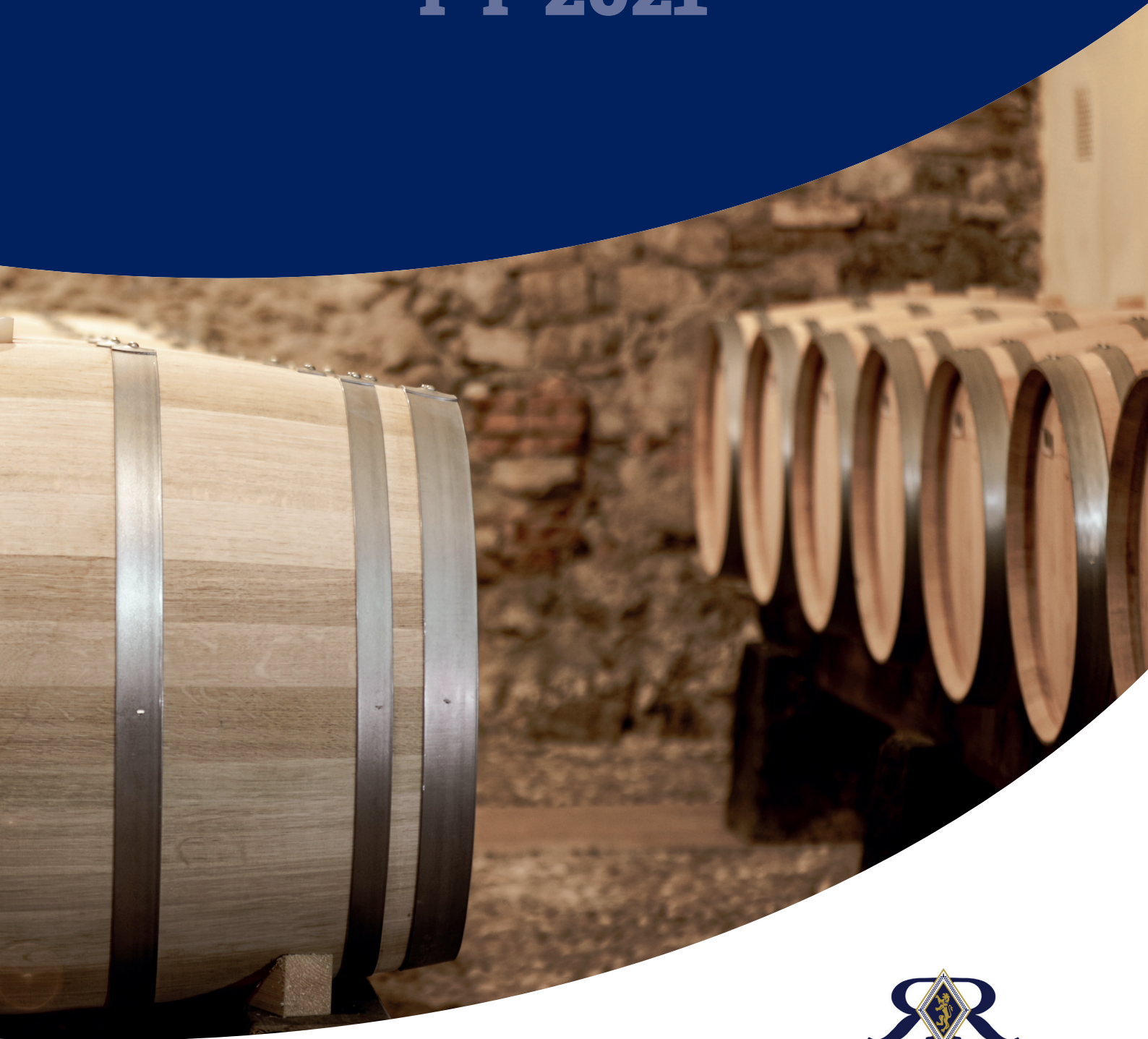


Sustainability Report

FY 2021



RUFFINO

A CONSTELLATION BRANDS COMPANY



ROMITORIO
DI SANTEDAME
2015



CHIANTI CLASSICO
D.O.C.G.
GRAN SELEZIONE

BOTTIGLIAM
0001

RUFFINO

ROMITORIO
DI SANTEDAME
CHIANTI CLASSICO
GRAN SELEZIONE
2015



RUFFINO

ROMITORIO
DI SANTEDAME
RUFFINO

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Letter to Stakeholder

Dear Readers,

Welcome to the third edition of our Sustainability Report. We're proud to share the important progress we've made and the challenging goals that the Group has set for itself in the years to come.

In recent months, we have experienced an unparalleled health crisis, a fragile and complex time that is generating and will continue to generate a social and economic impact that still remain difficult to estimate. Despite the difficulties, the Ruffino Group has faced this time with a drive to give its best and do better, keeping the rudder firmly heading in the direction that we had previously set for ourselves.

4
First and foremost, we have protected the health of our colleagues by always working in absolute safety and by continuing to work in this way we have managed to safeguard their jobs. We have supported our local communities and the healthcare system, which has been put to the test by the crisis.

In this difficult year, we have also suffered damage as a result of climate change. The 2020 harvest was penalized greatly by hail in the spring and we were unable to do anything to save the harvest in some of the areas where we operate, also because of our decision to omit certain plant health products for the purposes of organic and integrated agriculture. Moreover, reduced wine consumption in Hotellerie, Restaurant and Catering (Ho.Re.Ca.) sector had a deep impact on our turnover, which is down by approximately 20%.

In this time of variability and ambiguity, one certainty remains: *we are determined to pursue a strategy based on the responsible development of our business.*

One of our priorities is *protecting the environment*, which is an essential resource for the survival and continuity of our business. By 2025, we are committed to converting our production to 100% organic. It's an ambitious challenge, but one that we firmly believe in and which will enable us to reduce our environmental impact and meet the needs of consumers who are increasingly focused on choosing sustainable products. Our suppliers will be key partners on this virtuous path.

We will continue to educate our consumers about the importance of *moderate and responsible wine drinking* as well as encouraging a positive relationship between consumption and health aimed at developing a healthy culture of *Vivere di Gusto* (a life of taste).

We will work on numerous projects to *boost* the principles of *Diversity & Inclusion* to help create a fairer and more integral society, promoting initiatives for our employees and communities that are close to us that do essential work to help people in need.

We will continue to work as we always have done, but with an awareness that important challenges lie ahead, for which we now feel more ready and more motivated.

We see the future as an immense opportunity worth reaching for.

Enjoy the read,

A handwritten signature in black ink, appearing to read 'Ludovico', written over a horizontal line.

How to read this report

This Sustainability Report sets out the information about environmental, social and governance issues for the Ruffino Group (hereinafter also "Group" or "Ruffino") with reference to the companies Ruffino S.r.l., Tenute Ruffino S.r.l. Società Agricola (hereinafter also "Tenute Ruffino") and Poderi Ducali Ruffino S.r.l. Società Agricola (hereinafter also "Poderi Ducali"), in order to ensure understanding of our business activities and the impact produced by them through the representation, for every material theme identified, of the strategic guidelines, managerial methodology, organizational structures, policies adopted, and the risks and opportunities connected with them.

We have continued our commitment to enrich sustainability reporting, hence seizing the opportunity to share the progress made and results achieved with all stakeholders. To this end, the document was compiled with the addition of further GRI Standards compared to the previous version, which was published in 2019, and additional qualitative and quantitative specifications.

The Report is structured as four macro-chapters, whose cover presents the reference to the GRI Standards and the connection with the Sustainable Development Goals (SDGs).

The document begins with the chapter "**We respect our history through sustainable innovation**", which describes our deep embedment in history and tradition, while at the same time being committed to the future through our vision and mission, sustainability strategy and the goals that the Group strives to achieve in the short and medium term. The materiality matrix and stakeholder map are also presented in this chapter.

In the second chapter, "**We manage as if we were guardians**", the focus is on the importance of sustainable management that covers the governance system, prudent and preventive risk management, and consolidating our values, ethical principles and combatting corruption. The creation and distribution of economic value for stakeholder categories are also shown in this chapter.

The third chapter, "**We preserve value through regeneration**", describes our commitment to the environment and local area with a focus on the production methods and resources used.

The final chapter, "**We grow by sharing**", is dedicated to our fundamental resources, our employees, as well as the ongoing interaction that we have established with external entities, suppliers, consumers and local communities through our activities.

The accounting 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 2019 (2018), FY 2020 (2019) FY 2021 (2020).

Technical details about the reporting are covered in the Methodological Note that concludes the Report and the tables containing the quantitative data in the Document are stated in the Annex.

This Report is a result of the work of and collaboration between all company departments. The compilation was coordinated by the Sustainability & Environment Team, which led all the stages of its creation, from the materiality assessment to identifying KPIs as well as processing the information and data received to compile the contents.



We respect our history through sustainable innovation

8

GRI 102-1 | 102-2 | 102-3 | 102-4 | 102-6 |
102-7 | 102-40 | 102-42 | 102-43 | 102-44 |
102-46 | 102-47



4
Companies

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

229
People

+ 1,200
Hectares of land
500 under vine

2,495
Tons
of grapes
grown

Harvest

8
Estates
6 in Tuscany,
2 in Veneto

30 million
Bottles of wine

Production

40
Labels

1,000
Bottles of grappa

Bottling

2,000
Bottles of vermouth

2,500
Bottles of amaro

Distribution

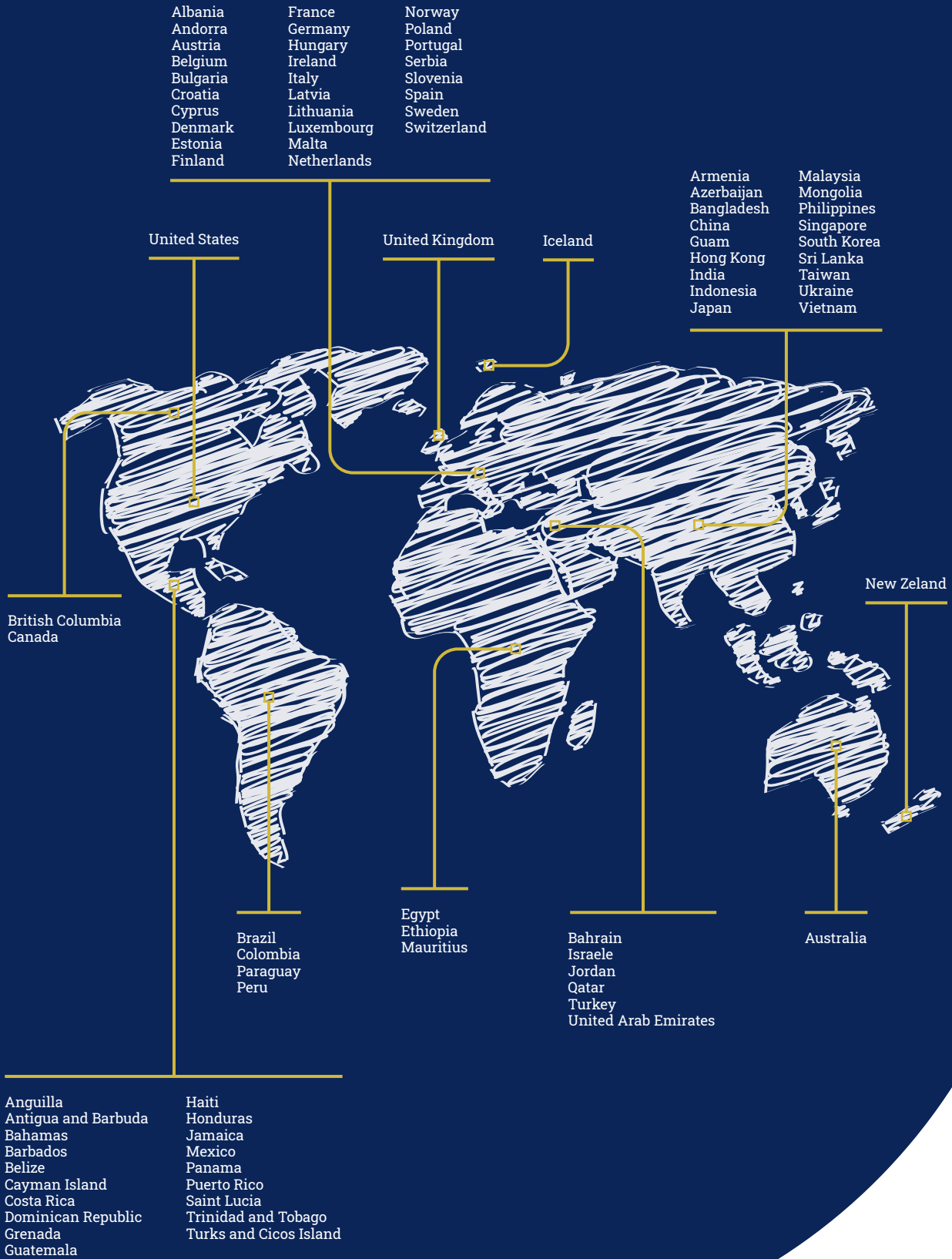
85
Countries
supplied¹

104,59 million euro
Value produced
by the Group in FY 2021

Sales

* 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 Note.

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



Group identity: from culture to tradition

Ruffino is a composite business based on the production of quality Italian wines, whose mission incorporates the key pillars of today's food and farming culture. Vaunting more than a century of history with a proud Tuscan and Italian heritage, Ruffino now boasts unparalleled business expertise, varied agricultural and production knowledge, and a modern, stratified organization with roles that prove indispensable in a highly competitive sector linked to the land.

Ruffino was founded in Pontassieve, near Florence, in 1877. The main headquarters are still located on the same site as the historic premises, which have been extended, renovated and equipped with up-to-the-minute technology over the years, without ever losing sight of our tradition and links to the land.

As an established producer of top Tuscan wines, the region where Ruffino continues to base its identity today, more recently the company has broadened its vision to the Veneto, the home of fine white wines and quality Prosecco. The utmost regard for the precious resources with which the Group works every day has ensured that our production also includes a selection of grape-based spirits: vermouth, grappa and amaro.

For the full experience and with the maximum attention placed on customer service and care, Ruffino welcomes guests to the brand's very own **hospitality center**, providing accommodation, tastings and meals at the Group's Renaissance villa of Poggio Casciano, a short distance from Florence.

Since 2011, the company became part of Constellation Brands (hereafter "CBI" or "CBI Group"), an American market leader in the beer, wine & spirits sector, thereby reinforcing its international vocation, but without losing its characteristic Italian essence. For more information, see the chapter "We manage as if we were guardians".





Mission

To craft new experiences that unite people and improve lives

Vision

We are committed to overcome challenges day by day and to extend our borders in order to always guarantee the best for our consumers, shareholders, employees and the community where we live and work



Ruffino: writing wine history

The year in which Ruffino was established. Cousins Ilario and Leopoldo Ruffino dream of bringing the “ideal wine” to tables worldwide

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



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 honour still features on bottles of Riserva Ducale today.



16

□ **1877**
Foundation

□ **1890**
Duke of Aosta

□ **1927**
Stravecchio

□ **1947**
Riserva Ducale Oro



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.



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.

Rosatello is born, the first Italian rosé wine.

Rosatello, Italy's most famous rosé, marks the start of a trend associated with the Italian lifestyle and proves a runaway success with its drop-shaped bottles.



1950s
Rosatello

1974
Florentine bottle



Ruffino wine stops being sold in the traditional flask and switches to a Florentine bottle, inspired by the flask but with a modern design in line with market demands.

Modus 2007, 10 years after its first vintage, 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.



2010
Modus 2007

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.



2020
Aqua di Venus

2018
Poderi Ducali



PODERI DUCALI
RUFFINO
A CONSTELLATION BRANDS COMPANY

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 Tuscany and is a mark of Ruffino's success in Italy and around the world.

The Estates

Tuscany

Our **estates in Tuscany** are located in unique settings of scenic beauty and cultural interest. Imbued with history and tradition, elegance and charm, nature and knowledge of wine, every estate represents a perfect exchange between humans and wine. 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.

381
Hectares
La Solatia
Greppone Mazzi
Gretole
Montemasso
Poggio Casciano
Santedame

218
Employees
134 in Ruffino S.r.l.
84 in Tenute Rufino S.r.l.

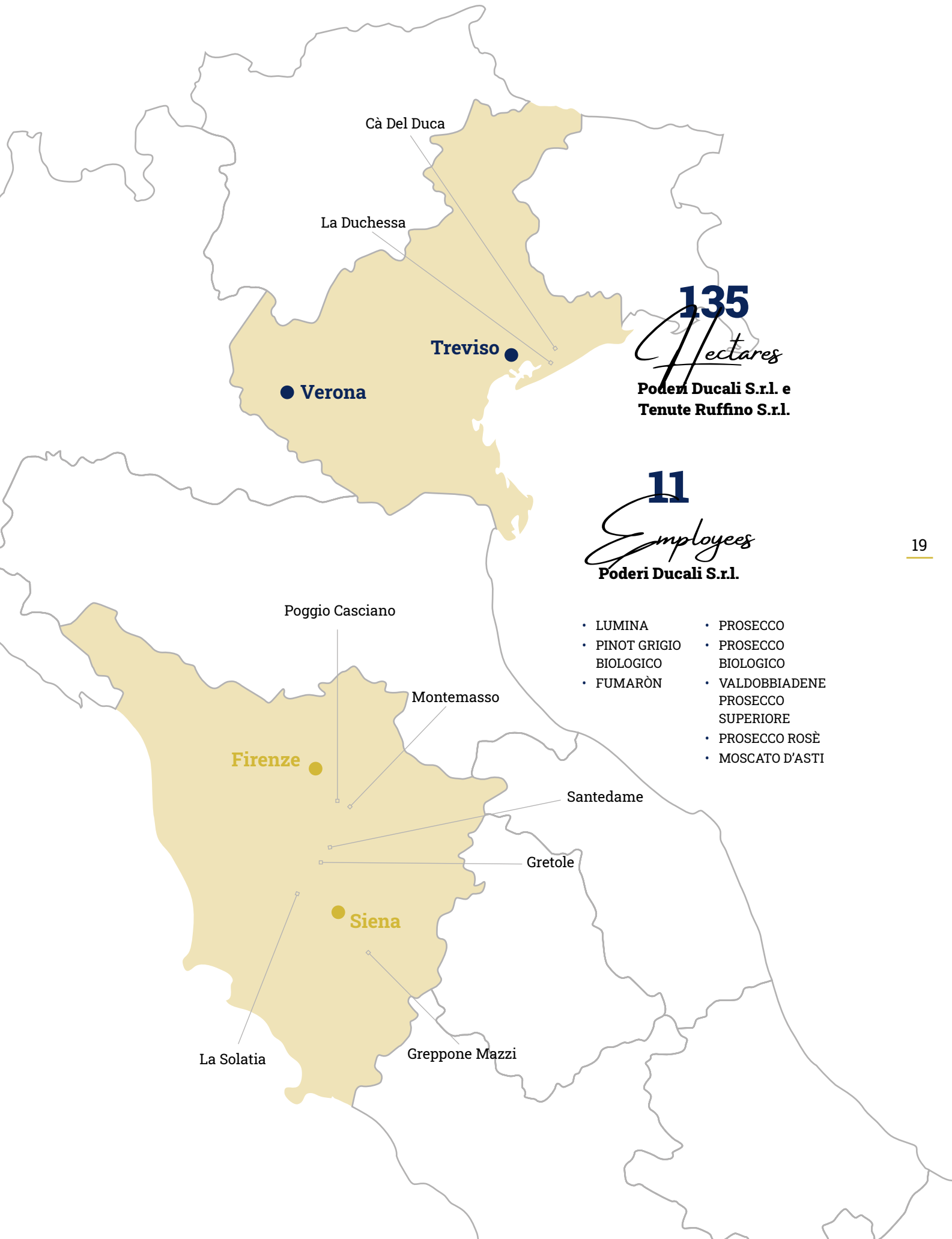
- RISERVA DUCALE
- RISERVA DUCALE ORO
- ROMITORIO DI SANTEDAME
- MODUS
- ALAUDA
- GREPPONE MAZZI
- CHIANTI
- CHIANTI BIOLOGICO

- GALESTRO
- ORVIETO CLASSICO
- ROSATELLO
- LIBAIO
- TORGAIO
- IL DUCALE
- IL LEO
- AZIANO
- SERELLE

- FIASCO CHIANTI SUPERIORE
- FIASCO CHIANTI RUFINA
- CHIANTI RISERVA
- LA SOLATIA
- SANTEDAME
- LODOLA NUOVA

- AQUA DI VENUS BIANCO
- AQUA DI VENUS ROSATO
- VERMOUTH
- AMARO
- GRAPPA RISERVA DUCALE ORO

- GRAPPA RISERVA GREPPONE MAZZI
- GRAPPA BOLGHERI
- OLIO EXTRAVERGINE DI OLIVA
- OLIO EXTRAVERGINE DI OLIVA



135

Hectares

**Poderi Ducali S.r.l. e
Tenute Ruffino S.r.l.**

11

Employees

Poderi Ducali S.r.l.

- LUMINA
- PINOT GRIGIO BIOLOGICO
- FUMARÒN
- PROSECCO BIOLOGICO
- VALDOBBIADENE PROSECCO SUPERIORE
- PROSECCO ROSÈ
- MOSCATO D'ASTI

Poggio Casciano is situated in the Tuscan hills a few miles from Florence. The heart of the estate is the fourteenth-century Renaissance villa, which is connected to more modern buildings by an underground tunnel, where the barriques rest. **In-depth research into soil and climate is conducted on the estate, which has resulted in experimental plantings and new grape varieties aimed at achieving greater resilience and even higher quality.**

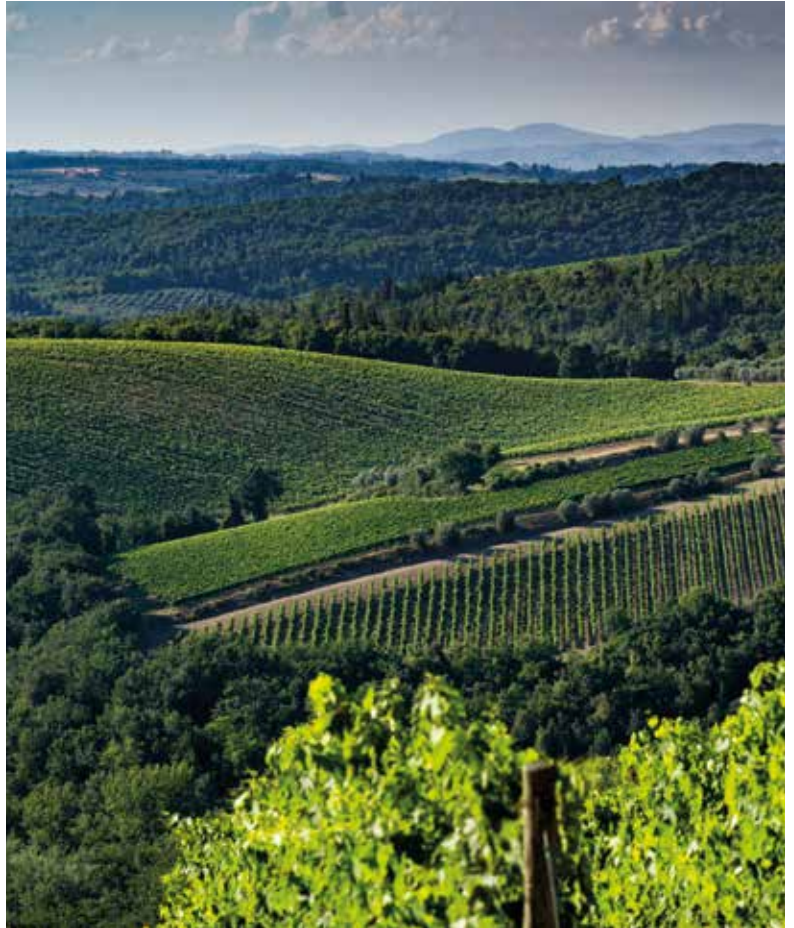
Poggio Casciano is also home to all the hospitality options from Tenute Ruffino Società Agricola. It is the location of the “Locanda Le Tre Rane” Restaurant, Bottega del Vino and Agriresort. Tours & Tastings are available at Poggio Casciano with guided tours around the cellars that culminate in tasting wines produced on the estate.

Castello di Montemasso, the first estate in Tuscany for Tenute Ruffino S.r.l., with a centuries-long history, is located in the Chianti Classico wine region in the municipality of Greve. **Sangiovese** has always been grown on the estate, although agronomic research conducted in recent years has revealed that **Cabernet Sauvignon** and **Merlot** also benefit from the perfect conditions here. The estate features a pre-existent stone cell where old vintages of the best Ruffino wines are aged.

Santedame is located in the municipality of Castellina in Chianti, in the area known as the **Chianti Classico “golden basin”** (Conca d’Oro), a unique situation where grapes are grown in the smallest bunches of exceptional quality due to the climatic conditions and soil composition. The presence of outstanding olive trees offered the opportunity to produce Chianti Classico DOP² extra-virgin olive oil, in accordance with strict regulations.



The estate also vaunts several rows of Colorino, an old native grape variety that had been on the brink of extinction and was brought back to life with an interesting retrieval operation. In the late Nineties, a campaign got underway to salvage and promote Tuscany's old indigenous grapes across all of the Ruffino estates. In particular, at Santedame, Colorino biotypes were chosen by massal selection, which sees the reproduction of an entire vineyard aimed at maintaining the maximum genetic variability within the same variety of vines. This technique continues to be used in approximately nine hectares in the Colorino vineyards on the estate.



21



Santedame Organic, launching organic Chianti Classico in Sweden

Swedish consumers have always been and continue to be pioneers of responsible consumption, which is why the Swedish market is a natural place in which to share our Ruffino Cares project with the launch of an organic Chianti Classico that fulfills the needs of our clients, who are mindful of products that respect the environment.

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 the Sustainability Report FY 2021 of the Ruffino Group.

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

Greppone Mazzi consists in an eighteenth-century villa, whose vines grow in arid, almost drought-like soil that drains well. This habitat is natural for a particular type of **Sangiovese**, known as Sangiovese Grosso, which is referred to locally as **Brunello di Montalcino**.

Solatia, in Monteriggioni, has all the qualities needed to produce a **Tuscan Chardonnay** with a unique expression due to the distinctive terroir. We were one of the first producers to believe that it was possible to make a top Chardonnay in Tuscany. Certain vineyards are planted with **Pinot Grigio**, which enjoys optimal soil and microclimate conditions here. The cellar is equipped with technology aimed at the specific requirements of white winemaking.





Veneto

The **Poderi Ducali Ruffino estates in the Veneto** extend across approximately **135 hectares, are fully organic** and now vaunt a total production capacity of about **35,000 hectoliters**, which is under continuous expansion.

La Duchessa is the core winery of Poderi Ducali Ruffino and is located in San Donà di Piave, in the Venice province. The estate stands out for the large, modern production cellar. It has a storage capacity of approximately 35,000 hectoliters, which will be expanded by a further 80,000 hectoliters in the near future. The estate has two prevalently clay vineyards: **Rialto** (81 hectares), in the San Donà di Piave municipality, and **Arsenale** (19 hectares), in the Cessalto municipality (Treviso). Glera is the main grape variety grown here due to its importance in the production of **Prosecco**, as well as **Pinot Grigio**.

Ca' del Duca is located in the Motta di Livenza municipality, in the Treviso province. The estate is home to the hospitality center for Poderi Ducali Ruffino, which consists in a farmhouse in rural Venetian style and the 35-hectare Trecento vineyard, named for the elders who ruled medieval Treviso. 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**.



Focusing on the present and looking to the future for responsible production

Our job, namely working the land and obtaining from it the fruit on which all our work and the success of our business depends, makes us naturally understand the profound importance of acting sustainably and heeding environmental and social best practices, in addition to innovation in terms of production methods and research into advanced managerial solutions. These are the key ingredients of our responsible and mindful development, which enables us to work in the best possible way today to ensure continuity and progress for tomorrow.

The notion of sustainable grape growing and winemaking is conveyed well by the International Organisation of Vine and Wine as *"A global approach related to grape production and processing systems, at the same time associating the financial longevity of the wineries and territories, obtaining quality products, considering the needs of precision viticulture, environmental risks, the health and safety of*

products and consumers, and safeguarding historical, cultural, ecological and aesthetic aspects."

On this premise and based on its experiences to date, Ruffino has outlined plans to achieve increasingly ambitious goals to accomplish the next step toward responsible business management.





Ruffino Cares - A heart as strategy

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

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





Environmental sustainability, which is implemented in the correct protection of the environment and its biodiversity through the use of sustainable vineyard practices, organic conversion, precision viticulture and the use of the Agricultural Best Practices Handbook. No less important is the focus on the responsible use of resources like water and energy through the careful monitoring of usage and specific projects such as improving wastewater treatment. Lastly, correct waste management through reductions, selection and, where possible, a preference for reuse.



Education about responsible wine drinking, made possible due to our active participation in the European "Wine in Moderation" programme, implemented in 2008 to promote responsibility and moderation when drinking wine, and to promote recreational and educational moments aimed at providing information about the direct and indirect harm caused by alcohol abuse and the socio-cultural value of responsible drinking.



 **Giving Back**, which is a key topic for Ruffino. The company is actively involved in many initiatives to support local excellence and associations as well as helping weaker members of society and those in difficulty based on an inclusive, open and people-first vision.

 **Diversity and Inclusion**, to promote a culture of inclusivity characterized by a diversity of backgrounds and mindsets, which reflects our consumers and the communities in which we live and work and to which everyone feels like they belong. Starting with women empowerment projects, Ruffino is working to ensure the full and effective participation of women and equal leadership opportunities across all levels of the decision-making process in the company. The aim is to double the number of women in managerial positions between 2018 and 2022.

This core vision of sustainability permeates the company business model and continues to fuel our desire to stand out and innovate the production methods, hence our products. The drive to continue producing wines that are good, sustainable and enjoyable, which allow consumers to “*vivere di gusto*” (live a life of taste), enable the joy of being together, putting people first and respecting the planet, means that we are working hard to become a “*Brand of Purpose*” by 2025. This ambitious objective is an answer to consumers who are increasingly in search of sustainable products that come from a chain with responsible value.

Visibility has been given in the document to the action areas, stating the reference to the logo and the four pillars at the start of the chapter or paragraph, depending on the subject.



A strategy that listens to the context

Our sustainability goals are part of a regulatory scenario that has recently confirmed the need to set out a single, official, national standard to measure sustainability in the wine sector. A law is currently being defined by the Italian Ministry of Agricultural Policies aimed at implementing a set of rules for the **“sustainability certification system for the wine sector”**. The latter will be

based on technical standards and requirements defined by a specific production guideline and a precise monitoring system, which will be functional for the definition and updating of the guidelines.

While we wait to fulfill this single sustainability certification system specifically for the wine sector, we have incorporated two core elements in our strategy, which characterize the context in which we work: setting Sustainable Development Goals and a Farm to Fork Strategy.



Our contribution to achieving 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 Sustainable Development Goals (SDGs). The goals, which are universal in nature, define the need for a shared direction to be able to achieve sustainable development by 2030, focusing on 5 key areas in particular: people, planet, prosperity, peace and partnership.

We have set out a substantial commitment to implementing the 2030 Agenda and the Sustainable Development Goals, recognizing the importance of a responsible development plan guided by common and concrete priority.

In line with our strategy, the activities, plans and initiatives implemented and after consulting the publications produced by the main international organizations involved³, we have identified 9 goals where we can intervene directly. For more information, see Table 3 in the “Annex” section.

³ Linking the SDGs and the GRI Standards e SDG Compass.



In line with the Sustainable Development Goals, Ruffino, with its parent company CBI, is developing a **Strategic Plan** to set the targets to be reached **in the next few years for all the companies** comprising the Group. Setting official goals and defining a road map to achieve them are expected during FY 2022.

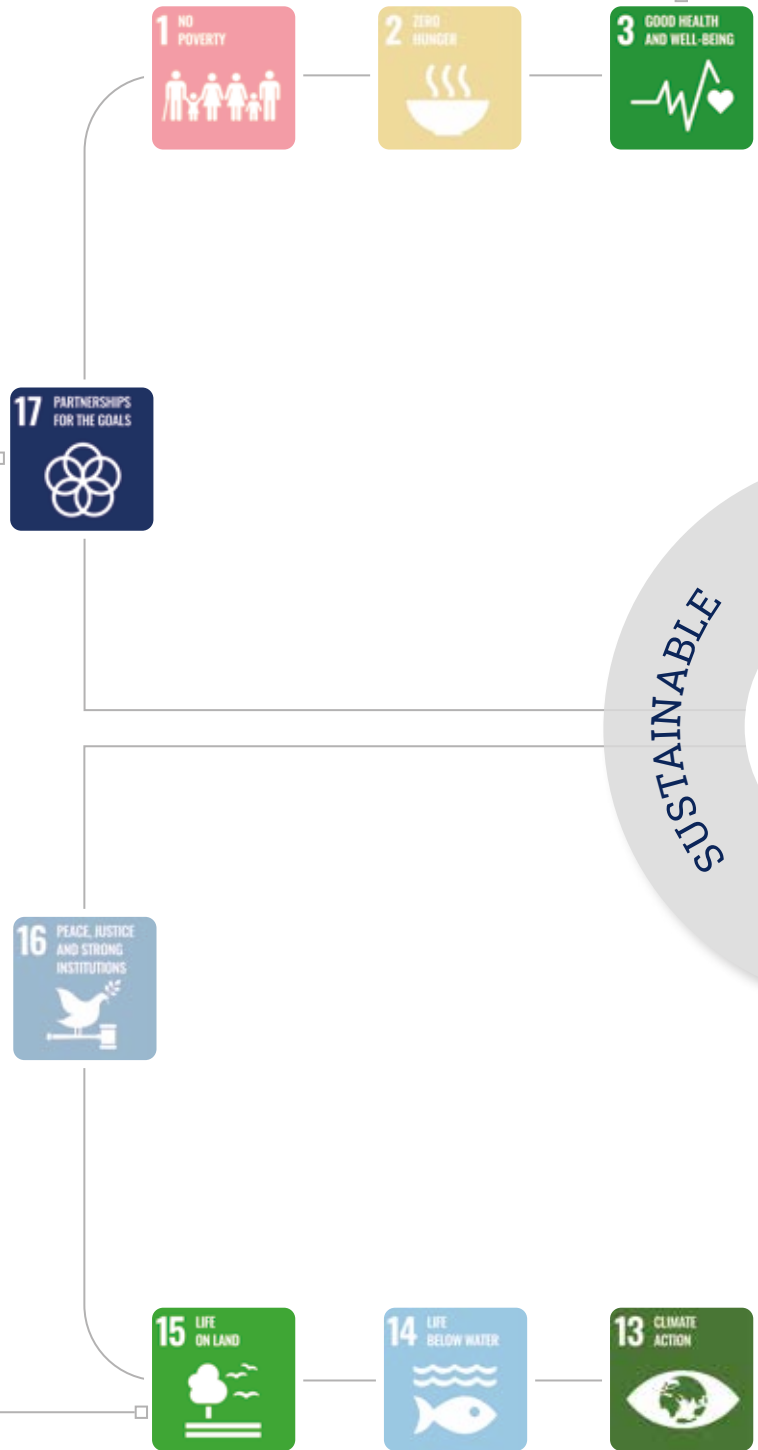
3.5: Strengthen the prevention of the harmful use of alcohol

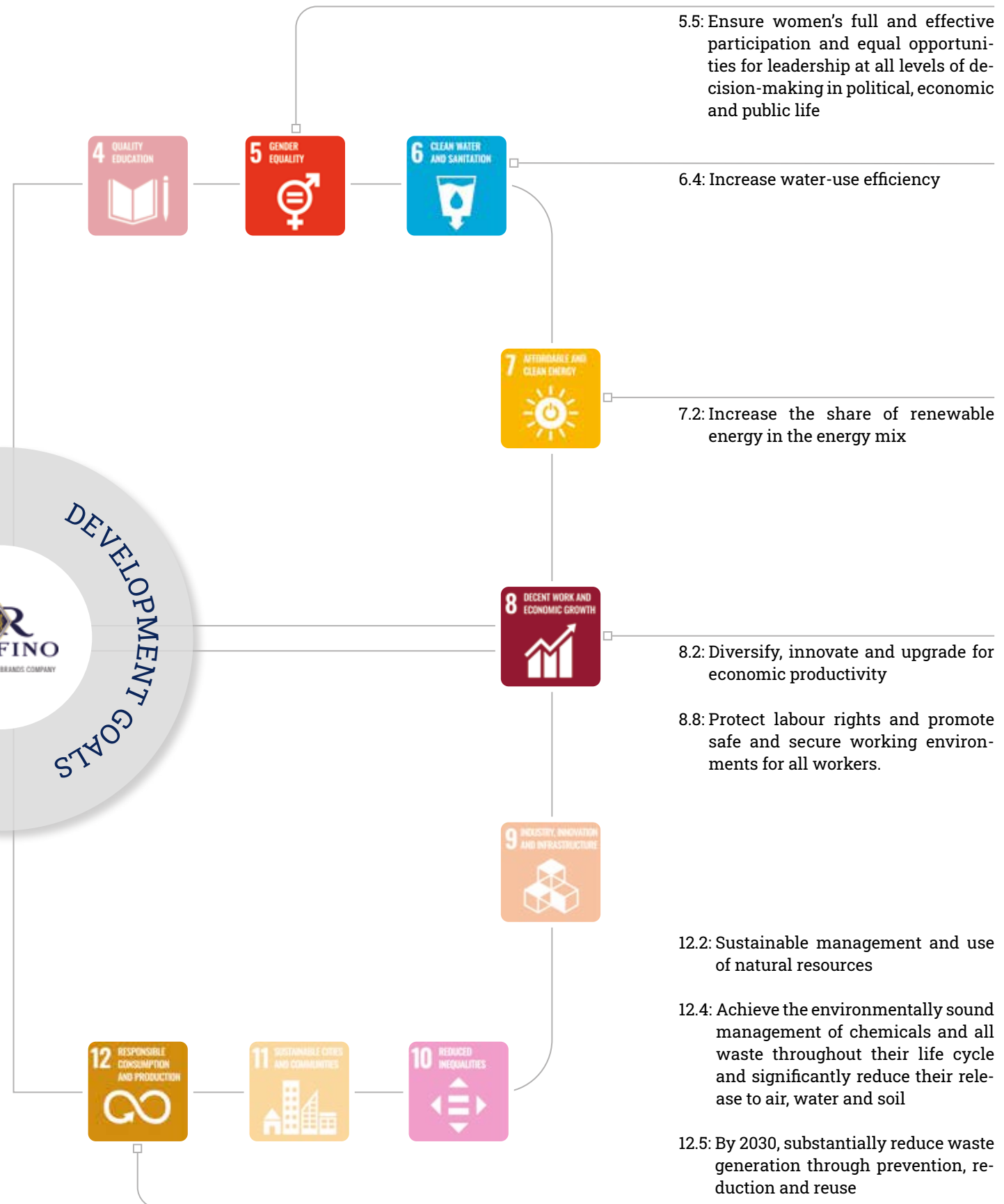
17.6: Intensify the global partnership for Sustainable Development, assisted by multilateral collaborations that develop and share knowledge, skills, and technological and financial resources to achieve the Sustainable Development Goals in all countries

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

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

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







Implementing the principles of the European Commission's Farm to Fork Strategy

The Farm to Fork Strategy is at the center of the wider European Green Deal, which was presented by the European Commission in December 2019. It aims to make Europe the first continent to become climate-neutral by 2050, promoting a strategy of sustainable and inclusive growth to re-launch the economy, improve the health and quality of life for people, and strengthen the care for nature.

The strategy tackles the challenges faced by **achieving sustainable food systems** in a global way with a ten-year plan, recognizing the inseparable ties between healthy people, a healthy society and a healthy planet. The initiatives of the strategy are a central element of the Commission's Agenda to achieve the UN's Sustainable Development Goals⁴.

Globally, it is estimated that food and farming systems in line with the SDGs would guarantee healthy food at accessible prices for the growing world population, help to restore vital ecosystems and could even create new economic value exceeding 1,800 billion Euro by 2030⁵.

The European Union has set out some principal goals to implement the Farm to Fork strategy, hence reducing the environmental and climatic impact of the food system, ensuring food security in relation to climate change and the loss of biodiversity, with the ultimate goal of starting a global transition toward competitive sustainability from the producer to the consumer.

The goals of the strategy:

- To guarantee sustainable food production;
- To guarantee food security;
- To encourage sustainable practices in the food processing sectors, from wholesale to retail, hotels and catering services;
- To promote sustainable food consumption and facilitate the shift toward healthy and sustainable diets;
- To reduce food waste and loss;
- To combat food fraud in the supply chain.

Among the **key goals** by 2030, several are also **associated with the Biodiversity Strategy** promoted by the European Commission in May 2021, including:

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

We have incorporated the Farm to Form guidelines in our strategy also in relation to the Sustainable Development Goals identified as being priorities. **In FY 2021, the main aspects on which we worked were biodiversity, organic conversion and corporate governance.** For more information, see the Chapters "We preserve value through regeneration" and "We manage as if we were guardians".

⁴ Commission communication to the European Parliament, Council, Economic and Social Committee, and the Committee of the Regions.

⁵ Business & Sustainable Development Commission (2017), Better business, better world.













Materiality Assessment and Stakeholder Inclusivity

In line with the previous paragraphs, the materiality assessment saw evolution in the operational, corporate and market context, plus the Group's strategy and requests from stakeholders as key inputs.

The following stakeholders emerged following a survey put to the top management



The involvement of the Stakeholders varies depending on the issues tackled and meetings held. The means of dialog and the topics of interest for each Stakeholder are stated below.

Stakeholder	Means of involvement and communication	Areas of involvement
 Employees	Piazza Ruffino, Publication of the Company Code of Conduct and Ethics, Sharing Policies, Training, Meetings	Many moments of participation mean that employees are involved in all material issues
 Suppliers	Sharing the Code of Conduct and Sustainability Guidelines for Suppliers, Sharing the Agricultural Best Practices Handbook, Site Visits, Involvement in the Grower Project, Contracts	Preserving biodiversity and promoting grape-growing landscapes Natural regulation processes and gradual removal of chemical substances Safety of workers Health & safety of consumers Creating sustainable value over time Responsible supply chain management Risk management
 Clients	Website, Marketing materials, Sustainability Report, Vivere di Gusto Magazine, Estate Visits	Health & safety of consumers Sustainability as an element of differentiation and competitiveness Preserving biodiversity and promoting grape-growing landscapes Natural regulation processes and gradual removal of chemical substances
 Trade associations	Participation in Wine In Moderation, Collaboration with the Prosecco Consortium as part of the Sustainable Consortium project, Members of Federvini and Unione Italiana Vini	Health & safety of consumers Sustainability as an element of differentiation and competitiveness
 Communities & Institutions	Specific projects and Meetings, Partnerships with Universities, Ruffino Cares Programme	Sustainability as an element of differentiation and competitiveness Creating sustainable value over time Risk management Preserving biodiversity and promoting grape-growing landscapes Natural regulation processes and gradual removal of chemical substances Climate change
 CBI colleagues	Sharing the 2030 Strategic Plan, Specific Projects and Meetings, Group Analysis	Creating sustainable value over time Sustainability as an element of differentiation and competitiveness Risk management Preserving biodiversity and promoting grape-growing landscapes Natural regulation processes and gradual removal of chemical substances Health & safety of consumers Energy saving and management Water management Climate change
 Shareholders	Regular financial reports, Sustainability Report	Creating sustainable value over time Sustainability as an element of differentiation and competitiveness Risk management
 Professional associations	Collaborations with Unione Vini Italiani and Confagricoltura Firenze and Siena, Membership to professional body Italiana Ambiente e Sicurezza	Preserving biodiversity and promoting grape-growing landscapes Natural regulation processes and gradual removal of chemical substances Climate change Waste and wastewater management Energy saving and management Water management
 Media	Website, Sustainability Report, Vivere di Gusto Magazine, Interviews and Sustainability Conferences	The Group believes that it is fundamentally important to share information about all aspects of the business. Involving the media extends across all material topics.
 New talent	University Open Days, Partnerships with Universities, Website with specific section	Creating sustainable value over time Sustainability as an element of differentiation and competitiveness

Due to a process of analysis alongside consultation with internal and external stakeholders through:

- a **materiality update questionnaire**, in which the top management not only expressed the company standpoint but rather the requests of the reference stakeholder;
- **semi-structured interviews** with top management.

The Group sets out the materiality matrix, which was approved by the CEO on November 11, 2020. More information about the materiality assessment is given in the Methodology Notes.

Here is the materiality matrix for the Ruffino Group:





We manage as if we were guardians

40

GRI 102-5 | 102-11 | 102-15 | 102-16 | 102-18
| 102-19 | 102-20 | 102-21 | 102-22 | 102-23 |
102-24 | 102-25 | 102-26 | 102-27 | 102-32 |
201-1 | 201-2 | 205-3 | 206-1 | 405-1 | 415-1
| 418-1



5 Achieve gender equality and empower all women and girls (Target 5.5)



12 Ensure sustainable consumption and production patterns (12.2)



6 Ensure availability and sustainable management of water and sanitation for all (Target 6.4)



13 Take urgent action to combat climate change and its impacts (Target 13.1)

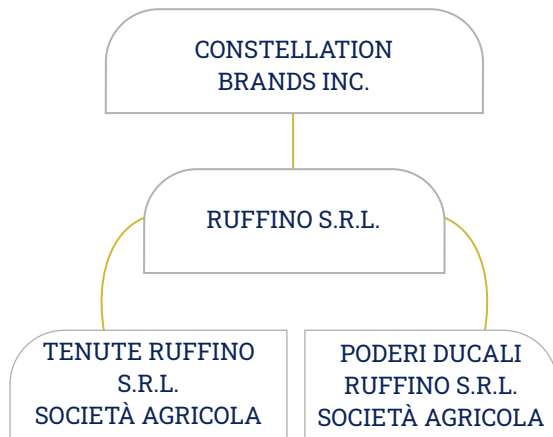
Corporate Governance

Corporate structure

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 belonged to the American Group CBI since 2011, a multinational global leader in the sale and distribution of alcoholic drinks (wine, spirits and beer). CBI is also the sole proprietor of the parent company, therefore of the entire Ruffino Group.

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

The implementation of these strategic lines is therefore the responsibility of the CEO of the Ruffino Group, the figure who reports directly to the Wine & Spirits Operations Director of CBI.



- the board of directors of the companies Ruffino S.r.l., Tenute Ruffino S.r.l. Società Agricola and Poderi Ducali Ruffino S.r.l. Società Agricola, which have routine and extraordinary administrative powers. In particular, if the high-level decisions set out by CBI are deemed to be extraordinary administration, they are viewed and deliberated by the board of directors prior to implementation;
- the statutory auditor, Giorgio Guatri, having a control role;
- the auditing company, which has the legal role of auditing.

The board of director is appointed based on proposals made by CBI and consists in at least four members:

- the MD chosen by CBI to run the company, implement strategy and achieve set results;
- a Group Senior Executive with a legal background, who has the role of President, usually non-operational but who, if necessary, can have the similar powers as the MD;
- a Group Senior Executive with a financial background (Treasury);
- a Group Senior Executive with a tax background (Fiscal).

The President of the Board of Directors has all powers for the routine management of the company, while he/she does not have powers for the extraordinary company, and any other activities that in accordance with the law and company statute strictly require a decision by the Board of Directors.

The selection of the individuals for these top roles is based on specific leadership and functional skills as well as high expertise and seniority within the CBI Group. In particular, for the CEO role, the person appointed must be able to demonstrate competence in similar roles and the ability to achieve ambitious and challenging strategic goals in complicated and multifaceted business scenarios.

The Governance System of the Ruffino Group

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

Here are the details of the board members in the last three years, who will remain in place until the end of the mandate.

Board member	Nationality	Position	Executive or non-executive role	Independence ⁶	Stakeholder representation	Competence for sustainability, environment, social and finance/governance
Sandro Sartor	Italian	CEO and Vice-President of Ruffino S.r.l., Tenute Ruffino S.r.l. Società Agricola and Poderi Ducali S.r.l. Società Agricola	Executive	Independent	Member of the board of directors of Federvini, part of Federalimentare and expression in Confindustria of the wine sector; Member of the board of directors of Unione Italiana Vini (UIV) and president of the UIV "Vino e Salute" panel.	Member of the Sustainability & Environment Team
Michael David Lurie	USA	President and Director of Ruffino S.r.l., Tenute Ruffino S.r.l. Società Agricola and Poderi Ducali S.r.l. Società Agricola	Non executive	Independent	No relevant representation of Ruffino Group stakeholders	Member of the CBI Annual Environmental Sustainability Awards Commission Sustainability
Janet Faye Stewart	USA	Director of Ruffino S.r.l., Tenute Ruffino S.r.l. Società Agricola and Poderi Ducali S.r.l. Società Agricola	Non executive	Independent	No relevant representation of Ruffino Group stakeholders	No involvement on sustainability committees
Sandy Dominach Oksana	USA	Director of Ruffino S.r.l., Tenute Ruffino S.r.l. Società Agricola and Poderi Ducali S.r.l. Società Agricola	Treasury Executive	Independent	No relevant representation of Ruffino Group stakeholders	No involvement on sustainability committees
Maurizio Bogoni	Italian	Director and Professional Agricultural Entrepreneur (IAP) of Tenute Ruffino S.r.l. Società Agricola	Executive (Employer)	Independent	Member of the board of directors of Confagricoltura Siena and Firenze	Member of the Sustainability & Environment Team
Lorena Troccoli	Italian	Director and Professional Agricultural Entrepreneur (IAP) of Poderi Ducali Ruffino S.r.l. Società Agricola	Executive within the scope of her role as Professional Agricultural Entrepreneur (IAP)	Independent	No relevant representation of Ruffino Group stakeholders	Member of the Sustainability & Environment Team

⁶ Evaluation of the "independence" trait of the Board Members operates in line with what is set out in art. 147-ter of D. Lgs. 58/1998.



In carrying out its roles, the Board of Directors is supported by 10 committees, listed below.

The **Executive Leadership Team (ELT)** – or Executive Committee – consists of executives with various company roles and meets every month to assess the financial performance and company policies, with particular reference to organizational, staffing, and risk assessment and management.

The **Monthly Operations & Supply Leadership Team** is tasked with making strategic decisions about winemaking, bottling, storage and logistics. In particular, at monthly meeting, it analyzes the following: supply & demand, financial performance of operations, status of investment plans in the winemaking, operations and supply chain areas, quality.

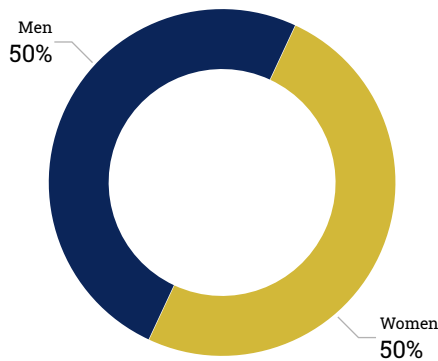
As regards the agricultural aspects of grape growing and locating third party grapes, **Viticolturist Leadership Team (VLT)** has been established, which meets quarterly to carry out analysis regarding financial performance, status

of investment plans and quality, as well as the **Supply and Strategic Sourcing Team (3S)**, which is tasked every quarter with analyzing bulk wine requirements in the short, medium and long term, considering the availability of stored wine, future production expectations (internal and external) and/or acquiring bulk wine, and checking potential production capacity for winemaking and ageing.

Lastly, for commercial decisions, the committees responsible are the **Italian Market Commercial Team (IMCT)** and the **EMEA Market Commercial Team (EMCT)**, which analyze market dynamics and aspects related to commercial performance of sales on the domestic and EMEA markets every month, putting forward the Annual Plan before submitting it to CBI for approval and commercial actions to fulfill sales targets.

There are also transversal working group focused on product development areas: **New Product Development Team, Operations Compliance Team, Health & Safety Team, & Environment Team.**

Board members by gender



Board members by age group



Sustainable governance

Defining the strategic and operational lines of sustainability is based on two key elements:

1. The guidelines communicated and shared by the CBI Group;
2. The main requests made by the stakeholders – internal and external – of the Ruffino Group pertaining to issues they regard as most significant in the environmental, social and economic fields/governance. For more information about the materiality assessment, see the “We respect our history through sustainable innovation” chapter; paragraph “Materiality Assessment and Stakeholder Inclusivity”.

The subsequent management of sustainability aspects calls for the joint participation of several figures and corporate bodies based on the area of responsibility and with an approach based on maximum involvement and integrating sustainability into the managerial model.

In 2021, the role of **CSR & Environmental Sustainability Manager** was formalized, which oversees the related function and liaises with two committees:

- A. **Executive Committee**, directly responsible for the analysis and development of sustainability issues in the fields of environmental, social and governance; the assessment takes place in specific sessions;
- B. **Sustainability & Environment Team (S&ET)**, namely the committee tasked with checking environmental compliance and setting out improvement plans. The CEO and certain advisors are members of the S&ET.

The strategies to be adopted to achieve the targets set are often defined on the basis of proposals made by the CBI Group, that is, by the area managers or jointly by the Executive Committee.

The composition of the Sustainability & Environment Team

Members	Other positions held
Katerina Marozava (Secretary)	CSR & Environmental Sustainability Manager
Sandro Sartor	CEO & Vice-President
Maria K. Rauchenberger	Legal & Compliance Director
Giovanni Lucchesi	Ruffino Operations & Supply Chain Director
Fabio Vittorio Carone	Poderi Ducali Operations Director
Maurizio Bogoni	Tenute Ruffino Estate Director
Lorena Troccoli	Poggio Casciano, Montemasso & Poderi Ducali Estates Manager

Implementing sustainability measures, on the other hand, is the responsibility of the top management of the various companies, as well as of the production managers for specific areas of competence.

Lastly, in regard to sustainability reporting, the process calls for interaction between the individual company managements coordinated by the CSR & Environmental Sustainability Manager. The materiality assessment and the Sustainability Report are approved and signed by the CEO of the Group.

Risk management

The continuous and fast-changing nature of the context in which the companies operate requires a proactive approach to risk management to prevent, mitigate and manage internal and external impact that could derive from incorrect assessment. Risk management, including environmental and social risk, is now necessary at a strategic and decision-making level as well as at an operational level. Utmost attention is also given to informing all company roles about risk, with the aim of creating a holistic risk culture at every level.

For risk management, the Executive Committee (ref. section "Governance System of the Ruffino Group") is tasked with monitoring the evolution and management of risks based on the measures implemented by the company.

Risk analysis is conducted using the **Risk Scorecard**, aimed at identifying the following for every area of the business: possible risks, the probability

that the risk will occur, the possible impact on the company system and subsequent actions to be implemented to mitigate risk.

The afore-stated steps enable the creation of the **Ruffino Enterprise Risk Inventory**, which is updated when needed to integrate the evolution of the internal and external Group scenarios.



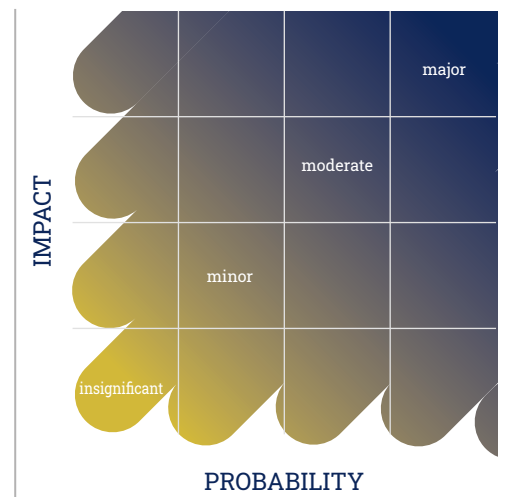




In order to define the management priority, the risks are contextualized on the Risk Heat Map Model, which enables a holistic vision, systemically assisting the decision-making and strategic process, which also includes the company's risk propensity and tolerance.

In an intuitive and immediate way, the Risk Heat Map enables the graphic depiction of the risks identified in a color-coded matrix for the different levels of risk.

The sizes on the map are in line with what is set out in the Risk Scorecard, namely, the probability of the risk occurring and the impact of the risk on the company system.

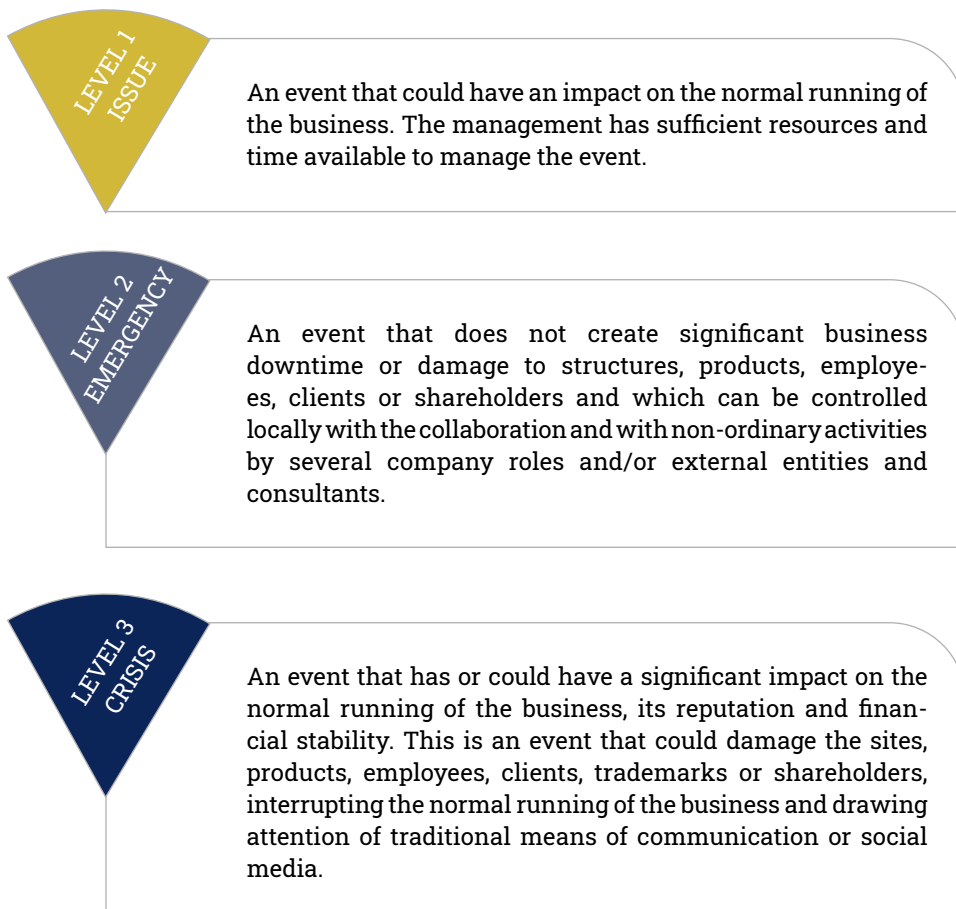


Moreover, the managerial model that has been developed identifies three risk levels, corresponding with clear procedures and measures outlined in “**Specific Response Plans**”, with the aim of defining management priorities for all the risks in the top quarters of the matrix, hence corresponding with high and medium-high risk.

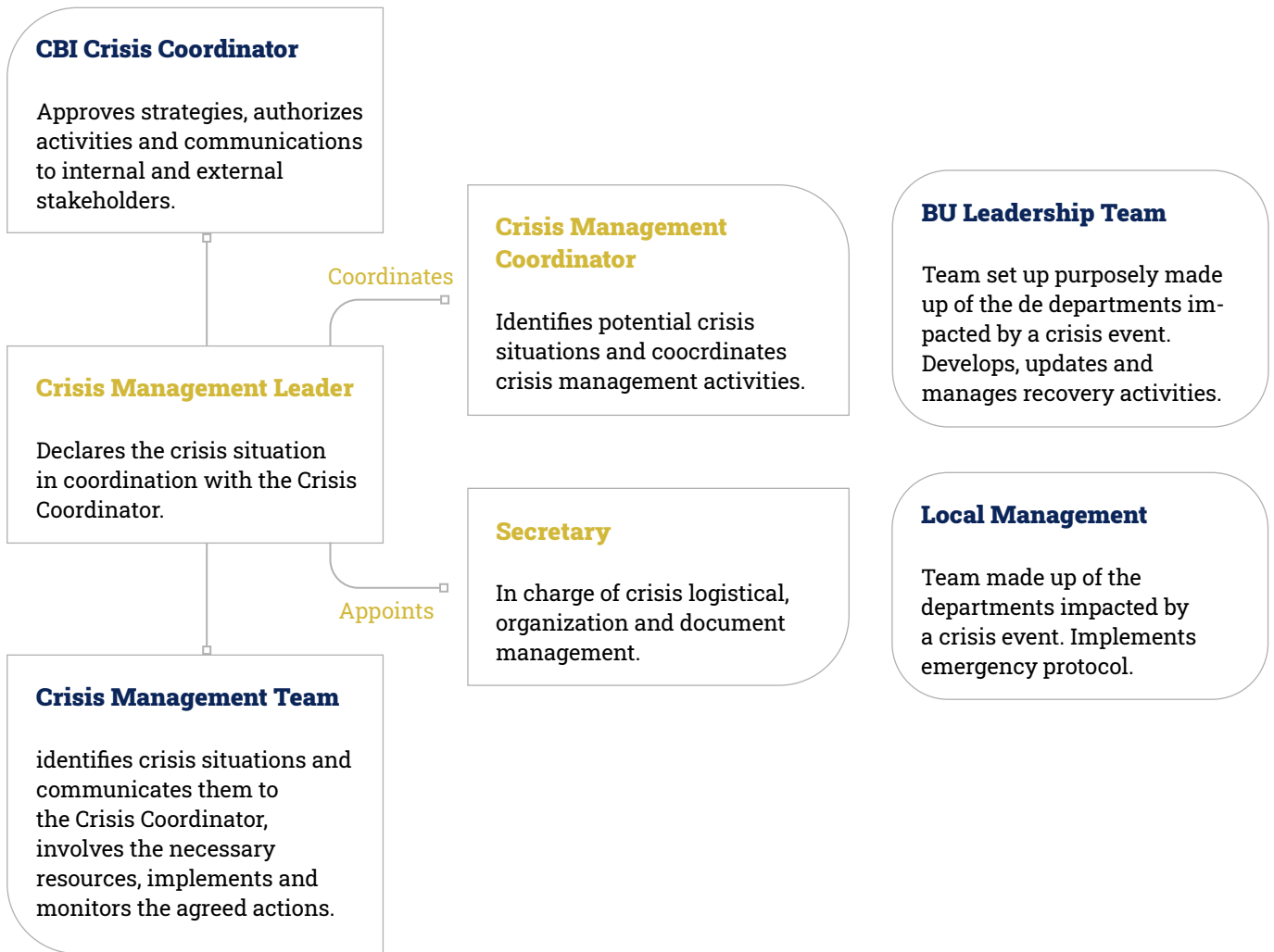
For the first and second risk levels, we implement operating procedures and mitigation plans that differ depending on the risks faced and which can involve different company functions.

For the third level, namely the occurrence of a crisis, we have set out a specific **Crisis Management Plan**, whose aim is to definite adequate procedures to ensure the resources needed to respond in an effective, timely and structured way, in order to:

- Prevent and/or minimize negative impacts;
- Restore operations as quickly as possible;
- Ensure the safety of employees, clients and others;
- Activate effective internal and external communication plans;
- Minimize risks and define responsibilities.



In regard to the roles and respective responsibilities for the assessment, prevention and management of risks and the implementation, where required, of the Crisis Management Plan, the following figures have been identified:





Focus on the management of environment risks

Within the risk management system, as regards the management and assessment of environmental risks, Ruffino and Tenute Ruffino, in addition to assessing them using the afore-stated tools, have adopted the **Initial Environmental Analysis Assessment Model (VAIA)**. This enables the analysis of possible risks for every stage in the value chain, hence an analysis of the direct and indirect impacts generated by the activity carried out and the subsequent assessment of the possible occurrence of environment emergencies.

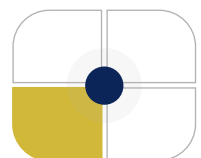
The main aspects analyzed by the model are:

- The use of energy resources
- The production of greenhouse gases
- The emission of substances into the air that deplete the ozone layer (ODS)
- Waste production
- Hazardous and potentially hazardous substances
- Soil pollution
- The use of the soil and loss of biodiversity
- The impact on the landscape

On the basis of the significance of the external impact, the type of legislation in effect (voluntary/cogent/cogent with criminal responsibility) and the involvement of parties affected (public administration, opinion leaders, trade associations, watchdog authorities), a **Risk Priority Index** is allocated to every activity and actions are assessed to mitigate the risk.

In FY 2022, the VAIA Model will be updated for Ruffino S.r.l. and Tenute Ruffino S.r.l., which will enable the inclusion of company organizational changes in recent years, such as the shift to organic. Poderi Ducali S.r.l. is also expected to adopt the model in the same year.

Moreover, with reference to water management, the CBI Group has been promoting a questionnaire to analyze the main risks since FY17; in FY20, the survey was broadened with the intention of including further specifics in order to conduct a more comprehensive analysis regarding **climate change** and **water resources** with the aim of examining potential internal and external risks that the companies comprising the Group could face in the short and medium term.



In particular, regarding the effects of **climate change**, the analysis model focuses both on the risks and potential opportunities.

This assessment brought out the main risks such as those linked to **unstable weather conditions characterized by long periods of drought, extreme variability in precipitation patterns and extreme meteorological events**. The effects of climate change have an impact on the fragile balance between climate, soil and other central factors in winemaking.

The main opportunities include the **use of renewable or low-emission energy sources and participation in local programs to obtain financial or technical support to combat climate change in order to meet climate-related targets**.

As regards water, the **water risk screening is extended to vineyards, cellars and distilleries** and is separated into five macro-sections. In particular, **the operational context, water supply, physical risk, legislative risk, and social and reputation risks** are analyzed.

In response to these mapped risks, we started a key project to protect water resources using advanced irrigation techniques, which we explain in greater depth in the “We preserve value through regeneration” chapter, in the “Irrigation Project” paragraph.



Protecting and processing personal data

We have always concentrated on processes that protect personal data. Before the General Data Protection Regulation (GDPR) came into effect, we implemented a GDPR compliance program, which culminating in the drafting of information sheets, contractual standards and company policies in line with the change, as well as in training sessions for all the personnel. Moreover, a permanent structure was set up to analyze and assess aspects connected to the protection of personal data that affects the routine business.

We also set out and adopted a *Data Protection Agreement* (DPA) internal standard, which establishes the terms and conditions of the processing of personal data, which are required of the processing officer. All employees who, while fulfilling their duties, process personal data that the Group manages, have been duly authorized by authorization models aimed at covering the different types of treatment.

In line with previous years, in FY 2021 we also implemented various internal checks to ensure compliance with the GDPR, with a special focus on the activities carried out by the data processing officers.

GDPR compliance is a prerogative for all initiatives, especially those aimed at consumers, such as campaigns in partnership with mass retail channels, campaigns pertaining to the hospitality activities provided by the companies in the Group and collecting contact information for direct marketing activities by Ruffino S.r.l.

This prudent management has resulted in no complaints or violations of personal data in the three-year period.

Ethics and anti-corruption

Our work is based on ethically correct and fair conduct for all stakeholders, whether internal or external, and on the values of **integrity, entrepreneurial spirit, personal development, attention to clients** and **quality**, which are presented in brief in the following

infographic. These values form the ethical basis of all the companies comprising the CBI Group and provide stability within a constantly changing market, enabling the Group to distinguish itself.

Group values



The aforesaid values are outlined in our **Company Code of Ethics and Conduct**, which sets out the rules of conduct to respect the ethical and legal requirements. The code is general, hence it does not focus on specific conduct and procedures, which are instead contained in the **“Compliance Material”**, which includes the policies defined by the CBI Group, procedures, rules of conduct and corporate or departmental handbooks.

The Company Code of Ethics and Conduct also outlines issues such as conflict of interest, anti-corruption and antitrust, as well as protecting employees from the standpoint of equal opportunities, health and safety in the workplace, protecting the environment and sustainability, protecting personal data and confidentiality, external communications, and local and international legislation regarding the production, sale, marketing and distribution of alcoholic beverages.

The provisions set out in the code apply to all company roles – employees, executives and managers – and to all those – in whatever role, albeit occasional – who operate in the name of and on behalf of the companies in the Group.

In order to ensure the correct application of the aforesaid values and principles, hence to safeguard the company reputation, in FY 2013⁷, we implemented the **Organization, Management and Control Model**, in accordance with Italian Legislative Decree 231/01 (“Modello 231”) and in line with the Confindustria guidelines for the creation of organization, management and control models.

The “Modello 231” constitutes the Annex to the Company Code of Ethics and Conduct, adding specific principles, values and ethical rules that must guide the activities and conduct of the Ruffino Group.

The contents apply to the corporate roles of the Group, the employees of every company and to all others who, in whatever way, operate in the interests of the companies or with whom the Group establishes a rapport.

With the implementation of “Modello 231”, the companies set up a **Control Body**, which is independent, impartial and reports directly to the Board of Directors; it has powers to check the correct applications of what is set out in the document.

All the companies in the Ruffino Group pledge to communicate the provisions of the “Modello 231” in order to ensure that all recipients are informed, in particular:

- The document and Code must be shared with all new employees;
- Contracts with external collaborations include an informational note;
- Specific and differentiated training 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 “Modello 231”;
- All recipients are informed about updates to the documents.

Several ways to communicate violations, even suspected violations, and issues linked to the implementation of the code are available for all recipients of the Company Code of Ethics and Conduct. In particular, employees can contact directly and confidentially: i) their line manager; ii) the HR Department; iii) the Legal Department; iv) the Corporate Compliance Organization⁸.

⁷ For the companies Ruffino S.r.l. and Tenute Ruffino S.r.l. Società Agricola from FY 2013 and Poderi Ducali Ruffino S.r.l. Società Agricola from FY 2020.
⁸ Role of the CBI Group’s Corporate Compliance Team.

Moreover, the “**Ethics and Compliance Hotline**” has been set up for all collaborators, which is managed by an external professional expert, ensuring an anonymous and continuous service for the various locations of the Group. The notifications are collected, documented and communicated to the companies concerned, which are tasked to carry out further investigations.

All presumed violations of the “Modello 231” must be communicated in a timely way to the Control Body of the specific company using the dedicated email address.

To this end, we have defined a specific policy aimed at regulating, among other things, the ways to communicate the violations or irregularities in question. Violations that are ascertained are subject to disciplinary action, whose sanction level is directly proportional to the seriousness of the deed, starting from a verbal warning to the dismissal of the employee or the termination of the contract with third parties. A specific disciplinary system is also provided if the violation is brought back to the members of the corporate offices. Individuals who report violations are always protected against any retaliation or intimidation.

With specific reference to anti-corruption, the **Anticorruption Policy** issued by the Corporate Compliance Department has been in force since FY 2016; it is valid for the CBI Group, which

supports both Constellation Brands, Inc. and its subsidiaries to comply with the anti-corruption laws in force in the various countries where the subsidiaries operate.

It is expressly forbidden for CBI employees or representatives to pay, offer, give, authorize or promise, whether directly or indirectly, money or “objects of value” to any “public official” or any other person to obtain improper benefits, to obtain or maintain an activity or to direct activities to third parties (persons or entities). Moreover, the companies comprising the CBI Group must keep and maintain accurate books and ledgers, with a reasonable level of detail, and set up and maintain a reasonable level of internal checks that is able to alert the management about actual or possible violations of the anti-corruption laws, and ensure the accurate registration of all operations and provisions in the company books.

In order to prevent corruption, since FY 2021, our most strategic suppliers have been required to sign the “**Certification of Anti-Corruption Receipt and Comprehension – Compliance with Anti-Corruption Laws**”, which requires the explicit declaration of abstention from corrupt practices and compliance with Italian Legislative Decree no. 231/2001.

In FY 2021, the suppliers who signed the certificate represent 40% of the total annual turnover.



Creating sustainable value

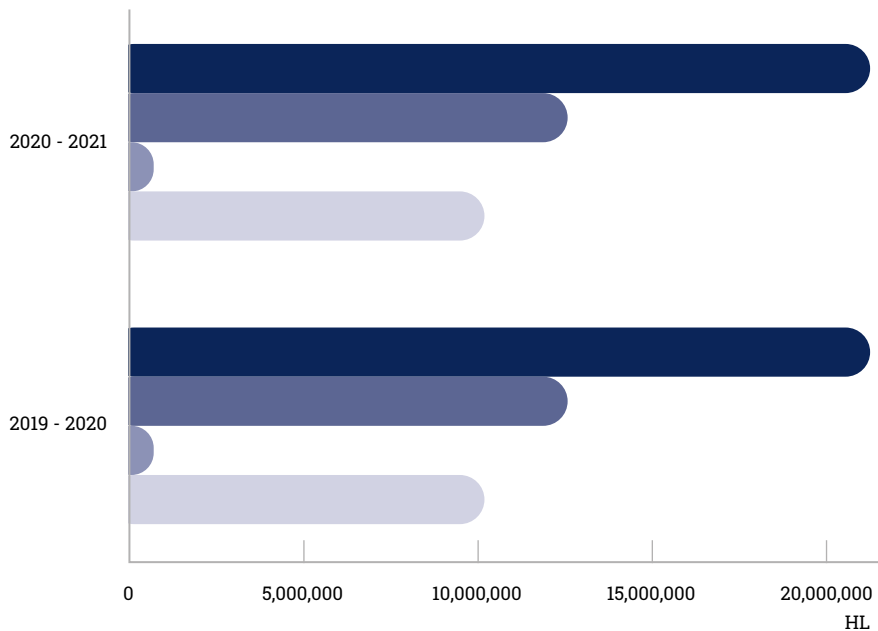
In 2020/2021, Italian wine production saw a 3.2% rise compared to 2019/2020, notwithstanding the Covid-19 pandemic and the ensuing restrictions in Italy and around the world.

More specifically, while the production of wine and DOP wine has declined by 25.9% and 0.2% respectively, the production of varietal wine and PGI wine has increased⁹.

Wine production

Source: Mipaaf

- Wine DOP
- Wine IGP
- Wine stating variety
- Wine



⁹ Data Italian Ministry of Agricultural, Food and Forestry Policies (Mipaaf).

The main upset caused by the pandemic and prolonged lockdowns can be seen in the creation of excess stock – in March 2021, 61.7 million hectoliters (hl) of warehoused wine and must, up by 1.5 million hl compared to the previous year¹⁰– ascribed above all to interruptions in the supply chain and in main market outlets, such as Horeca. In addition to the effects of the pandemic, the Italian Ministry of Agricultural, Food and Forestry Policies identifies the imbalance between production and consumption in the European Union and the effects of the duties imposed by the United States as additional factors on the surplus.

Regarding export, in 2020 the sector experienced a 2.2% decline compared to 2019, totaling 6.29 billion euro of Italian wine exported worldwide: the markets most affected were Asia, down by 12.6% against the previous year, and the US (5.6%). Italian exports to European represented 62% of the total¹¹.

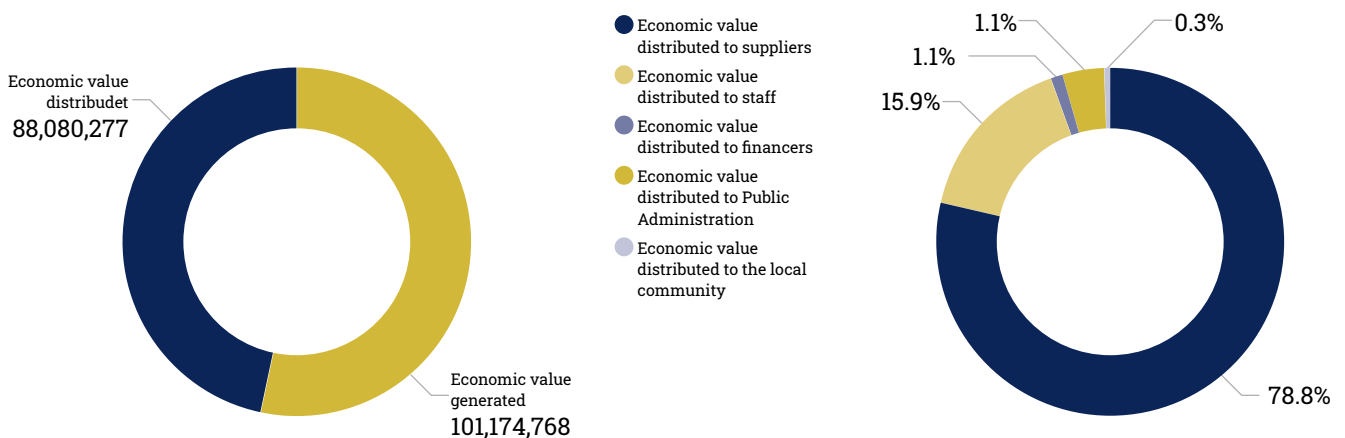
Covid-19 has affected the personal purchasing and consumption of wine. Especially during lockdown, due to the closure of bars and restaurants, purchases were mostly made online and through mass retail, and the reduced consumption of wine has been linked with the lack of social occasions¹².

More specifically, in FY 2021 the production value was 104.59 million Euro, down compared to the previous year (-21.20%). The financial year ended with an EBITDA of 6.13 million Euro, a 50.9% reduction compared to FY 2020 and a profit of 4.92 million Euro (-65.28% compared to the previous year).

The ability to produce a sustainable income over time for us is directly linked to the fact that the overall wealth generated must be distributed fairly among all the production factors that contributed to its formation. These include the land and the vineyard, which must generate an amount of grapes that meets the quality and quantity production expectations.

Creating sustainable value is therefore a required condition in order to preserve and increase the value of the assets entrusted to us over time.

To this end, in FY 2021 we distributed 87% of the overall value generated to the Group’s priority stakeholder categories, keeping 13% to fulfil the Group’s growth and development goals, shown below:



10 Data Cantina Italia, March 2021.

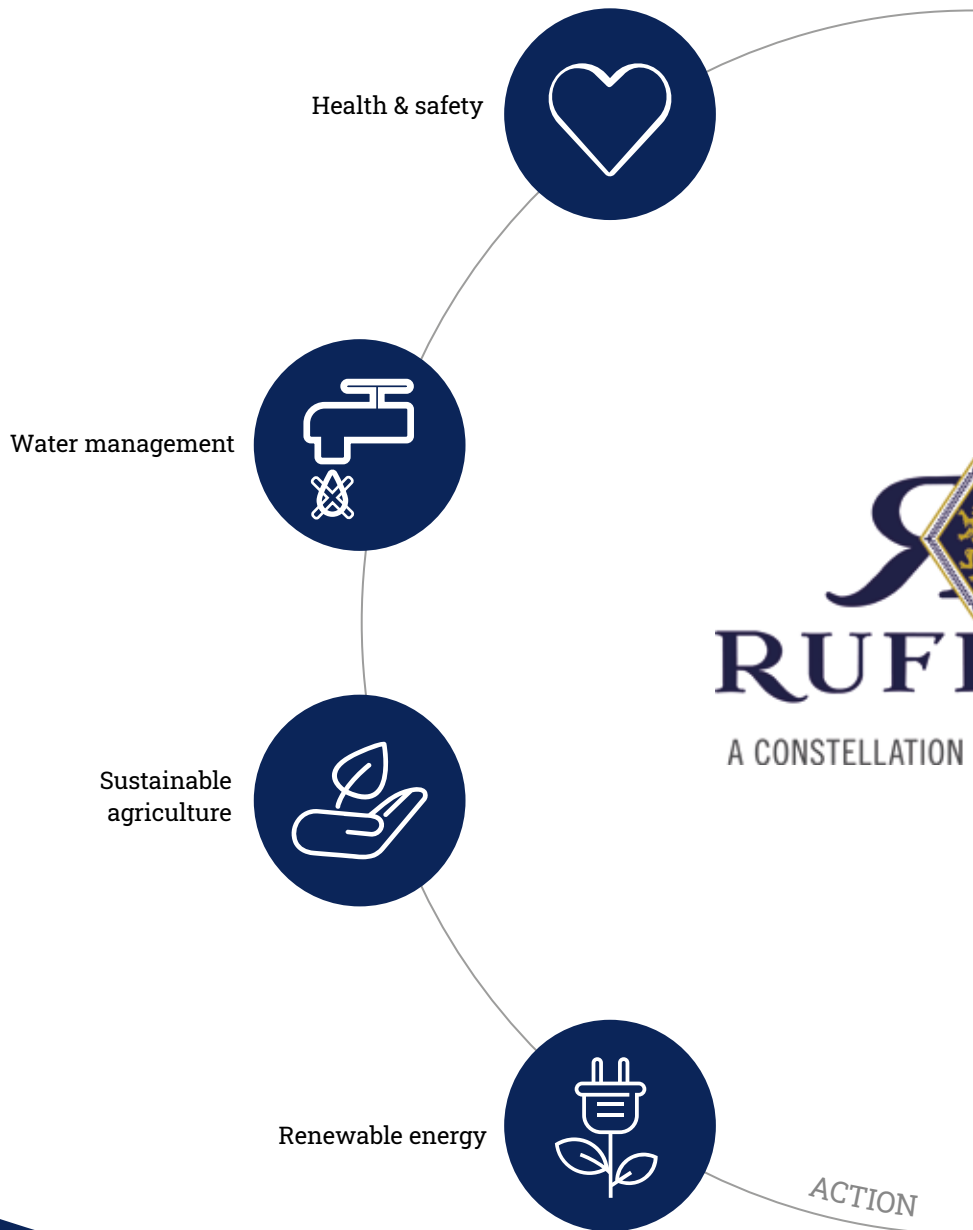
11 Data Osservatorio Qualivita Wine: based on Istat data.

12 Results from the survey "The effects of lockdown on wine consumption in Italy" managed by *Nomisma Wine Monitor*.

Sustainability Investment Plan

In line with the objectives outlined, in FY 2019 we planned and started to invest in environmental and production sustainability as well as health and safety.

Our goal is to assign to sustainability approximately 26% of the total investments made for a total amount exceeding 8 million Euro over the next four years.



INVESTMENT

ACTION

FY 2019

855,000 euro

FY 2020

790,000 euro

FY 2021

860,000 euro



Hereinafter you will find a summary of the areas of action, the investments made and those planned. For more information, see Table 4 in the "Annex" section.



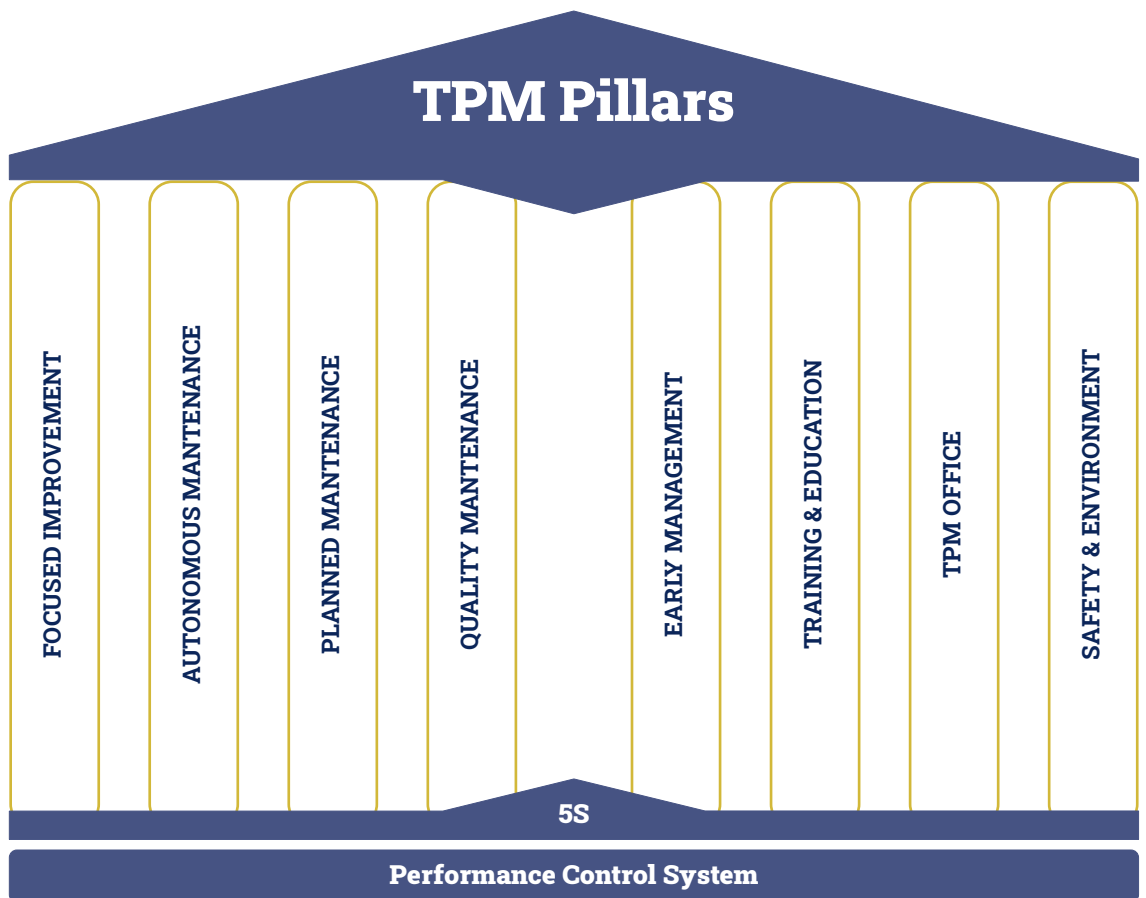
TPM pathway of Ruffino S.r.l.

Since the beginning of 2019, Ruffino S.r.l. decided to commit to a series of activities aimed at maintaining the efficiency of its systems to improve productivity by actively involving all the staff. To do so, the company adopted a **Total Productive Maintenance** (TPM) system.

TPM is an industrialized continuous improvement system of all the company's operative performance, which is based on a gradual learning

process that, on one hand, assesses the procedures implemented and, on the other hand, the potential from the point of view of the organization's continuous development.

The TPM system is based on 8 pillars, each of which concentrates primarily on proactive and preventive techniques to improve the reliability of machinery and industrial processes in order to achieve an excellent management system..





More specifically, the mission of each pillar is:

1. **Focused Improvement:** support constant change to nullify losses and keep production efficiency high. Guide teams in defining objectives and improvement actions, meeting the strategy and results defined.
2. **Autonomous Maintenance:** increase operator independence in effective and efficient system management by developing knowledge, operational methods and inspections.
3. **Planned (Professional) Maintenance:** eliminate malfunctions and keep systems efficient, ensuring their safety and reliability over time. Technological innovation and development aimed at constant prevention and energy saving.
4. **Quality Maintenance:** control the process and its components to obtain zero defects.
5. **Early Equipment Management:** support the design stage of new systems, capitalizing on the experience of various departments to observe the expected timescales and costing, and achieve expected performance.

6. **Training and Education:** increase the knowledge and abilities of operators on issues emerging from the various losses of the pillars, instructing them not only about know how, but also about know-why.

7. **Health and Safety:** make Ruffino a safe place now and in the future.

8. **Environment:** make Ruffino an eco-sustainable business now and in the future.

The TPM pathway calls for in-depth cooperation between all teams and aims to:

- Create a ZERO culture: zero accidents, zero defects, zero losses
- Increase the production volume, employee morale and satisfaction
- Increase system and equipment productivity
- Drastically improve global performance by applying operational excellence

The goal of Ruffino is to continue to work with the principles, methods and tools set out by the TPM in order to realize its current vision and “become the reference plant for Constellation Brands and be the first in the group to receive the TPM Award from the JIPM (Japan Institute of Plant Maintenance) by 2023”.

The project’s timeline inevitably paused for a while due to the Covid emergency, which consequently postponed the goal. Despite being aware that we live in a VUCA world (Volatile, Uncertain, Complex and Ambiguous), we have nevertheless succeeded in working with the same methodology and we have reacted promptly to the change caused by this particular time that we are experiencing.

A **Performance Control System (PCS)** was adopted in the production department to support a process aimed at continuous improvement. In-

volving the production line operators and department heads, the management system analyzes various indicators of safety, quality, efficiency and observance of the production plan, all of which are crucial for producing the finished product.

By analyzing the indicators and problems weekly by each department head and monthly by the management, Ruffino S.r.l. sets out areas for possible improvement in order to intervene where necessary by revising and altering the ongoing processes. Standards to be observed and goals to be reached are set out for every department. To endure constant performance control, all problems are managed with a bottom up logic through an escalation system.

Here is the operational governance that has been adopted:





We preserve value through regeneration



6 CLEAN WATER AND SANITATION
Ensure availability and sustainable management of water and sanitation for all (Target 6.4)



7 AFFORDABLE AND CLEAN ENERGY
Ensure access to affordable, reliable, sustainable and modern energy for all (Target 7.2)



12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Ensure sustainable consumption and production patterns (Target 12.2, 12.4, 12.5)



13 CLIMATE ACTION
Take urgent action to combat climate change and its impacts (Target 13.1)



15 LIFE ON LAND
Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss (Target 15.1, 15.5)

Caring for places and the land

The conservation and appreciation of the local area are distinguishing elements of our business. We strive to preserve the environment where the vines grow by adopting a production system that safeguards the history of these places and the biodiversity of the soil. Technical and scientific knowledge of the ecosystem, the soil's properties and agronomic practices ensure respect of the environment while enabling productivity in the vineyard.

Protecting biodiversity and interaction with the landscape

Maintaining the quality of the soil and its distinguishing biodiversity is pertinent to ensure **correct interaction between the vineyard and the surrounding environment**. We do not merely restrict ourselves to preserving the local area; we strive to increase the biodiversity and the microflora that is useful to the soil. Our continued pledge in maintaining high levels of biodiversity is consistent with our drive to offer consumers higher-quality products that derive from a production process with a low environmental impact.

Moreover, to ensure the correct protection of the landscape, we care for the green areas that surround our vi-

neyards, preferring native species and, in some cases, we even extend the defense to nearby wooded areas, guaranteeing that they uphold their purpose.

Our steps towards adopting a cultivation method with reduced environmental impact started in 2014 by drawing up and implementing the **Agricultural Best Practices Handbook**, with the intention of defining clear processes and the desire to share ecosystem management best practices, not only internally but also with external grape suppliers in the immediate future, involving them in a process aimed at continuous improvement.



The handbook sets out operational guidelines that, from preparing the soil for a new system throughout the entire lifecycle of the vineyard, call for the use of agronomic techniques aimed at respecting the environment. The main actions that have been implemented include:

- Creating sustainable and lasting vineyards, respecting soil variability and the agricultural landscape;
- The reasonable use of chemical products to prevent and treat disease in the vineyard, aimed at gradually reducing these products;
- Adopting manure, especially organic manure, aimed at increasing organic substances in the soil, hence increasing soil fertility and improving its structural conditions;
- A focus on green manuring, which involving autumnal sowing and the subsequent planting of specific crops that improve the soil structure, enriching it with macro-elements, at the same time reducing chemical fertiliza-

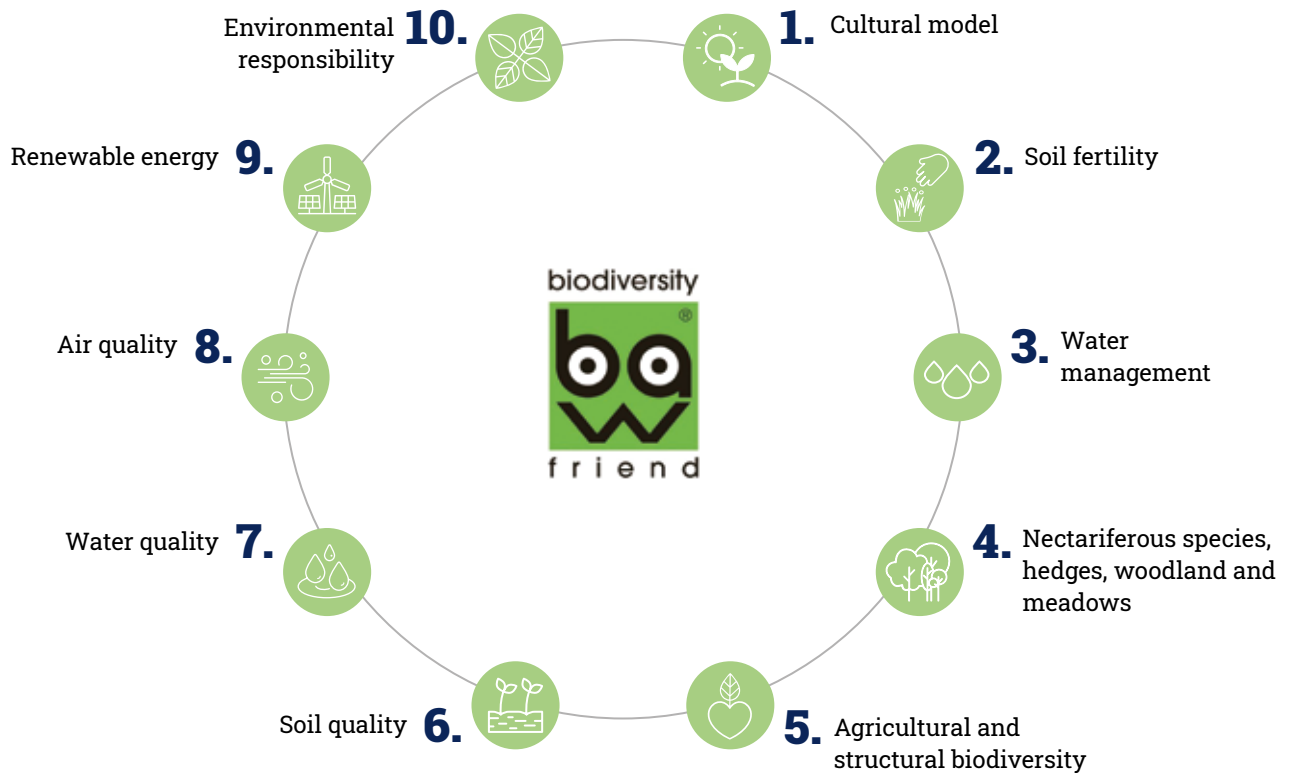
tion and preserving the soil against possible erosion by winter rainfall.

The handbook should be viewed as a **dynamic instrument** that is updated regularly to include all the practices that experience, technique and research bring to light, with the aim of increasing the sustainability level in production processes.

In line with the gradual adoption of organic cultivation methods and the extension of best practices to external companies we buy grapes from, the handbook will be updated at the end of 2021 by an internal working group consisting of the Management, Estate Managers, the External Grower Manager and the Environmental Manager.

As an additional structured and recognized safeguard, since 2018 all of our agricultural centers have been **Biodiversity Friend certified by the World Biodiversity Association**.

The World Biodiversity Association considers the following 10 actions as the rulebook for biodiversity in agriculture:



Our modus operandi is based on these principles, and by subscribing to the World Biodiversity Association program we strive to respect and implement processes and projects that aim to manage water responsibly, ensure checks of weeds and parasites using low environmental impact methods, encourage the growth of hedges and woodland, as well as adopting rotation processes of cultivated land from the standpoint of conserving and increasing biodiversity on our estates and in surrounding areas.

Soil, water and air are the three core elements on which specific surveys are conducted to elaborate the parameters forming the basis of the suitability of being registered with the Biodiver-

sity Friend certification. Together, these analyses lead to the calculation of an index that certifies the biodiversity level for each of the three elements, in particular:

- **Soil Biodiversity Index (IBS-bf)** is calculated based on careful analysis of the soil, which through identifying the microbiome of the vineyard pinpoints the microbial communities in the soil and their consolidation or increase, also depending on the actions taken in the vineyards, such as manuring and weed management;
- **Aquatic Biodiversity Index (IBA-bf)** is based on assessing the hydromorphology and aquatic macroinvertebrate communities, which are

excellent bio-indicators to assess the quality of surface freshwater;

- **Lichen Biodiversity Index (IBL-bf)** analyzes the lichen epiphyte communities that are a valid indicator of air quality.

The Association's experts have visited our soil every year since 2018 to verify the indices and, more broadly, the quality of the land that we manage.

The products that can use the "Biodiversity Friend" certification are currently:

- Riserva Ducale Oro Chianti Classico Gran Selezione DOCG
- Greppone Mazzi Brunello di Montalcino DOCG
- Alauda IGT Toscana
- Fiasco Chianti Superiore DOCG
- La Solatia Pinot Grigio IGT Toscana
- Romitorio di Santedame Chianti Classico Gran Selezione DOCG
- Santedame Chianti Classico DOCG
- Prosecco DOC
- Prosecco Rosé DOC
- Pinot Grigio Delle Venezie

Integrated production

To support the path taken and contribute to the preservation and defense of the values of nature, we retain that it is important to obtain certification that attests to our compliance with the Integrated Production Guidelines and, in FY 2021, **all our companies have been certified with the standard "Sistema di Qualità Nazionale di Produzione Integrata" (SQNPI).**

The standard SQNPI is a voluntary certification scheme that attests to the use of integrated production techniques that includes the application of specific regulations for each crop, agronomic practices and binding phytosanitary indications (stated in the production guidelines) both in the choice of phytosanitary products and in the pos-

sible number of treatments. Management practices are the strictest and the choice of usable phytosanitary products is greatly reduced compared to the practices and products whose use is permitted in the Integrated Production not certified by the SQNPI standard.

In line with the choice to reduce the use of chemical products to prevent and treat disease in the vineyard, we also avail of **advanced forecasting models** that process data from meteorological and environmental wireless sensors in weather stations on the estates. In particular, by analyzing precise data about parameters such as temperature, air humidity, rainfall, leaf wetness and wind speed, and knowledge of the phenolic stage of the vines, a more precise and balanced defense against disease is possible with a lower impact on the environment.

This data analysis is helped by the use of a **Decision-making Support System (DSS)**, which is instrumental for gathering, organizing and integrating information about the weather and the vineyard environment. Due to mathematical models, the system interprets the information available and, by comparing it with parameters set out by experts, it provides decision-making support and alerts in order to make informed decisions regarding vineyard management.

In order to ensure traceability of the chemical products used, whether it is manure or pesticides, since FY 2013 the estates have used **Quaderno di Campagna (QdC)** management software, which is connected to the ministry's chemical products database. The software enables the automatic verification of the correct dosage and signals any faults, as well as monitoring final warehouse stock in compliance with the law.



Organic production



Vineyards in Veneto

100% organic certified¹³

Since 2018 we have set out an organic conversion plan in Tuscany, which aims to reach **100% organic production by FY 2025**, followed by the natural evolution of the practices implemented in the management of the estates.

The adoption of this production method entails a radical change in vineyard management, namely profound knowledge of the vines and the differences in their resilience and microclimate. Attention to detail and continuous monitoring are essential to ensure the required “protection” of the vineyard against disease and parasites. The use of cultivation methods with the reduction of 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 shift from integrated to organic grape growing is the natural next step in the path undertaken as well as a greater awareness of the environment benefits that can be achieved.

The principles on which organic production are based are:

- No herbicides, replaced by under-vine mechanical work;
- Organic manure and a move away from “chemical” manure;

- Defense against the main vine diseases using solely copper and sulfur, helped by products of natural origin that act in synergy to protect the plant;
- Alternative means for the fight against the main insects, including the “sexual confusion” technique.

Herbicides and insecticides were removed at Poggio Casciano in FY 2016, turning to organic methods to combat the main insects that attack the vines.

In FY 2019, Tenute Ruffino, as a result of increased attention linked to sustainable production methods and the pressing need for cultivation in sync with nature, started to convert the company’s agricultural land to organic production.

The values that drive our activities are a **constant focus on the local area, maximum consideration of the land**, which gives us its fruit, and a total awareness of the importance of **respectful agriculture**. As a company operating in the agribusiness, environmental issues are not only fundamental; they are essential for the continuity, growth and quality of the products we make.

¹³ The vineyards were acquired in 2018, having already obtained organic certification.

Partnership with the Consiglio per la ricerca in agricoltura e l'analisi dell'economia agraria (CREA) of Conegliano



Since FY 2019, we have partnered with CREA-Viticultura Enologia di Conegliano to **monitor flavescence dorée**, a disease that the Veneto is obliged to combat, which is caused by a phytoplasma that occupies the vine's lymphatic vessels, blocking the flow and causing a change in the metabolism. The vines afflicted by the disease struggle to grow and their grapes do not ripen. The work carried out with the center enable us to direct the measures taken in the vineyards and to pinpoint any infected vines that have to be removed to contain the spread. This partnership means that we have developed greater knowledge about the disease and defense techniques. Over the years, it will be possible to develop statistics about its evolution aimed at increase the defense of our vineyards.



KATTIVO

Toward agriculture 4.0 – Project KATTIVO

The expertise gained in integrated agriculture and site-specific management, which answers the diverse needs of vineyards, has resulted in improved productivity and product quality, reduced inputs and less time taken to make decisions, hence more sustainable production from a financial and environmental point of view. Other important benefits have ensued, such as greater awareness in company management and the availability and organicity of data and information that lay invaluable foundations on which to build the future of agriculture 4.0.

Project KATTIVO stems from this perspective, with the intention of protecting the vineyard in a timely and precise way, limiting intervention with chemical products to the required dosage, reducing their usage even in case of necessity, and their dispersion into the environment.

The project is part of the **Tuscan Rural Development Programme**, implemented within the scope of the 2017 regional tender announcement in

support of the **Operational Groups for the European Innovation Partnership (Go Pei)** and directly involved four staff members in different roles: management, technical management of the estate, mechanical worker manager and administration. The financial resources were allocated by the Tuscany Region; Tenute Ruffino received a total of approximately 69,000 €.

Tenute Ruffino, which leads the project, with **Azienda Agricola San Felice**, has developed a kit that can modify atomizers¹⁴ to carry out pesticide treatments with innovative variable dose technology (optimized variable doses) capable of modulating the dosage of pesticides efficiently based on the needs of the vineyards and soil.

The kit was developed in order to be applicable to machinery like tractors and atomizers already present in companies, ensuring technical adjustment, hence economic sustainability. The main changes included the installation of sensors and ultrasound that is capable of precisely measu-



¹⁴ Atomizers are irrigation machines used to treat the vines. They are equipped with a fan that facilitates the transportation of the drops towards the target and assists penetration inside the vegetation.

ring the volume and density of the vegetation, a nozzle management system¹⁵ with different capacities, a hardware interface and software that turns the data about the foliage into information about the volume of the mix to be dispensed. The ultrasound sensors can provide real-time measurements about the thickness and density of the foliage¹⁶.

This was confirmed by tests in controlled conditions and tests in the vineyard, which simulated the repeated shift from purposely arranged artificial and real foliage.

This innovation has enabled a **30% reduction in water usage** and **75% reduction in product usage**, at the same time allowing the same coverage of vegetation and better uniformity of the treatment compared to what can be obtained by traditional distribution.

The new kit was tested, in collaboration with the Department of Agricultural, Food, Environmen-

tal and Forestry Sciences and Technologies of the University of Florence and with the Council for Research in Agriculture and Analysis of the Agricultural Economy, in the Spring and Summer of 2020 in the vineyards of Tenute Ruffino and Azienda Agricola San Felice. After the initial phase of application with a traditional atomizer, the kit was applied to a new machine across several rows for the final field checks into distribution effectiveness and adequate wetness of the vegetation. The initial results were extremely positive and promising, but the final conclusion will come by the end of the year at the end of the project. If the trial is successful, it is expected that all the machines will gradually be adjusted for the distribution of pesticides over the next few years.



¹⁵ Devices that divide the mix with pesticides in drops.

¹⁶ Leaf surface of the vine.

Pesticide distribution system with retrieval at Poggio Casciano

Since 2015 we have been using innovative machinery on the Poggio Casciano estate to disperse pesticides with retrieval of part of the mix. The tunnel sprayer has a ventilation system with air vortices **that improve the penetration and distribution of the agrochemicals in the vines and inside the canopy, thereby considerably reducing losses on the ground and dispersion into the air.**

From the tractor cabin, the operator uses a computerized system to control the opening and closing of the conveyors. Three fans with spiral blades are positioned vertically on the central partition, which generate a flow of air, which goes in a semicircular direction with 180° rotation. After passing through the vegetation, it is

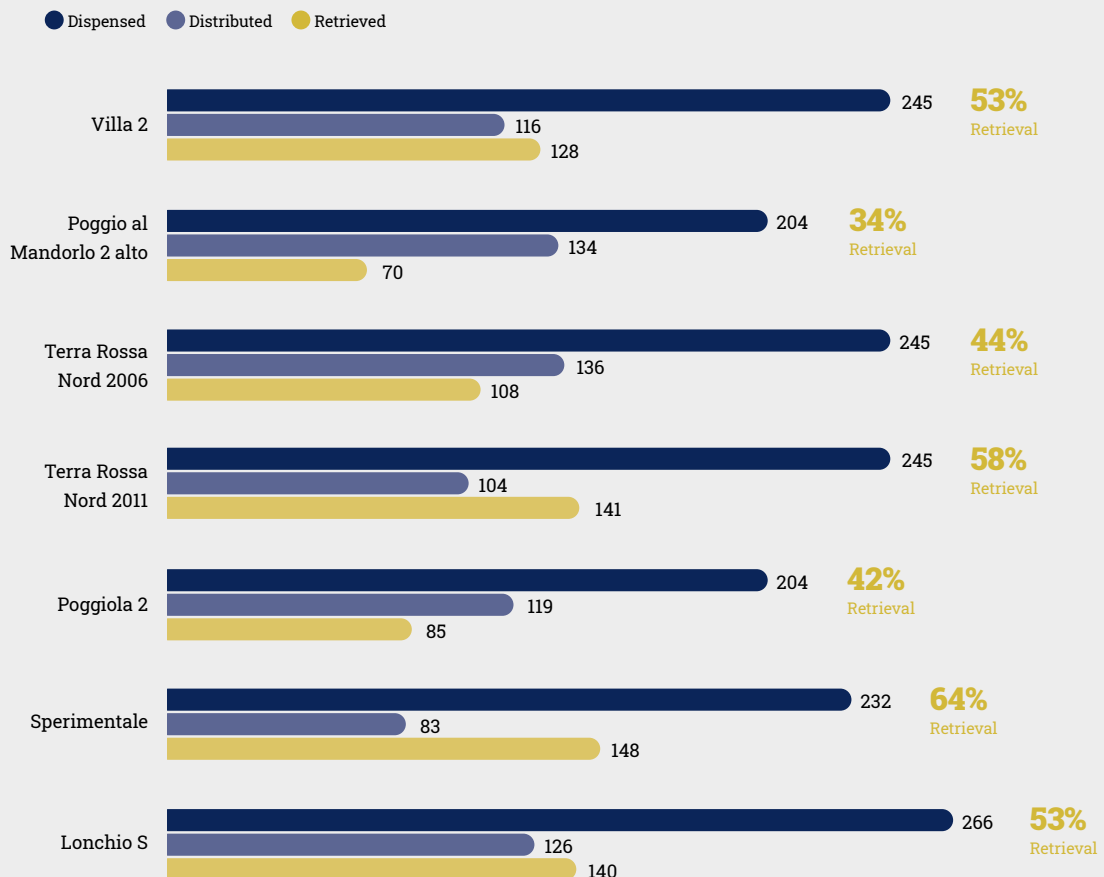
sucked from the other side. In so doing, the product that hasn't been deposited on the vegetation returns into the mix tank.

This system proves particularly suitable even in protected and sensitive areas, such as residential streets and places, due to the efficient retrieval system. It will become increasingly important in our future focus on environmental sustainability.

At the start of the season, we retrieve up to 80% of the dispensed mix, which reaches 15-20 % at the end of the season, with an average retrieval of approximately 30-40%.

The chart shows the liters of product that have been dispensed, distributed and retrieved for every vineyard. On average, the retrieval percentage is between 40% and 60%.

Budbreak – fruit set



Podere la Duchessa – Vine and landscape

In the drive for continued protection and development of the biodiversity, in FY 2020 we embarked on a two-year plan for the environmental/scenic inclusion of the grape-growing system of Podere La Duchessa in sync with organic agriculture protocols. The project aims to increase the edaphic biodiversity, namely the soil's physical and chemical conditions, on the estate; create green areas to ensure diversity and a home for endemic species; develop the landscape by planting native tree species and an orchard with indigenous old fruit varieties; create flowering areas and woodland for bees; and install insect hotels and bat boxes.

Poggio Casciano and sustainable soil management

From FY 2015 to FY 2021, on the Poggio Casciano estate, a project got underway in partnership with **Biopass** (an acronym that in Italian stands for biodiversity, landscape, environment, soil and society), which measures, protects and increases biodiversity in grape growing to **assess the impact of the company's activities on the ecosystem** of the vineyard and the spaces around it. From the point of view of increasing the balance between the quality of our products and environmental sustainability, the biodiversity in the

soil (both cultivated and uncultivated) and in the neighboring areas was assessed, measuring it using specific indices, in order to identify its vitality from a purely organic perspective (e.g. the presence of insects, spiders and worms) as well as from a functional standpoint (habitability of the soil for the roots of the vines). By planning targeted actions in the soil and comparing the results, aimed at verifying those best suited to the company's objectives, improvements in the structure of the soil and its fertility were verified using techniques such as Visual Soil Assessment (VSA), which enable the visual evaluation of the wholesomeness of the soil, and Organic Quality of the Soil (QBS), which studies the insects and micro-organisms in the soil.

Poderi Ducali Ruffino S.r.l.: one of the top 100 most sustainable agricultural companies - AGRICOLTURA100

AGRICOLTURA100 is a campaign that was launched in 2020 by Confagricoltura and Reale Mutua Assicurazioni, which aims to promote the fundamental contribution that agriculture continues to make to the sustainable growth and rebirth of Italy after the global pandemic. AGRICOLTURA100 rewards the agricultural companies most committed to the implementation of sustainable agricultural practices.



In 2020, as part of the program, 1,850 Italian agricultural companies were interviewed to discover the sustainability drives they are implementing in the environmental, social and economic fields, particularly in reference to the aspects stated in Fig. 2. Based on the interviews, each company was given a score (AGRIcoltura100 Index), which summarizes the level of sustainability achieved.

Four indices form this score, which related to the same number of areas of sustainability (ESGD):

- Environmental sustainability index (E - Environment)
- Social sustainability index (S - Social)
- Risk management and relationships index (G - Gestione - "Management" in English)

- Development quality index (D - Development)

Indices E, S and G are calculated using indicators that refer to three axes of evaluation:

- Rate of the company's sustainability drives;
- Investments made and ways in which the campaigns are managed (e.g. certifications, contracts);
- Results achieved

Index D (quality of development) differs by type of variables and calculation methods, and refers to three areas: quality of occupation, competitiveness, and level of innovation.

The implemented analysis model



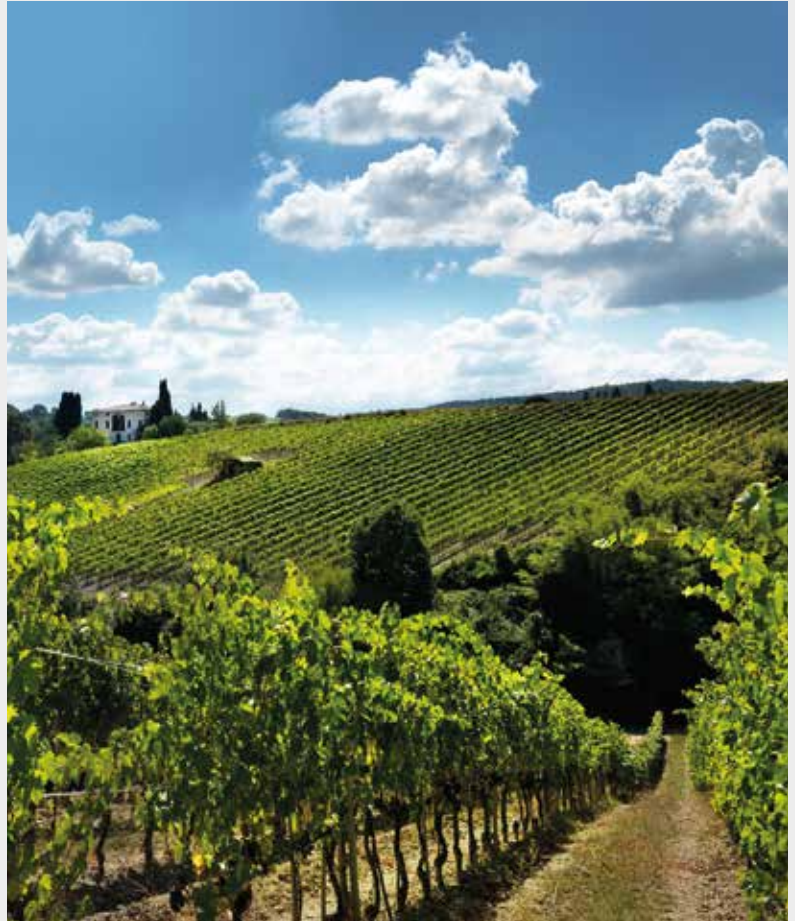
Poderi Ducali Ruffino S.r.l was classed as one of the top 100 companies in Italy in the 2020 edition of AGRIColtura100.

Tenute Ruffino S.r.l on the front line in developing research against vine disease

Italy's vineyards are increasingly harmed by esca, a disease caused by a group of fungi that colonize the lymphatic vessels and the wood, compromising the translocation of the water and nutrients from the roots to the upper part of the vine. Esca disease causes damage in terms of production, quality and revenue, which is why the Unione Italiana Vini, University of Florence, the Italian National Research Council, Perleuve and the app 4Grapes have joined forces to find a solution and increase knowledge about the disease through national monitoring, which aims to involve an increasing number of companies through the research titled **"Study about vine wood disease in the main winemaking regions in Italy"**.

In FY 2021, the study was first structured with an online questionnaire: "Diffusion and economic damage: the opinion of technicians" to understand how widespread esca was, which vine varieties were affected the most, the extent of the financial damage and which agronomic practices were adopted to prevent the disease. Later, monitoring got underway in the vineyard using the 4grapes app, which enables all vine diseases to be monitored and analyzed, in addition to carrying out other surveys and observations to verify the health of one's vineyard in comparison with the national or regional average.

Here are the surveys carried out in FY 2021, which show only a fairly reduced portion. On average, 4.25% of the total vines analyzed are affected by esca and the gravity of the symptoms (average 2.23%) found in the vineyard is currently not



regarded as critical (the threshold for the critical level is 10%). The monitoring will always take place in the same vineyards and an overall view of the disease's progression will be developed in the coming years, which will be useful in making operational decisions (uprooting and replanting, renewal) and planning the necessary investments.

Vineyard monitored	No. vine checked	Extent of the disease (portion of diseased vines) %	Intensity of the disease (gravity of the symptoms) %
Poggio al mandorlo 1- Alto	3,087	4.15	2.08
Poggio al mandorlo 1- Basso	1,902	3.63	1.82
Terra rossa Nord 2011	7,704	4.39	2.51
Terra rossa Nord 2006	2,530	4.86	2.53

Invaluable resources

For Ruffino, protecting the environment is an invaluable concept founded on the capability of creating a production system that knows how to repeat its operations an infinite number of times, without consuming or exhausting the various production factors that make it possible. Ours is a system that lasts over time, which regenerates itself and inspires all our staff and partners, who pledge, like us, to sustain an enduring and circular production cycle. For this reason, we are committed to comprehensive environmental sustainability projects and campaigns, with the aim of looking beyond the concept of profit and innovating our production practices to build a more responsible future.

We are aware and attentive of the evolution of the context in which we operate, especially of the actions taken by the European Parliament, which **voted in favor of the “New Circular Economy Action Plan”** in February 2021. The plan calls for additional measures to reach a carbon neutral economy by 2050, one which is environmentally sustainable, free from toxic substances and completely circular, including more restrictive legislation on waste recycling and binding objectives on the use and ecological impact of materials by 2030¹⁷.

In line with what we have already achieved, we are committed to implementing a **production cycle that includes reducing our environmental footprint** through reduced energy usage, the use of energy from renewable sources, more efficient water consumption, and the reduction, recycling and correct disposal of waste, in addition to working with suppliers who share the same philosophy.

¹⁷ Source: Communication of the Commission to the European Parliament, Council, European Economic and Social Committee and the Conference of Regions. New Circular Economy Action Plan. For a cleaner and more competitive Europe.



This focus is also expressly stated in the **Company Code of Ethics and Conduct**; the **“Environment and Sustainability”** section highlights how each employee’s commitment is fundamental to achieve the objectives set out by the Group. In particular, each employee is required to be responsible for:

- Following and understanding the conduct regarding applicable environmental procedures;
- Encouraging colleagues to behave in an ecologically responsible way;
- Taking on an active role in continued improvement activities of sustainable commercial practices;
- Working to improve the community by supporting local ecological initiatives;
- Handling, packaging, transporting and disposing of all waste in an ecologically responsible way;
- Notify any environment risk, leakage of liquids or release of toxic substances in a timely way.

The Group obtained ISO 14001 certification in 2014 for all Ruffino S.r.l. and Tenute Ruffino S.r.l. properties and continues to hold the certification. In FY 2021, Poderi Ducali also obtained the accreditation.

Thanks to the ISO 14001 certification, we ensure compliance with legislation as well as quantifying, monitoring and checking the impact of operations on the environment. At the same time, we strive to improve environmental performance in the supply chain and pinpoint possible financial savings caused by more aware and attentive management of resources, waste and energy.

To ensure attentive and continued protection aimed at improvement, the Managing Director and the Top Management meet regularly during the year, within the scope of the **CSR Committee and S&ET Committee**, to define a strategy and related actions to:

Audits 12 in FY 2021

- Plan actions in line with CBI’s environmental vision and the work schedule. For more information, see the chapter “We respect our history through sustainable innovation” and, more specifically, the section titled “Our contribution to achieving Sustainable Development Goals”.
- Maintain environmental compliance for all production sites and implement environmental audits on the Group’s sites;
- Keep track of all potential environmental risks and identify areas for improvement;
- Draw up reports on environmental consumption for monitoring purposes and foresee reduction actions;
- Implement and maintain environmental certifications (ISO 14001, Organic, Biodiversity Friend, SNQPI);
- Define participation in sustainability competitions to add value to the Group’s commitments as well as making comparisons with market leaders through scouting new campaigns and technology aimed at innovating managerial and production processes.

Moreover, among the elements we analyzed, particular attention is paid to the protection and development of the **“TPM Management Environmental Pillar”**. This project is ongoing in the production departments at our Pontassieve headquarters. For more information, see the chapter “We respect our history through sustainable innovation”.

The purpose of the Environmental Pillar is to identify the waste in the production process and its impact on the environment, while planning improvement and efficiency actions. It consists of six steps:

- Defining the current situation, the purpose and priorities;
- Analyzing waste and environmental inefficiencies, and studying possible solutions;
- Restoring the basic conditions;
- Analyzing and restoring anomalies respect to the standard;
- Closing the gap to Zero Environmental Loss;
- Ensuring continuous improvement of the environmental management system.

Ruffino S.r.l is currently working on the first two steps, which will be finished by FY22.

To this end, certain documents – environmental management procedure; instructions on waste and discharge management – have been drawn up and shared with workers.

The environmental pillar can be implemented due to the collaboration between the departments: bottling, cellar, maintenance, laboratory and logistics. The environmental management is analyzed at monthly Operations meetings and includes maintaining legislative compliance and resolving issues received from external audits or directly from colleagues.



Energy

Reducing energy consumption and using renewable resources are the focus of our principles to reduce the environmental impact and hand over natural resources to future generations.

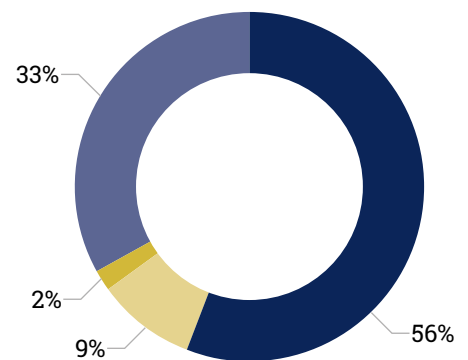
Energy consumption is monitored by reading the meters several times a year. As a principal production site, Ruffino S.r.l. analyzes its electricity and methane usage on a monthly basis in order to identify consumption trends in previous years as well as any variances.

Energy from renewable sources
100% in Ruffino S.r.l.

In FY 2021, the energy mix consists in 56% of the electricity acquired for lighting (1,235 GJ), for air conditioning (heating and cooling) (3,413 GJ) and for production processes¹⁸ (7,051 GJ); for the latter, 60% of the electricity acquired is used.

Approximately 33% consists in the fuel (diesel and petrol) used in the corporate car fleet, while the lesser figures concern the natural gas used by Ruffino S.r.l. for air conditioning and production (1,895 GJ) and the LPG used for heating at the Tenute Ruffino headquarters (418 GJ).

- Electricity acquired
- Natural gas
- LPG for heating
- Fuel used for the company car fleet



-8% energy consumption vs FY 2019

¹⁸ In Tenute Ruffino, production includes both agricultural and cellar processes.

13.2% the amount of renewable energy used

+6.7% compared with FY 2020

0.00020 GJ/K€ energy intensity of the Group in FY 2020 (0.00017 GJ/K€ in FY 2020)

From the point of view of continued improvement in FY 2021, we have started research to plan photovoltaic systems on our production sites. In particular for Tenute Ruffino S.r.l., the installation of two photovoltaic systems at the Gretole and La Solatia wineries are expected by the end of FY 2022, while a feasibility study is underway to set up a photovoltaic system for Poderi Ducali Ruffino S.r.l. The study will end by the FY 2022.

In order to map the consumption and pinpoint possible improvement solutions, we have been carrying out an annual **carbon footprint analysis** since FY 2015 for all sites. In particular, energy usage has been tracked, in addition to emissions from lighting and heating/air conditioning in buildings (cellars, warehouses, offices, etc.), bottling and packaging lines, accessory systems and machinery (nitrogen system, CO₂ extraction systems, etc.), use of agricultural vehicles, goods transportation in Italy (most overseas transportation is managed directly by CBI), use of company cars, employee travel, waste disposal and

recycling, use of fluorinated gases for refrigeration systems and use of chemical products for treatments.

This reporting, which is conducted on all CBI sites, formed the basis for the analysis of the overall situation across the CBI Group.

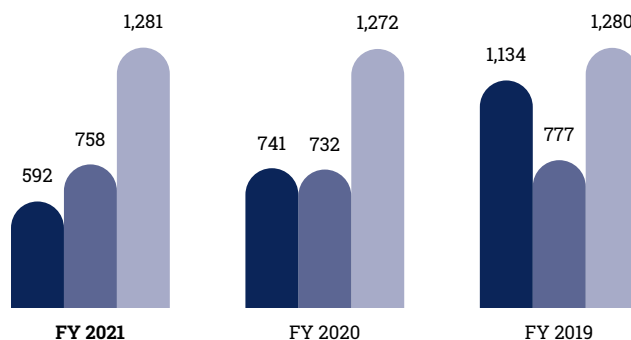
As shown in the chart, direct emissions have been reduced in the three-year period and indirect emissions are in line with previous years. In particular, the Group's total CO₂ emissions (Scope 1 and Scope 2 location based¹⁹), totaling **1,350 tCO₂eq**, are down by 9% compared to volumes in FY 2020, primarily due to the reduction in direct emissions and increased use of energy from renewable sources.

More specifically, **direct CO₂ emissions** (Scope 1) generated in FY 2021, totaling **592 tCO₂eq**, are down by 20% compared to the previous year, **indirect CO₂ emissions (Scope 2 location based)** totaling **757 tCO₂eq** and are slightly higher than in FY 2021 (+3%), and **indirect CO₂ emissions (Scope 2 market based)** amount to **1,281 tCO₂eq** (+1% compared to FY 2019).

Direct and indirect emissions (TonCO₂eq)

0.000013 tCO₂eq/K€ intensity of emissions²⁰ in FY 2021 (0.000011 in FY 2020)

- Direct emissions - Scope 1
- Indirect emissions - Scope 2 (location based)
- Indirect emissions - Scope 2 (market based)



¹⁹ Indirect CO₂ 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 CO₂eq 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 CO₂eq will be zero; 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.

²⁰ The emission intensity is calculated as a ratio between the Group's total CO₂ emissions (Scope 1 and Scope 2 location based) in tCO₂eq and the Production Value in the Consolidated Financial Statements for the three-year period.

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, cleaning rooms and equipment and the winemaking process itself.

Water is an invaluable resource with limited availability. We are deeply aware of its value and the importance of responsible management. For this reason, we are committed to management aimed at the **rational use of water** 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 efficiency and we seek new water supply sources by restoring the springs on our estates, creating new wells, plus treating and reusing wastewater.

We conduct an **annual analysis** requested by the CBI Group to account for possible impacts on business due to water quality and availability, wastewater discharge and in order to collect qualitative and quantitative data. In particular, the quantitative data regard the volume of water withdrawn for supply and discharge according to treatment type.

The **qualitative data** include the volume of water withdrawn divided by the various sources (municipal water, wells, etc.) and discharges according

to treatment type; the qualitative data focus on the chemical and physical parameters analyzed in the water input and output, monitoring frequency and the means of water usage (irrigation, washing, hygiene purposes, etc.).

In FY 2020, we took part in a **detailed survey screening water risk for the vineyards, cellars and distilleries** conducted by CBI. This activity enabled us to pinpoint priority actions to reduce current and future risks or risks that may need to be faced in the medium and long term. For more information, see the chapter “We manage as if we were guardians”.

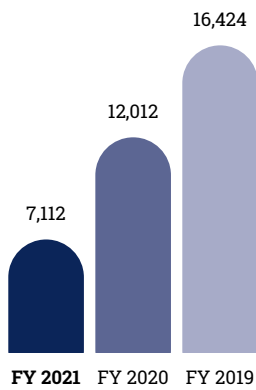


In the three-year period
-57% water consumption

Responsible water management has resulted in a 57% decrease (approx.) in the three-year period in question, as shown in the chart below.

Water consumption (ML)

Withdrawal	150,708	116,523	64,106
Discharge	143,596	104,511	47,682



Water supply

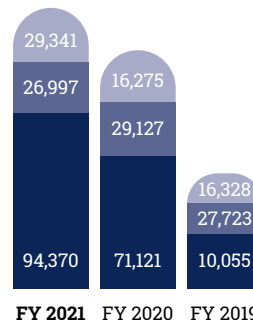
The water used by the Group comes from the following sources: surface water, groundwater and third party water resources.

The company's water resources (wells, lakes) have been surveyed, regulated and subjected to regular checks according to law. All the water is analyzed at set intervals to ensure correct agricultural or domestic use. The water is analyzed by external accredited laboratories. The parameters and frequency of the analyses varies according to the regions and the authorizations issued based on the legislation in force.

As shown in the chart, surface water is the main water supply source. In FY 2021, there was an increase in water usage (approx. 29%) compared with the previous year. 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%)".

Waste usage by source (ML)

- Surface water
- Ground water
- Municipal water supplies/other public water utilities



Irrigation Project

The effects of climate change have an impact on rainfall and temperature, hence a direct impact on the growth of the vines and agricultural activities. Climate change has resulted in the repeated occurrence of late frost, hail, torrential rain and heat waves, all of which were rare in the past. This causes changes in the vine yield and discontinuity in economic, operational and working resources.

Irrigation has become a powerful means of stabilization in the production and interaction between the grape, soil and vintage. An effective irrigation system makes it possible to adapt the company's production processes on a constant basis, reacting quickly to the effects of climate change and seasonal variation.

From this perspective, we have embarked on creating an irrigation system and in FY 2020 the **irrigation project** that concerns **80% of all the surface area of the Group's Venetian estates** was completed, totaling **107 hectares**.

The systems only use drop irrigation that enables the water to be supplied gradually and controlled directly by the vine roots, drastically reducing usage compared to traditional irrigation methods and maintenance costs. Furthermore,

all irrigation programming is digitalized and can be managed remotely using the electrical box of the water pump station. The irrigation shifts and sectors are regulated.

The water used is withdrawn from natural channels surrounding the company, hence returned to the environment in a closed circuit with irrigation.

For Poderi Ducali, in FY 2021, a three-year plan was presented and implemented to create and/or strengthen, depending on the site, irrigation systems on the Poggio Casciano, Gretole and Tuopina estates with a total investment of € 725,000.

24 hectares are currently irrigated: 20 at Poggio Casciano and 4 at Gretole. Due to the implementation of the irrigation system, plans are in the works to increase the irrigated surface area to 50 and 53 hectares respectively, while 35 hectares on the Tuopina estate, which is not irrigated at present, will be irrigated when the project is introduced.

At the same time, a specific project, launched in FY 2018, continues to broaden the irrigation system on the La Solatia estate, which presently covers 7 hectares and will be increased to 20 hectares.

The estates in Tuscany

33% irrigated surface

It is expected that approximately 33% of the surface area of the estates in Tuscany will become irrigated, ensuring a sufficiently stable level of production, even despite the variable weather conditions.

A **precision irrigation** (Variable Rate Irrigation) process has been started on the **Gretole estate**, aimed at using water in an increasingly effective way, given the scarce water availability for irrigation. The irrigation technology that will be adopted in the years to come will enable differing amounts of water to be dispersed based on the type of soil and the actual water requirements.

Irrigation on the estates, now and in the afore-stated projects, mainly takes place by using rainwater collected in artificial basins and only limited to water from wells. Moving forward, we are considering a direction aimed at reuse and recycling the water from the cellar wastewater treatment systems ("constructed wetlands") for the purposes of irrigation and cleaning (vehicles and plazas). To proceed in this way, further analysis will be required to ensure full compliance with the parameters stated in the Italian Legislative Decree 152/2006²¹.

Wastewater treatment

Regarding wastewater management, we have installed two purifiers and three constructed wetlands aimed at responsible water management.

The **purification systems** have been installed in the Pontassieve plant of Ruffino S.r.l and in the San Donà plant of Poderi Ducali S.r.l. They consist in organic purification systems that combine a membrane separation system with the traditional active mud purification process; the membrane system separates organic mud from the rest of the clarified or treated wastewater.

The systems consist in equalization tanks aimed at making the concentration of pollutants as constant as possible ahead of the subsequent steps in the treatment as well as organic treatment tanks, which contain the post-equalization fluids and filter the water to remove the remaining solid particles. After filtration, mud is added, which contains bacteria that feed on the chemical substances in the wastewater, releasing clean water. The latter is stored in a tank before being channeled back into the municipal sewers.



²¹ Testo Unico Ambientale (the Italian Code on the Environment).

The **constructed wetlands** first installed on the Greppone Mazzi estate in FY 2013, later on the La Solatia estate in FY 2017 and most recently on the Gretole estate in FY 2019, 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, which turn into organic substances that are useful to the growth of the plants. Moreover, in the evapotranspiration process, which occurs by nature in the plants, the transpiration of the absorbed water, combined with the evaporation of the surface of the soil, enables a considerable reduction in the volume of the treated wastewater.

Approximately 2,000-2,500 cubic meters have been treated in every wastewater system at Gretole and La Solatia in the last two years. The savings made with this treated water, compared to traditional discharge disposal, foresees a quick return in the investment made to create the constructed wetlands. To this end, the use of plants involved in the plant purification process as compost is being evaluated following chemical

analysis conducted on the plant’s tissues, carried out to check the absence of toxic substances. This additional development would conclude an efficient and virtuous cycle.

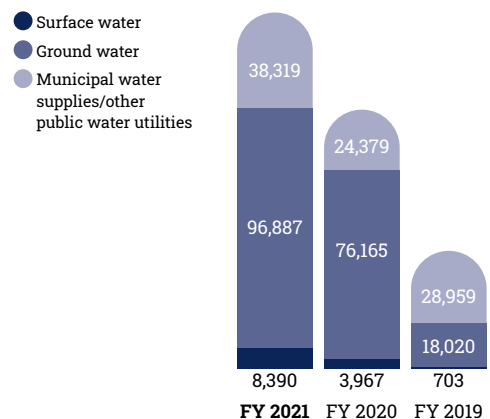
Management software is used for the remote management and control of the purifiers and constructed wetlands. The software particularly facilitates checks on the tank levels, pH parameters, oxygen and the cloudiness of the water.

If it isn’t managed as waste, wastewater is discharged into the public sewers, surface water or trench drains depending on the site and checking the legal requirements. Before the water is discharged, regular chemical and physical analyses are carried out to monitor the quality of the water and check the requirements set out by the issued authorization.

The water discharge in FY 2021, continuing from the previous year, was primarily (67% approx.) as groundwater, which for Tenute Ruffino and Poderi Ducali only includes irrigation. The chart shows an approximately 37% increase in water discharge compared to the previous year.



Water discharge by area (ML)



Waste

Considering that waste production still cannot be removed entirely from our activities, in line with the managerial methods implemented to date and aware of the importance to set out guidelines as a circular economy action plan, **we aim to reduce waste production to a minimum** and where this is not possible to recycle the highest possible amount.

In particular, our management foresees, in addition to reinforcing waste prevention measures, the introduction of an approach that takes into account the entire lifecycle of products and materials to increase the amount of retrieved and reused materials, giving them back economic value, also due to the practical application of the waste hierarchy set out in the European Directive²².

We share the principles of prevention, preparation for reuse, treatment and recycling internally, and in order to clarify the importance of these concepts, **we involve all colleagues and contractors in the correct management of waste**.

From the point of view of continued improvement, we work with external entities, such as specialized laboratories for the correct identification of CER codes for waste that requires chemical analysis to proceed with their characterization, and external consultants to define opportunities to improve waste management.

Moreover, in FY 2021, various departments and managers, including management, the logistics office, environment office, purchases office, legal office, the Lean Maintenance and Engineering Manager, worked together to:

- Revise the waste management methods (codes allocated, disposal contracts, defined storage areas) to update internal procedures and manage plant areas more effectively, also assessing possible cost optimization;

- Optimize purifier management due to revising the maintenance contract given to the specialized company and instructions to manage the system by internal staff (for Ruffino S.r.l.);
- Set out a plan to check waste disposal suppliers through an internal audit attesting to legislative compliance (for Tenute Ruffino S.r.l.);
- Review assignments given to external consultants and workers for waste sampling, characterization and analysis for the entire Group;
- Review assignments for assistance in managing the constructed wetlands at Gretole and La Solatia and for environmental consultancy in terms of wastewater discharge (for Tenute Ruffino S.r.l.).

Ruffino S.r.l., whose headquarters are where most of the processing takes place, hence producing the most waste, uses **specific software** to manage the input and output register and to draw up the Single Environment Declaration Model (MUD) as well as all activities linked to waste management (such as automatic reminders to manage the timing of disposer and transporter authorizations, waste analysis, etc.). For the other Group sites, the management does not require a digitalized system as there is less waste production.

In all company areas, waste collection points are set up, indicated with signage aimed at encouraging the correct separation of the various types of waste, as set out in the legislation in force. For each type of waste produced in a continuous way by the business, a form is provided, which states the production cycle, substances used, the analytical characterization protocol and the frequency.

All the waste produced within the Group must be gathered in a temporary depot, whose volumetric and temporal waste storage limits are established. When the limits are reached, the responsible office (which varies depending on the site

²² Directive of the European Union on waste management - Directive 2008/98/CE.

and may be the Logistics Office for Ruffino S.r.l., the Estate Manager for Tenute Ruffino and the Administrative Office for Poderi Ducali) contacts the accredited disposer to arrange the removal of the waste.

External companies that work on the company's property are also required to manage the waste responsibly and according to what is set out in supply contracts that state specific clauses regarding waste management.

In FY 2021, two audits were carried out to check the waste management on each main site. They were conducted as part of the internal audit or directly during the ISO 14001:2015 certification.

In particular, to encourage increased awareness about waste management and continued alignment with legislative changes, various training sessions have been organized for the departments involved. **In FY 2021, 13 hours were devoted to specific training** and involved various company roles, such as **Department Heads, Directors, Environment Office, Logistics Office and Laboratory Workers**. Subjects covered included the correct waste management procedure (20 participants), the software management used (2 participants), filling in and filing the MUD 2020 declaration (1 participant), and chemical products discharge management (3 participants).

In 2021, in Tenute Ruffino, a dedicated **4-hour training session** was organized, held by an external company that involved **100% of the department heads** (17 employees) responsible for waste management. In particular, the course was aimed at examining the correct identification of waste types, managing agricultural waste and cellar wastewater, with a focus on the legislation in force and correct compliance.

The main waste on the various sites include:

- Glass, paper, plastic, metal, wood and mixed material packaging;
- Mud from water purification;
- Liquid aqueous waste from plazas where agricultural vehicles are cleaned;
- Filtering material (e.g. oil filters);
- Personal protective equipment;
- Waste derived from maintaining the buildings on the estates and disused equipment.

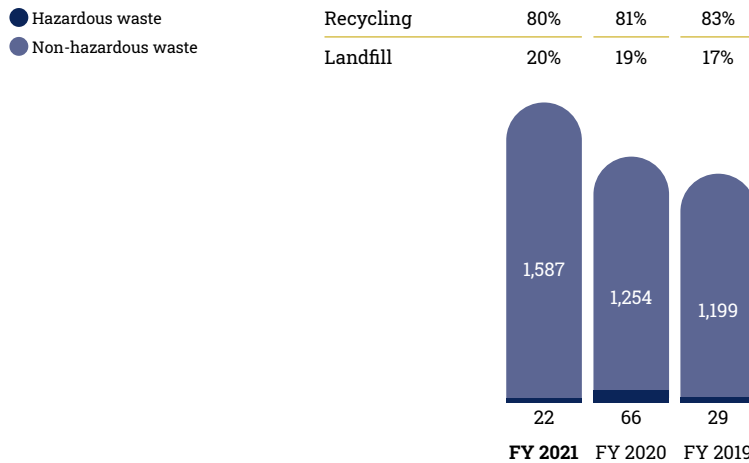
During the year, there has been a slight increase in the waste produced. However, due to the pursuit of effective management, the production of hazardous waste, which concerns only 1% of the Group's waste production, is down by 67% and the amount of the waste that ends up as landfill is down by 84% compared to FY 2020.

In general, the recycled waste is up by 20% compared to the previous year.

80% waste recycled

Among the practices adopted by the Group to reuse some of the production waste, it should be noted that the stalks discarded during winemaking, after an initial spell in storage heaps, are returned to the soil of the various estates during preparations for new vineyards. The amounts of stalks as a by-product of winemaking for the Greppone Mazzi, Poggio Casciano, La Solatia and Gretole estates hover around 79,000 kg, 5,300 kg, 20,350 kg, 24,300 kg and 30,500 kg respectively.

Waste type and disposal method



No. goal	Description	Expiry	Goal	Progress as of al 31/05/2021	
Tenute Ruffino in Tuscany					
1	% hectares SQNPI certified (integrated voluntary defence)	FY21	100%	100%	✓
2	% hectares BIODIVERSITY FRIEND certified	FY21	100%	100%	✓
3	% hectares converting to organic	FY21	40%	55%	✓
4	Number of wineries with production cycle wastewater management with constructed wetlands and reuse	FY21	3	3	✓
5	% hectares with "0" herbicides	FY23	60%	57%	○
6	Number of wineries with renewable energy	FY23	2	0	○
7	% hectares where machinery is used with "intelligent" pesticide distribution (VRT) or with product retrieval	FY25	48%	18%	○
8	% hectares with precision viticulture (with application of various techniques)	FY25	95%	56%	○
Poderi Ducali and Tenute Ruffino in Veneto					
1	% hectares SQNPI certified (integrated voluntary defence)	FY21	100%	100%	✓
2	% hectares certified ORGANIC	FY21	100%	100%	✓
3	% hectares with "0" herbicides	FY21	100%	100%	✓
4	% hectares where machinery is used with "intelligent" pesticide distribution (VRT) or with product retrieval	FY22	60%	52%	○
5	% hectares BIODIVERSITY FRIEND certified	FY22	100%	100%	✓
6	Number of wineries with renewable energy	FY22	1	0	○

We grow by sharing





Ensure healthy lives and promote well-being for all at all ages (Target 3.5)



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



Protect labour rights and promote safe and secure working environments of all workers (Target 8.8)

Our people

The company's success is a result of the work of the people who bring it to life. This certainty inspires Ruffino's staff management: incentivizing relationships based on trust that last over time, encouraging a genuine sense of belonging to the company, and supporting the continuous development of employees and collaborators. In so doing, the personal growth of individuals and the strategic development of the Group are constantly and jointly pursued.

To this end, we are committed to the full promotion and protection of individual rights and we strive to respect the principles of **diversity** and **inclusion**, regardless of whether they are linked to gender, age, nationality or citizenship, physical or mental disability, health conditions, marital status or any other group or category.

Any conduct that violates these requirements during an employee's working life is not tolerated, from hiring to placement, salary and career advancement. Any discriminatory actions will be duly quashed and penalized.

To encourage a stable and shared company culture that revolves around the afore-stated values and approach, we retain that involving our people is fundamental.

To encourage continued exchange within the company community, we organize an event every four months called "**Piazza Ruffino**", when projects aimed at implementing the Group's strategy and results that have been achieved are shared. Product innovations and marketing plans, the sustainable approach and the targets reached by the company are set out at the event, alongside motivational messages by the Managing Director. Given the importance of these moments, during FY 2021 notwithstanding the Covid-19 pandemic, the decision was made to go ahead with the event, which took place remotely for the first time.



We regularly monitor employee satisfaction through an analysis promoted by the CBI Wine & Spirits Team aimed at mapping the way in which the staff experience and interpret the working environment, company leadership, their involvement and sense of belonging to the organization. The analysis reveals the capability of experiencing the company values in routine and supplementary work. It is a fundamental starting point for setting out specific action plans aimed at im-

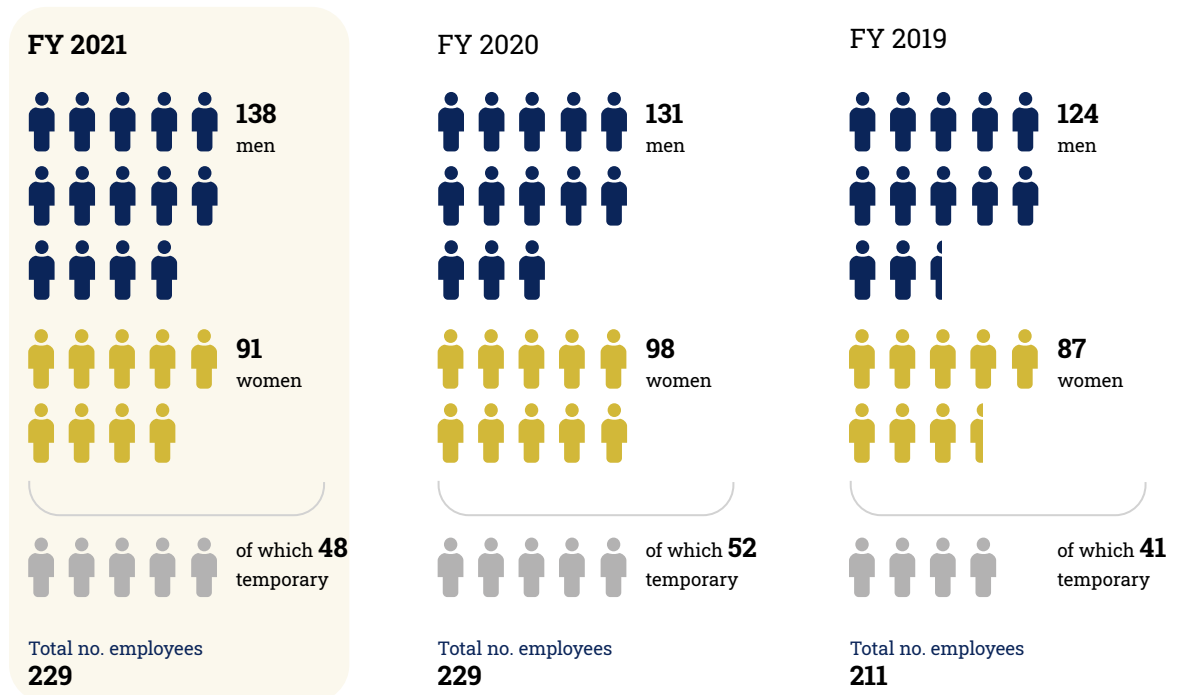
provement. The last edition, which took place in February 2021, involved voluntary and fully anonymous participation in order to ensure confidentiality; 74% of the staff was involved. It emerged that employee satisfaction is medium-high; the level of satisfaction was lower only in the "collaboration" field. For this reason, we informed the directors of the various company areas in order to implement corrective measures.

Group overview

In FY 2021, our Group consists of **229 people**, 48 of whom are seasonal workers (21%), in line with the previous year.

Employees by gender

- Total men in the Group
- Total women in the Group



Ruffino S.r.l.
 • CCNL Alimentari Industria and Dirigenti Azienda Industria. Ruffino has a second-level stipulation, which covers 100% of employees with a Alimentari Industria contract apart from the directors.

Tenute Ruffino S.r.l. e Poderi Ducali S.r.l.
 • CCNL Operai Agricoli (integrated by Contratti Collettivi Territoriali in the Florence, Prato, Siena and Venice provinces)
 • CCNL Impiegati Agricoli, CCNL Dirigenti Agricoltura

Workforce

100% is covered by framework employment contracts

72% employees have permanent employment contracts and 28% have fixed-term contracts due to the seasonal nature of the winemaking sector. In particular, Tenute Ruffino S.r.l. has a sizeable number of seasonal staff employed with a fixed-term contract, whose employment generally begins in January and ends in December of the same year. Despite the seasonal nature of our work, in order to ensure continuity with our collaborators, we strive to guarantee employment continuity and, where possible, to hire the same staff again the following year.

In line with previous years, 96% of employees have full-time contracts. 99% of the company's staff are men and 91% are women.

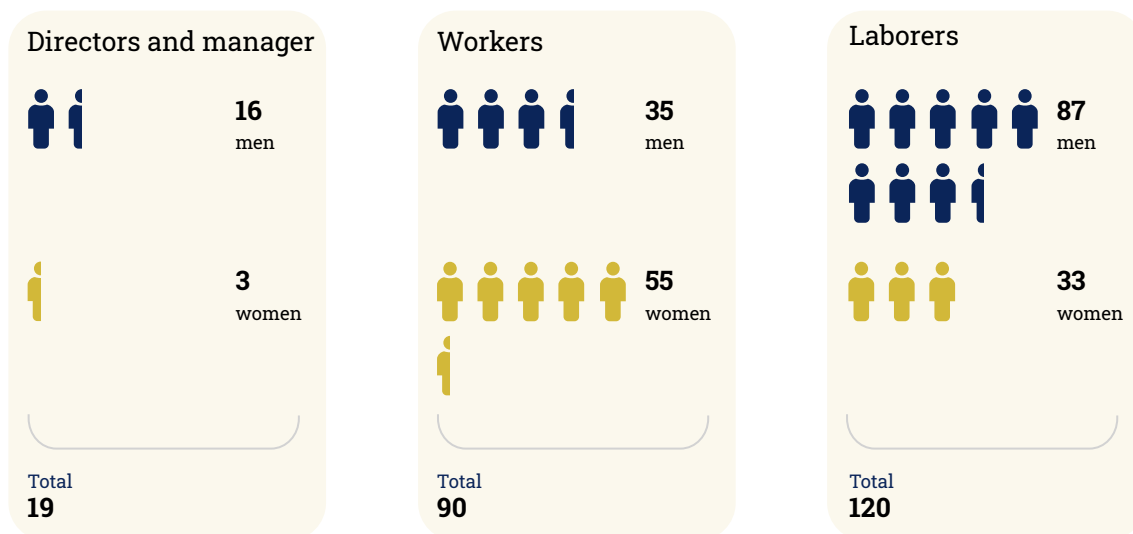
Regarding the employee category by gender, the Group is made up as follows:

Senior manager

79% are hired from the local community²³

Employment level by gender (FY 2021)

- Men
- Women

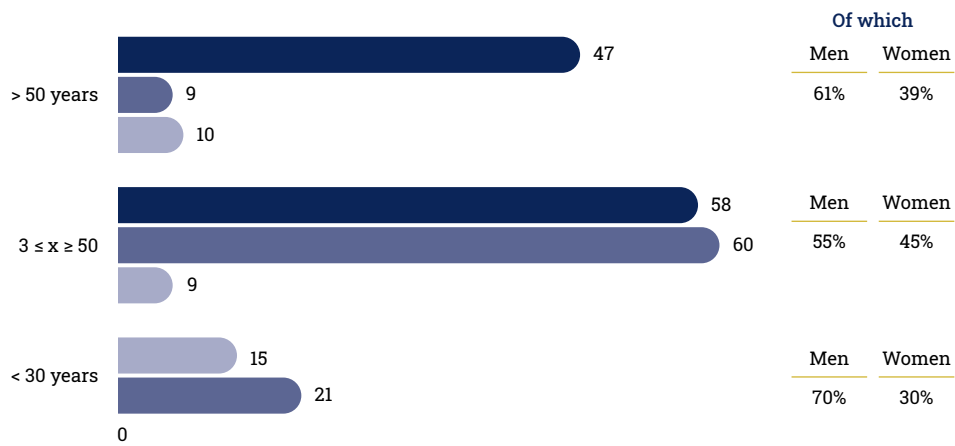


²³ The senior manager category consists in directors and managers. By the local community, we mean Tuscany.

16% of the staff is under 30 years of age, 55% is aged between 30 and 50, and 29% is over 50.

Employment level and age (FY 2021)

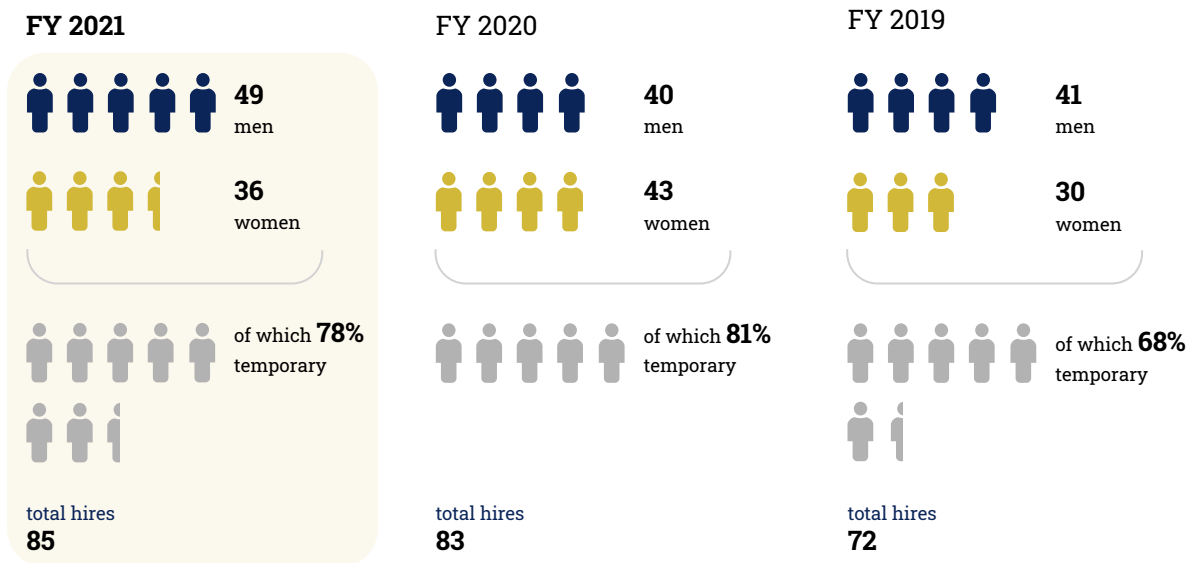
- Laborers
- Workers
- Directors and manager



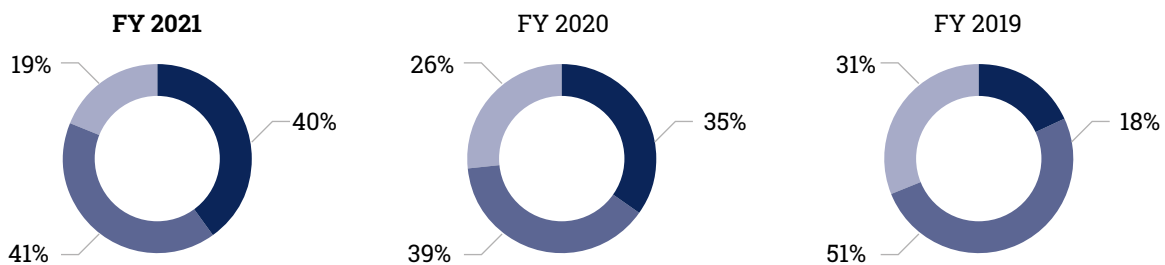
In FY 2021, 85 people were hired in line with 2020 (83 hires), 78% of these were temporary staff. Out of the new hires, 58% are men and 42% women. The incoming turnover rate was 8.3%²⁴, slightly higher than in 2020 (7.0%).

New employees by gender and age (FY 2021)

- Uomini
- Donne



- < 30 years
- 30 ≤ x ≤ 50 years
- > 50 years

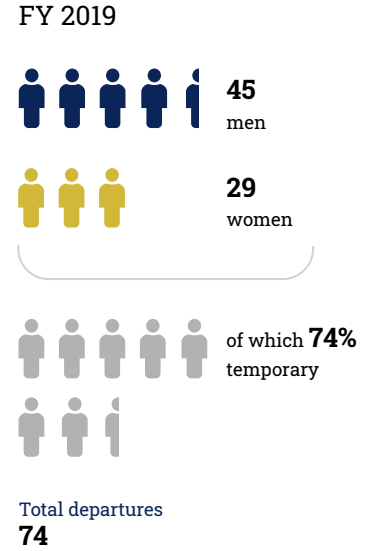
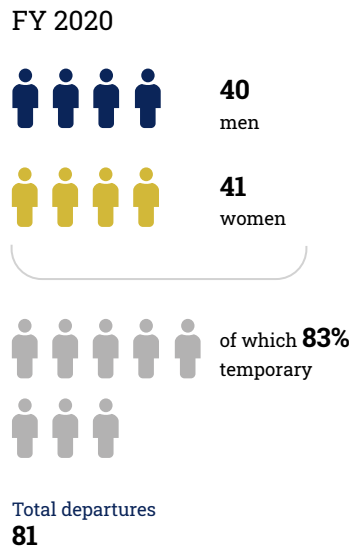
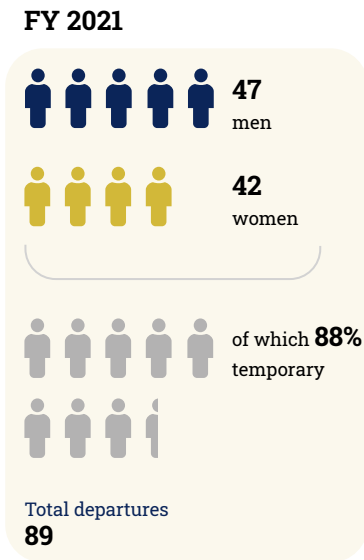


²⁴ The incoming turnover is calculated on the fixed workforce total, namely temporary staff are not included, as a ratio between the total hires as of 28/02 of the year in question and the total number of employees as of 28/02 of the previous year.

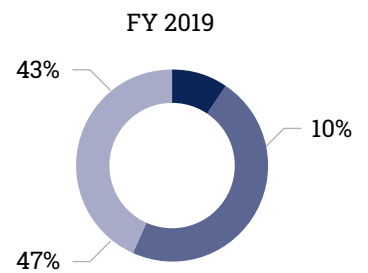
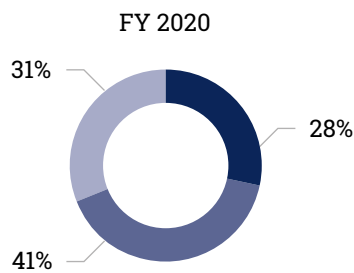
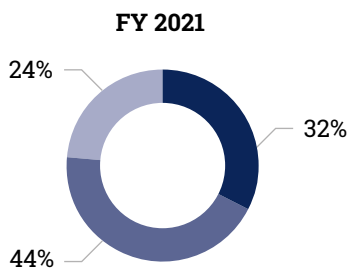
During the year, 89 left the company (81 in 2020), 88% were temporary staff. 53% were men and 47% were women. 88% were temporary staff. The outgoing turnover rate was 4.8%²⁵, down compared to the previous year (6.1%).

Departures by gender and age

- Men
- Women



- < 30 years
- 30 ≤ x ≤ 50 years
- > 50 years



²⁵ The outgoing turnover is calculated 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.

Selection, training and development

The staff selection, hiring and training processes, which are mapped when needed, are regulated by a **specific procedure** that also outlines the company procedure for **recruiting and also for the managing of temporary resources**.

We use various recruitment channels to select personnel, including job fairs like Jobbando, which takes place in Florence every year, and Recruiting Days, organized at local higher education institutes, with which Ruffino has consolidated partnerships, such as the University of Florence and University of Pisa. Due to the company's history and importance in the local area, we have structured a database that is updated with the many spontaneous applications that we receive.

For all the resources hired, following a process that includes interviews and discussions with the **Human Resources (HR) department** and the department heads, new employees are welcomed and mentored for an introduction to the Group's history, its products, and the roles and responsibilities of the internal departments. Depending on specific requirements, training sessions are organized with department heads. Moreover, cellar and estate tours are organized for new site employees in order to introduce them to the production center and ensure appropriate knowledge of the production sites and related processes.

In order to share the company culture and formalized managerial aspects, new resources are provided with a **welcome kit**, which enables them to read about company regulations and the Code of Ethics and Policies in force, including the **Policy on the consumption of alcoholic beverages; the Environmental, Health and Safety (EHS) Policy; and the Policy on the prevention of harassment**.

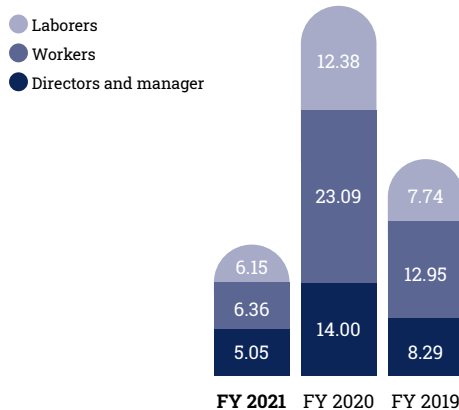
New employees also receive the "MyPayRoll" app handbook, which all employees can use to manage their in-office attendance, book the canteen service and monitor their documents (such as pay slips and the Unica certification).

For all staff, **specific training sessions** are planned **after having analyzed training needs**, managed jointly by the HR team and the department heads. The Group draws up annual training company that takes into consideration all the training needs set out by the required legislation and applied voluntary standards, with particular reference to training about:

- Italian Legislative Decree 231/01;
- health and safety of workers;
- food safety and protection of food products;
- environmental legislation and related fulfillments.

The **total hours devoted to training** were **1,406** (an average of 4.7 hours per employee) down compared to the previous year (3,766 hours and 12.6 hours on average per employee) due to the restrictions and organizational limits enforced by the Covid-19 health emergency.

Average hours of training by professional level





Particular attention is paid to the **award system for individual and the Group's performance** with a focus on individual development and merit. An MBO (Management By Objectives) annual variable incentive system is active as well as a Award for Objectives (PPO) system set out by the framework employment contract. Both award systems aim to enhance the sense of belonging to the Group and the importance of each person's contribution in achieving the company's targets.

The MBO is active for employees from the first level of the Alimentari Industria contract to the directors. The system is based on assessing the

achievement of personal objectives. The PPO system, on the other hand, is extended to all employees and is linked to achieving the Group's financial targets. For employees subject to assessment with the MBO system, the PPO forms part of the award.

In line with the previous year, also in FY 2021, **17.5% of employees received a performance and professional development review.**

We contribute to the wellbeing of our employees thanks to the **company welfare system**, which is extended to all employees²⁶ and includes:

- Health assistance;
- Health insurance to cover Covid-19, which was also extended to family members in 2021;
- Paid leave for medical appointments for staff and their family members*;
- Insurance cover in case of disability and/or invalidity;
- Parental leave;
- Pension contributions;
- Allocation to buy the Group's products*;
- Contributions to buy school books*;
- Benefits for directors and managers include life insurance, flexible benefits that can be re-allocated to various categories (e.g. education costs, personal assistance, free time, sport and travel) and stock ownership.

Employees can turn the Prize by Objectives into welfare to use the benefits provided.

Following the Covid-19 pandemic, to reward the constant commitment and invaluable work carried out by employees despite the difficult period, two additional bonuses were given: the first in June 2020 and the second in March 2021.

²⁶ *Benefit provided for the employees of Tenute Ruffino S.r.l.

Diversity and inclusion

The changing, increasingly globalized and interconnected context in which we work highlights how diversity management has also become a top priority for companies.

We recognize diversity as a principle that must be protected. We believe that every person represents different values, cultures and awareness, which is why we ensure an inclusive working environment for all our employees, free from discrimination, hence enabling everyone to express their talent and achieve the best results.

We are committed to development for the purposes of encouraging diversity and inclusion in order to safeguard our employees and, at the same time, embrace the requests of all our stakeholders.

To this end, a specific project was started in FY 2021 to oversee the issue with initial analysis within the company and the subsequent sharing of

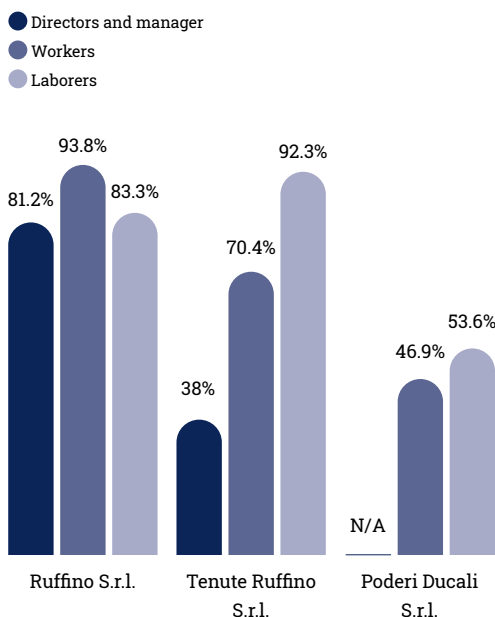
a **survey** with all employees to highlight the most important dimensions of diversity. Moments of exchange are also planned, such as interviews and focus groups across all departments in order to develop an **action plan** and implement actions aimed at supporting diversity and inclusion.



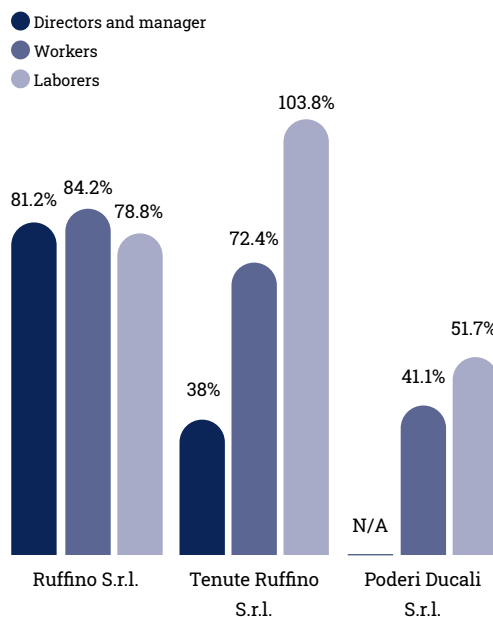
These charts show the ratio of the base wage (minimum set amount set out in the employment contract) and the remuneration (including the variable part) of women compared to men for the three companies comprising the Group for FY 2021.

The charts show a potential gender pay gap in the professional levels that were analyzed, in some cases more evident than others. Nevertheless, it is noted that the director and manager levels and the laborers level are impacted by the lower number of women than men. For Poderi Ducali, the ratio of the director and manager level is zero because there are none in the company structure.

Ratio of the base wage of women and men by professional level (FY 2021)



Ratio of remuneration of men and women by professional level (FY 2021)



Health and safety of workers

Health and safety management in the workplace is a top priority for us and focuses on a specific objective: **making the Group a safe company now and in the future.**

Managing these aspects enables us to contribute to the peace of mind of our workers and to improve the quality of their working lives. We encourage health and safety in the workplace through

preventive actions, codes of conducts and regular specific training.

The responsibility for health and safety across the Group and involves 2 employers, 9 directors appointed to safety and more than 35 department heads. Various safety managers are in charge on the company sites.



Safety is an important aspect in all stages of our business and includes vineyard management, including the harvest; cellar activities (winemaking and aging); bottling and packaging; logistical activities; quality control in the internal laboratory and in production departments; maintenance of machinery, equipment and buildings; office activities of the various department; and activities contracted to third party companies.

Our commitment is delivered with the adoption of the Health and Safety Management Systems and setting out company policy.

Up until FY 2020, we worked in compliance with Uni Inail guidelines, but due to a process of continuous improvement since FY 2020 we have embarked on a path to obtain **ISO 45001:2018 certification.**

Production sites certified

100% ISO 45001:2018 in FY 2021²⁷

²⁷ FY 2022 goal: maintain the certification.

Several annual internal audits are carried out to ensure that international standards are maintained. **More than 20 audits were conducted this year to check compliance with legislation and health and safety management on the various sites.**

We use WEAREFORCLOUD™ management software to manage legislative compliance for environment and safety, whose organization is structured into modules enabling flexible activation depending on the needs on the various sites. The software allows the Risk Assessment Document (DVR) to be managed through a description of the work activities by role and compiling risk survey forms. It ensures a solid and transparent foundation to process statistics and reports that can be compared for the companies comprising the Group and helps the company to maintain the ISO 14001:2015 and ISO 45001:2018 certifications. The reporting, non-conformities and opportunities for improvements found during the internal audits can also be managed effectively.

We also operate in observance of the **Environmental, Health and Safety (EHS) Policy** drawn up internally by CBI for all the Group's companies, with the aim of achieving challenging targets, such as:

- Zero accidents in the workplace and zero occupational illnesses;
- Clearly defined responsibilities and duties pertaining to health and safety;
- Work plans to improve the existing situation whose progress is tracked regularly;
- Tools to involve workers and give them the opportunity to participate in improving health and safety management as well as receiving feedback on the activities carried out;
- Clear and updated reporting.

At an operational level, **regular meetings have been planned across different departments with the intention of monitoring carefully the health and safety of workers.** The type and frequency of meetings vary every year, just like the participants and subjects covered, ensuring the necessary dynamism to fulfill the contingent needs and company changes. They include the

10 or so meetings every year to review health and safety management with the top management, in which several objectives are outlined, such as the number of reports received and resolved, the number of legal fulfillments updated annually, and the number of risk assessment documents that have been updated.

Moreover, whenever operational activities emerge that contain more risks than usual, these activities must be covered in a formal meeting with the Employer, Health and Safety Officer, Safety in the Workplace Representative, Department Head, Manager and the Safety in the Workplace Management System Manager. The activities are analyzed and **instructions** are set out, which are communicated to the personnel affected.

Continuous supervision is also guaranteed by the monthly report shared with CBI and by regular reports shared with the control body.

Workers are directly involved in the management of safety aspects by consulting the Safety in the Workplace Representative and sharing specific plans adopted during the regular meetings with managers and/or the heads of departments and/or the site.

In order to implement a reporting management system provided or by the accident prevention legislation and from the point of view of continuous improvement, **a close calls reporting form has been made available to workers**, namely episodes that do not have consequences for people or objects, but which could become accidents. The aim is to propagate a spontaneous near miss reporting system among all the company's employees, so that each can share their experiences, which become useful for all workers.

Workers' health is monitored by **regular health supervision actions** conducted by doctors (one for each company), who take part in yearly meetings provided for by Italian Legislative Decree 81/08 and who work with the employer and the Health and Safety Officer to assess the risks associated with the workplace and implement measures to protect the safety of workers. All employees are enrolled in the **Fondo Assistenza**

Sanitaria Alimentaristi (Food Supplier Health Assistance Fund) and, where necessary, through the company welfare system, can use medical assistance at a reduced price (specialist medical appointments, dental care, preventive medicine, diagnostic checks).

Workers are involved in **special training** that is both outsourced to specialized and approved external consultants and carried out by the company's Health and Safety Officers.

The course types vary depending on the role and duties of the employees. Specific training sessions are provided for certain roles, including Managers, Safety Directors, Safety in the Workplace Representative, Accident Prevention Manager, First Aid and Defibrillator Manager, machine operators (fork lift, mobile lift platforms, tractors, diggers, cranes).

Moreover, in order to develop continuous development, we work with external consultants for a range of activities such as risk assessment and appraisals of the machinery used in order to share appropriate precautionary measures with department heads.

Sustainability in health and safety projects and fulfillments

53.5% of the Group's total investments in FY 2021

To confirm the importance of environment, health and safety both operationally and strategically, **in FY 2021 we allocated 53.5% of the Group's total investments to sustainability in health and safety projects and fulfillments** (aside from the investments made to manage the Covid-19 pandemic). For more information, see the first chapter "We respect our history through sustainable innovation" in the "Sustainability Investment Plan" paragraph.

In FY 2021, 2 accidents were recorded, down from FY 2020 (3 cases).

Our aim is to reach 0 accidents in FY 2022.



Managing the Covid-19 pandemic

The spread of Covid-19 in Italy in the first few months of 2020 had a considerable impact on the management of the wellbeing and safety of workers. The Group has excelled in its fast and timely management, scaling actions and reactions according to the changing nature of the pandemic.

We worked everyday to maintain the balance between protecting people and continuing our business, respecting all our stakeholders and business partners.

We immediately reviewed the regulations set out by the Decree of the President of the Council of Ministers dated March 14, 2020, in order to define a strict methodology and structure the actions required to conduct business in absolute safety.

To this end, **3 Covid Committees** were established (one for each company comprising the Group), made up of Employers, Health and Safety Officers, the Safety in the Workplace Representative, trade unions, safety managers, the internal Safety Office and various Operations roles. **The committees have met more than 30 times since the start of the pandemic.**

In addition to the Covid Committees, the **Crisis Management Team** was set up in March 2020, an extended team focusing on the management of Covid-19 that met regularly to manage criticalities and provide a timely response. In collaboration with the departments, the team drew up a **Pandemic Plan** consisting of procedures and protocols to protect workers.

The protocol that was implemented considers some key aspects of the pandemic management in relation to company life:

- Methods used by the company to inform all workers and whoever enters the company premises about the provisions set out by the authorities

- Managing the arrival and departure of staff and external suppliers
- Cleaning and deep cleaning of company premises
- Personal hygiene precautions and personal protective equipment
- Company organization (e.g. shifts, remote working) and managing communal spaces
- Managing a symptomatic individual on company premises and health supervision
- Updating the protocol

Moreover, CBI set out a Group Pandemic Plan, which enabled every company site to create, update and maintain a specific pandemic response plan for each structure. The plan outlines elements such as risk assessment of work activities for all departments, encouraging preventive measures to reduce the infection risk among employees, contractors and consultants; identifying the essential roles and departments required to maintain continuous product supply; and maintaining essential departments, such as site safety and technical consultancy for devices.

To underline the constant focus on the health and safety of our workers during this delicate time, **we worked every day with the Health and Safety Officers and a large network of health professionals through the Associazione Italiana Ambiente e Sicurezza (AIAS – Italian Environment and Safety Association)**. This collaboration resulted in devising responses that were valid for the changing nature of the legislation. The Safety Office and other departments involved were able to take part in several Covid-19 training courses to bring external experiences and best practices to the Group.

An **information channel** was set up through **emails and noticeboards for employees** to provide updates not about internal company rules, but also about the constantly changing situation

outside of the company. The aim was to circulate relevant, updated and credible information.

Remote working was activated in early March 2020 for all employees who could fulfill their duties this way. To ensure safe and appropriate working conditions, a remote working kit was provided, consisting in a screen, keyboard, mouse and ergonomic chair. Instructions were also supplied about taking breaks, the right to disconnect and the need to protect the work-life balance. A phone line was set up to provide psychological and emotional support to help manage this new working method. Employees could use the phone line confidentially to protect their privacy.

After the first wave (in May 2020), we organized a **webinar** to share all information useful for a safe return to the workplace. Employees could take

serological tests during work hours for free and on company sites.

We invested more than 75,000 Euro to ensure the absolute safety of the work environment. The measures taken mainly concern the installation of heat scanners by site entrances; re-organization of workspaces with plexiglass; distribution of hand sanitizer; and supplying all employees with personal protection equipment.

To check observance with the Covid-19 protocols and other regulations, **internal and external audits have been conducted**, the latter by Unione Italiana Vini. External audits noted the application of a shared and effective management system.

Award-winning management

The HR Director of the Ruffino Group was included in the list of award-winning individuals in 2020 by the Associazione Italiana per la Direzione del Personale (Italian Staff Management Association) with the **"HR Mission 2020 – lavorare con e per le Persone nell'emergenza"** ("HR Mission – to work with and for People during the Emergency") prize, which recognizes the dedication, creativity and innovation implemented by professionals in the Human Resources field during the COVID-19 emergency.



Supply chain

Rapports with our suppliers are conducted according to the principles of honesty, integrity and coherence with applicable laws, ethical standards and the company's rules of conduct. Our precise management has enabled us to develop and increase a network of lasting relationships with local companies over time, hence promoting local products and ensuring a high level of quality.

Sustainability in the supply chain is increasingly considered to be a key component of company responsibility and regards the environmental, social and economic impact as well as the promotion of commercial best practice throughout the product lifecycle.

Aware of the importance of transparent and respectful procurement, we adopted the **"Supplier sustainability code of conduct and guidelines"**²⁸, which sets out the principles to which suppliers must adhere in terms of ethics and integrity, working practices and conditions, procurement of minerals coming from conflict areas, environmental compliance and sustainability.

By signing the document, suppliers pledge not to act, directly or via its collaborators, in such a way that contradicts the principles set out in the code and declares that they are aware that any non-compliant behavior could result in the termination of the rapport between the parties and could also result in a petition for compensation if said behavior damages the Ruffino Group, such as the applications of the measures provided for by the Italian Legislative Decree 231/2001.

Suppliers are nevertheless encouraged to exceed the requirements of the code and to promote continuous improvement in their business and supply.

The following managerial figures have been identified in the three companies who regularly work with the reference departments to ensure scrupulous management for every stage in the production cycle.

- **Procurement Manager:** procures all the dry goods, materials for bottling and the cellar, leads negotiations and formalizes contracts for supplies, the purchasing of machinery, equipment and/or services;
- **External Grower Manager:** in charge of purchasing grapes from suppliers in line with supply and demand needs; 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;
- **Quality Manager:** represents Ruffino's management in the application of food safety standards as HACCP and voluntary legislation manager (ISO 9001, IFS). Enforces and directly manages, helped by a laboratory and quality control team, all the quality and analytical product checks, whether internal or external, throughout the production process;
- **Wine Strategic Sourcing and Regulatory Affairs:** manages the strategic procurement of wines and observance of regulations;
- **Chief Winemaker:** the main winemaker of the Group.



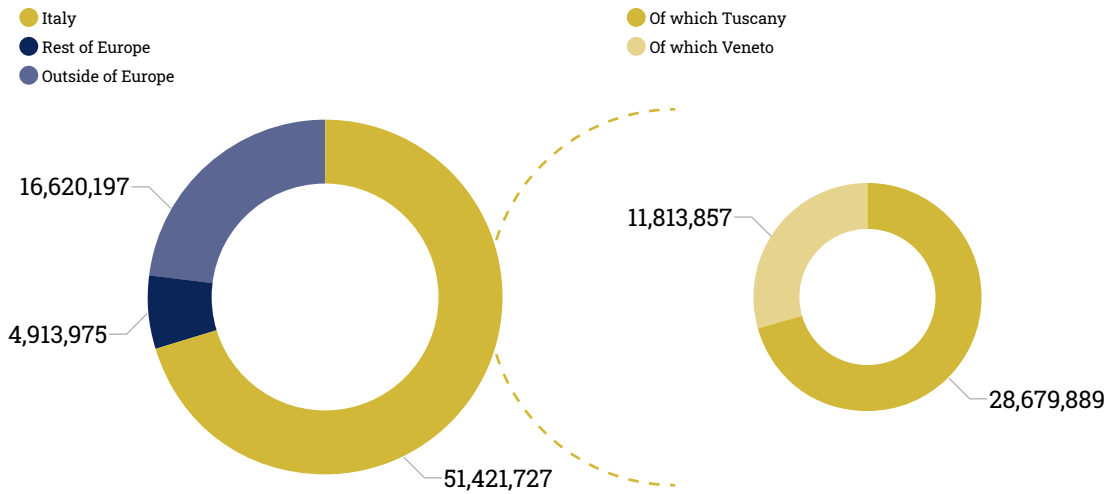
Procurement types

Over the years we have developed solid rapports with our suppliers, to which we outsource both the production of **raw edible materials** and products linked to the **packaging** and **distribution** of our range.

Overall, in FY 2021, **71% of purchases were made in Italy**, and **more than 55%** in our **local communities** of Tuscany and the Veneto.

Purchases in Italy
more than **55%**
in local communities

Division of supply costs by geographic area (FY 2021)

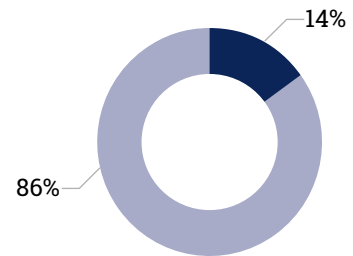
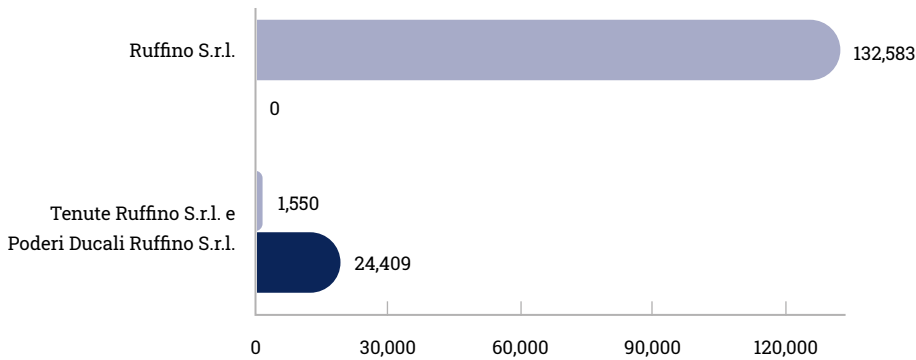


The **raw materials** consist in grapes, wine and must and are both produced internally by Tenute Ruffino S.r.l. and Poderi Ducali Ruffino S.r.l. as well as purchased from local external suppliers.

Here are the production and supply of raw materials for the 2020 harvest (FY 2021):

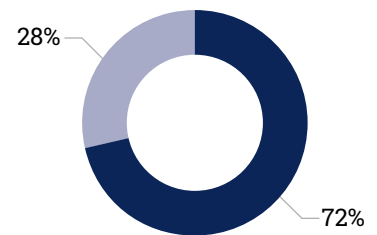
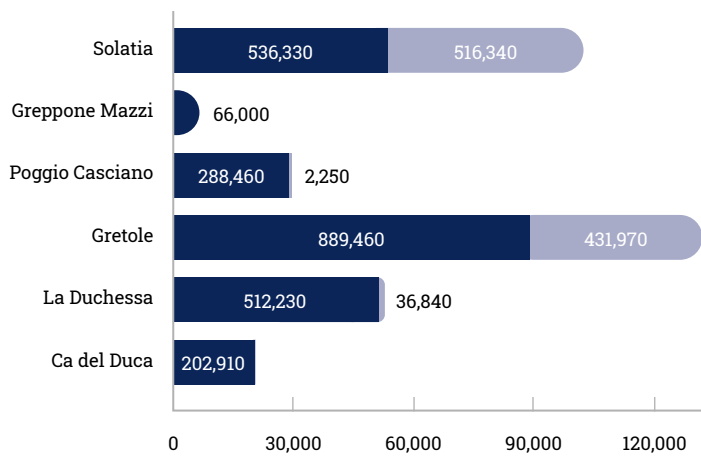
Wine (FY 2021)

- Wine produced (hl)
- Wine purchased (hl) - including must



Grapes (FY 2021)

- Grapes produced (kg)
- Grapes purchased (kg)

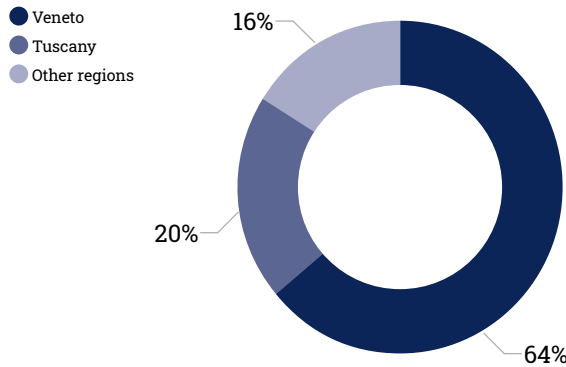


In FY 2021, in terms of bulk wine purchases, 64% of the procurement came from suppliers in the Veneto, 50% of which for purchasing Prosecco, 20% from Tuscan suppliers and the remainder from suppliers mainly based in Friuli Venezia Giulia, Lombardy and Piedmont.

Here are the procurement details by region in Italy:

% of cost for raw materials procurement in Italy of cost for raw materials procurement in Italy (FY 2021)

% vs totale forniture Italia



Raw materials
more than 85% purchased from local suppliers

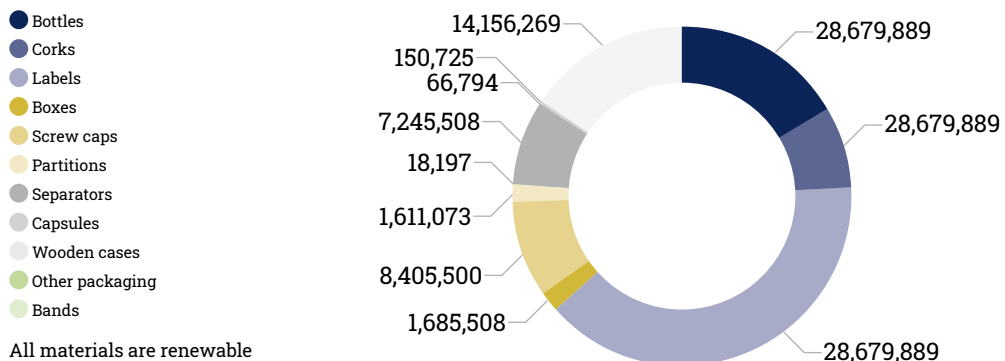
The materials (dry goods) for the packaging and distribution of our products consist in glass bottles, corks, screw caps and polylamine capsules, labels, cardboard boxes, cardboard tubes, wooden cases, partitions and separators.

Before allocating the supply, a test order must be made to check the product quality. Subsequent checks are made during the rapport to ensure that quality requirements are maintained.

For dry goods suppliers, the percentage of the compliance of the goods received is analyzed every month as well as the completeness of the delivery and observance of times. These parameters form the **supplier's rating coefficient**, which guides the company in choosing the best partners for its business. Keeping the coefficient high is a prerequisite to remain a supplier to the Group.

The following table shows the material for the packaging and distribution of our products purchased by the Group:

Product packaging and distribution material (No. of pieces FY 2021)



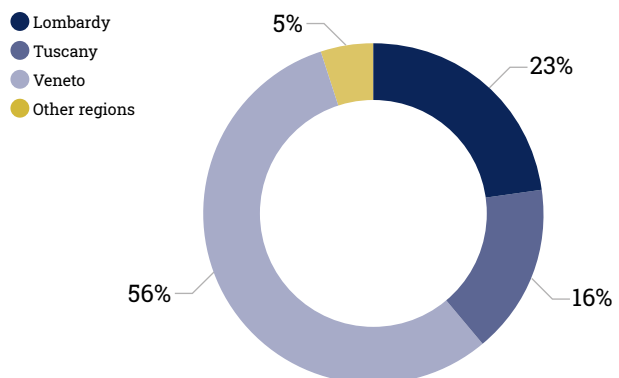
All materials are renewable



In FY 2021, approximately 72% of the procurement for product packaging and distribution focused on local suppliers in the Veneto (56%) and Tuscany (16%).

The following chart shows procurement details from the regions of Italy:

% of cost for dry goods procurement in Italy (FY 2021)



Growing together: a roadmap 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 for the Gretole, La Solatia and Poggio Casciano estates. The aim of the partnership is to support suppliers in obtaining integrated quality production certification (SQNPI) and achieving organic production, in line with the Group's ambitious goal of **creating a 100% sustainable or organic grape supply**.

Grape procurement supply **100% organic and sustainable**

The process provides full support to suppliers. 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 accompany our partners in this development.

The action areas on which the project is based are:

- **Agronomic efficiency and quality** aimed at implementing agricultural best practices and accompanying the suppliers in becoming sustainable and organic certified;
- **Efficiency and social sustainability of work** to comply with legislation regarding the health and safety of workers, also for sub-contractors;
- **Efficiency and environmental sustainability and consumer safety** aimed at monitoring the use of pesticides, obtaining integrated quality production certification and assessing environmental certification.

Goals to be achieved have been identified for every area. A roadmap was then drawn up in order to achieve these goals in addition to performance indicators (KPI) to monitor progress.

The KPI were decided in compliance with legislation and the Group's drive to examine the processes implemented by suppliers, hence to push beyond legislative requirements and encourage virtuous practices.

Here is the roadmap to 2025 for Tenute Ruffino suppliers, structured across several years of harvests (HY):





Agronomic efficiency and Quality

Signing the Agronomic Protocol in the supply contract

Checking residual pesticides in the grapes

Correspondence of the estates on the Art ea²⁹ maps

Sharing and implementing the regulations stated in the Group's Agricultural Best Practices Handbook

Assessing the possible interest in certified organic or sustainable growing



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



Efficiency and Environmental Sustainability and Consumer Safety

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

²⁹ ART EA is the Tuscan Regional Agency for Agricultural Supplies (established with Regional Law November 19, 1999, no. 60 and subsequent amendments and additions). It carried out the duties of a paying body recognized for the liquidation of FEAGA (European Agricultural Guarantee Fund) and FEASR (European Agricultural Fund for Rural Development) funds, which support agricultural production in European Union countries through supplying aid, contributions and awards to producers.

KPI
HY 2020

KPI
HY 2021

Assessing and introducing suppliers to organic growing and obtaining sustainability certification

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

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)

KPI
HY 2022

Part of the suppliers become organic certified and/or sustainable

Suggested participation in the SQNPI

KPI
HY 2023

100% suppliers with organic production and/or 100% sustainable

Assessing environmental certification

KPI
HY 2025



At an initial stage, each supplier was asked to fill out a questionnaire in order to pinpoint the status and establish gradual improvement actions progressive. Visits to the suppliers' estates were also planned to assess the status individually and plan the possible next steps from the point of view of continuous improvement.

Involving all suppliers was possible due to a lasting relationship based on trust and the importance that these aspects have always played in our supply rapports. There is also a solid contractual basis, which already includes specific requests regarding the formalization of production process operating methods, as well as defining and implementing an agronomic protocol, regulations on the use of pesticides, the exclusion of certain chemical products, defining checks regarding compliance with the conditions implemented directly by the company.

Partecipazione

100% of estates' suppliers

In FY 2021 **35,5%** of the total grape purchases

10 suppliers involved in FY 2021

14 suppliers involved in FY 2022³⁰

³⁰ The variability of the number of suppliers over the years is consistent with identifying grape requirements, hence product demand.

Towards the implementation of a Vendor Rating system

During FY 2021 to ensure sustainability, ethics and transparency in our procurement process, we drew up a Vendor Rating system for the supplier qualification process by implementing a Vendor Matrix, which will become operational in FY 2022 and an integral part of the Procurement Procedure of the Ruffino Group.

It will be possible to analyze and assess current and future suppliers as well as allocating each partner with an "ID card" in order to make informed choices that evaluate aspects of sustainable management at the same level as financial robustness and quality, which are already checked and controlled.

- 3,898 suppliers on the records
- Applied for all purchases \geq 5,000 euro

1,275 supplier, **33%**
with costs \geq 5.000 euro

Selecting and assessing suppliers are fundamental principles of the Organizational Model adopted by Ruffino. They are also a primary requirement for correct management of risks associated with some of the applicable offences in compliance with Italian Legislative Decree 231/2001.

For a correct rating process, first suppliers will be classified according to the type of supply and then according to the following aspects:

- Procurement risk due to the complexities of the supply market, in terms of the availability of the goods or service, the number of alternative suppliers, supplier power, obstruction to entry into the sector;
- strategic importance of the good purchased, in terms of added value, economic impact and impact on profitability.

The supplier will then be profiled according to various assessment areas, including company organization and structure; financial stability; safety and environment; quality; reputation; and technological potential.

Consumer focus

Consumer focus and satisfaction, as well as product quality, are interdependent values and have always been one of our primary commitments. “Attention to quality” and “Attention to the client” are two of the core values stated in the Company Code of Conduct and Ethics.

We are committed to respecting the highest standards of quality and agrobusiness legislation. We rely on our internal laboratory to conduct specific analyses on product samples and external experts for additional quality control. **Safeguarding quality is a goal that we pursue every day as a guarantee of our products and to protect our consumers.**

Educating people about responsible drinking is one of the three pillars comprising Ruffino Cares. Our aim is to guide consumers in tasting wine in an informed way. We do so by encouraging **good consumption practices and awareness campaigns about drinking wine responsibly.**





Responsible drinking

Tasting and appreciating good wine is and should always be pure *shared pleasure*.

For Ruffino, responsible drinking is a shared value, in which resources are invested for employee training and public awareness campaigns.

An **internal responsible drinking 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**.

The attention paid to responsible drinking is the same in all marketing and communication activities. The Group applies a “**Code for responsible practices in the marketing and publicity of alcoholic beverages**”³¹ which defines the public at which marketing materials are targeted, the ethical standards for the publicity intended for the press (print, radio, TV and web), image use standards, symbols, figures and subjects.

We also established an internal process to ensure the utmost compliance with the Code, which all companies that are tasked with marketing activities must apply and observe. Due also to the fulfillment and respect of the Code, zero cases of non-conformity with the rules adopted for marketing and communication activities have been recorded to date.

Since FY 2015, we have supported and endorse the international association **Wine in Moderation**, which brings together various wine organizations that believe in a culture of sustainable wine and pledge to encourage it through training courses, moderate consumption communication campaigns, and communication standards for responsible marketing for wine and scientific research.

In FY 2020, Ruffino S.r.l. became an **Ambassador Company** of Wine in Moderation, namely one of four ambassador companies that pledge to plan and implement specific responsible drinking campaigns in addition to supporting the association. Being an Ambassador Company also means including the Wine in Moderation logo in all communication campaigns and encouraging consumer awareness about Wine in Moderation activities.

What is moderate consumption?



31 For more information, see the full version: <https://bit.ly/3hJI3or>

Promoting responsible drinking in central Florence

This year too, despite the difficulties caused by the restrictions enforced to curb the Covid-19 pandemic, we have supported events in Florence to encourage a culture of responsible drinking.

We continued our informational campaign about responsible drinking in central Florence in Piazza dei Tre Re by sponsoring evenings organized by Serre Torrigiani³². Although it was not possible to carry out all the initiatives presented last year, such as the Wine Talks and the functional tastings to place wine and tastings in “naturally responsible” settings, we wanted to remain present with our **Ruffino Cares bikes**, which over the years have enabled us to further our awareness drives in Florence, and with brochures on the best ways to approach wine.

We have also supported two music and cultural events, **MusArt** and Firenze Jazz Festival by organizing a Facebook live to promote responsible drinking as well as covering the event and handing out our informational material during the festivals.

Study grant for the Training Course in Behavioral Addiction and Addiction to Legal Substances

As members of Unione Italiana Vini, in FY 2021 we co-financed a study grant for students attending the Training Course in Behavioral Addiction and Addiction to Legal Substances at the Integrated University Hospital of Verona (Psychiatry and Internal Medicine Specialization School, University of Verona).

The aim of the course is to provide theoretical notions about neurobiology and pathophysiology, the main clinical contexts and psychiatric, neurological and internal comorbidities of behavioral addiction and addiction to legal substances. Knowledge and practical skills are also shared



for assessment and integrated treatment (i.e., pharmacological, psychological, rehabilitation) of these disorders, as well as new therapeutic protocols and the public health network to support patients, and basic notions to develop research skills in the field of behavioral addiction and addiction to legal substances.

³² Bistro and location for events. For more information about the amounts given, see the chapter “We grow by sharing”, in the “Interaction with communities and the local area” paragraph.

Product quality and safety

Consumer focus and the quality of our products are two values that are inextricably linked as consumer satisfaction depends on product quality, viewed from the organoleptic and food safety perspective. **Ensuring consumer health and safety is the underlying principle on which our quality management system is based**, which has always concentrated on continuous improvement and raising standards.

As set out in the European directive³³, 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 ensuring the health and safety of products, which are also stated in the HACCP Handbook, which is revised and checked at least once a year.

In FY 2021 **125 hours** of specific HACCP training given

Ruffino S.r.l. also operates according to the requirements set out in the voluntary **International Food Standard (IFS)** - we implemented the 6.1 version of the Food part -, 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, aimed at continuous improvement.

We produce and distribute wine from our estates, in addition to wine purchased from third party suppliers; we also draw on the expertise and professionalism of some suppliers for the production and bottling of certain products (e.g. Grappa, Vermouth, Amaro, Prosecco, Moscato d'Asti).

Regardless of the supply provenance of the supply, the **control plan**, which aims to ensure product safety and quality, is extremely strict and structured. It **encompasses the entire process**, from the vineyard to the bottle, also including the dry goods (e.g. corks, capsules, boxes, bottles). The **checks are primarily analytical and are conducted by our internal laboratory**, while also calling on the support of external bodies and consultants. To this end, a Vendor Matrix is being drawn up to evaluate suppliers. More information is available in the "Supply chain" section in this chapter, in the "Towards the implementation of a Vendor Rating system" paragraph.

The **Quality Team**, which is responsible for product quality and hygiene, is currently made up of 6 people, 3 of whom work in the laboratory and 3 are focused on process and dry goods control. Product quality and safety are guaranteed throughout the production process due to a robust and continuous **control plan**, which runs **from vine growth to bottling and distribution**. To this end, two new professional figures were added in the last twelve months: one in the Quality Team dedicated to the control of the bottling line and a crossover role who is responsible for amending and implementing the procedures adopted by operators in the production department. The procedures describe the macro-processes of the management system, including quality controls during bottling, instructions for operating machinery and deep cleaning procedures.

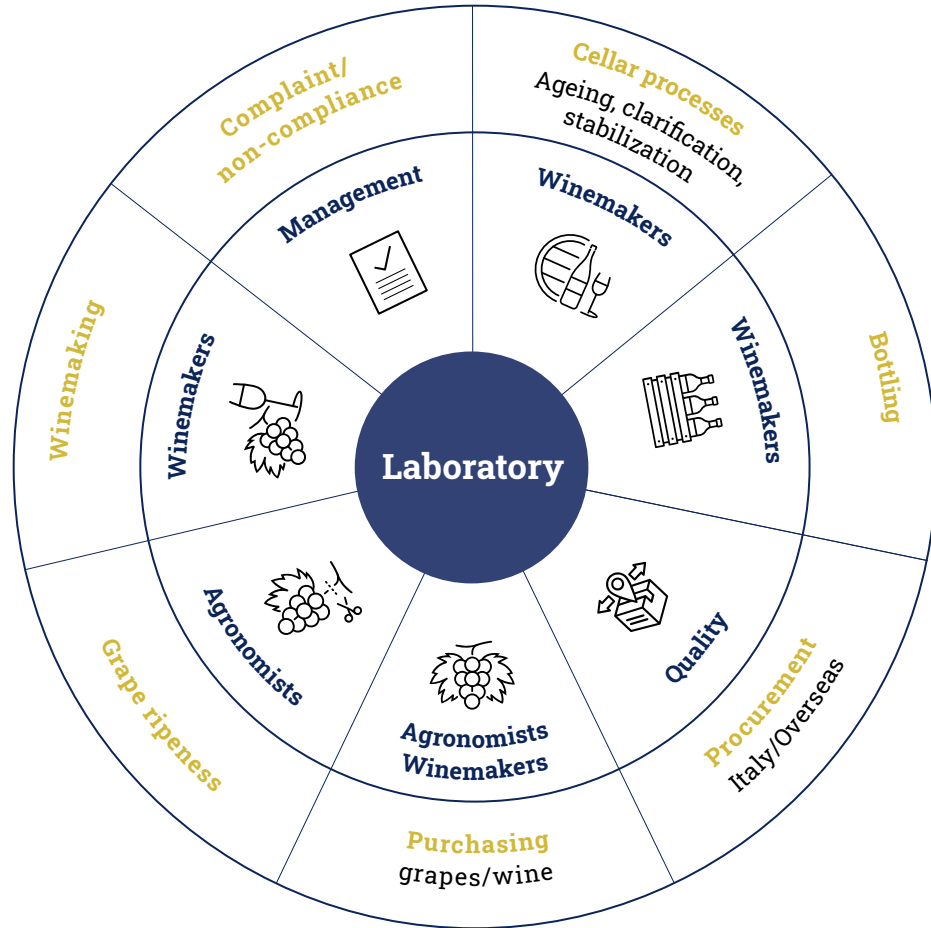
33 Regulation (CE) No. 852/2004 of the European Parliament and Council on the Hygiene of Food Products, 2004.

In FY 2021, more than 400,000 euro has been invested to develop projects aimed at improving quality processes, including:




- Replacing the microfiltration system for bottling, now more innovative and efficient;
- Implementing an automated deep cleaning system for the rinser, filler and corking machines, which removes all possible manual errors by the operator;
- Replacing the external washing system of the filling block to ensure efficiency and improved control of the concentration of chemical products used;
- Purchasing a machine that inspects empty glass bottles, which ensures food safety, discarding bottles that have defects in the glass, foreign bodies and/or residual dirt.


An **internal laboratory** has been structured to meet the high standards of quality; it plays a key role in the company.





This advanced laboratory for the wine sector has sophisticated instrumentation that enables more than 300 parameters to be checked with a total of approximately 10,000 samples a year to check:

-  **Legal limits and production regulations for wines**, for which the laboratory has introduced a continuously updated system;
-  **The various winemaking stages** on our sites and for external suppliers;
-  **The ripening levels of the grapes** to decide the optimal time for harvest;

 **Product stability** in terms of changes in color, the formation of precipitates that could cause alterations in the organoleptic properties, and the organoleptic evolution that the wine could undergo following a certain amount of time after being bottled.

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.



During the harvest and subsequent winemaking, the laboratory receives about 30 samples a day from the estates, which are analyzed to constantly monitor its progress and enable the winemakers to make crucial management decisions.



The analytical protocol is extremely strict for bulk wine supplies, starting with a “purchase proposal” sample to unloading the tank.

We have also set out **guidelines to assess the quality and ripeness of the grapes procured from external suppliers**. Precise quality requirements and the utmost production diligence are required and specified in the supply contract in order to ensure that the grapes comply with all the applicable laws and regulations. As far as quality is concerned, the grapes must be free from obvious defects, such as rot and deterioration from fungal diseases or damage caused by insects and parasites, from defects caused by adverse weather, such as hail, sunburn or dryness, and they must be duly clean and devoid of contamination, marks or abnormal coloring. The ripeness of the grapes is established by parameters like the required amount of sugars, acids and the pH levels needed to make wine. Suppliers are required to commit to agronomical and cultural best practices to ensure that the grapes ripen sufficiently.



For wines produced and bottled by external suppliers, the laboratory provides the authorization to bottle based on sample analyses. After bottling, all the lots must be analyzed from a chemical, physical and microbiological point of view, as well as checked for the packaging before being released and sold.



The laboratory constantly follows all the production at the Pontassieve plant, from new wines to wood ageing controls and the bottling stage. Lastly, it plays a primary role in **research into product stability, shelf life and new product development**, such as in tests conducted by the winemakers.

We implement microbiological checks of 100% of red wines at risk of Brettanomyces, from when the wines arrive in the cellar through to bottling. We continue sample checks six months after bottling. Unfortunately, Brettanomyces yeast is increasingly frequent in cellars and can result in significant aromatic changes in wines where it manages to survive, hence causing abnormal off flavors resembling plasters or medicines. For fine wines that are at greater risk of contamination (Chianti Classico, Modus, Alauda and Romitorio), the aim is to track and control every step in the production process through microbiological and chemical checks, starting with the arrival of bulk wine (external or from Tenute Ruffino), through processing and ageing in wood to bottling and beyond in order to preserve the distinctive aromas and flavors of each wine.

The laboratory also plays an important part in addressing product complaints and non-compliance reported by consumers. In order to observe the principle of efficiency and timeliness in resolving the issue and to ensure constant traceability, 100% of these cases must be managed by transcribing all the information on specific forms. Immediate corrective measures are then defined and at the end of the complaints management, the consumer is informed about the actions taken.

Ruffino S.r.l. monitors the number of complaints and internal process non-compliance on a weekly basis. The process is managed using the LEAN methodology, which aims to find the underlying cause of the problem and to solve it once and for all, so that it is not repeated in the future. At the end of each financial year, an audit is conducted into the complaints received and internal non-compliance, and specific plans are drawn up for the following year aimed at reducing them, setting a maximum threshold that should not be exceeded.

During FY 2021, two non-compliances were recorded about the non-legibility of bar codes on boxes. This problem did not have negative repercussions for the consumer, but correct legibility is essential for logistical purposes.

Product labeling

The procedures for information and labeling apply for **100% of products** and include instructions about the contents, with particular reference to the presence of substances that could have a **social or environmental impact, safe product use** and their **disposal**.

The label also includes information about the **grape varieties**, where the wine was **bottled** and how it was made (e.g. organic production). Additional information may vary depending on the type of wine and may include **information about how the wine was made or suggestions about how to serve it and food pairings**.

To ensure maximum consumer protection, we are working with DNV on a project that harnesses BlockChain technology, which would enable consumers to find out all information about the traceability of our iconic product, Riserva

Ducale Oro – Chianti Classico Gran Selezione DOCG, accessed with a QR code on the back label using a smartphone.





Interaction with communities and local area

Our history and success are rooted in an area that is not only home to our estates but also gives us the opportunity to have an exchange with the communities where we operate. 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. We want to give something back for the hospitality that we receive.

The **drive to give back** is one of the pillars of Ruffino Cares (for more information, see the Chapter "We respect our history through sustainable innovation", in the "Ruffino Cares" paragraph). 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 nature, society, education, economy and the environment.

Here are the activities that we developed during FY 2021.

Help us to help Italy

2020 was a particularly hard year due to the Covid-19 emergency and we felt the need to help our communities through concrete activities.

In March 2020, we started the GoFundMe "Help us to help Italy" fundraising campaign to support the Veneto Region in the fight to combat the spread of the Covid-19 epidemic.

With our Ruffino Cares program, we doubled every donation made and ensured a minimum contribution of 250,000 Euro. **In less than two months, we succeeded in raising approximately 258,000 Euro³⁴.** The donation allowed the Veneto Region to add 4 intensive care beds, helping both healthcare professionals and Covid patients.

Moreover, to thank the healthcare professionals at the San Donà di Piave hospital in the metropolitan area of Venice, we donated 150 bottles of Prosecco DOC Etichetta Arancia and in December 2020 our employees made bracelets with a thank-you note and sent them to the doctors and nurses at the San Donà hospital.

³⁴ The accounting for the fundraiser and the use of funds was audited by an external certified auditing company.



Dynamo Camp

Dynamo Camp is the leading recreational therapy camp for seriously and chronically ill children in Italy. It is part of the SeriousFun Children's Network, a community of over 30 camps providing programs for children in more than 50 countries.

In FY 2021, we continued to support the camp by looking after 1,200 hectares of greenery, investing 30,000 Euro and 40 hours of volunteer work.



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. In FY 2021, we donated 4,000 Euro.

Employee Match Day

Employee Match Day is a yearly CBI event in which employees donate an amount of money at their discretion for a minimum set value and the company matches it, doubling the donation given to the charity. The aim is to incentivize philanthropic activities and social solidarity. More than 2,000 Euro were raised in FY 2021.

Nourishing Neighbors

The "Nourishing Neighbors" campaign is an annual event whereby long-life products are collected through employees' grocery shopping and donated to food banks that distribute the goods among the local community.

AMORIM CORK ITALIA

Since 2014 we have supported the "ETICO" project, a program that collects and reconverts corks that extends across 25 non-profit organizations, which manage the collection and receives a contribution to carry out their projects. The Tuscan association is "Ragazzi Speciali Onlus" in Castiglion Fiorentino. In FY 2021, we supplied unused corks as production waste and unused corks in the bottling department, totaling 20,000 corks and 273 kilos of materials, previously disposed of as undifferentiated waste.






Sustainable grape growing training

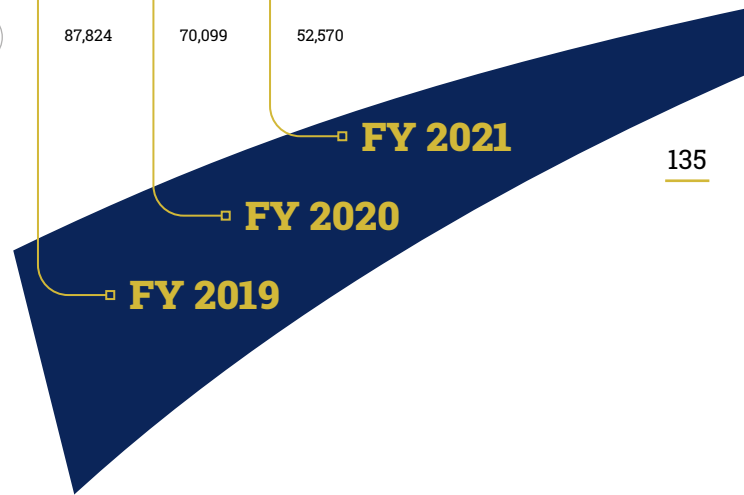
On the Poggio Casciano estate, we welcomed Master of Science in Grape Growing and Winemaking students promoted by Vinifera. We organized four days of training as part of the Sustainable Viticulture course, which included face-to-face lessons and vineyard visits. Our directors and estate managers played a key role in leading the students around the world of Ruffino and sustainable grape growing.

The main subjects covered were climate and soil resources in relation to sustainable grape growing, the Life-Cycle Assessment process in assessing sustainability in agriculture, recent developments in favor of certifying sustainability in the winemaking sector and, more generally, our sustainability projects. In this way, we contributed more than just theory, but also the practical case of our Group with the intention of training future managers and technicians.



The following table shows the investments made to create and communicate our sustainable activities and campaigns.

SCOPE	ASPECT				
 GIVING BACK	Donations to associations, hospitals and charities (Euro)	€	47,480	43,547	289,926
 GIVING BACK	Employee hours (Dynamo) (h)	Hours	120	40	40
 RESPONSIBLE DRINKING	Serre Torrigiani sponsorship, Unione Italiana Vini study grant (Euro)	€	21,000	23,024	21,632
 GIVING BACK	Products gifted to associations (Euro)	€	14,606	12,413	7,394
 SUSTAINABILITY COMMUNICATION	wine2wine, Salone CSR (Koinetica), Sustainability Report, Ruffino, Attività Ruffino Cares (Euro)	€	87,824	70,099	52,570



Protection consortia

- Conorzio del Vino Chianti,
- Conorzio del Vino Chianti Classico,
- Conorzio del Vino Orvieto,
- Conorzio del Pinot Grigio delle Venezie

- Conorzio del IGT Toscana,
- Conorzio del Prosecco,
- Conorzio del Brunello di Montalcino,
- Conorzio dell'Olio di Oliva Laudemio,
- Conorzio dell'Olio di Oliva del Chianti Classico

Trade associations

- Confindustria Firenze,
- Federvini - Unione Italiana Vini,
- Confagricoltori sections of Florence and Siena

Highlighted in gold: the protection consortia and professional associations where Ruffino is on the Board of Directors.

We respect our history through sustainable innovation

We manage as if we were guardians

We preserve value through regeneration

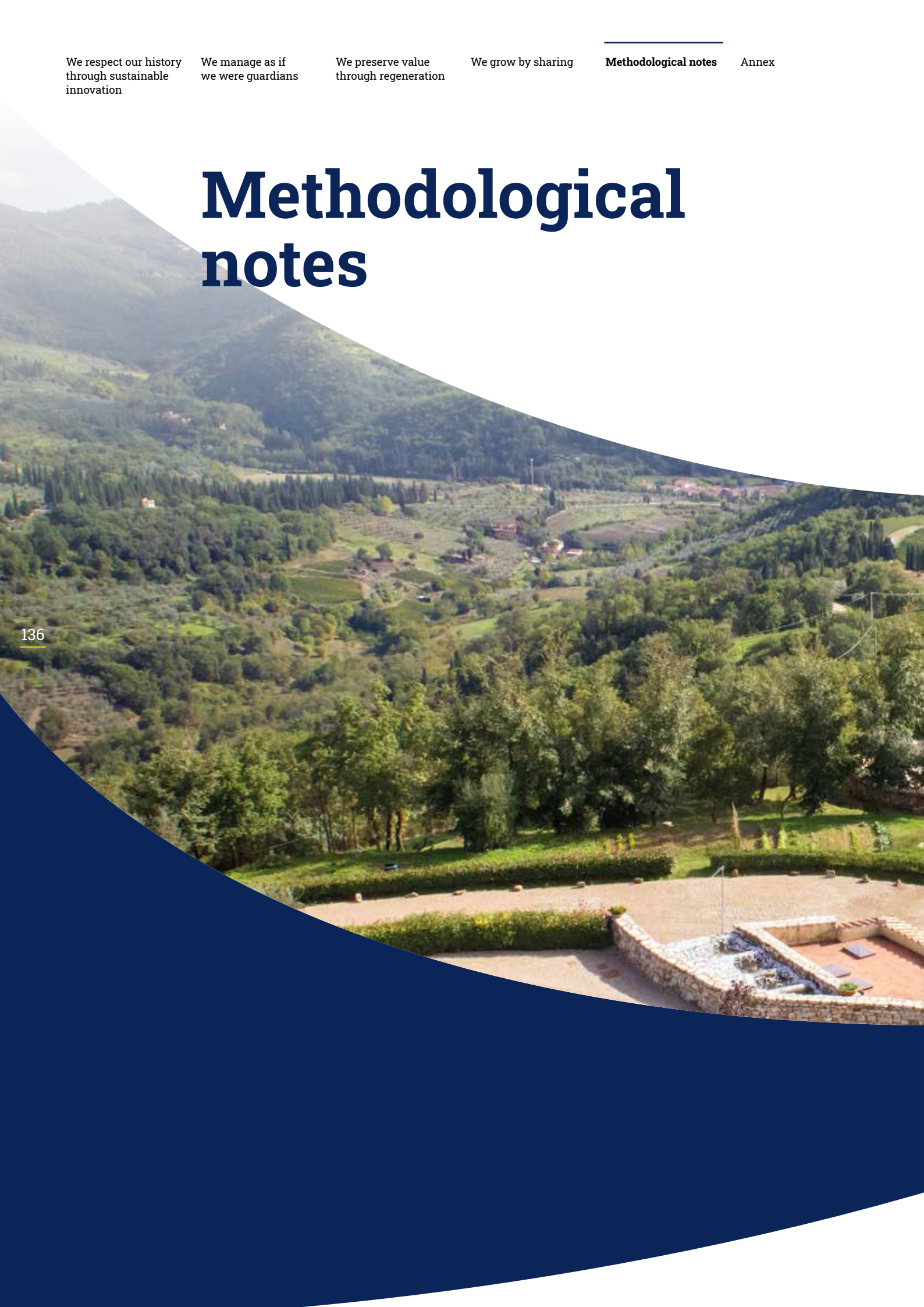
We grow by sharing

Methodological notes

Annex

Methodological notes

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The Sustainability Report from the Ruffino Group (hereinafter also referred to as the “Group” or “Ruffino”) is the third edition of this document compiled on a voluntary basis, whose last publication was in 2019. Publication was not possible in 2020 due to the Covid-19 health emergency and the related activities required to ensure the safety of all the employees of the Group and the continuity of the activities, but as from this year’s reporting the Sustainability Report will be published on a yearly basis. The Report contains data and information about the Group’s activities for the financial year that ended on February 28, 2021, with reference to Ruffino S.r.l., Tenute Ruffino S.r.l. Società Agricola and Poderi Ducali Ruffino S.r.l. Società Agricola.

For this year of reporting, CBET S.r.l. has been excluded from the scope of the quantitative and qualitative data, apart from economic data, since it has no significant social and environmental impact on the business. Moreover, hospitality-related activities are not included in the reported activities as the programming has been impacted by the Covid-19 emergency, which made these activities impossible. The production of oil has also 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 both in an aggregate and individual way for the companies, where it is deemed useful for understanding performance and related impacts. It must be noted that, despite presenting the environmental data in an aggregate way, the data about the water and waste resources for Tenute Ruffino S.r.l. refers to the solar (December 31, 2020) and not the fiscal year (February 28, 2021).

Where possible a comparison has been given with the previous three-year period in order to show the company’s progress regarding sustain-

ability 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 Standards” set out in 2016 and subsequent updates made by the Global Reporting Initiative (GRI), according to the “Core” option. The “GRI Content Index” can be consulted with details about the reported content on page xx of the Report. The GRI principles of relevance, inclusivity, the context of sustainability and completeness 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. An examination of this is provided in the “Materiality Assessment and Identifying Stakeholders” paragraph.

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” (version updated in March 2020) compiled by the GRI. This 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. For more information, see the “We respect our history through sustainable innovation” chapter, in the paragraph “Our contribution to achieving Sustainable Development Goals”.

Materiality Assessment and Identifying Stakeholders

The first stage of the materiality assessment process focuses on the analysis aimed at mapping the external, operational, market and corporate context for the Group, with a focus on the following sources:

- **International associations** including the International Organisation of Vine and Wine (OIV), World Economic Forum (WEF), UN Global Compact (UNGC), International Federation Of Wine And Spirits (FIVS) and the European Committee Of Wine Companies (CEEV);
- **Professional bodies** like Federvini, Unione Italiana Vini, Associazione Nazionale Donne Del Vino, VIVA La sostenibilità nella vitivinicoltura in Italia; Consorzio Chianti Classico and Consorzio Tutela Prosecco DOC;
- **Academia** through the analysis of sector-related articles on social, environmental, economic and governance topics;
- **Peers** to examine the material topics set out in the Sustainability Report;
- The **press** in order to examine sectorial trends;
- **Internal documents** such as the 2019 Sustainability Report, the Company Code of Conduct and Ethics, the Company Code of Conduct and Sustainability Guidelines for Suppliers, company policies and the goals that the Group has already set for itself.

The Group involved the top management in mapping the relevant stakeholders, essentially confirming the map compiled in 2019, with the addition of three new Stakeholder categories: "New talent", "CBI colleagues" and "Professional associations". More details are available in the "We respect our history through sustainable innovation" chapter, in the paragraph "Materiality analysis and stakeholder inclusivity".

The entirety of the elements enabled 20 potentially relevant topics to be identified, which formed the base on which the following are structured:

- **materiality update questionnaire** aimed at the top management, which communicated the relevance of the topics proposed from the point of view of the company and its reference stakeholders;
- **semi-structured interviews** aimed at the Managing Director and the Director of Tenuite Ruffino 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 desktop analysis to be confirmed, integrated, removed or aggregated, setting out the material topics for the Group, 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.

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	Foreign boundary
Environmental			
Preserving biodiversity and promoting grape-growing landscapes	Attentive and sustainable use and management of the soil where Ruffino operates in order to preserve its fertility, organic diversity and nutrients, limiting the exploitation of already scarce natural resources and preferring the cultivation of native varieties.	Ruffino ³⁵	Environment Community
Processes of natural regulation and gradual elimination of chemical substances	Implementation and diffusion of sustainable grape-growing practices, such as site-specific viticulture in relation to the seasonal conditions, precision viticulture and reduced or halted use of chemical substances to limit the impact on the environment and local area, always ensuring the best possible product quality.	Ruffino	Environment Community
Climate change	Fighting climate change by reducing the company's environmental impact, limiting CO2 emissions generated by production, bottling and distributing wine	Ruffino	Environment Community
Energy management and saving	Optimizing energy use and procuring energy from renewable sources.	Ruffino	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	Suppliers
Waste and wastewater management	Limiting the production of waste and wastewater, hazardous and non-, solids and liquids, favouring reuse and recycling.	Ruffino	Suppliers
Social			
Staff management; diversity and inclusion	Talent selection, promoting the value and uniqueness of people, protecting the right to work, training and skill development. Respecting and listening to colleagues and creating an inclusive working environment, promoting the role of women in the sector, which is traditionally associated with male professional figures.	Ruffino	Suppliers
Health and safety of workers	The health and safety of workers is a core value of Ruffino, supported by a virtuous management policy aimed at minimizing risks of injury and illness and promoting a culture of awareness and prevention.	Ruffino	Suppliers
Consumer health and safety	Ensuring product quality in order to promote and protect consumer health and safety, also through education and awareness drives about responsible drinking.	Ruffino	Customers
Economic			
Creating sustainable value over time	Goals of long-term growth and profitability based on the economic sustainability of the business, through the generation and distribution of sustainable economic value to internal and external stakeholders.	Ruffino	Community and local area Local associations and organizations Suppliers Clients
Sustainability as differentiation and competitiveness	Sustainability governance that guarantees correct, ethical and transparent conduct that makes Ruffino stand out and be competitive nationally and internationally, increased over time by obtaining and maintaining product and process certifications.	Ruffino	Community and local area Local associations and organizations Suppliers Clients
Risk management	Developing and applying a model that is prudential to the management of financial, environmental, social and governance risks to which the company is potentially exposed directly and indirectly while managing its business.	Ruffino	Community and local area Suppliers Clients
Responsible supply chain management	Honesty, integrity and coherence are the core elements of the relations between Ruffino and its suppliers, in line with applicable legislation, ethical standards, and the rules of conduct and sustainability guidelines set out by the company.	Ruffino	Clients Environment Community

35 By stating Ruffino in the internal impact boundary, we mean all three Ruffino companies: Ruffino S.r.l., Poderi Ducale S.r.l. società agricola and Tenute Ruffino S.r.l. società agricola.

The following table shows the GRI indicators used to compile the Sustainability Report FY 2021 of the Ruffino Group. In line with the most recent version of the GRI Standards, the standards and individual indicators are stated, with reference to the page number where they are covered. Any omissions and justifications are explained.

More specifically, the 2018 version of the GRI Standard 303 – Water and Effluents and Standard 403 – Occupational Health and Safety was used. The decision was also taken to comply already with the Standard 207 – Tax (2019)³⁶ in this report.

Tabella 2- GRI Content Index

GRI standard ³⁷	Disclosure	Page number	Comments/Omissions
GRI 101: Reporting standards – 2016			
GENERAL DISCLOSURES			
GRI 102 – General disclosure 2016	102-1: Name of the Organization	Cover of the Sustainability Report	
GRI 102 – General disclosure 2016	102-2: Activities, brands, products, and services	Pg. 10, 12, 18-25	
GRI 102 – General disclosure 2016	102-3: Location of headquarters	Pg. 12	
GRI 102 – General disclosure 2016	102-4: Location of operations	Pg. 10, 12, 18-25	
GRI 102 – General disclosure 2016	102-5: Ownership and legal form	Pg. 10, 42	
GRI 102 – General disclosure 2016	102-6: Markets served	Pg. 10, 11	
GRI 102 – General disclosure 2016	102-7: Scale of the organization	Pg. 10, 11	
GRI 102 – General disclosure 2016	102-8: Information on employees and other workers	Pg. 98, 99	
GRI 102 – General disclosure 2016	102-9: Supply chain	Pg. 112-123	
GRI 102 – General disclosure 2016	102-10: Significant changes to the organization and its supply chain		No significant changes are reported
GRI 102 – General disclosure 2016	102-11: Precautionary Principle or approach	Pg. 46-50	
GRI 102 – General disclosure 2016	102-12: External initiatives		The Group does not participate in external activities.
GRI 102 – General disclosure 2016	102-13: Membership of associations	Pg. 133-135	
GRI 102 – General disclosure 2016	102-14: Statement from senior decision-maker	Pg. 4, 5	
GRI 102 – General disclosure 2016	102-15: Key impacts, risks, and opportunities	Pg. 46-53	
GRI 102 – General disclosure 2016	102-16: Values, principles, standards, and norms of behavior	Pg. 54-56	
GRI 102 – General disclosure 2016	102-18: Governance structure	Pg. 42-45	
GRI 102 – General disclosure 2016	102-19: Delegating authority	Pg. 42-45	
GRI 102 – General disclosure 2016	102-20: Executive-level responsibility for economic, environmental, and social topics	Pg. 42-45	

³⁶ According to the GRI, the coverage of these standards will become mandatory in 2021. The Group has decided to report GRI 207-1, GRI 207-2 and GRI 207-4

³⁷ For more information and a description of the GRI Standards being examined, see <https://www.globalreporting.org/standards/gri-standards-translations/gri-standards-italian-translations-download-center/>.



GRI standard	Disclosure	Page number	Comments/Omissions
GRI 102 – General disclosure 2016	102-21: Consulting stakeholders on economic, environmental, and social topics	Pg. 43, 139	
GRI 102 – General disclosure 2016	102-22: Composition of the highest governance body and its committees	Pg. 42-45	
GRI 102 – General disclosure 2016	102-23: Chair of the highest governance body	Pg. 42	
GRI 102 – General disclosure 2016	102-24: Nominating and selecting the highest governance body	Pg. 42	
GRI 102 – General disclosure 2016	102-25: Conflicts of interest	Pg. 54-55	
GRI 102 – General disclosure 2016	102-26: Role of the highest governance body in setting purpose, values, and strategy	Pg. 42-45	
GRI 102 – General disclosure 2016	102-27: Collective knowledge of the highest governance body	Pg. 42-45	
GRI 102 – General disclosure 2016	102-32: Highest governance body's role in sustainability reporting	Pg. 45	
GRI 102 – General disclosure 2016	102-40: List of stakeholder groups	Pg. 36	
GRI 102 – General disclosure 2016	102-41: Collective bargaining agreements	Pg. 99	
GRI 102 – General disclosure 2016	102-42: Identifying and selecting stakeholders	Pg. 36, 139	
GRI 102 – General disclosure 2016	102-43: Approach to stakeholder engagement	Pg. 37, 139	
GRI 102 – General disclosure 2016	102-44: Key topics and concerns raised	Pg. 37	
GRI 102 – General disclosure 2016	102-45: Entities included in the consolidated financial statements	Methodological note	
GRI 102 – General disclosure 2016	102-46: Defining report content and topic boundaries	Pg. 36-38, 139	
GRI 102 – General disclosure 2016	102-47: List of material topics	Pg. 38	
GRI 102 – General disclosure 2016	102-48: Restatements of information	Methodological note	
GRI 102 – General disclosure 2016	102-49: Changes in reporting	Methodological note	
GRI 102 – General disclosure 2016	102-50: Reporting period	Methodological note	
GRI 102 – General disclosure 2016	102-51: Date of most recent report	Methodological note	
GRI 102 – General disclosure 2016	102-52: Reporting cycle	Methodological note	
GRI 102 – General disclosure 2016	102-53: Contact point for questions regarding the report	Pg. 6	
GRI 102 – General disclosure 2016	102-54: Claims of reporting in accordance with the GRI standards	Methodological note	
GRI 102 – General disclosure 2016	102-55: GRI content index	Methodological note	
GRI 102 – General disclosure 2016	102-56: External assurance	Pg. 172, 173	
Topic: Economic performance			
	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
GRI 103 - Management approach 2016	103-2: The management approach and its components	Pg. 51, 52, 59, 96, 104	
	103-3: Evaluation of the management approach	Pg. 46-52, 59, 96, 104	



GRI standard	Disclosure	Page number	Comments/Omissions
GRI 201 – Economic performance 2016	201-1: Direct economic value generated and distributed	Pg. 58, 59	
	201-2: Financial implications and other risks and opportunities due to climate change	Pg. 51, 52, 88, 89	
	201-3: Defined benefit plan obligations and other retirement plans		In the 3-year period, the Group has fulfilled the welfare obligations set out by the law and applicable work agreements provided for by the CCNL.
Topic: Market presence			
GRI 103 - Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
	103-2: The management approach and its components	Pg. 96-99	
	103-3: Evaluation of the management approach	Pg. 96-99	
GRI 202 – Market presence	202-2: Proportion of senior management hired from the local community	Pg. 99	
Topic: Procurement practices			
GRI 103 - Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
	103-2: The management approach and its components	Pg. 112, 113	
	103-3: Evaluation of the management approach	Pg. 46-50, 112, 113	
GRI 204 – Procurement practices	204-1: Proportion of spending on local suppliers	Pg. 114-117	
Topic: Anti-corruption			
GRI 103 - Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
	103-2: The management approach and its components	Pg. 54-56	
	103-3: Evaluation of the management approach	Pg. 46-50, 54-56	
GRI 205 – Anti-corruption 2016	205-3: Confirmed incidents of corruption and actions taken		No corruption has been verified in the 3-year period.
Topic: Anti-competitive behavior			
GRI 103 - Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
	103-2: The management approach and its components	Pg. 54-56	
	103-3: Evaluation of the management approach	Pg. 46-50, 54-56	
GRI 206 - Anti-competitive behavior 2016	206-1: Legal actions for anti-competitive behaviour, anti-trust and monopoly practices		No anti-competitive behaviour or violation of the anti-trust legislation by the Ruffino Group was reported in the 3-year period
Topic: Tax			
GRI 207 – Tax 2019	207-1: Approach to tax	Pg. 154	
	207-2: Tax governance, control and risk management	Pg. 154	
	207-4: Country-by-country reporting	Pg. 154	



GRI standard	Disclosure	Page number	Comments/Omissions
GRI 103 – Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
	103-2: The management approach and its components	Pg. 54-56, 112, 113, 129-131	
	103-3: Evaluation of the management approach	Pg. 46-50, 112, 113, 129-131	
GRI 301 – Materials 2016	301-1: Materials used by weight or volume	Pg. 114-117	
Topic: Energy			
GRI 103 – Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
	103-2: The management approach and its components	Pg. 28, 60, 61, 80-85	
	103-3: Evaluation of the management approach	Pg. 46-52, 80-85	
GRI 302 – Energy 2016	302-1: Energy consumption within the organization	Pg. 84	
	302-3: Energy intensity	Pg. 85	
Topic: Water and effluents			
GRI 103 – Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
	103-2: The management approach and its components	Pg. 28, 60, 61, 86-90	
	103-3: Evaluation of the management approach	Pg. 28, 46-52, 86-90	
GRI 303 – Water and effluents 2018	303-1: Interaction with water as a shared resource	Pg. 86	
	303-2: Management of water discharge-related impacts	Pg. 89, 90	
	303-3: Water withdrawal	Pg. 87	
	303-4: Water discharge	Pg. 90	
	303-5: Water consumption	Pg. 87	
Topic: Biodiversity			
GRI 103 – Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
	103-2: The management approach and its components	Pg. 28, 34, 51, 60, 61, 68-76	
	103-3: Evaluation of the management approach	Pg. 28, 34, 46-52, 68-76	
GRI 304: Biodiversity	304-1: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		The Group's operational sites are not located in protected areas or near areas of high biodiversity area outside protected areas.
	304-4: IUCN Red List species and national conservation list species with habitats in areas affected by operations		The Group does not operate in areas where there are ICUN Red List species.
Topic: Emissions			
GRI 103 – Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
	103-2: The management approach and its components	Pg. 28, 51, 52, 60, 61, 80, 84, 85	
	103-3: Evaluation of the management approach	Pg. 28, 46-52, 80, 84, 85	



GRI standard	Disclosure	Page number	Comments/Omissions
GRI 305 – Emissions 2016	305-1: Direct (Scope 1) GHG emissions	Pg. 85	
	305-2: Energy indirect (Scope 2) GHG emissions	Pg. 85	
	305-4: GHG emissions intensity	Pg. 85	
Topic: Waste			
GRI 103 – Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
	103-2: The management approach and its components	Pg. 60, 61, 86, 89-92	
	103-3: Evaluation of the management approach	Pg. 46-52, 86, 89-92	
GRI 306 – Waste 2016	306-2: Management of significant waste-related impacts	Pg. 93	
Topic: Environmental compliance			
GRI 103 – Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
	103-2: The management approach and its components	Pg. 51, 52, 80-83	
	103-3: Evaluation of the management approach	Pg. 46-52, 80-83	
GRI 307 – Environmental compliance 2016	307-1: Non-compliance with environmental laws and regulations		No significant sanctions have been reported in the 3-year period for failure to observe environmental regulations.
Topic: Supplier environmental assessment			
GRI 103 – Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
	103-2: The management approach and its components	Pg. 68, 69, 112, 113, 118-123	
	103-3: Evaluation of the management approach	Pg. 46-52, 68, 69, 112, 113, 118-123	
GRI 308: Supplier environmental assessment	GRI 308-1: New suppliers that were screened using environmental criteria	Pg. 118-123	
Topic: Employment			
GRI 103 – Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
	103-2: The management approach and its components	Pg. 96, 103, 104	
	103-3: Evaluation of the management approach	Pg. 46, 47, 96, 103, 104	
GRI 401 – Employment 2016	401-1: New employee hires and employee turnover	Pg. 101	
	401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	Pg. 104	
	401-3: Parental leave	Pg. 166	In the three-year period, the return to work rate and company retention rate of employees who took parental leave was 100%.
Topic: Labor/Management relations			
GRI 103 – Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
	103-2: The management approach and its components	Pg. 96-99	
	103-3: Evaluation of the management approach	Pg. 46, 47, 96-99	



GRI standard	Disclosure	Page number	Comments/Omissions	
GRI 402 – Labor/management relations	402-1: Minimum notice periods regarding operational changes		The minimum notice period to workers and their representatives to communicate organizational changes that could have a significant impact is established in observance of the provisions stated in the applied collective bargaining agreements.	
Topic: Occupational health and safety				
GRI 103 – Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140		
	103-2: The management approach and its components	Pg. 106-108, 110, 111		
	103-3: Evaluation of the management approach	Pg. 46, 47, 106-108, 110, 111		
	403-1: Occupational health and safety management system	Pg. 106-108		
	403-2: Hazard identification, risk assessment, and communication on occupational health and safety	Pg. 46, 47, 106-108		
	403-3: Occupational health services	Pg. 106-108		
	403-4: Worker participation, consultation, and communication on occupational health and safety	Pg. 106-108		
	GRI 403 – Occupational health and safety 2018	403-5: Worker training on occupational health and safety	Pg. 103, 106-108	
		403-6: Promotion of worker health	Pg. 106-108	
		403-8: Workers covered by an occupational health and safety management system	Pg. 106-108	
	403-9: Work-related injuries	Pg. 106-108		
	403-10: Work-related ill health		No employee has reported work-related ill health in the 3-year period.	
Topic: Training and education				
GRI 103 – Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140		
	103-2: The management approach and its components	Pg. 96, 103, 108		
	103-3: Evaluation of the management approach	Pg. 46, 47, 96, 103, 108		
GRI 404 – Training and education 2016	404-1: Average hours of training per year per employee	Pg. 103		
	404-3: Percentage of employees receiving regular performance and career development reviews	Pg. 104		
Topic: Diversity and equal opportunity				
GRI 103 – Management approach 2016	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140		
	103-2: The management approach and its components	Pg. 28, 29, 96, 105		
	103-3: Evaluation of the management approach	Pg. 46, 47, 96, 105		
GRI 405 – Diversity and equal opportunity 2016	405-1: Diversity of governance bodies and employees	Pg. 44, 98-105		
	405-2: Ratio of basic salary and remuneration of women to men	Pg. 105		



GRI standard	Disclosure	Page number	Comments/Omissions
Topic: Non-discrimination			
	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
GRI 103 – Management approach 2016	103-2: The management approach and its components	Pg. 28, 29, 96, 105	
	103-3: Evaluation of the management approach	Pg. 46, 47, 96, 105	
GRI 406 – Non-discrimination 2016	GRI 406-1: Incidents of discrimination and correction actions taken		No incidents of discrimination have been reported in the last two years. In FY 2018 in Ruffino S.r.l. an incident of harassment was reported and in Tenute Ruffino S.r.l. a theft was reported. Internal investigations were started immediately and action was taken. Both incidents are still undergoing action.
Topic: Freedom of association and collective bargaining			
	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
GRI 103 – Management approach 2016	103-2: The management approach and its components	Pag. 112, 113	
	103-3: Evaluation of the management approach	Pag. 46, 47, 112, 113	
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		There are no operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.
Topic: Child labor			
	103-1: Explanation of the material topic and its boundary	Pag. 36-38, 139, 140	
GRI 103 – Management approach 2016	103-2: The management approach and its components	Pg. 54, 55	
	103-3: Evaluation of the management approach	Pg. 54, 55	
GRI 408 - Child labor 2016	GRI 408-1: Operations and suppliers at significant risk for incidents of child labor		There are no commercial partners at significant risk of incidents of child labor.
Topic: Local communities			
	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
GRI 103 – Management approach 2016	103-2: The management approach and its components	Pg. 28, 29, 54, 133	
	103-3: Evaluation of the management approach	Pg. 28, 29, 54, 133	
GRI 413 – Local communities 2016	413-1: Operations with local community engagement, impact assessments, and development programs	Pg. 133-135	
Topic: Supplier social assessment			
	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
GRI 103 – Management approach 2016	103-2: The management approach and its components	Pg. 112, 113, 118-123	
	103-3: Evaluation of the management approach	Pg. 46, 47, 112, 113, 118-123	
GRI 414: Supplier social assessment	GRI 414-1: New suppliers that were screened using social criteria	Pg. 118-123	



GRI standard	Disclosure	Page number	Comments/Omissions
Topic: Public policy			
	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
GRI 103 – Management approach 2016	103-2: The management approach and its components	Pg. 28, 29, 54, 59, 133	
	103-3: Evaluation of the management approach	Pg. 28, 29, 54, 59, 133	
GRI 415 - Public policy 2016	GRI 415-1: Political contributions		The Group has not made any political contributions in the 3-year period.
Topic: Customer health and safety			
	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
GRI 103 – Management approach 2016	103-2: The management approach and its components	Pg. 28, 29, 36-38, 124-131	
	103-3: Evaluation of the management approach	Pg. 28, 29, 36-38, 124-131	
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-compliance concerning the health and safety impacts of products and services have been reported in the 3-year period.
Topic: Marketing and labeling			
	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
GRI 103 – Management approach 2016	103-2: The management approach and its components	Pg. 126, 132	
	103-3: Evaluation of the management approach	Pg. 126, 132	
GRI 417: Marketing and labeling	417-1: Requirements for product and service information and labeling	Pg. 132	
	417-2: Incidents of non-compliance concerning product and service information and labeling	Pg. 131	
	417-3: Incidents of non-compliance concerning marketing communications		No incidents of non-compliance concerning marketing communications have been verified in the 3-year period.
Topic: Customer privacy			
	103-1: Explanation of the material topic and its boundary	pg. 36-38, 139, 140	
GRI 103 – Management approach 2016	103-2: The management approach and its components	Pg. 53-55	
	103-3: Evaluation of the management approach	Pg. 53-55	
GRI 418 – Customer privacy 2016	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data		No substantiated complaints concerning breaches of customer privacy and losses of customer data have occurred in the 3-year period.
Topic: Socio-economic compliance			
	103-1: Explanation of the material topic and its boundary	Pg. 36-38, 139, 140	
GRI 103 – Management approach 2016	103-2: The management approach and its components	Pg. 54-56	
	103-3: Evaluation of the management approach	Pg. 53-55	
GRI 419: Socio-economic compliance	GRI 419-1: Non-compliance with laws and regulations in the social and economic area		No incidents of non-compliance with laws and regulations in the social and economic area have been reported in the 3-year period.



Annex





We respect our history through sustainable innovation

Tabella 3: Our contribution to the Sustainable Development Goals

Goal	Focus	Target	Description
3	To ensure healthy lives and promote well-being for all at all ages	3.5	Strengthen the prevention of the harmful use of alcohol
5	Achieve gender equality and empower all women and girls	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	Ensure availability and sustainable management of water and sanitation for all	6.4	Increase water-use efficiency
7	Ensure access to affordable, reliable, sustainable and modern energy for all	7.2	Significantly increase the share of renewable energy in the energy mix by 2030
8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	8.2	Diversify, innovate and upgrade for economic productivity
		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	Ensure sustainable consumption and production patterns	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
		13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters
13	Take urgent action to combat climate change and its impacts	13.1	Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters
15	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	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	Strengthen the means of implementation and revitalize the global partnership for sustainable development	17.6	Intensify the global partnership for Sustainable Development, assisted by multilateral collaborations that develop and share knowledge, skills, and technological and financial resources

We manage as if we were guardians

GRI 201-1: Direct economic value generated and distributed

Euro	FY 2021	FY 2020	FY 2019
Economic value generated	101,174,768	130,290,386	109,406,337
Economic value distributed to suppliers	69,386,681	94,439,865	79,905,297
Economic value distributed to staff	13,973,767	14,028,826	12,075,123
Economic value distributed to financiers	1,006,520	1,180,379	1,039,827
Economic value distributed to the Public Administration	3,408,393	1,844,976	4,746,399
Economic value distributed to the local community	304,916	55,746	69,328
Economic value distributed	88,080,277	111,549,792	97,835,974
Economic value retained (Economic value generated - Economic value distributed)	13,094,491	18,740,594	11,570,363

Fiscal management

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 rapport with fiscal authorities and consists of observing all the 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 fulfil new legislation, such

as the tax crime reform, which includes tax offences as crimes in the Italian Legislative Decree 231/2001.

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.

GRI 207-4: Country-by-country reporting

	FY 2021	FY 2020	FY 2019
Names of the resident entities	Ruffino Srl, Tenute Ruffino S.r.l, Poderi Ducali Ruffino S.r.l, CBET S.r.l	Ruffino S.r.l, Tenute Ruffino S.r.l, Poderi Ducali Ruffino S.r.l, CBET S.r.l.	Ruffino S.r.l, Tenute Ruffino S.r.l, Poderi Ducali Ruffino S.r.l.
Primary activities	Grape growing, wine and must production, bottling, packaging and distribution of bottled wine worldwide		
Number of employees (n)	229	229	211
Revenues from third-party sales (€)	40,814,683	54,938,211	35,111,499
Revenues from intra-group transactions with other tax jurisdictions (€)	60,360,085	76,958,856	74,294,839
Profit/loss before tax (€)	6,132,534	15,304,066	11,123,759
Tangible assets other than cash and cash equivalents (€)	148,676,597	156,886,927	146,533,637
Corporate income tax paid on a cash basis (€)	-	-	-
Corporate income tax accrued on profit/loss (€)	1,601,519	1,556,647	4,462,692

GRI 405-1: Diversity of governance bodies

Members of the maximum governance body, by age and gender (n)	FY 2021			FY 2020			FY 2019		
	Uomini	Donne	Totale	Uomini	Donne	Totale	Uomini	Donne	Totale
< 30 years	-	-	-	-	-	-	-	-	-
30 ≤ x ≤ 50 years	-	1	1	-	1	1	-	1	1
> 50 years	3	2	5	3	2	5	3	2	5
Total members, by gender	3	3	6	3	3	6	3	3	6

Tabella 4: Investments in sustainability (Euro)

Scope	Some actions	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Sustainable agriculture	Modernizing agricultural machinery, precision viticulture	15,000	158,000	137,000	476,000	275,000	600,000	210,000
Biodiversity conservation	Replacing vineyards, Biodiversity Friend Certification, preventing hollows	-	-	23,000	110,000	105,000	20,000	25,000
Health and safety	Building maintenance, accident prevention, fire prevention systems	625,000	90,000	460,000	90,000	290,000	275,000	10,000
Water resource management	Irrigation systems, installing wells, water basin maintenance	215,000	520,000	154,000	1,104,900	709,000	320,000	75,000
Energy efficiency	Maintain/replace door windows, installing heat isolation, renewing air compressors	-	-	-	174,000	258,500	589,000	990,000
Pollution prevention	Wastewater storage tanks (washing tractors), wastewater treatment system	-	22,000	86,000	252,000	10,000	85,000	25,000
Renewable energy	Solar panels	-	-	-	32,700	32,700	32,700	32,700
Company car fleet conversion	Converting to electric company cars and car recharge area	-	-	-	269,000	138,000	207,000	276,000
Total Investments		855,000	790,000	860,000	2,508,600	1,818,200	2,128,700	1,643,700
% Investments in environmental sustainability, production and health and safety vs. total investments					24%	22%	34%	23%

We preserve value through regeneration

GRI 303-3: Water withdrawal

	FY 2021			FY 2020			FY 2019		
	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									
Groundwater	-	15,081	79,289	-	10,091	61,030	-	10,055	-
Third-party water	20,339	5,097	1,561	22,813	4,929	1,385	24,505	2,927	291
Total	136	23,096	6,109	53	13,487	2,735	1,190	13,116	2,022
Total Group	20,475	43,274	86,959	22,866	28,507	65,150	25,695	26,098	2,313
Totale Gruppo		150,708			116,523			54,106	

GRI 303-4: Water discharge

Area (ML)	FY 2021			FY 2020			FY 2019		
	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	-	1,850	6,540	-	-	3,967	-	-	703
Groundwater	-	17,598	79,289	-	13,750	62,415	-	17,729	291
Third-party water	19,618	18,701	-	17,687	6,692	-	19,642	9,317	-
Total	19,618	38,149	85,829	17,687	20,442	66,382	19,642	27,046	994
Total Group		143,596			104,511			47,682	

GRI 303-5: Water consumption

Water consumption (ML)	FY 2021			FY 2020			FY 2019		
	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	20,475	43,274	86,959	22,866	28,507	65,150	25,695	36,098	2,313
Discharge	19,618	38,149	85,829	17,687	20,442	66,382	19,642	27,046	994
Consumption	857	5,125	1,130	5,179	8,065	-1,232	6,053	9,052	1,319
Total Group	7,112			12,012			16,424		
Total water storage at the end of the year	-	15,000	-	-	10,000	-	-	10,000	-
Total water storage at the start of the year	-	15,000	-	-	10,000	-	-	10,000	-
Change in water storage	-	-	-	-	-	-	-	-	-
Total Group	30,000			20,000			20,000		

GRI 302-1: Energy consumption within the organization**GRI 302-3: Energy intensity³⁸**

	FY 2021			FY 2020			FY 2019		
	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									
for lighting	6,889	2,772	2,038	7,427	2,485	1,441	7,782	2,531	626
for air conditioning (heating/cooling)	689	444	102	743	391	72	778	406	31
for production	2,067	1,041	306	2,228	943	216	2,335	944	94
of which from renewable sources	4,133	1,287	1,631	4,456	1,151	1,152	4,669	1,181	501
Natural gas	955	1,802	-	-	1,527	-	-	1,475	-
for air conditioning (heating/cooling)	1,604	291	-	2,477	705	-	3,088	932	-
for production	1,444	291	-	2,229	705	-	2,779	932	-
LPG for heating	160	-	-	248	-	-	309	-	-
Fuel used for company cars	-	419	-	-	451	-	-	426	-
LPG	1,549	4,939	337	2,584	4,583	506	2,336	4,978	9
Petrol	-	-	-	-	-	-	-	-	-
Diesel (100% mineral diesel)	16	129	-	11	196	-	19	52	-
Diesel + hybrid	1,434	4,810	337	2,543	4,387	506	2,317	4,926	9
Total	100	-	-	30	-	-	-	-	-
Total Group	10,043	8,420	2,375	12,488	8,223	1,946	13,206	8,867	635
of which from renewable sources		20,838			22,657			22,707	
Percentage of Group energy consumption		2,757			1,527			1,475	
from renewable sources out of the total		13.2%			6.7%			6.5%	
Group energy intensity (GJ/K€)		0.00020			0.00017			0.00020	

³⁸ 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 305-1: Direct (Scope 1) GHG emissions**GRI 305-2: : Energy indirect (Scope 2) GHG emissions****GRI 305-4: GHG emissions intensity³⁹**

	FY 2021			FY 2020			FY 2019		
	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 and indirect emissions (tCO₂eq)									
Direct Scope 1 emissions	183	385	24	322	384	36	555	578	1
from natural gas	82	15	-	126	36	-	157	48	-
from refrigerants	-	-	-	16	-	-	234	156	-
from LPG for heating	-	25	-	-	27	-	-	25	-
from fuel (petrol + diesel) for company cars	102	346	24	179	321	36	164	349	1
Direct Scope 1 emissions - Group		592			741			1,134	
Indirect Scope 2 emissions (location based)	446	180	132	481	161	93	553	180	44
from electricity consumption	446	180	132	481	161	93	553	180	44
Indirect Scope 2 emissions - Group (location based)		758			735			777	
Indirect Scope 2 emissions (market based)	892	126	264	961	124	186	1,053	143	85
from electricity consumption	892	126	264	961	124	186	1,053	143	85
Indirect Scope 2 emissions - Group (market based)		1,281			1,272			1,280	
Total Scope 1 and Scope 2 emissions - Group (location based)		1,350			1,476			1,911	
Intensity of emissions (Scope 1 + Scope 2 - location based) (tCO ₂ eq /K€)		0.00001			0.00001			0.00002	
Total Scope 1 and Scope 2 emissions - Group (market based)		1,873			2,013			2,414	
Intensity of emissions (Scope 1 + Scope 2 - market based) (tCO ₂ eq /K€)		0.00002			0.00002			0.00002	

³⁹ Emission intensity is calculated as a ratio of the Group's total CO₂ emissions (Scope 1 and Scope 2 location based) in tCO₂eq and the Production Value in the Consolidated Financial Statement for the third-year period.

GRI 306-2: Waste by type and disposal method

Type of waste and disposal method (ton)	FY 2021			FY 2020			FY 2019		
	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.
Hazardous waste	5	12	5	5	21	40	7	22	-
recycling	2	6	5	2	3	1	2	22	-
landfill	3	6	-	3	18	39	5	-	-
Non-hazardous waste	1,022	174	392	950	149	153	986	178	35
recycling	992	28	255	919	27	120	887	84	28
landfill	29	146	137	31	122	33	99	93	7
Total Group		1,610			1,319			1,227	
Recycling		1,287			1,074			1,023	
Landfill		322			246			205	

We grow by sharing

GRI 102-8: Information on employees and other workers

Type of employment contract (n)	FY 2021			FY 2020			FY 2019		
	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.
Permanent contract	123	37	5	124	38	5	118	34	5
men	69	25	5	70	25	5	67	23	5
women	54	12	-	54	13	-	51	11	-
Fixed-term contract	11	47	6	6	53	3	13	40	1
men	7	30	2	2	28	1	6	23	-
of which temporary	-	29	-	-	27	1	-	23	-
women	4	17	4	4	25	2	7	17	1
of which temporary	-	17	2	-	22	2	-	17	1
Total men	76	55	7	72	53	6	73	46	5
Total women	58	29	4	58	38	2	58	28	1
Total per company	134	84	11	130	91	8	131	74	6
Group total men	138			131			124		
Group total women	91			98			87		
Total Group	229			229			211		

Type of job (n)	FY 2021			FY 2020			FY 2019		
	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.
Full time	128	82	10	123	89	8	124	72	6
men	76	54	7	72	52	6	73	45	5
of which temporary	-	29	-	-	27	1	-	23	-
women	52	28	3	51	37	2	51	27	1
of which temporary	-	17	2	-	22	2	-	17	1
Part time	6	2	1	7	2	-	7	2	-
men	-	1	-	-	1	-	-	1	-
of which temporary	-	-	-	-	-	-	-	-	-
women	6	1	1	7	1	-	7	1	-
of which temporary	-	-	-	-	-	-	-	-	-
Total per company	134	84	11	130	91	8	131	74	6
Total Group	229			229			211		

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

	FY 2021	FY 2020	FY 2019
Percentage of senior management at significant locations of operation hired from the local community (%)			
Directors and managers	79%	79%	76%

GRI 401-1: New employee hires and employee turnover

New employee hires, by age group and gender (n)	FY 2021			FY 2020			FY 2019		
	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	9	22	3	6	21	2	6	7	-
men	7	14	2	2	11	1	5	5	-
of which temporary	-	14	2	-	11	1	-	5	-
women	2	8	1	4	10	1	1	2	-
of which temporary	-	8	1	-	8	1	-	1	-
30 ≤ x ≤ 50 years	6	25	4	5	26	1	10	26	-
men	2	17	2	2	14	1	4	17	-
of which temporary	-	17	2	-	11	1	-	13	-
women	4	8	2	3	12	-	6	9	-
of which temporary	-	8	-	-	12	-	-	9	-
>50 years	1	14	1	-	21	1	1	20	1
men	-	5	-	-	9	-	1	9	-
of which temporary	-	5	-	-	9	-	-	9	-
women	1	9	1	-	12	1	-	11	1
of which temporary	-	8	1	-	12	1	-	10	1
Total per company	16	61	8	11	68	4	17	53	1
Group total		85			83			71	

Number of turnovers, by age group and gender (n)	FY 2021			FY 2020			FY 2019		
	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	2	25	2	3	18	2	1	6	-
men	1	14	1	1	11	1	1	4	-
of which temporary	-	14	2	-	11	1	-	4	-
women	1	11	1	2	7	1	-	2	-
of which temporary	-	11	1	-	7	1	-	2	-
30 ≤ x ≤ 50 years	6	31	2	8	24	1	8	27	-
men	2	17	2	2	13	1	5	19	-
of which temporary	-	17	2	-	13	1	-	18	-
women	4	14	-	6	11	-	3	8	-
of which temporary	-	13	-	-	10	-	-	8	-
>50 years	2	18	1	2	22	1	8	23	1
men	1	9	-	2	9	-	6	10	-
of which temporary	-	8	-	-	9	-	-	9	-
women	1	9	1	-	13	1	2	13	1
of which temporary	-	9	1	-	13	1	-	13	1
Total per company	10	74	5	13	64	4	17	56	1
Group total	89			81			74		

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

FY 2021 - FY 2020 - FY 2019

Type of benefit (n)	Ruffino S.r.l.	Tenute Ruffino S.r.l.	Poderi Ducali S.r.l.
Directors and managers			
Life insurance (directors only)	x	x	x
Health care	x	x	x
Disability and invalidity coverage	x	x	x
Parental leave	x	x	x
Retirement provision	x	x	x
Stock ownership	x	x	x
Flexible Benefit (directors only)	x	x	x
Wine	x	x	x
Office workers			
Health care	x		
Disability and invalidity coverage	x	x	x
Parental leave	x	x	x
Retirement provision	x	x	x
Wine	x		
Refunding school books	x		
Paid leave for medical appointments	x		
Operai			
Disability and invalidity coverage	x	x	x
Parental leave	x	x	x
Retirement provision	x	x	x
Wine	x		
Refunding school books	x		
Paid leave for medical appointments	x		

GRI 401-3: Parental leave

Employee type (n)	FY 2021			FY 2020			FY 2019		
	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 that were entitled to parental leave, by gender									
Men	76	55	7	72	53	6	73	46	5
Women	58	29	4	58	38	2	58	28	1
Total number of employees that took parental leave, by gender									
Men	-	-	3	-	-	1	-	-	-
Women	-	-	3	-	-	4	-	-	1
Total number of employees that returned to work in the reporting period after parental leave ended, by gender									
Men	-	-	3	-	-	1	-	-	-
Women	-	-	3	-	-	4	-	-	1
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender									
Men	-	-	3	-	-	1	-	-	-
Women	-	-	3	-	-	4	-	-	1
Total number of employees that should have returned to work after having taken parental leave, by gender									
Men	-	-	3	-	-	1	-	-	-
Women	-	-	3	-	-	4	-	-	1
Return to work rate of employees that took parental leave, by gender									
Men	-	-	100%	-	-	100%	-	-	-
Women	-	-	100%	-	-	100%	-	-	100%
Retention rate of employees that took parental leave, by gender									
Men	-	-	100%	-	-	100%	-	-	-
Women	-	-	100%	-	-	100%	-	-	100%

GRI 403-9: Work-related injuries

Work-related injuries and fatalities (n)	FY 2021			FY 2020			FY 2019		
	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	209,535	132,582	13,998	220,713	143,678	13,547	236,607	114,171	3,419
Number of recordable work-related injuries (including fatalities)	-	2	-	-	3	-	3	1	-
of which as a result of commuting incidents only where the transport has been organized by the organization	-	-	-	-	-	-	1	-	-
Number of high-consequence work-related injuries (excluding fatalities)	-	-	-	-	-	-	-	-	-
Number of fatalities from work-related injuries	-	-	-	-	-	-	-	-	-
Total number of hours worked		356,115			377,938			350,778	
Total accidents		2			3			4	
Rate of recordable work-related injuries		0.002%			0.002%			0.001%	

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

Average hours of training that the organization's employees have undertaken during the reporting period, by employee category and gender (h)	FY 2021			FY 2020			FY 2019		
	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	68	4	-	216	6	-	154	4	-
Women	20	4	-	32	12	-	-	16	-
Total hours		96			266			174	
Office workers									
Men	69	104	55	518	148	82	174	139	-
Women	191	136	17	1,135	80	-	563	121	-
Total hours		572			1,963			997	
Labourers									
Men	222	371	27	226	820	22	413	292	-
Women	20	84	14	14	415	50	62	108	-
Total hours		738			1,547			875	
Total hours - Group		1,406			3,776			2,046	

Average hours of training given to employees, by employee category and gender (h)	FY 2021			FY 2020			FY 2019		
	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	5.2	1.3	-	16.6	2.0	-	9.6	1.3	-
Women	10.0	4.0	-	16.0	12.0	-	-	16.0	-
Total hours	5.1			14.0			8.3		
Office workers									
Men	2.7	20.8	13.8	24.7	29.6	27.3	9.2	69.5	-
Women	4.0	27.2	8.5	23.6	10.0	-	11.5	30.3	-
Total hours	6.4			23.1			12.9		
Labourers									
Men	6.0	7.9	9.0	5.9	18.2	7.3	10.9	5.5	-
Women	2.5	3.7	7.0	1.8	14.3	25.0	7.8	9.8	-
Total hours	6.2			12.4			7.7		
Total average - Group	6.1			16.5			9.7		

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

Employee category (%)	FY 2021			FY 2020			FY 2019		
	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	31%	20%	50%	43%	20%	67%	42%	-	67%
Women	17%	20%	-	15%	13%	-	14%	25%	-
Labourers									
Men	3%	-	-	3%	-	-	3%	-	-
Women	-	-	-	-	-	-	-	-	-

GRI 405-1: Employee diversity

Employee category, by age group and gender (n)	FY 2021			FY 2020			FY 2019		
	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	15	4	-	15	4	-	17	4	-
<30 years	-	-	-	-	-	-	-	-	-
Men	-	-	-	-	-	-	-	-	-
Women	-	-	-	-	-	-	-	-	-
30 ≤ x ≤ 50	7	2	-	9	2	-	10	3	-
Men	5	1	-	7	1	-	9	2	-
Women	2	1	-	2	1	-	1	1	-
>50 years	8	2	-	6	2	-	7	1	-
Men	8	2	-	6	2	-	7	1	-
Women	-	-	-	-	-	-	-	-	-
Office workers	74	10	6	69	13	3	68	6	3
<30 years	18	2	1	14	3	1	17	2	1
Men	9	1	1	4	1	1	5	1	1
Women	9	1	-	10	2	-	12	1	-
30 ≤ x ≤ 50	48	8	4	48	10	1	45	4	2
Men	13	4	2	13	4	1	10	1	2
Women	35	4	2	35	6	-	35	3	-
>50 years	8	-	1	7	-	1	6	-	-
Men	4	-	1	4	-	1	4	-	-
Women	4	-	-	3	-	-	2	-	-
Labourers	45	70	5	46	74	5	46	64	3
<30 years	1	12	2	1	11	1	1	3	-
Men	1	9	1	1	7	-	1	3	-
Women	-	3	1	-	4	1	-	-	-



Employee category, by age group and gender (n)	FY 2021			FY 2020			FY 2019		
	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 ≤ x ≤ 50	23	33	2	26	37	3	33	36	2
Men	19	24	2	22	25	3	27	25	2
Women	4	9	-	4	12	-	6	11	-
>50 years	21	25	1	19	26	1	12	25	1
Men	17	14	-	15	13	-	10	25	-
Women	4	11	1	4	13	1	2	-	1
Total <30 years	19	14	3	15	14	2	18	5	1
Total 30 ≤ x ≤ 50	78	43	6	83	49	4	88	43	4
Total >50 years	37	27	2	32	28	2	25	26	1
Total per company	134	84	11	130	91	8	131	74	6
Total Group	229			229			211		

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

Employee category, by gender (%)	FY 2021			FY 2020			FY 2019		
	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	81.2%	38%	-	52.7%	37.7%	-	76.2%	119.7%	-
Ratio of remuneration	80.3%	35.3%	-	53.3%	38.8%	-	80.0%	108.3%	-
Office workers									
Ratio of basic salary	93.8%	70.4%	46.9%	87.5%	123.5%	-	100%	129.2%	-
Ratio of remuneration	84.2%	72.4%	41.1%	81.1%	109.1%	-	91.2%	133.3%	-
Labourers									
Ratio of basic salary	83.3%	92.3%	53.6%	83.3%	122.7%	42.9%	82.8%	80.8%	53.6%
Ratio of remuneration	78.8%	103.8%	51.7%	76.5%	132%	38.7%	78.1%	103.8%	53.6%



Ruffino Srl – Sustainability Report – Fiscal Year 2021 Independent Assurance Statement

Introduction

DNV Business Assurance Italy S.r.l. ("DNV") was commissioned by the Management of Ruffino Srl ("Ruffino") to undertake an independent assurance of the company's Sustainability Report – Fiscal Year 2021 ("the Report") in accordance with the Global Reporting Initiative ("GRI") Sustainability Reporting Standards.

For details on the composition of Ruffino and its reporting boundary, reference should be made to the information in the relevant section of the Report.

Ruffino is responsible for the collection, analysis, aggregation and presentation of the information contained in the Report. The assurance engagement assumes that the data and information provided in good faith by Ruffino are complete, sufficient and authentic.

Our responsibility in conducting the work commissioned from us, in accordance with the terms of reference agreed on with Ruffino, is solely towards the management of Ruffino.

This Independent Assurance Statement is intended solely for the information and use of Ruffino's stakeholders, and isn't intended to be and should not be used by anyone other than these specified parties.

Scope of Assurance

The scope of work agreed on with Ruffino included the following aspects:

- Analysis, according to a *Moderate level of Assurance*, of the business and its data on sustainability, for the period March 1st 2020 to February 28th 2021, as contained in the Report.
- Assessment of the reporting standards referred to in the GRI Sustainability Reporting Standards, in accordance with the "Core" option.

Our remotely audit was conducted in January, February and May 2021, due to the Covid-19 pandemic (SARS CoV-2).

The information and economics data were audited by an independent auditing firm and were not included in the scope of our audit.

Audit methodology

Our assurance engagement was planned and conducted in accordance with the "VeriSustain"* audit protocol of DNV, which is based on our professional experience and international assurance best practices.

In accordance with the Protocol the Report has been evaluated according to the following criteria:

- Adherence to the principles of the GRI Sustainability Reporting Standards;
- GRI Sustainability Reporting Standards, with respect to requirements for the Core option;
- ISAE 3000, for the audit of non-financial information;

We have examined and subjected to review the data and other information made available by Ruffino.

We have obtained information and technical data from certified management systems.

We have conducted audits on a sample basis of:

- the mechanisms adopted by Ruffino for implementation of its sustainability policies, as described in the Report;
- the processes for determining the materiality of the contents to be included in the Report;
- the processes for the generation, collection and management of the quantitative and qualitative data included in the Report.

We interviewed 6 company representatives involved in the operational management of the aspects described in the Report.

Conclusions

In the opinion of DNV, the Ruffino's Sustainability Report – Fiscal Year 2021 provides an accurate and impartial representation of the sustainability strategies, management systems and performance of the Organization.

Based on the work undertaken, nothing came to our attention to suggest that the Report is not in line with the "Core" requirements of the GRI Sustainability Reporting Standards.

Further conclusions and observations on the adoption of the reporting principles and information on specific areas of performance are given below.



Stakeholder Inclusiveness: The document highlights Ruffino's commitment to the promotion and development of initiatives to regularly and systematically involve its stakeholders.

Sustainability context: The information and data presented within the Report adequately reflect the strategy, commitments and activities carried out by Ruffino in relation to the sustainability context in which the Organization works.

Materiality: The Report reflects Ruffino's commitment to providing information and data that allow its stakeholders to assess the economic, social and environmental performance of the Organization. The contents of the Report are the result of a consolidated mapping of stakeholders and a structured process for identifying the topics they considered relevant.

Completeness: The Report enables stakeholders to evaluate Ruffino's sustainability performance in the reporting period and to understand its sustainability strategies and goals. The information contained in the report refers to the structure defined in the boundary; in the case of data attributed to a more limited boundary, the document identifies such restrictions.

Accuracy: From our analysis of the data and the company processes which generate it, the data contained in the Report are the result of stable and repeatable activities. The information contained in the Report is therefore sufficiently detailed and accurate.

Balance: The Report is a complete and impartial description of the sustainability impacts and performance of Ruffino. The document reflects the Organization's desire to represent its activities and result for the reporting period in a balanced manner, consistent with its company strategies.

Clarity: The information presented in the report is understandable, accessible and usable by Ruffino's stakeholders.

Comparability: The information reported enables stakeholders to analyze changes in the organization's current economic, environmental, and social performance against the organization's past performance.

Reliability: The data included in the Report which is the subject of our audit were shown to be identifiable and traceable; the personnel responsible were able to demonstrate in a convincing manner the origin and interpretation of the data. During our audit, we identified a limited number of non-material errors, which were corrected before the final version of the Report.

Timeliness: Ruffino reports regularly once a year making information available in a timely manner, to allow stakeholders to make informed decisions.

Improvement opportunities

Below is a summary of the observations and opportunities for improvement communicated to the management of Ruffino which, in any case, do not affect our conclusions on the Report:

- evaluate the opportunity to implement a procedure based document coding system for the primary data collection files, thus enabling an easier elaboration of the final data to be included in the report and a better traceability of the data and information collection flows, *or, as an alternative, to*
- evaluate the opportunity of implementing data management and processing tools in order to reduce the operational data handling, considering that the data is currently managed on excel sheets.

Competence and independence of DNV

DNV is a leading provider of sustainability services, including the verification of sustainability reports. Our environmental and social assurance specialists operate in over 100 countries.

DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV maintains complete impartiality toward stakeholders interviewed during the verification process.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

For DNV GL Business Assurance Italia S.r.l.

Riccardo Arena
Lead Verifier

Vimercate (MB), 12/07/2021

Massimo Trombetta
Reviewer



The document was compiled with the technical and methodological assistance of Message S.p.A.

For any questions about this report, please send your request to:
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