review of the process that led to identification of the current sustainability issues that could affect Ruffino and are of interest to stakeholders, as well as of Ruffino's approach to stakeholder engagement and recent outputs;
- Review of tools that are used for collecting, processing, consolidating, and reporting the relevant data and information, supported by the collection of sample evidence to perform verification on processes for quantitative data;
- Reading and analyzing the Report, to verify the consistency among the statements and claims within it and the management approach to material topics discussed during the interviews;
- Performing sample testing on a selective basis of the data in the Report to check that it had been appropriately measured, recorded, collated and reported. Our checking processes were prioritised according to materiality and, in particular, the following methods are some of those applied during the verification of Ruffino's data:
 - Check of Board members, in terms of gender composition, for the legal entities covered by the Report;
 - Review of documentation, records and sources on water use, natural gas purchase and waste production to verify the accuracy of the data included in data collection tools;
 - Examination of the extraction from the IT system used for human resources to verify consistency with the figures included in data collection tools;
 - Check on financial information included in data collection tools to verify consistency with Statutory financial statements.

Our Opinion

- Based on the work undertaken, nothing came to our attention to suggest that the Report for the FY 2023 does not properly describe Ruffino adherence to the Principles of stakeholder inclusiveness, materiality, sustainability context and completeness.
- In terms of quality of the Performance data and information, nothing came to our attention to suggest that these data have not been properly collated from information reported at operational level, nor that the assumptions used were inappropriate.

For and on behalf of DNV Business Assurance Italy S.r.l. Vimercate (MB), Italy 22nd September 2022

Laura lerardi

Alessia Segalini

Independence

DNV's established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals.

Inherent limitations

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities Non-financial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and determining such data. Our assurance relies on the premise that the data and information provided to us by Ruffino have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Limited Assurance Statement.

DNV Business Assurance

DNV Business Assurance Italy S.r.l. is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.com





RUFFINO S.R.L.

Piazzale I.L. Ruffino, 1 50065 Pontassieve (FI) - Italia www.ruffino.it