RICCI CURBASTRO

Franciacorta

Sustainability Report

2019

Blackbird nest among Chardonnay grapes

This Sustainability Report has been drawn up from the property and from the employees of the **Azienda Agricola Gualberto Ricci Curbastro & Figli S.S.**, in order to share the results of their constant efforts for a **sustainable vine-growing and wine-making.**

Chaffinch nest among Chardonnay of the Bosco Alto vineyard

OUR MISSION

Eighteen generations of Ricci Curbastro Curbastro have led, starting with Pietro, born in 1380, farms in Romagna and Lombardy. These centuries-old traditions are now represented by the Rontana estate in Brisighella (RA) and the Ricci Curbastro estate in Franciacorta.

The latter produced bottled wines as early as the 1800s, as evidenced by labels from 1885 still preserved today. It was transformed by Gualberto Ricci Curbastro into a modern wine company since 1967, when the D.O.C. Franciacorta, of which he was one of the eleven founders, was created. Of the 32 hectares of company surface, 27 are invested in vineyards and another 3 hectares are planned for 2020 and 2021.

The company practices organic farming as a natural continuation of the various environmental impact reduction practices that began in 1980, forty years ago. **Since 2017 it has been among the first nine companies in Italy, first in Lombardy, certified as a "Sustainable Company" according to the Equalitas standard for its commitment in environmental, economic and social terms.** The cellar where the fermentations and slow maturation of the Franciacorta DOCG are carried out is built underground in a vast secular park. The vinification is followed by the oenologists Andrea Rudelli, Annalisa Massetti and Riccardo Ricci Curbastro, a mix of experiences for wines intended for the increasingly demanding palates of consumers all over the world. The company's production is well represented not only by the Franciacorta DOCG but also by the Curtefranca DOC and Sebino IGT wines.

The Agricultural and Wine Museum is located inside the farmhouses of the Ricci Curbastro estate, a unique reality in Franciacorta that preserves thousands of objects that tell about the agricultural work of the past. Inaugurated in 1986, it is the result of meticulous research that began more than thirty years earlier by Gualberto Ricci Curbastro. Four rooms, divided into themes that can be visited upon reservation in order to be able to accompany you and tell you about our past and today work.

1885 The Ricci Curbastro estate starts producing bottled wines

1967 Gualberto Ricci Curbastro with ten others producers founds the Franciacorta DOC

1986 The Agricultural and Wine Museum is born

2017 First estate in Lombardy certified as "Sustainable Winery" (Equalitas standard)

With the aim of continuing the path started in 2017 with the SOPD Equalitas certification - SUSTAINABILITY OF THE WINE - GROWING CHAIN: ORGANIZATIONS, PRODUCTS, DESIGNATIONS OF ORIGIN (SOPD) and in light of the results obtained:

- **in optimizing costs**
- **satisfying employees and customers**
- **respecting the environment**
- **enhancing the company's products**

the management has decided to commit itself also for 2019 in order to further implement the improvement actions envisaged by the Equalitas standard.

THE SUSTAINABILITY TEAM:

Riccardo
Gualberto
Annalisa
Evelina
Nicola V.
Roberta
Nicola L.
Beatrice
Luciano
Lisa

RICCI CURBASTRO
Franciacorta

OUR HISTORY FOR OUR FUTURE

Tomorrow comes from yesterday and is affected by today's actions

There is a *Dow Jones Sustainability World Index* (Djsi World); the *One Planet Sovereign Wealth Funds* (OPSWF) working group was created in Paris in 2017, this group of six sovereign wealth funds is committed to developing an ESG (environmental, social and corporate governance) framework to address financial risks due to climate changes and to develop methods and indicators that can inform investors' priorities as shareholders and participants in financial markets; every day we receive advertisements or read news articles related to sustainability. These examples show us that the path of tomorrow can only be that of sustainable development. Finance, sovereign wealth funds, large companies think about future investments only in a sustainable way and this is good news. **Ricci Curbastro, a small estate, has also decided to invest in sustainability and not only in words but by committing itself to Equalitas certification since 2017, among the first Italian wineries to reach this goal.**

However, for us, now in the eighteenth generation, this milestone is the result of a path that comes from afar, from our yesterday, when in 1980 we abandoned all herbicides and started a path, which is well illustrated in the image published on the side. A path made of footprints, we hope increasingly lighter, on our land and in Franciacorta, aimed at producing wines that are increasingly valid and more sustainable.A path that cannot be separated from the continuous investments of today, partly told by the results of our sustainability report.

Riccardo e Gualberto Ricci Curbastro

Ricci Curbastro for the environment:

OUR STORY FOR OUR FUTURE

2020 Installation of a second weather station in our vineyards

2018 First harvest with Certified Organic grapes

2017 Certification as Sustainable Winery according to the Equalitas standard

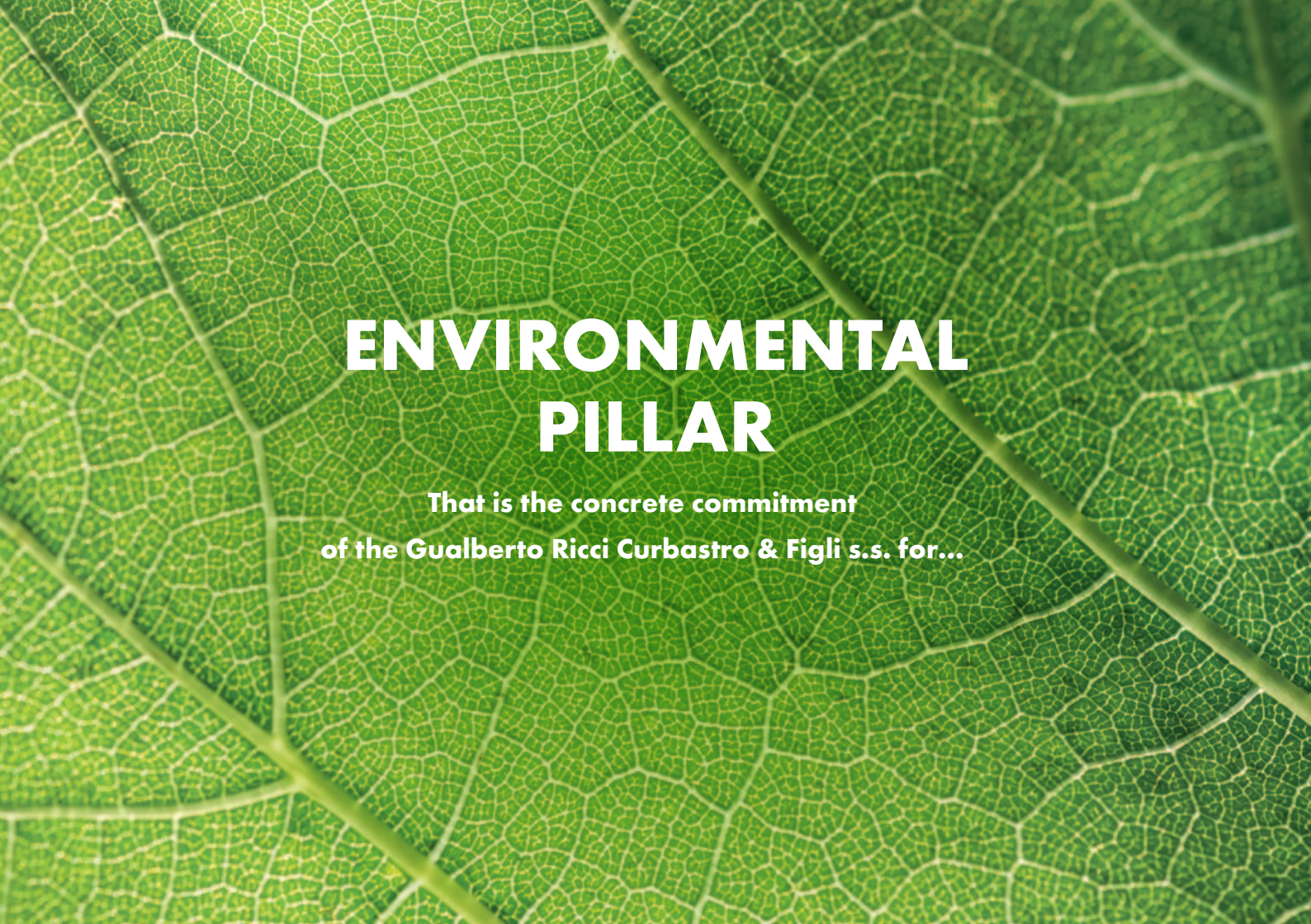
2015 Start of conversion to organic

2012 Carbon footprint certification with the ISO 14064-1: 2006 standard

1992 Application of measure F of EC Regulation 2078/92 "agricultural production methods compatible with the needs of environmental protection and with the care of the natural space"

1987 Installation of a weather station in the vineyards to predict downy mildew attacks with savings in plant protection products

1980 Herbicides are no longer used in our vineyards



ENVIRONMENTAL PILLAR

That is the concrete commitment

of the Gualberto Ricci Curbastro & Figli s.s. for...

BIODIVERSITY

In the month of June 2020 WBA Project Srl, a company controlled by the World Biodiversity Association non-profit organization, carried out a second biodiversity analysis at the Ricci Curbastro estate. The audit of the biological quality of soil, water and air of wine-growing sites in Capriolo (BS), through the application of the Biodiversity Indices of the "**Biodiversity Friend® Protocol"** follows the first verification carried out in December 2018.

The environmental aspects of the Equalitas Protocol are assessed, in relation to biodiversity, by applying the procedures provided by the so-called "Biodiversity Indices", developed in 2010 by WBA non-profit organization for the assessment of biodiversity conservation in agriculture, within the protocol "Biodiversity Friend®" owned by the same WBA non-profit organization.

The assessment of the environmental quality of the agricultural system takes place by detecting the presence of particular organisms, called **biological indicators**, as they present: high sensitivity to pollutants, widespread diffusion in the territory, poor mobility and ability to accumulate polluting

Bee in the Hawthorn row at the Experimental Vineyard

substances in their tissues. **With regard to the soil,** the specification provides for the analysis of soil samples in which the presence of **soil invertebrates** (annelids, springtails, mites, isopods, myriapods, insects, etc.) is detected for the determination of the Soil Biodiversity Index (IBS-bf), obtained by attributing to each group a score in relation to the role played in the dynamics of the edaphic ecosystem.

The assessment of air quality takes place through the Lichen Biodiversity Index (IBL-bf). Lichens, symbiotic organisms between a fungus and an alga, are very sensitive to atmospheric pollution caused by phytotoxic gases and are considered excellent biological indicators, often used in air biomonitoring, both in urban and rural areas. Lichens, in fact, are sensitive not only to urban pollution, but also to the excessive use of crop protection products in agricultural areas. The calculation of the Lichenic Biodiversity Index is based on the presence and frequency of epiphytic lichens found on the bark of trees found in the countryside.

Lastly, **the quality of the surface waters** is assessed by analysing the composition of the **aquatic invertebrate** communities. The calculation of the Aquatic Biodiversity Index (IBA-bf) is based on the presence in the surface waters of aquatic macroinvertebrates with different tolerances to pollution; these are in particular plecopteran, trichopteran, ephemeroptera, molluscs, annelids, crustaceans, beetles and others. Each group is assessed with a specific score based on the sensitivity of the group to pollutants.

AQUATIC INVERTEBRATES:
used for the evaluation of surface water quality

LICHENS:
used for the evaluation of air quality

BIOLOGICAL INDICATORS:
used to assess the environmental quality of the agricultural system

1

AIR QUALITY ANALYSIS

By applying the lichen biodiversity index (IBL-bf)

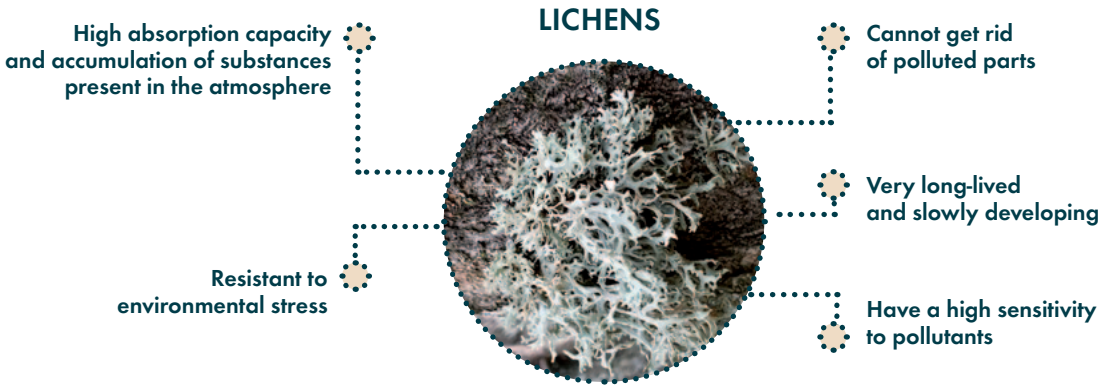
Air pollution in rural areas is an extremely complex and difficult to interpret environmental aspect.

Usually the study of air quality is addressed through the simultaneous application of different chemical-physical approaches that investigate each specific aspect of pollution, however this often involves the use of sophisticated electronic equipment.

Lichens are organisms whose metabolism is strictly dependent on the air. For this reason, lichens can give excellent indications on the level of alteration of the atmosphere as they have a high absorption capacity and accumulation of substances present in it, they are very resistant to environmental stress, they cannot get rid of polluted parts, they are very long-lived, of slow development and have a high sensitivity to pollutants.

In general, approaching the polluting sources, there is a progressive worsening of the health conditions of the lichens and, therefore, a progressive simplification of the communities until their complete disappearance (lichen desert).

The sensitivity of lichens is particularly relevant towards fungicides, however also herbicides and insecticides have a significant impact on them. In particular, wealth in lichen species has been shown to be negatively affected by the frequency of pesticide treatments.



For the measurement of air quality, the Biodiversity Friend protocol is based on the identification of lichen biodiversity detection stations each consisting of groups of three nearby trees, at which the variety of species and the frequency of each are estimated, which will be translated into a summary numerical data representing the station's Lichen Biodiversity Index (IBL-bf).
In order to verify the degree of naturalness / alteration of the lichen communities, in the Ricci Curbastro estate, a sampling station was built by choosing three phorophytes (suitable trees) in a small uncultivated area dedicated to woodland, falling within one of the vineyards under investigation. The phorophytes were chosen because they are suitable for stem circumference and posture even if the chosen species *(Robinia pseudoacacia)* has a high water capacity of the rind.

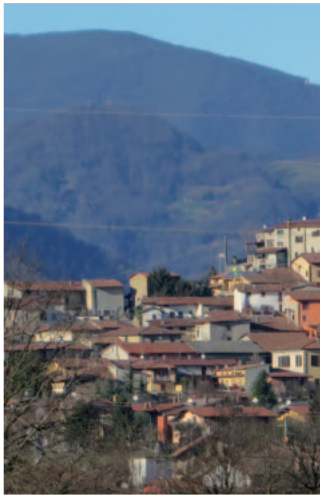

Lichens at Ricci Curbastro Estate


Biodiversity analysis in Ricci Curbastro vineyards

The results of the activity carried out made it possible to ascertain that the lichen communities of the monitored places are overall discrete, reaching the minimum value of 59 (59.67 average IBL-bf value).

The result of the air quality through lichen analysis is obviously to be analysed contextualizing it in the urban context of the Franciacorta territory. Our company and our vineyards are located inside or at short distance from residential and industrial areas, in a context in which the use of the soil has led to the disappearance of forests and green areas.

Capriolo and the Pizzo Arera, Alpi Orobie, 2512 m asl



On the contrary, it has been the commitment of Ricci Curbastro over the years that has made it possible to repopulate the urban landscape with numerous plantings of tall trees and hundreds of meters of hedges.
The measured data can therefore be interpreted as a further incentive to help improve the healthiness of our air, aware that many exogenous and uncontrollable factors "play" potentially against us.

2

ANALYSIS ON THE BIOLOGICAL QUALITY OF SOILS

Through the application
of the soil biodiversity index (IBS-bf)

A large part of Italian agricultural soils is affected by alterations of various kinds, mainly due to erosion, compaction, pollution and a lack of organic substance. Therefore, in order to pursue sustainability, future agriculture will have to adopt a more rational management of soils. Soil quality can be assessed through physical-chemical and microbiological parameters. Other methods proposed in more recent times are based on the use of endogenous microarthropods. In fact, many endogean animals establish a dense network of relationships between them and continuously interact with the physical environment; any alteration of this environment is "registered" by the soil community which, therefore, can be used as an indicator of variations in natural conditions.

The method of the "Biodiversity Friend" standard uses the analysis of soil samples in which it is detected the presence of the main groups of endogenous animals for the determination of the "Soil Biodiversity Index" (IBS-bf); the presence of each group is reported with its score in a special form.

At the end of the sampling, the Soil Biodiversity Index is calculated by simply adding up the individual scores relating to the detected animals; the value obtained to correspond to a satisfactory soil quality must be equal to or greater than 100.

For the Ricci Curbastro estate, a total of 3 IBS-bf samples were performed, carried out on Juner 5th 2020.

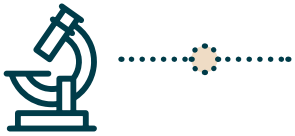
On a total of 3 sites surveyed (9 sub samplings, equal to 3 IBS-bf survey cards), 100% of the findings were always at least sufficient, compared to the minimum score equal to 100 provided by the Biodiversity Friend Disciplinary for the survey of the IBS-bf Biodiversity Index. The overall average score, useful for framing the results of the IBS-bf index at the Ricci Curbastro estate is 128.33, which is therefore sufficient.

The individual findings of the IBS-bf index were 135, 125 and 130, always on soil with vine culture.

In this case, the output of the soil biodiversity analysis, although positive, is affected by the very humid soil due to the rains of the previous day (about 60 mm measured). The same "Biodiversity Friend" specification in fact advises against the analysis in periods of the year that are too dry or too rainy. However, with the aim of continuing to monitor corporate biodiversity, in the coming years we will repeat the analysis in more suitable periods in order to obtain an even more realistic figure that allows us to trace a path for further implementation and improvement.

Endogean animals interact continuously with the physical environment

Analysis of soil samples in which the presence of groups of endogenous animals is detected



Calculation of the soil biodiversity index by adding the individual scores relating to the taxa detected

3

ANALYSIS ON THE BIOLOGICAL QUALITY OF SURFACE WATERS

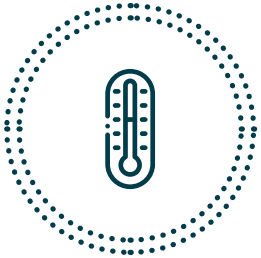
Through the application
of the aquatic biodiversity index (IBA-bf)

The Aquatic Biodiversity Index of the Biodiversity Friend protocol assesses how favourable an aquatic environment as a whole is to host significant biodiversity. In the IBAF data sheet, the analysis of the fauna component is preceded by surveys on the main chemical-physical parameters of the water: temperature, pH, electrical conductivity and dissolved oxygen.

The hydro-morphological analysis follows, which considers the amplitude, the river morphology, the water regime and the riparian and peripheral vegetation. Finally, the taxonomic diversity of the community and the tolerance of each group to phenomena of alteration of the water quality are considered in the survey sheet.

The area of the Ricci Curbastro farm and the neighbouring territories were previously viewed through analysis of Google Earth images and, on the day of the inspection visit, physically visited. Taking into account the sampling period, hydrography and geomorphology of the rural area, it was not possible to detect situations of permanent or semi-permanent running waters in which the IBA-bf index could be applied. It is also reported that in the Ricci Curbastro farm there is no continuous irrigation.

ANALYSIS OF THE MAIN CHEMICAL-PHYSICAL PARAMETERS OF WATER



TEMPERATURE

pH

ELECTRIC CONDUCTIBILITY

DISSOLVED OXYGEN

Vineyard Villa Passoni, Capriolo

CARBON FOOTPRINT

Our passion for agriculture and the environment in which we produce our Franciacortas together with the responsibility we feel to have towards the next generations require to address concretely one of the most urgent environmental issues of our time: climate change.

The most effective tool recognized by the scientific community to calculate greenhouse gas emissions on a voluntary basis is the Carbon Footprint: a useful tool for making even more evident our environmental commitment and further improve our actions in this regard.

Vineyard Cascina Bosco, Capriolo

1

PURPOSE AND OBJECTIVES OF THE REPORT

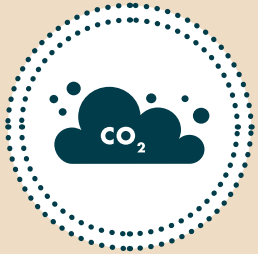
This document illustrates the results of the calculation of the so-called **"Carbon Footprint"** at Organization level.

The purposes of the report are:

Allow the Company to acquire useful information to demonstrate its attention to environmental issues and propose credible communication.

Increase corporate sensitivity towards the issue of emissions and environmental sustainability.

Allow the Company to formulate proposals and emission reduction projects based on the analysis results.



Provide useful information to compare emissions in the years to come, in order to allow the Company to monitor the progress of its emissions and the results of improvement plans.

Analyse and express the percentage quantities of emissions in the various company installations.

The calculation of the emissions was carried out following the collection of company data according to the provisions of the Equalitas® Standard, which provides for reference to the UNI ISO 14064: 2018 standard. For further operational references, the diagram of the Greenhouse Gases Accounting Protocol (GHGAP, OIV 2011) prepared by OIV starting from the International Wine Carbon Protocol was consulted and the calculations were made using the Ita.Ca® calculator (Italian Wine Carbon Calculator), produced by the update and integration of the IWCC calculator (IWC Calculator) and its adaptation to the Italian reality.

2

THE GREENHOUSE EFFECT

The greenhouse effect is a natural phenomenon that has allowed life on planet Earth and that allows for temperatures that are suitable for the survival of most living beings.

It is the consequence of the presence of a gaseous layer around the Earth called “atmosphere”, which allows to filter a dangerous amount of radiation coming from the Sun (UV rays); the remaining part is captured by plants to carry out photosynthesis and a part absorbed by the Earth and then released in the form of infrared rays (useful for heating the globe). Here the atmosphere once again comes into play, capturing most of the infrared rays refracting them towards the Earth, attenuating the phenomenon of heat dispersion towards the Universe (for this reason called the “greenhouse effect”).

The gases recognized by the IPCC (Intergovernmental Panel on Climate Change) as significant for their greenhouse effect are:

- **Carbon dioxide (CO2)**
- **Methane (CH4)**
- **Nitrous oxide (N2O)**
- **Fluorine carbides (CFC, HFC, HCFC, PFC)**
- **Sulphur hexafluoride (SF6)**

In addition, among the components of the atmosphere that play a role in the greenhouse effect, there are also:

- **water vapor (H2O)**
- **the ozone of the troposphere (O3)**

which, however, as required by IPCC, are not calculated.

3

CLIMATE CHANGE AND ECONOMIC AND SOCIAL RISKS

For many years, global climate change has been spoken as one of the most serious and complex challenges that man has to face. According to many scholars, variations in the earth's climate system and in particular global warming, seem to be linked to an increase in the concentration of GHGs in the atmosphere.

Current concentrations of greenhouse gases in the atmosphere are at levels never reached in the last 650,000 years; the most important greenhouse gas is carbon dioxide (CO2), which constitutes approximately 77% of global GHG emissions (IPCC, 2007; ISAC-CNR, 2009).

There is also no doubt that emissions are related to energy consumption, especially of fossil fuels, the consumption of which increasingly affects their reserves, resulting in an increase in the cost of energy and a mobilization of the carbon reserves crammed deep into the Earth. For these reasons it is necessary to be aware of one's own GHG emissions and then measure them in the production cycles, in order to manage the efficiency of the supply chain, the environmental impact and any consequences on the greenhouse effect.

The World Commission on Environment and Development in 1987 expressed this concept of sustainability: "Humanity has the possibility of making development sustainable, that is, of ensuring that it meets the needs of the current generation without compromising the ability of future generations to respond to them". It is therefore essential to ensure economic development compatible with social equity, in a system of environmental balance and in order to respect the economic sustainability of the company.

4

DATA COLLECTION

The primary data were collected during the 2020 vintage and refer to the supply chain operations relating to the 2019 vintage.
Based on what is reported in the Equalitas Standard, as regards to primary data, the data were collected on the basis of the actual documentation provided by the Company.
As regards to the secondary data an attempt was made to obtain the actual data, if this was not possible, calculations or estimates were carried out in order to make it possible to obtain data as reliable as possible.
The data were collected through a questionnaire after a meeting between the company contact and the technicians of Sata Studio Agronomico. In the calculation, all the primary data that the Company was able to provide through its documents (invoices, business records ...) were used by analysing the data provided.
Subsequently, when the analysis and control work was carried out, the data was entered into the Ita.Ca® calculator thanks to which it was possible to obtain the final figure of the overall CO2 equivalent emissions at the company level.
The actual calculation of the emissions, once all the necessary data have been collected, was carried out using the Ita.Ca® calculator by multiplying the data by a coefficient or "Emission Factor" expressed in CO2-equivalent units per unit of product. This multiplication generates the "Total Emission" value expressed in t CO2-eq.
The decision to transform all greenhouse gases into CO2 equivalent is given by the consideration of the great impact that carbon dioxide has on the greenhouse effect itself (NGG, 2009).
The emission coefficients were obtained:

- from official documents that define the Global Warming Potential (GWP) of each GHG (UNFCCC, 2006);
- from reliable and recognized bibliographic sources;
- in the event that the emission factor for the company data is not present, and no useful references have been found from the bibliographic search, from that of the product most similar to the one studied.

Emissions calculators are tools that integrate a measure of real sustainability, since they provide concrete data concerning one of the impacting aspects of production processes.
A "Carbon Calculator" allows you to estimate the amount of greenhouse gases produced during an industrial process. Its use allows the winery to achieve a greater degree of self-awareness and the demands that are proposed by the market, adopting different solutions.

Ita.Ca®, aims to provide the user with the calculation of emissions at company and product level; all emissions that, in view of a life cycle analysis, can be related to the product considered.

5

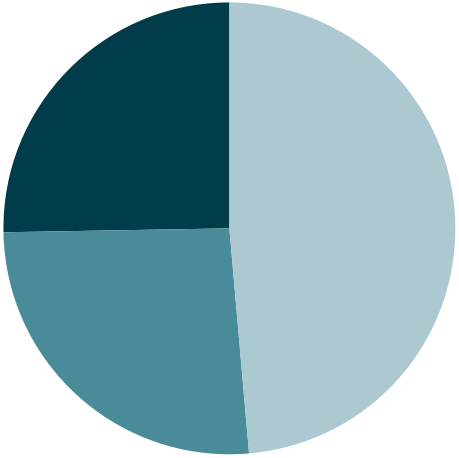
CALCULATION

The Functional Units produced by each company area in 2019 are shown below:

VINEYARD
152,273 ton of grapes
on 24,5300 hectares.
In addition, 28.27 tons of grapes
are purchased.

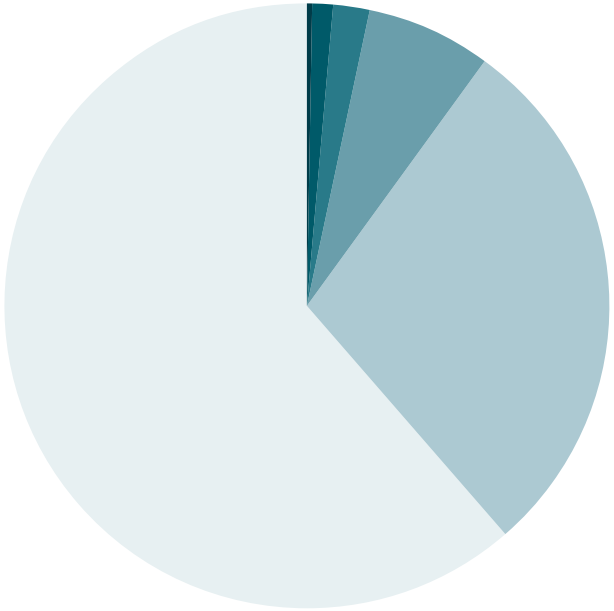
CELLAR
99.001 liters
of total wine
produced.

ANALYSIS OF COMPANY EMISSIONS



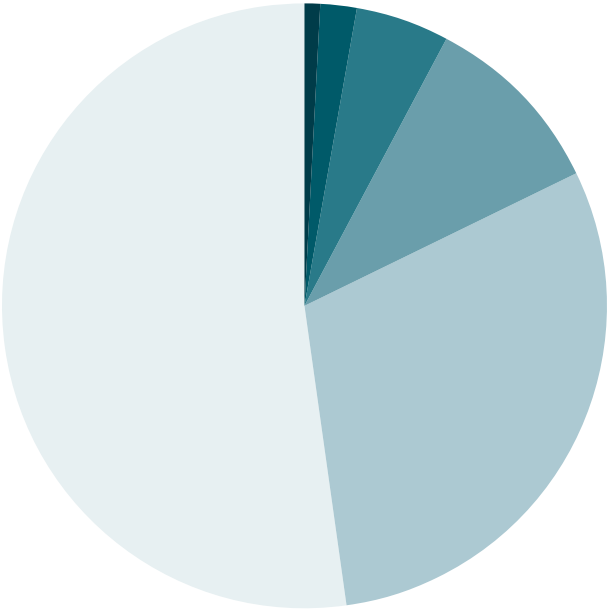
% EMISSIONS BY AREA
Below is the percentage breakdown of total emissions by area considered:

- Countryside 48.63%
- Cellar 26.18%
- Commercial 25.19%



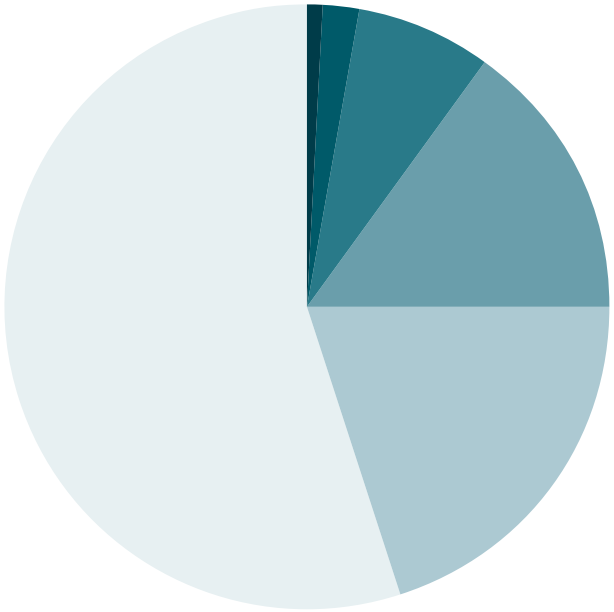
COUNTRYSIDE

- Land use and change of land use 62.35%
- Vehicle fuels 28.57%
- Fertilizers 6.81%
- Phytochemicals 1.88%
- Transport and waste treatment 0.32%
- Inbound transport (Vineyard) 0.06%



CELLAR

- Grapes, musts, bulk wines 58.74%
- Electricity 26.99%
- Fuels (Boilers, heating) 9.07%
- Oenological products 4.53%
- Refrigerant gases and fluids 0.88%
- Inbound transport (Cellar) 0.09%



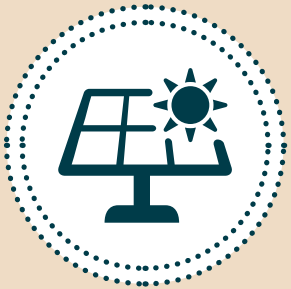
COMMERCIAL

- Glass 60.59%
- Packaging (Closures, Packaging ...) -18.36%
- Fuels (Boilers, heating) 13.97%
- Electricity 6.61%
- Inbound transport (Commercial) 0.45%
- Waste transport and treatment 0.03%

ELECTRIC ENERGY

Since 2008, the winery has been producing electricity thanks to solar panels installed on the roofs with the goal achieved and maintained of making the Ricci Curbastro estate independent from an energy point of view.

PURCHASED
1,641 TOTAL (t CO2e)



PHOTOVOLTAIC
1,616 TOTAL (t CO2e)

GOOD AGRONOMIC PRACTICES

PLANT MANAGEMENT

The amount of buds left with the 2019 pruning was oriented towards an average of 10 per vine. Subsequently, thinning / checkering interventions were not necessary because the percentage of budding and the fertility of the buds did not deviate from normal. The vintage was then marked by an early hailstorm (11th May) which reduced the production load and damaged the leaf surface. No leaf stripping interventions were carried out and the management of the greenery was rather oriented towards repeated combing of the secondary shoots, whose emission was strongly stimulated by hail.

DEFENCE MANAGEMENT

The estate continues to operate according to the biological protocol. In 2019, the cryptogams defence was particularly complicated in May, when the weather was very favourable to cryptogams. To reduce the amounts of copper, so-called resistance inductors were used. It was thus possible not to exceed the threshold of 4 kg of Cu per hectare, by operating significant fractions of the dose, with many treatments performed below 200 gr Cu / Ha. Against the moth, the method of sexual confusion continued to be used, which is working very well, also by virtue of the surface treated, which in Franciacorta is now largely the majority.

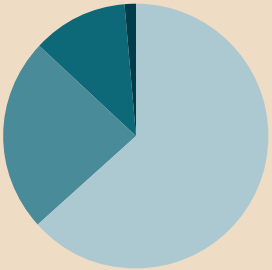
As in 2018, only one treatment was carried out against the leafhopper carrying the flavescence dorée, using pyrethrum, a natural insecticide, instead of the 3 requested by the mandatory control decree of the Lombardy Region for organic farms. The monitoring of the populations of Scaphoideus titanus carried out by the Franciacorta Consortium has allowed the exception for the reduction of the number of treatments. Before the start of the 2019 campaign, the distribution equipment were subjected to functional checks by an authorized center.

Pinot Nero Franciacorta

SOIL MANAGEMENT

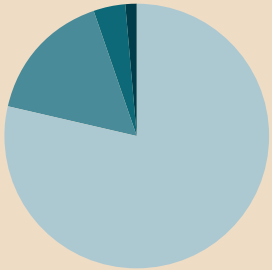
The consolidated business practice is that of permanent spontaneous grassing, associated with the mechanical processing of the sub-row. The floristic composition of the meadow is heterogeneous, with the presence of spontaneous monocotyledons and dicotyledons. The most rustic / resistant to mowing and the passage of mechanical means are prevalent. Mowing is managed by delaying the first spring intervention as much as possible, to allow the herbaceous essences present to reach flowering, to protect pollinating insects, and maximize biomass production

In order to ensure the diversity and richness of the vineyard heritage destined for the production of Franciacorta, the company has areas under vines that are well divided between the three main varieties of the Denomination. Highlighting significantly higher data in the incidence of the cultivation of Pinot Blanc and Pinot Noir than the average in Franciacorta. Among the cultivated varieties there is also the Erbamat, recently introduced in the production regulations, it represents for Ricci Curbastro a new research project and a new challenge for the coming years.



RICCI CURBASTRO'S VINEYARDS

- 63,34% Chardonnay
- 23,85% Pinot Nero
- 11,58% Pinot Bianco
- 1,22% Erbamat



FRANCIACORTA'S VINEYARDS

- 80,7% Chardonnay
- 16,1% Pinot Nero
- 2,9% Pinot Bianco
- 0,2% Erbamat

ETHICAL PILLAR

That is the concrete commitment

of the Gualberto Ricci Curbastro & Figli s.s. for...

ENSURE HEALTH AND SAFETY

Thanks to the continuous investments in training and safety for the staff **also in 2019** we kept the goal, repeated for 9 years now, of **0 accidents in the company!**

GUARANTEE THE WELL-BEING AND SATISFACTION OF EMPLOYEES

During the year, a guided questionnaire and a plenary discussion (in the absence of property representatives) were provided with employees who expressed a high level of satisfaction with working conditions.

Among the points of greatest satisfaction are:

Developed relationships with other workers

Relationships with management

Professional and personal growth

Job stability

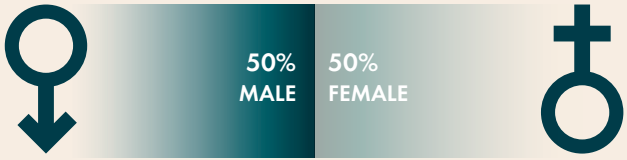
The extreme flexibility guaranteed, in entry/exit or at lunchtime, in the management of operations

The company's objectives and mission are clear, well defined and passed on to workers.
Everyone also believes:

- Adequate safety applied in the workplace within the company
- That the cultural and religious practices of employees are respected by the company
- That there is an acceptable balance between work and leisure
- That the working hours are reconciled with the possibility of dedicating yourself to other activities outside the company

Equal opportunity between Ricci Curbastro' employers

40% 18-30 years • 30% 30-50 years • 30% > 50 years



INVOLVE SUPPLIERS

With the aim of continuing the partnership process and raising awareness of our suppliers to common actions that reduce the environmental impact during the year, a new audit was carried out at the company supplying the manpower used in the company for the harvest operations.

The purpose of the audit was to verify that the supplier adopted practices in line with company objectives, provided an adequate level of guarantee with respect to the principles contained in the Equalitas standard and it was possible to evaluate any improvement path undertaken by the supplier.

During the audit with the owner of the service company no findings were imposed and some noteworthy peculiarities emerged:

- **A management system through which it is possible to trace in a short time:**
  - Personnel who worked day by day for Ricci Curbastro during the harvest period;
  - Work group to which they belong;
  - Total hours accrued.
- **Training carried out both with regard to the safety of operators and with regard to good practices in the vineyard**
- **The remuneration imposed is consistent with the level and takes into account any overtime;**
- **Staff are accommodated in hotesl and transported to and from the workplace by bus.**

Harvest in Ricci Curbastro

HELP TO IMPROVE SOCIETY

During 2019, four classes of elementary school (about 80 children) took part in the educational projects promoted by the Ricci Curbastro farm with the aim of educating the generations of tomorrow in a culture that respects the environment and is aware of the richness that our territory is able to offer.

DISCOVER THE VINEYARD

Is the educational initiative of the Ricci Curbastro estate

LET'S PLAY AND LEARN WITH ACINELLO

Taste and smell education workshops for schools of all levels active since 2002

"Discover the Vineyard" is an outdoor laboratory for schools to discover, walking, a vineyard in all its expressions. Planted in 2012, the vineyard on the outskirts of Capriolo is made with PIWI vines, an acronym that indicates varieties of wine grapes created by intraspecific hybridization resistant to fungal diseases, in German Pilzwiderstandfähig or resistant to fungi. These varieties are intended for technical experimentation in our cellar but the vineyard, absolutely free of chemical treatments, is an ideal gym to discover the vine and its fruits.

In addition, the vineyard has been planted surrounded by hedges and trees typical of the forest formations of the Franciacorta hills: twenty varieties of plants to be discovered by studying, leaves, flowers and fruits. The vineyard, the hedge, the row of mulberries and wicker constitute a micro unit of a traditional landscape that has largely disappeared.

"Discover the Vineyard" and "Let's play and learn with Acinello" are training courses that are perfectly integrated with the reality of the Ricci Curbastro Agricultural and Wine Museum, inaugurated in 1986, in a conservation, teaching, and development activity that make it unique in the Franciacorta territory.

Students visiting the Agricultural and Wine Museum

BUILD A RESPONSIBLE BUSINESS

100% of opportunities for discussion on sustainability and the Equalitas model during ALL the guided tours of the winery.
The company reports on its commitment to sustainability.
Website www.riccicurbastro.it with greater emphasis and evidence of Equalitas certification, sustainability reports and sustainability actions implemented by the company.
Social communication focused on sustainability:

Facebook
"Ricci Curbastro Azienda Agricola"

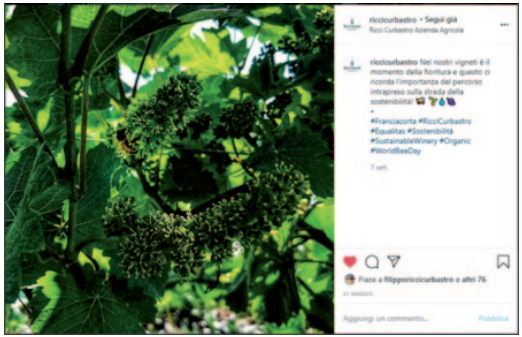
N° Follower:
3571 (+ 6,35%)

Average impressions:
1542 (+ 22%)

Instagram
"Ricci Curbastro"

N° Follower:
1869 (+ 29,20%)

Average impressions:
1417 (+ 46,20%)



ECONOMICAL PILLAR

That is the concrete commitment
of the Gualberto Ricci Curbastro & Figli s.s. for...

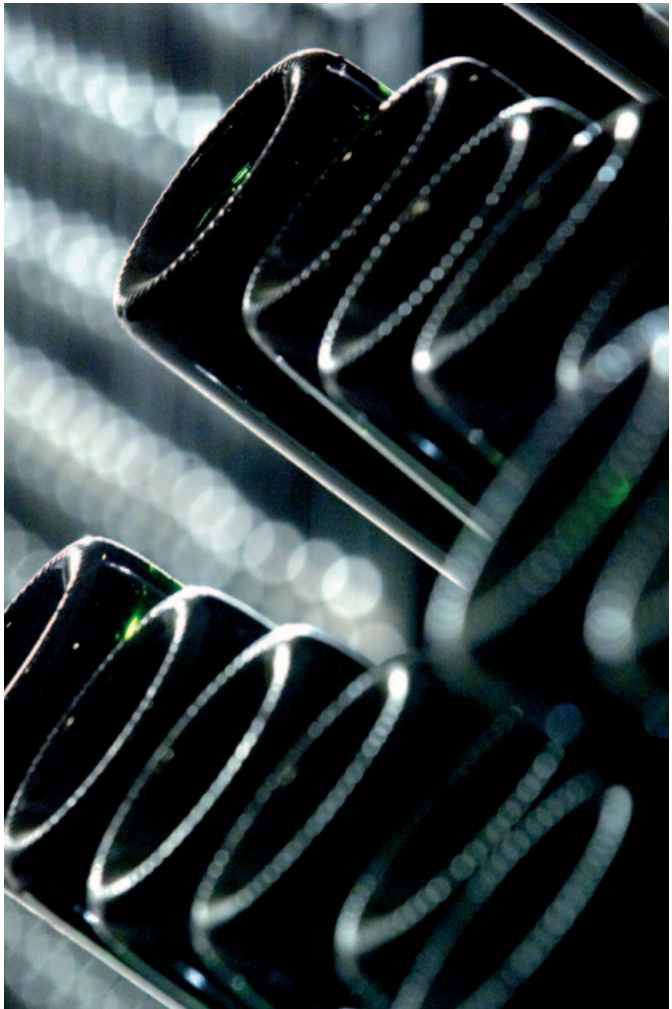
THE ECONOMIC DIMENSION

From an economic - financial point of view, 2019 showed a new positive growth trend which, also in light of the performance of recent years, was welcomed with extreme satisfaction in line with the development process that the Ricci Curbastro company has set as a goal.

In 2019, the increase in turnover relating to the sale of wine was 9.15% (+ 34% the total growth in the last five years).

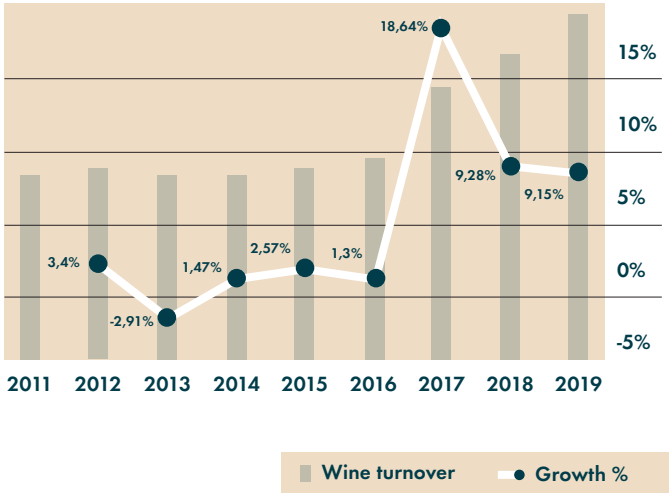
The growth, in line with the company strategy aimed at maintaining an enviable quality/price ratio in the face of the very high intrinsic quality of the product, was supported both by a growth in value and by a growth in the total number of bottles sold (+8,4%).

The data relating to the seasonal trend were shared during a meeting that involved all staff. The organization has in fact undertaken to carry out a verbalized meeting between property and staff on socio-economic issues at least once a year.



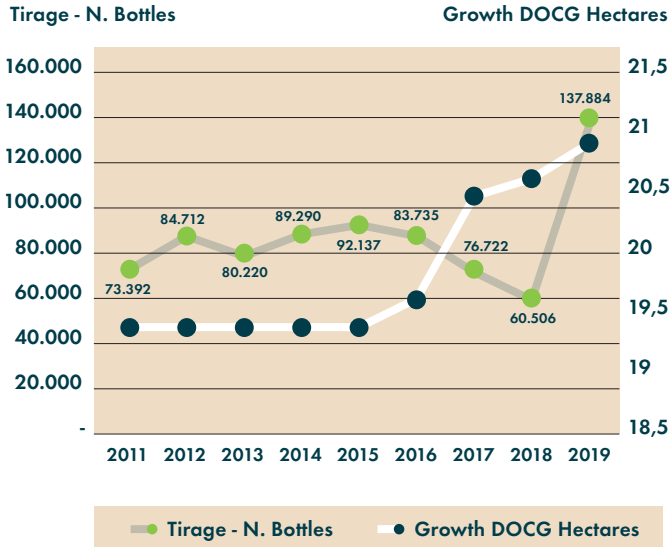
The 2019 financial year was part of a national scenario that showed positive signs of recovery. The company data show how the company efforts made in recent years have allowed to generate growth well above the average in Franciacorta. The results are positive both on the domestic market (+ 9.78%) but also on foreign markets, which thanks to the differentiation strategy, begun over 20 years ago, today allow to generate about 26.5% of total turnover with a growth of 7.42%.

Wine Turnover 2011-2019



At the same time as the excellent commercial results of recent years, the company, with the aim of maintaining its economic sustainability in the future, has invested to support its growth by planting new vineyards and increasing the number of bottles produced annually.

Growth Franciacorta DOCG Hectares - Tirage



INVESTMENTS IN FAVOUR OF SUSTAINABILITY

In order to support the process of growth and continuous improvement, the company sustained during the year some economic investments in favour of social and environmental sustainability, in particular:

Purchase of a new water softener for filtering the water used for washing bottles befor their release on the market.

New electric lift for safer and more efficient management of the movement of loads in the cellar.

Purchase of a new pneumatic press to increase the efficiency and daily processing capacity of the cellar. The press will be delivered during the first half of 2020.

THE STRATEGIC OBJECTIVES

The main objectives planned during the year have been achieved; as regards the new strategic objectives, i.e. the goals that the organization aims to achieve in order to successfully achieve its mission, the following initiatives are listed:

1

New OCM plan for the year 2020, targeting the US market for further improvement of corporate position.

2

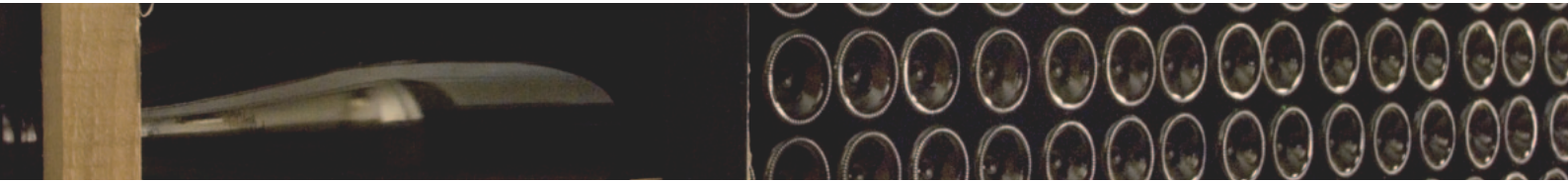
Drafting of the new PNS 2020 for the purchase of a new bottles labeller.

3

Drafting of the PRRV for the financing of new plants for 1.8 ha to be planted in 2020 and another 1.2 ha in subsequent years (replanting rights already acquired).

SELF EVALUATION

The goal of the self-assessment is to allow the company to measure its state of the art with respect to the parameters and criteria contained in the SOPD Equalitas standard "Sustainability of the wine supply chain: organizations, products, denominations".
The aim is to be a functional photograph for the correct positioning of the company with respect to the framework for satisfying the requirements established by the standard, in order to ensure that the company undertakes a virtuous process with respect to three distinct sustainability profiles: economic, environmental and social.
The standard provides only result obligations, leaving the company free to define the specific methodologies necessary for achieving these results.



DEFINITION OF PRODUCTS FOR CERTIFICATION

The company applies its Management System to the following stages:

VINEYARD MANAGEMENT	GRAPE HARVESTING AND DELIVERY	WINEMAKING	WINE PROCESSING	IMBOTTIGLIAMENTO	FINISHED PRODUCT STORAGE

The company produces wines starting exclusively from its own raw material, deriving from its own vineyards or "controlled" vineyards. The entire range of wines produced is certified as "sustainable", with the exception of those that may be affected by small purchases of raw materials of external origin; in the case of VSQ or better without Designation of Origin.

RESULTS OF THE VERIFICATION OF OCTOBER 5 2020

Qualified external auditors have certified that in general the company can be said to be oriented towards principles of improvement and quality, providing an adequate level of guarantee with respect to the principles contained in the standard "Sustainability of the wine supply chain: organizations, products, denominations (Sopd)".

The main strengths demonstrated are identifiable **in the organizational system which, although recently formalized, is in fact well managed and widespread at all levels, in the ability to enhance the key procedures, in maintaining adequate structural and hygienic conditions, also supported by a good propensity to invest.**

The auditors also underlined that the operating conditions and the criteria that underlie the choices of the oenological operations appear clearly established on the basis of typical objective elements of a "sustainable approach", such as the definition of an oenological objective, the awareness and preparation of the staff, the sufficient collection of objective data (analytical, sensory etc.) before making the choices. Neither internal audits nor third party verifications have highlighted particular critical areas.

Flowering irises, Brolo dei Passoni vineyard

THE IMPROVEMENT GOALS

In relation to the improvement objectives highlighted in previous reports and set as improvement objectives for the three-year period, the following is highlighted:

1

The increase in corporate biodiversity, through targeted management actions.

Aware that this is a process and a long-term goal, we continued with the analysis and assessment of corporate biodiversity in order to build a reference history. Agronomic activities continue with the aim of improving biodiversity indicators.

2

Implementation of the company water footprint assessment and calculation system.

For the year 2019 it was decided to certify the carbon footprint and corporate biodiversity as indicators of sustainability. The analysis of the water footprint has been postponed to 2020.

Vineyard Villa Passoni, Capriolo

EQUALITAS CERTIFICATION

CSQA

3E EQUALITAS

VALORITALIA

Certificato n. 42335
Certificate n.

Si certifica che il sistema di gestione della sostenibilità di
We hereby certify that the sustainability management system operated by

Azienda Agricola G. Ricci Curbastro e Figli S.s.

Via Adro, 37 – 25031 Capriolo (BS)

Tipologia di azienda: F - Coltivazione, Trasformazione, Imbottigliamento
Unità operative / Operative units

Via Adro, 37 – 25031 Capriolo (BS)

È conforme allo standard
is in compliance with the standard

EQUALITAS – Standard SOPD
"Modulo Organizzazione Sostenibile – OS"
Rev.03 del 01/04/2020

Per le seguenti attività
For the following activities

Produzione, affinamento e confezionamento di vini fermi e frizzanti in bottiglie di vetro. Esclusioni: nessuna.

Indicatori ambientali valutati:
Biodiversità;
Impronta carbonica aziendale

This certificate remains the property of CSQA Certificazioni S.r.l. Via San Gaetano, 74 – 36016 Thiene (VI) ITALY (+39 (0)445 31 30 11; www.csqa.it)

Il presente certificato è soggetto al rispetto del regolamento CSQA. La validità del Presente certificato è subordinata a sorveglianza periodica e rinnovo triennale.
This certificate will satisfy the requirements established by CSQA. The validity of this Certificate depends on periodic surveillance and renewal every three years.

Prima emissione: *First issue*	13/04/2018	**L'Amministratore Delegato** ***The Chief Executive Officer*** Dr. Pietro Bonato
Emissione corrente: *Current issue*	30/12/2020	
Scadenza: *Expiry date*	12/04/2021	CSQA Certificazioni Srl Via S. Gaetano, 74 – 36016 Thiene (VI)

CSQA Certificazioni
Via San Gaetano 74
36016 Thiene (VI)
csqa@csqa.it - www.csqa.it

Valoritalia
Via Venti Settembre 98/G
00187 Roma
info@valoritalia.it - www.valoritalia.it

Mod.SOPD OS Rev.02 09/12/2020

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Blooming lavender, Brolo dei Passoni vineyard

RICCI CURBASTRO

Franciacorta

THANK YOU FOR READING!

For any inquiries,
do not hesitate to contact us
at the following e-mail:
info@riccicurbastro.it