SUSTAINABILITY REPORT 2024

HERITA

MARZOTTO WINE ESTATES

HERITA

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Letter to Stakeholders

Dear Stakeholder,

The future is not told, it is built. And it is with this vision that we present the third edition of the Herita Marzotto Wine Estates Sustainability Report. Not just a reporting document, but a declaration of intent, a manifesto of our dedication to a business model that generates value, redefines paradigms and leaves a positive mark on the planet and on its people.

This year we have chosen to adopt the European ESRS standards, a step that represents not only a regulatory obligation, but an opportunity to make the impact of our choices even more tangible and measurable. We want sustainability to be something concrete, that goes beyond words and turns into actions capable of generating change. Our entire vineyard estate, whether owned or managed, is either organically farmed or certified under the SQNPI scheme. We prioritize sourcing energy from renewable sources, self-produced wherever possible. We have begun a process of reducing the weight of our bottles, in order to use fewer raw materials and less energy in their production, resulting in lower CO_2 emissions. For the past 11 years, we have been part of a large Carbon Neutrality project in Canada, our second-largest export market. We are committed to reducing freshwater waste, both in the vineyards and in the winery. We use FSC- or PEFC-certified paper and cardboard for packaging. We have launched the EQUALITAS project for all our production units, already achieving certification for Cà Maiol, while all units have already obtained the Biodiversity Friend certification.

We have learnt that to innovate means to respect, that true avant-garde is to guard the earth with intelligence and foresight, combining tradition and technology to create a sustainable balance over time.

We are ready to implement solutions that are not only sustainable, but also visionary: a future where the balance between tradition and innovation is not a challenge, but a natural synergy. Agricultural traditions are not just a heritage to be defended, but a base from which to reinvent a more modern, more efficient agriculture, closer to people and the needs of the planet. Just as my grandfather envisioned it 90 years ago.

We are ready to do more. Our desire to innovate has no limits, because change is a constant and we are excited to experience it, step by step, together with you. Every action, every decision, every day is an opportunity to go beyond.
We are grateful to be able to share this journey with you,

Gaetano Marzotto

President of Herita Marzotto Wine Estates

General criteria for drafting the sustainability statement

This Non-Financial Statement has been prepared on a **consolidated basis** for **Herita Marzotto Wine Estates** (hereinafter referred to as **HERITA**), with its registered office in **Fossalta di Portogruaro (VE)**, at Via Ita Marzotto 8, covering the reporting period from **January 1 to December 31, 2024**.

The document **complies with the Corporate Sustainability Reporting Directive (CSRD)** and is **structured according to the European Sustainability Reporting Standards (ESRS)**, providing a **clear and transparent overview** of the **impacts, risks, opportunities, policies, actions, objectives, and metrics** related to corporate sustainability, in line with the provisions of the **Commission Delegated Regulation (EU) 2023/2772**.

The statement on **impacts, risks, and opportunities** along the **upstream and downstream value chain** has been analyzed; however, for reporting purposes, the **available information is still under development** and will be further enhanced in terms of **specific policies, actions, objectives, and metrics**.

HERITA is strongly committed to **strengthening the mapping process of its value chain** to more accurately and thoroughly identify the **main impacts, risks, and opportunities**, as well as the related metrics. This approach will enable improved capacity to **manage and monitor environmental, social, and governance dynamics** throughout the entire supply chain.

No information has been omitted due to ongoing negotiations, intellectual property issues, information classification, know-how, or innovation outcomes.

HERITA applies the **time horizons set forth by the ESRS**, providing a clear framework of **future sustainability** projections. Any **uncertainties and estimates** are thoroughly described within the **metrics and objectives**.

Starting from **2024**, the sustainability disclosure contained in this report has been **expanded** to comply with the **new requirements of the CSRD and ESRS**. In the previous period, reporting was conducted in accordance with the **Global Reporting Initiative (GRI)**. Any **changes in reporting practices, corrections of material errors, or variations compared to prior periods** are described in the relevant section of the report.

Lastly, Herita Marzotto Wine Estates has applied the **transitional provisions** in accordance with **Appendix C of ESRS 1**, refraining from providing **qualitative or quantitative information in the description of expected financial effects**.

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1. Corporate Governance

Herita Marzotto Wine Estates, formerly known as **Santa Margherita Gruppo Vinicolo**, adopted its new name in 2025 on the occasion of the 90th anniversary of its founding. HERITA represents the wine division of Zignago Holding, a solid industrial group composed of a diversified portfolio of companies controlled by Zignago Holding S.p.A., a company owned by the Marzotto family.

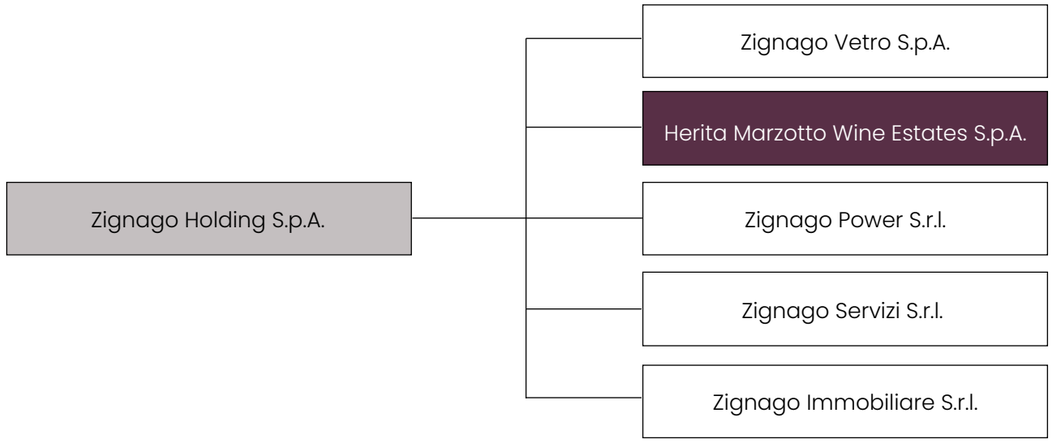


Figure 1. Organizational Chart of the Zignaao Holding S.p.A Group

Founded in 1935, Herita Marzotto Wine Estates has established itself as one of the leading Italian wine groups, with a strong presence in **international markets**. Its portfolio includes a wide range of wines, including **whites, reds, and sparkling wines**, combining **innovative winemaking** techniques with **respect for oenological tradition**.

HERITA stands out for its commitment to enhancing the value of the various territories it operates in, with vineyards located in some of Italy's most prestigious wine regions, such as **Eastern Veneto, Conegliano-Valdobbiadene, Trentino-Alto Adige, Lugana, Franciacorta, Chianti, Maremma Tuscany, and Sardinia**. Additionally, it counts over 40 productive hectares in the renowned **Willamette Valley in Oregon (USA)**, totalling approximately **760 hectares** of currently productive vineyards.

In 2022, HERITA enriched its oenological mosaic with the acquisition of **ROCO Winery**, a winery renowned for the quality of its wine production, particularly from **Pinot Noir and Chardonnay grapes**. Compared to the Sustainability Report of the previous year, this fiscal year includes for the first time ROCO Winery and HERITA USA: an import company for the United States based in Miami, wholly owned by Herita S.p.A. This step consolidates the company's global vision and its commitment to **sustainable and responsible growth** in the international wine sector.

Consequently, the employee base considered within the scope of the sustainability report has also expanded: 329 at the Italian locations and 84 at the two US sites.

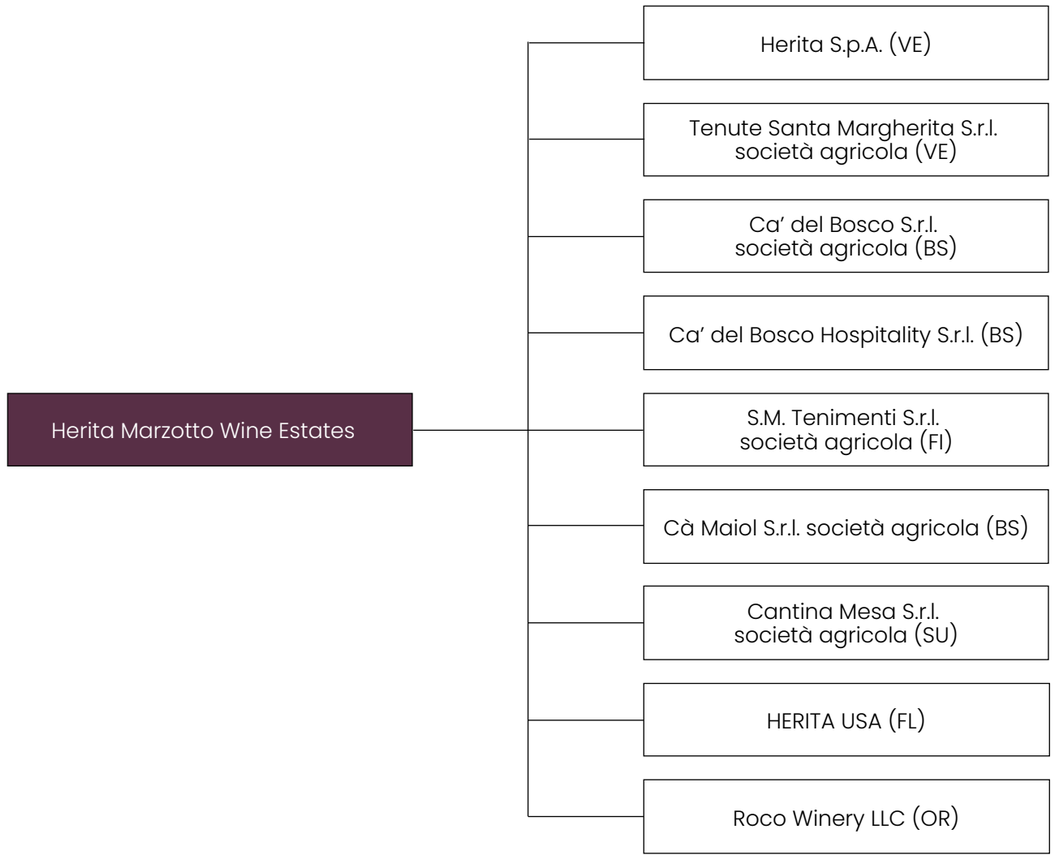


Figure 2. Organization Chart of Herita Marzotto Wine Estates Group

The estates that make up HERITA, listed below, represent a perfect balance between **local tradition** and **technical-technological innovation**, with a strong connection to their respective territories and a cutting-edge approach to winemaking.

Unless otherwise indicated, all metrics and data presented in this report refer to the aggregated total of HERITA's companies.

Herita Marzotto Wine Estates stands as an ambassador of **Made in Italy** wines worldwide. Its target market is highly international: its wines are exported to over **90 countries**, with exports accounting for 71% of revenue. Among the main markets are the United States, Canada, Germany, and, of course, Italy.

The overall market value exceeds 240 million euros. The United States remains the primary market for Herita Marzotto Wine Estates, thanks to the performance of its Miami based subsidiary HERITA USA, followed by the Italian market in second place. In the global top five sales markets, Canada, Germany, Australia, and Russia maintain their positions.

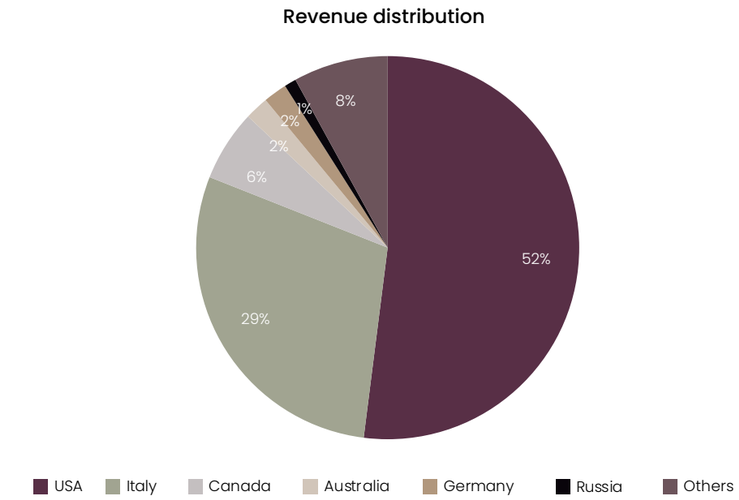


Chart 1. Distribution of revenues

With a strong commitment to quality, innovation, and sustainability, the company aims to **strengthen its presence in international markets**, helping to promote Italian wine culture and reinforce the connection between traditional production and modern consumption.

2. Sustainability Governance

Herita Marzotto Wine Estates aspires to establish itself as a **benchmark in the wine sector**, distinguished by its **sustainable and innovative approach**. Its vision goes beyond corporate growth, aiming to **lead the entire wine market toward more responsible practices**, demonstrating that quality, excellence, and sustainability can harmoniously coexist.

To pursue this ambitious path, HERITA is committed to building a **solid organizational foundation based** on **leadership, good corporate governance, and transparency in sustainability**. The company integrates these values into all its activities by adopting ethical and responsible management models, promoting a **positive impact on the environment, the community, and its stakeholders**.

HERITA views sustainability not only as an **ethical obligation** but also as a **strategic tool** to ensure a prosperous future for the wine sector, creating shared value for present and future generations.

2.1 Role of the Administrative, Management, and Supervisory Bodies

The **governance model** adopted by **Herita Marzotto Wine Estates** follows a **traditional approach**, based on a clear separation between management and control functions, with the aim of ensuring transparency and efficiency in corporate conduct.

The **Board of Directors (BoD)**, composed of twelve members elected for a renewable three-year term, is responsible for guiding the company's strategy and making key decisions for HERITA's growth and sustainability. It holds the broadest powers of strategic direction and management, including the approval of the **Consolidated Financial Statements and the Sustainability Report,** essential tools for monitoring and reporting the company's economic, social, and environmental impact.

Currently, 25% of the BoD members are women. Although the long-term goal is to further increase this percentage, the Board of Directors of Herita Marzotto Wine Estates recognizes the value that gender equality can bring to the decision-making process, fostering a more inclusive and innovative management. The involvement of women in decision-making positions indeed promotes a more balanced perspective and a leadership better equipped to face today's challenges.

Furthermore, 25% of the BoD is composed of **independent members**, a choice that ensures an impartial and critical view of strategic decisions, **strengthening governance transparency and effectiveness**. Independent members play a crucial role in balancing corporate choices, ensuring that the interests of all stakeholders are considered. This approach contributes to stronger governance, oriented towards sustainability and long-term growth.

Below is the detailed **composition of the Board of Directors** (BoD), with particular attention to **gender** representation and other **diversity** aspects such as **age**. These elements have been considered in the reporting process to provide a more comprehensive and transparent view of the BoD's composition and to ensure an accurate assessment of its characteristics.

BOARD OF DIRECTORS

Name and surname	Position	Age	Gender	Term Length	Independence
Gaetano Marzotto	President	> 50 years	M	3 years	No
Andrea Conzonato	Chief Executive Officer	> 50 years	M	3 years	No
Stefano Marzotto	Vice President	> 50 years	M	3 years	No
Ferdinando Businaro	Director	> 50 years	M	3 years	No
Fabrizio Caprara	Director	> 50 years	M	3 years	Yes
Roberta Garibaldi	Director	> 50 years	F	3 years	Yes
Lavinia Marzotto	Director	30 - 50 years	F	3 years	No
Luca Marzotto	Director	> 50 years	M	3 years	No
Nicolò Marzotto	Director	> 50 years	M	3 years	No
Gaia Melloni	Director	30 - 50 years	F	3 years	Yes
Giovanni Puri Purini	Director	30 -50 years	M	3 years	No
Loris Vazzoler	Director	> 50 years	M	3 years	No

Table 1. Composition of the Board of Directors

Regarding **executive power** within the Board of Directors, it is primarily exercised by the **Chief Executive Officer** (CEO), who is entrusted with operational and managerial responsibilities. Some functions may be delegated to other individuals, but strategic and significant decisions remain the prerogative of the Board, which retains final decision-making authority and guidance over the entire corporate governance.

Alongside the Board of Directors (BoD), operates the **Board of Statutory Auditors** composed of three standing members and two alternates. The Board of Statutory Auditors is responsible for overseeing **compliance with laws and the company's bylaws**, ensuring that administrative practices are proper and lawful. Moreover, it guarantees that the **company's organizational, administrative, and accounting structures** are adequate, effective, and meet standards of transparency and **good governance**.

BOARD OF AUDITORS

Name and surname	Position	Age	Gender	Term length
Paolo Nicolai	President	> 50 years	M	3 years
Andrea Manetti	Effective mayor	30-50 years	M	3 years
Carlo Pesce	Effective mayor	> 50 years	M	3 years
Gabriele Andreola	Deputy mayor	> 50 years	M	3 years
Carmen Pezzuto	Deputy mayor	> 50 years	F	3 years

Table 2. Composition of the board of auditors

Responsibilities of the Administrative, Management, and Supervisory Bodies

Sustainability is a guiding principle that permeates all levels of the organization, influencing both operational management and strategic decision-making processes. This commitment is reflected in the **integration of sustainability into internal processes**, ensuring a systematic and measurable approach.

Currently, **sustainability management** is entrusted to the Sustainability Manager, who reports to the **Technical Director**. The latter reports to the **Chief Executive Officer**, thereby ensuring a connection with the **Board of Directors**. The **Sustainability Manager** plays a key role in the development and implementation of the **ESG program**. They are responsible for **defining sustainability objectives and strategies, monitoring progress**, and preparing **dedicated reports**. The presence of a dedicated role represents an important step forward toward a more conscious and structured management of environmental and social issues.

The positioning of the sustainability function within the technical area reflects an approach focused on operational efficiency; however, HERITA recognizes the importance of an **increasingly broad integration of sustainability into corporate strategies**, with the goal of strengthening its role at the decision-making level as well. In the coming years, the company therefore aims to enhance its governance, ensuring that sustainability becomes a central pillar of HERITA's strategic vision.

To achieve this goal, greater involvement of the **Board of Directors** (BoD) in decisions related to **ESG** matters is planned. This will mark an evolution from the current approach, where the BoD is primarily informed, to one that introduces active **consultation processes** and a more decisive role in decision-making.

Through this transformation, the company aims to **strengthen the integration of sustainability into its corporate strategy**, improving its ability to respond to environmental, social, and governance challenges, and creating long-term value for all stakeholders.

Currently, the company has established a responsibility model involving various decision-making bodies. The **top management**, which includes two members of the Board of Directors the **Chief Executive Officer** and the **Technical Director**, actively participates in monitoring and evolving the sustainability strategy. Their involvement is essential to transform ESG objectives into **concrete actions**, promoting their integration into business processes and ensuring effective operational implementation.

In 2024, top management met four times to monitor the sustainability strategy, assessing progress and alignment with objectives. On these occasions, detailed analyses and updates on sustainability indicators were presented. In particular, at the start, during the final stages, and at the conclusion of projects, the top management reviewed the results, identifying any corrective or improvement actions.

A fundamental element within **non-financial reporting** was the integrated evaluation of environmental and social impacts generated by the company's operations, potential risks that could jeopardize business sustainability, and opportunities that, on the contrary, could generate added value and competitive advantages. This approach ensures **constant monitoring** of the impact of sustainability initiatives, allowing the company to adapt its strategies according to emerging needs and to consolidate sustainability as a **central element of corporate governance**.

Starting from 2025, the company intends to **further develop** its sustainability governance structure, anticipating the involvement of **top management** to consistently monitor the progress of initiatives and to ensure a deeper integration of ESG topics into **strategic decisions**. From 2026, the company plans to **strengthen the involvement of the Board of Directors** and **management** in sustainability matters, promoting a more structured integration of these aspects into **strategic decision-making**. To this end, periodic updates will be scheduled to ensure continuous monitoring of ESG initiatives, evaluate achieved progress, and identify improvement actions, including the management of relevant impacts, risks, and opportunities. This approach will enable greater proactivity in managing environmental, social, and governance challenges, ensuring that sustainability becomes an increasingly key element of the company's business model.

Skills and Competences of the Administrative, Management, and Supervisory Bodies

The **Sustainability Manager** organizes annual training sessions on sustainability for all employees, with a greater number of hours dedicated to members of **Top Management**, in order to strengthen awareness and the ability to integrate sustainability into decision-making processes.

To ensure an approach that is always up-to-date and innovative, the company also relies on **external consultants** specialized in ESG topics, who provide strategic and operational support, contributing to the analysis of sustainability performance, the identification of new opportunities, and the adoption of industry best practices.

To strengthen the integration of sustainability, the company plans to establish an **ESG Committee** in the coming years, bringing multidisciplinary expertise and skills in environmental, social, and governance matters to the decision-making process. This body will play a strategic role in managing risks, opportunities, and impacts, ensuring that **environmental, social, and governance** issues are structurally integrated into decision-making processes.

2.2 Statement on the Duty of Diligence

The **due diligence process of Herita Marzotto Wine Estates** is designed to **identify and monitor** potential negative impacts on people and the environment. Although this approach is still evolving, the aim is to gain greater awareness of such impacts and to identify ways to manage them in a progressively more structured manner.

In line with the **Corporate Sustainability Reporting Directive (CSRD)**, HERITA carried out a **double materiality analysis**, described in the section **"Impact, Risk and Opportunity Management"**. This process made it possible to assess two key dimensions:

- **Impact materiality:** analyzes the direct influence of business activities on the environment and society;
- **Financial materiality:** assesses the risks and opportunities arising from ESG factors and their impact on the company's financial performance.

Although the **purpose** of the **materiality** analysis and **due diligence** is different **the initial impact identification phase** follows the same approach. However, in the context of **due diligence**, for the **negative impacts identified**, Herita Marzotto Wine Estates has defined **specific mitigation objectives**, which can be found in the section **"Sustainability Plan"**. These objectives include targeted actions to **reduce environmental and social impact**, improve business practices, and ensure more effective management of ESG risks.

3. Corporate Strategy

3.1 Strategy, Business Model, and Value Chain

Business Model

Herita Marzotto Wine Estates positions itself as a comprehensive player in the wine sector, with an integrated approach ranging from **agricultural production** to **industrial processing**, up to the **commercial distribution of specialized food products**. Its model is based on a strong commitment to **quality and innovation**, aiming to meet the growing demands for **sustainability** in the wine industry. A minor part of its business is dedicated to **hospitality**, focused on welcoming guests and creating experiences that go beyond simple tastings.

Data show that the primary market is the United States, from which the majority of revenue is generated. Italy is the second most important market, with revenue distribution diversified across various channels. Canada and Australia represent significant foreign markets, while Germany and Russia hold smaller revenue shares.

The volume of revenues generated in Italy, amounting to 72 million euros, represents about 29% of the total turnover and is distributed through various sales channels.

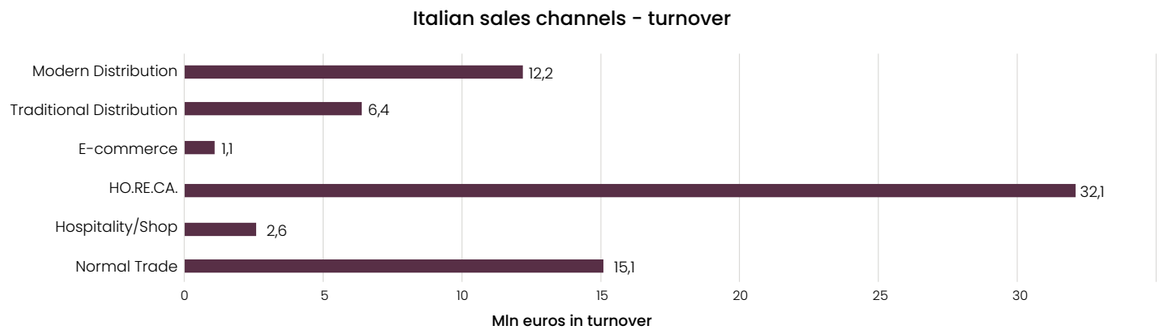


Chart 2. Sales Channels in Italy – Revenue

The most profitable channels, namely **HO.RE.CA., Normal Trade**, and **Organized Large-Scale Retail,** play a fundamental role in the company's commercial strategy, aimed not only at ensuring strong penetration in target markets but also at **strengthening its competitiveness** through targeted and diversified distribution.

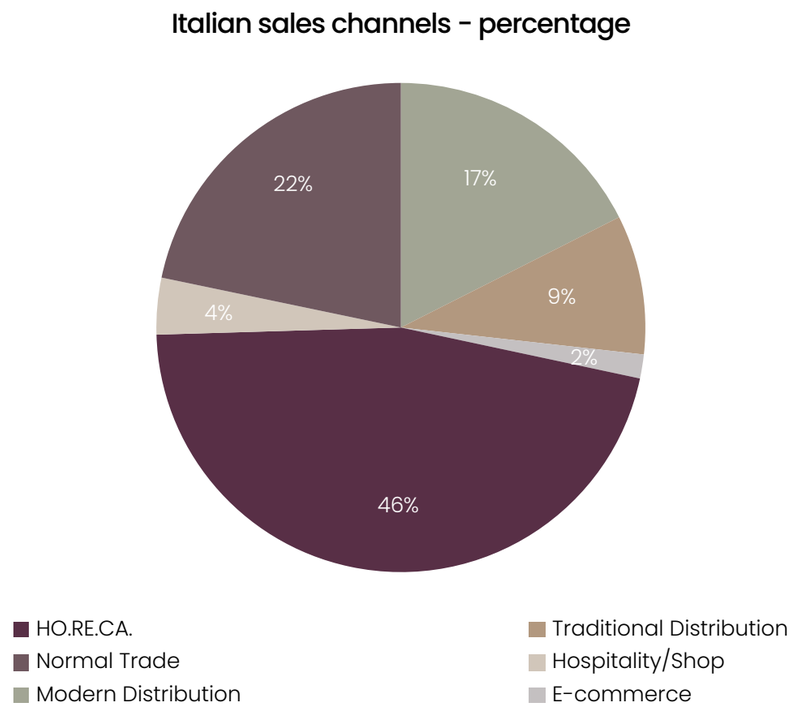


Chart 3. Sales Channels in Italy – Percentage

3.1 Strategy, Business Model, and Value Chain

Policies

HERITA is strongly committed to **promoting and strengthening ethical principles and responsibility** in every area of its activity, adopting common and shared standards across all units. To this end, a series of corporate policies have been introduced to ensure consistency and uniformity in operational practices.

- **Whistleblowing**: This policy encourages reporting of unlawful behaviors, irregularities, or ethical violations within the organization, protecting those who raise concerns from any retaliation. It is a fundamental tool to maintain a transparent work environment compliant with current laws and regulations;
- **Code of Ethics**: The Code of Ethics establishes the principles and guidelines that define the behaviour of all employees, collaborators, and business partners. It focuses on core values such as integrity, social responsibility, fairness in business relationships, and respect for the environment;
- **Model 231**: Model 231, which will be implemented in 2025 initially only for Herita S.p.A., is a prevention and management system for crimes outlined in Legislative Decree 231/2001, which establishes the administrative liability of entities for certain crimes committed by managers, employees, or collaborators.

True to its principles, HERITA adopts sustainable practices that respect natural resources and people, ensuring a positive impact on the environment and the community. Attention to these aspects translates into daily actions and **certified best practices.**

	Herita S.P.A.	Ca' del Bosco S.R.L. Società Agricola	S.M. Tenimenti S.R.L. Società Agricola	Tenute Santa Margherita S.R.L. Società Agricola	Cà Maiol S.R.L. Società Agricola	Cantina Mesa S.R.L. Società Agricola
BRCGS Food Safety	✓		✓	NA	Future Goal	
ISO 45001:2018	✓					
SQNPI	✓	NA (Biologic)	NA (Biologic)	✓	✓	✓
Biologic	NA (SQNPI)	✓	✓	NA (SQNPI)	NA (SQNPI)	NA (SQNPI)
Biodiversity Friend	✓	✓	✓	✓	✓	✓
Equalitas					✓	

Table 3. Certifications

Value chain

The value chain of Herita Marzotto Wine Estates is structured around an interconnected system of processes, ranging from **the sourcing of raw materials to the production, distribution, and marketing of finished products**. Each phase plays a strategic role in ensuring quality, sustainability, and competitiveness in the market.

Thanks to the integration of viticulture, industrial processing, and logistics, the company is able to optimize resources and respond efficiently to the needs of different destination markets. The approach aims to enhance the entire supply chain, promoting a **responsible management of agricultural, energy, and production resources**, in full compliance with sector regulations and the **best environmental and social sustainability practices**.

Furthermore, Herita Marzotto Wine Estates is committed to promoting ethical and transparent relationships with suppliers, building trust and collaboration along the entire supply chain.

The table below illustrates HERITA's value chain.

PHASE	MAIN ACTIVITIES
1. Procurement: Procurement includes all activities necessary to obtain the raw materials, goods, and services required for production and business operations	• In-house production: cultivation and management of owned vineyards, grape harvesting • External suppliers: provision of grapes and wine from third parties • Component suppliers: packaging materials (primary and secondary) such as bottles, corks, labels, capsules, cardboard boxes • Suppliers of agricultural products: plant protection products, fertilizers, soil products, and other inputs for viticulture • Suppliers of essential resources: energy and water services, and general supplies for the operation of production facilities • Suppliers of professional services: consulting (e.g., agronomic, oenological, regulatory), maintenance of plants and machinery, logistics and transportation
2. Inbound logistics: The management of inbound logistics varies depending on agreements with supplier agreements and operational needs	• Internal transportation (managed by the company using owned vehicles) • Transportation paid by suppliers • Transportation entrusted to couriers or external logistics companies
3. Operational activities: This phase, managed by HERITA, covers the entire process of transforming grapes and materials into finished products	• Grape reception and preparation: identification, weighing, cooling, and storage • Grape processing: sorting, washing, drying, berry selection, destemming, and crushing • Vinification: alcoholic fermentation, maceration, draining, pressing, racking, malolactic conversion • Aging: in steel tanks, barrels, barriques, or other containers • Stabilization and filtration: clarification, static cooling, preliminary filtration, and microfiltration • Bottling and packaging: capping, bottle aging, finishing (labelling, capsules, final packaging)
4. Outbound logistics: The Distribution is managed in various ways, depending on commercial agreements	• Shipping managed directly by HERITA using third-party vehicles. • Shipping borne by the final customer
5. Sale and distribution channels: The company's products reach various market segments	• Wineries: sale of bulk wine for further processing or blending • Large-Scale Retail (GDO): supermarkets and retail chains • Ho.Re.Ca.: Hotels, Restaurants, Catering • Distilleries: for processing pomace and fermentation lees
6. Product use	• Final consumption by the customer
7. Post-consumption	• Environmental impacts related to product end-of-life

Table 4. Value Chain

Corporate strategy

Herita Marzotto Wine Estates considers sustainability as an essential element to ensure the **long-term resilience** of its activities, recognizing that the **responsible management of natural and social resources** is fundamental for competitiveness and future growth. HERITA's ambition is to position itself among the leaders in the wine sector in terms of ESG performance, thus responding to the growing demand for **sustainable and environmentally friendly products**. In this context, the company is committed to reducing the negative impacts arising from its operations while promoting lasting business growth that respects the available resources and people.

HERITA's strategy for 2025 focuses on the continuous improvement of the most relevant environmental and social dimensions, with attention also given to making a concrete contribution to the Sustainable Development Goals (SDGs). The main objectives of the sustainability strategy include:

- **Governance and Sustainability Strategy**: Support the process of defining **strategic choices** regarding sustainability, with particular attention to the **management of risks, opportunities, and impacts related to climate and environmental and social sustainability**. Although this approach is in the process of being integrated into risk management policies, regulations, and key operational areas of the Group, HERITA is committed to strengthening sustainability governance. **The goal is to align business practices with ESG objectives**, thereby ensuring **transparent and responsible management** of environmental, social, and governance issues.
- **Decarbonization**: The goal is to significantly reduce energy consumption and increase the share of **self-produced energy** from renewable sources, thereby contributing to the reduction of the carbon footprint and facilitating the transition towards a more sustainable economic model. At the same time, the company is committed to deepening the understanding of **impacts across its value chain** to define targeted actions for reducing scope 3 emissions.
- **Waste Management and Material Use**: HERITA aims to reduce the overall use of materials, particularly non-recyclable materials, and to prioritize solutions that are sustainable throughout the entire product lifecycle, with special attention to packaging.
- **Water Consumption**: Promote effective water management policies aimed at reducing consumption and increasing efficiency in the use of water resources, ensuring more responsible and sustainable management.
- **Health and Safety of Employees**: Ensure high standards of health and safety in all stages of production, creating a safe, healthy, and respectful work environment. The protection and **well-being of employees** is an absolute priority.
- **Promotion of a Sustainability Culture**: Foster a culture of sustainability within the organization and among key stakeholders, raising awareness and engaging all employees in building a more sustainable future.

3.2 Stakeholder: Interests, opinions, and value creation

The main stakeholders of Herita Marzotto Wine Estates include both internal and external parties with whom the company creates and shares mutual value. The active involvement of these parties is essential to guide strategic decisions and improve business management, particularly regarding sustainability and the creation of shared value.

HERITA's business model is not limited to wine production but is designed to **create sustainable and lasting value for all stakeholders**. Thanks to efficient resource management, continuous innovation, and commitment to sustainability, the company is able to deliver concrete and differentiated benefits.

STAKEHOLDER CATEGORY	ADVANTAGES
Customers	• High-quality products, made with selected raw materials and certified processes • Transparency and traceability throughout the entire production chain • Sustainable approach that respects the environment and enhances the territory
Investors	• Sustainable growth driven by ESG strategies • Risk management and long-term financial stability • Continuous innovation to enhance market competitiveness
Employees	• Job stability and opportunities for professional growth • Well-being
Community and Environment	• Reduction of environmental impact • Promotion of local economic development and enhancement of cultural heritage

Table 5. Value Creation for Stakeholders

Stakeholder engagement is a central element of HERITA's sustainability strategy and varies according to the different groups involved. The company adopts a mix of channels and methods, both formal and informal, to ensure a constant and constructive dialogue with its stakeholders.

To gather strategic input and ensure alignment with stakeholder expectations, all groups are

involved through a **questionnaire** aimed at identifying the most relevant sustainability impacts. Additionally, financial stakeholders participate in a specific consultation to identify and validate the main **economic-financial risks and opportunities**.

This approach allows for the **proactive** identification of the most significant impacts, risks, and opportunities, significantly contributing to the **due diligence process** and the definition of **business priorities**.

Below is a list of the primary stakeholders engaged by HERITA:

- Human Resources
- Corporate and Industry Organizations
- Shareholders, Statutory Auditors, and Audit Firms
- Lenders and Financial Institutions
- Public Institutions and Consortia
- Schools and Universities
- Suppliers
- Customers and Consumers
- Local Community

Engagement with stakeholders is crucial for defining the sustainability strategy. When a **topic relevant to stakeholders** emerges, even if initially not considered a priority by the company, it is **carefully evaluated** and, if necessary, **integrated into the corporate strategy**.

In this context, gender equality has emerged as a strategic priority precisely thanks to stakeholder consultation. This topic has therefore been included among the **corporate objectives** and shared with the governing bodies, ensuring alignment between stakeholder needs and company governance.

3.3 Management of impacts, risks, and opportunities

Description of the process to identify and assess relevant impacts, risks, and opportunities

The approach adopted by Herita Marzotto Wine Estates for the **double materiality assessment** is structured into four key phases, aiming to identify material topics and provide input for the development of the corporate strategy.

The process of identifying impacts, risks, and opportunities (IROs) begins with a **thorough analysis of the business context and the sector in which the organization operates**, with a particular focus on sustainability. This phase examines key elements such as the **company's activities**, including inputs and outputs, the **geographical distribution**, and the main **business relationships**. Additionally, the **regulatory and legal context**, **industry publications**, and the **competitive landscape** are analyzed to identify the main IROs related to the company's activities and its **supply chain**.

The information gathered from previous non-financial reporting exercises, integrated with the results of the context analysis, forms the basis for identifying impacts which are then compared with the list provided by **ESRS 1, Application Requirement 16 (AR 16)**, ensuring alignment with the main sustainability standards.

Regarding **risks**, the process was initiated from the identified impacts and was then expanded to include ESRS 1 AR 16 as well as other possible risks and opportunities not explicitly covered by the ESRS but still potentially relevant for the company and its **operating context**. This approach allowed the inclusion of **emerging or specific risk elements** in the analysis process, ensuring a more comprehensive assessment.

Once potentially relevant IROs are identified, a thorough **internal evaluation** based on **quantitative and qualitative** criteria is conducted. This process always prioritizes negative impacts over positive ones.

In the impact assessment phase, HERITA adopted a structured approach, analyzing each impact according to the following metrics:

- **Scale**: severity of the impact
- **Scope**: extent of the impact
- **Likelihood of occurrence**
- **Irremediability**: difficulty in mitigating or reversing the impact
- **Time horizon**: Short term (<1 year); Medium term (2-5 years); Long term (>5 years)

At the same time, the financial assessment focused on identifying and analyzing key risks and opportunities with potential economic implications. Each element was evaluated based on:

- **Nature of the risk/opportunity**: internal or external, actual or potential
- **Time horizon**: short term (<1 year), medium term (2-5 years), or long term (>5 years)
- **Likelihood of occurrence**
- **Magnitude of the financial impact**

The **top management is directly involved in validating the relevance and materiality of each topic**. If an IRO exceeds the relevance threshold, calculated as the **average score of all topics**, it is considered a priority and moves to the next phase: stakeholder engagement for external evaluation.

Topics that do not exceed the threshold are still discussed internally. If top management believes they may be of interest, a consultation with stakeholders is requested.

Stakeholder engagement is a fundamental phase to ensure a comprehensive and inclusive approach in prioritizing impacts, risks, and opportunities. Stakeholder input is essential to ensure that corporate priorities are not determined solely from an internal perspective but also reflect the **needs and expectations** of those directly or indirectly involved in business activities.

Before initiating this phase, existing stakeholder engagement initiatives are reviewed, and a **detailed mapping of the main relevant stakeholder categories** for the company is carried out. This process helps identify **strategic groups of interlocutors**, ensuring that the **impact assessment** aligns with the actual expectations and needs of stakeholders, with particular attention to those categories that directly or indirectly influence the company's operations.

Stakeholders are primarily engaged through **structured questionnaires**, but to ensure **free and comprehensive participation**, they are given the opportunity, via an open-ended question, to raise any issues not covered in the questionnaire. This approach enables the gathering of a wide range of opinions and observations, ensuring that all relevant areas are explored and that corporate decisions are as informed and complete as possible.

3.3 Management of impacts, risks, and opportunities

To ensure a targeted and consistent assessment:

- All HERITA stakeholders, both internal and external, were involved in the impact assessment.
- As for risks and opportunities, involvement was limited to financial stakeholders, as they are more directly interested and knowledgeable about these matters.

This **differentiated approach** ensures that each stakeholder category can contribute effectively, providing relevant input based on their expertise and level of involvement in the company's dynamics.

The chart below illustrates the level of **engagement and participation of internal and external stakeholders in the consultation process** conducted for the preparation of this document. The questionnaire was sent to a total of 512 internal stakeholders and 318 external stakeholders, for a total of **830 stakeholders**. The responses received were 406 from internal stakeholders and 110 from external stakeholders, demonstrating a **high participation rate**. Both the number of stakeholders involved and the participation rate are higher among internal stakeholders, indicating a **good level of internal engagement and greater ease of access and involvement** within the organization.

This analysis provides useful insights to improve future engagement activities, especially regarding the enhancement of active involvement of external stakeholders.

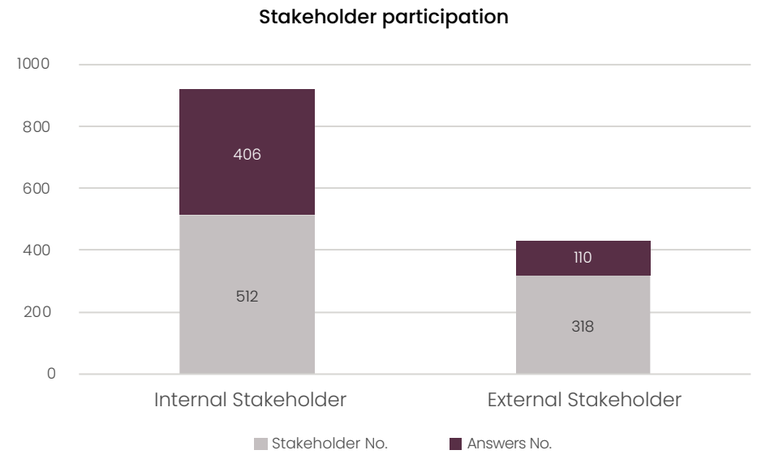


Chart 4. Stakeholder Participation in the Consultation Process

Finally, the **final determination of double materiality** is carried out, taking into account all previous assessments, including those of management and the BoD. This step concludes with the validation of the materiality matrix, which clearly and structurally represents the main material topics for the company.

The results of the materiality analysis are **reviewed annually** and updated periodically, ensuring they remain aligned with the evolving business, regulatory, and market context.

Risk Management and Internal Controls on Sustainability Reporting

The **Board of Directors (BoD)** is responsible for defining the **overall strategy of HERITA**, as well as **overseeing the risk management system**, ensuring a structured framework for the **identification**, **assessment**, and **mitigation** of risks at the corporate level.

In addition to sustainability-related risks, Herita Marzotto Wine Estates adopts a broader approach to **risk management**. In this context, Herita S.p.A. plans to adopt, by the **end of 2025**, the **Organizational Model pursuant to Legislative Decree 231/2001**. This system represents a key reference point for the **prevention of offenses** and the **protection of corporate integrity**, allowing for the strengthening of internal safeguards and promoting a culture of **responsibility** and **ethical control**. The experience gained by Herita S.p.A. will enable an assessment of a possible extension of the Model to other units.

Currently, **sustainability risks** are not yet directly addressed by the BoD, but are managed by **top management**. However, greater **involvement of the Board of Directors** in their assessment is planned in the coming years, in order to ensure **more timely responses** and the adoption of **effective mitigation measures**. This step will strengthen the **company's responsiveness** to increasingly complex environmental, social, and regulatory challenges.

The **identification of ESG** risks is based on a **structured and integrated analysis** of the operational context and business activities. This approach considers all major **risk categories**, including:

- **Financial risks**
- **Regulatory risks**
- **Operational risks**
- **Environmental risks**
- **Social risks**

The **prioritization of risks** is carried out through a **multilevel process**, involving the various **company functions**. Before being presented to top management and subsequently to stakeholders, an in-depth analysis is carried out to ensure an **accurate and thorough** assessment of potential risks.

Thanks to this system, the company is able to **promptly identify** vulnerability factors that could compromise the achievement of **strategic objectives**, promoting a proactive and responsible approach to risk management.

Relevant impacts, risks, and opportunities and their interaction with the company's strategy and business model

The **double materiality analysis** led to the definition of a **priority order among the IROs**, taking into account not only the **Organization's perspective, but also that of stakeholders**, both internal and external.

The **double materiality matrix** represents the final output of the analysis, graphically summarizing the identified topics and their relevance. This matrix becomes a key tool to guide strategic priorities and concrete actions on sustainability.

Based on the areas identified as material, **specific objectives and targets** have been defined, and targeted actions implemented to transparently measure performance. The **policies**, **actions**, **metrics**, and **targets** are disclosed in the sustainability statement, supporting a continued commitment to improving the impact of activities.

During the **results evaluation phase**, the organization decided to integrate two additional material topics, considered strategic even though they did not exceed the materiality threshold.

The two additional topics are as follows:

- **Biodiversity**, selected because it represents a crucial aspect of environmental sustainability and is particularly relevant to the sector.
- **Gender equality**, included both for its relevance to the company and in response to input from certain internal stakeholders who highlighted its importance.

This decision reflects the organization's commitment to adopting a dynamic and proactive approach to sustainability, capable of responding both to sector-specific challenges and to stakeholder expectations, thereby ensuring a positive and lasting impact.

3.3 Management of impacts, risks, and opportunities

The chart below shows the results of the **double materiality analysis. The colour intensity indicates the degree of relevance attributed to each topic: the darker shade represents the topics considered material, and therefore included in the sustainability report.**

The matrix allows for **an immediate visualization of which areas are priorities** for the company and its stakeholders, providing useful support for defining the content of the report and guiding strategic decisions.

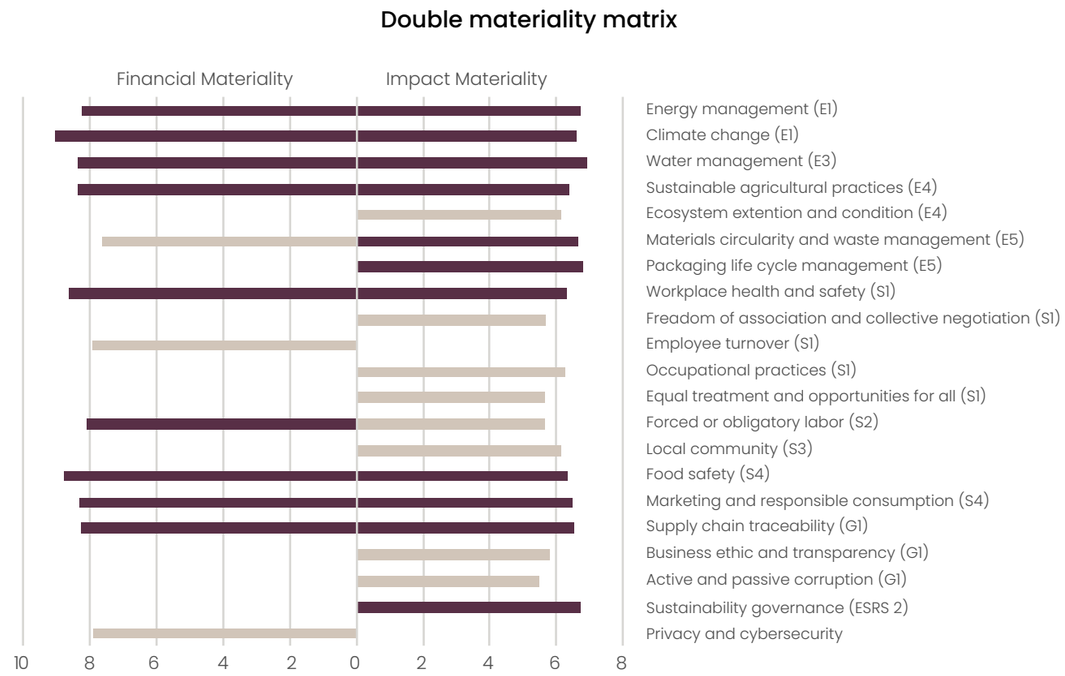


Chart 5. Double Materiality Matrix

3.3 Management of impacts, risks, and opportunities

ESG	ESRS	SUSTAINABILITY TOPIC	IRO	VALUE CHAIN	TIME HORIZON
Environment	E1 - Climate Change	Decrease in crops caused by changes in seasonal patterns and intense heat waves, which can compromise the quality and quantity of agricultural products, reducing production capacity	Financial risk, actual	Own operations, upstream value chain	Short, medium, and long term
		Extreme weather events, increasingly frequent and intense, which can damage company assets and compromise agricultural production	Financial risk, actual	Own operations, upstream value chain	Short, medium, and long term
		Carbon emissions generated by business activities and operations along the value chain, contributing to climate change	Impact, negative, actual	Own operations, upstream value chain	Short, medium, and long term
		Use of energy from fossil fuel sources, generating greenhouse gas emissions, with a significant impact especially in Scope 2	Impact, negative, actual	Own operations, upstream value chain	Short and medium term
		Increase in energy costs, influenced by geopolitical dynamics, climate policies, and the transition to renewable sources	Financial risk, potential	Own operations, upstream value chain	Short and medium term
	E2 – Pollution	Within the corporate context, although the topic of pollution is recognized as relevant and subject of attention, it has not been considered a strategic priority. The practices adopted significantly reduce the associated environmental impacts: the absence of synthetic chemicals, sustainable soil management, and attention to biodiversity limit the risk of soil, water, and air contamination. Moreover, organic farming and SQNPI standards impose stringent requirements that prevent polluting practices. Consequently, reporting focuses on aspects deemed more relevant to the company's business model			
	E3 - Water and Marine Resources	Pressure on water resources due to irrigation, particularly in contexts characterized by water stress or drought. Suboptimal use of resources can contribute to the overexploitation of aquifers, resulting in alterations of local hydrogeological balances and potential environmental, regulatory, and reputational impacts	Impact, negative, actual	Own operations, upstream value chain	Short, medium, and long term
		Increase in costs and reduced availability of water resources due to drought, with potential impacts on the economic and operational sustainability of production activities, particularly during critical periods for crops	Financial risk, actual	Own operations	Short, medium, and long term
		Water discharges from production activities that, if not properly managed and treated, can compromise the quality of surface and groundwater, altering the balance of local ecosystems and generating risks for biodiversity and downstream civil or agricultural uses	Impact, negative, actual	Own operations, upstream value chain	Short, medium, and long term
		HERITA, while recognizing the importance of protecting marine ecosystems, does not consider marine resources a priority, as its activities do not generate direct impacts on marine or coastal environments. Furthermore, the agricultural practices adopted, which exclude the use of synthetic chemicals, significantly contribute to reducing the risk of water contamination, thereby also limiting potential indirect effects on rivers and seas			

3.3 Management of impacts, risks, and opportunities

ESG	ESRS	SUSTAINABILITY TOPIC	IRO	VALUE CHAIN	TIME HORIZON
Environement	E4 - Biodiversity and Ecosystems	Agricultural and production activities, if not properly planned and managed, can cause alterations to local ecosystems, resulting in loss of biodiversity, degradation of natural habitats, and disruption of ecological cycles. These effects compromise environmental balance and can generate environmental, regulatory, and reputational risks	Impact, negative, potential	Own operations	Short, medium, and long term
		While recognizing the importance of protecting species status and paying attention to this topic, the impact in this regard has not been considered a priority in this sustainability report. This is because the practices adopted by the company, focused on sustainability and respect for biodiversity, significantly contribute to reducing potential negative effects on fauna and flora			
		Promotion of sustainable agricultural practices aimed at improving ecosystem conditions and conserving biodiversity. These practices contribute to soil preservation, protection of natural resources, and enhancement of environmental quality, supporting agricultural production that respects natural ecological cycles and reduces impact on the territory	Impact, positive, actual	Own operations	Short, medium, and long term
		Possible decrease in yields compared to conventional techniques due to limitations in the use of pesticides and chemical fertilizers. This may lead to lower production volumes, negatively impacting company revenues and increasing management costs.	Financial risk, actual	Own operations	Short, medium, and long term
		While recognizing the importance of impacts and dependencies related to ecosystem services, HERITA does not consider this a priority, as viticulture — compared to other agricultural activities — has a relatively limited dependence on these services and a contained impact on them. The vine is a resilient crop, able to adapt to variable environmental conditions, and many of the modern agricultural practices adopted help reduce the need for natural resources			
	E5 - Circular Economy	Use of resources, with particular attention to packaging, with environmental effects related to extraction, production, and disposal	Impact, negative, actual	Own operations, upstream value chain	Short, medium, and long term
		While recognizing the importance of resource outflows related to products and services, the company does not consider this a priority, as the transformation of grapes into wine occurs with efficient resource use, limiting unvalued material flows. Most of the inputs employed are indeed directly converted into the final product			
		Production of waste along the production cycle, with particular reference to processing waste, packaging materials, and process residues	Impact, negative, actual	Own operations	Short, medium, and long term

3.3 Management of impacts, risks, and opportunities

ESG	ESRS	SUSTAINABILITY TOPIC	IRO	VALUE CHAIN	TIME HORIZON
Social	S1 - Own Workforce	Exposure of workers to physical risks during agricultural and cellar activities, with potential negative effects on health and safety	Impact, negative, actual	Own operations, upstream value chain	Short, medium, and long term
			Financial risk, actual	Own operations	Short, medium, and long term
		Promotion of diversity and inclusion, fostering a corporate culture based on respect, equity, and valuing differences	Impact, positive, potential	Own operations	Medium and long term
		This topic was evaluated by stakeholders but did not emerge as a priority. This can be attributed to the fact that the company applies well-established standards regarding workers' rights, with no significant issues identified by internal or external stakeholders			
	S2 - Workers in the value chain	While recognizing the importance of the topic related to working conditions, it was not considered a priority because the supply chain is composed of local suppliers and a network of direct collaborations that ensure adequate control over working conditions			
		Use of forced labor along the supply chain, with possible legal consequences, reputational damage, and loss of trust from clients and investors	Financial risk, potential	Upstream value chain	Medium and long term
		While recognizing the importance of the topic related to labor-related rights, it was not considered a priority because the supply chain consists of local suppliers and a network of direct collaborations that ensure adequate control over workers' rights			
	S3 - Affected communities	This topic was evaluated by stakeholders but did not emerge as a priority, this may be due to the fact that the company, despite having local impacts, does not perceive a strong interaction or conflict with the surrounding communities			
	S4 - Consumers and end users	Evolving regulations that may cause interpretative complexities or unintentional inaccuracies in sustainability disclosures and practices, with possible reputational and legal consequences	Financial risk, potential	Own operations	Medium and long term
		Promotion of transparency in marketing practices and consumer awareness towards responsible wine consumption, through clear, truthful, and consistent communication aligned with the company's values	Impact, positive, actual	Own operations	Short, medium, and long term
		Continuous improvement of food management practices along the entire supply chain, aiming to ensure high standards of quality, safety, and traceability, preventing contamination risks and protecting the end consumer	Impact, positive, actual	Own operations	Short, medium, and long term
		Any lapses in the proper application of food safety regulations could lead to the production of non-compliant products, exposing the company to the risk of sanctions, market recalls, and consequent negative repercussions on the company's reputation and consumer trust	Financial risk, actual	Own operations	Short, medium, and long term
		While recognizing the importance of the topic related to social inclusion of consumers and end users, the company does not consider it a priority, as wine is a non-essential, luxury product			

3.3 Management of impacts, risks, and opportunities

ESG	ESRS	SUSTAINABILITY TOPIC	IRO	VALUE CHAIN	TIME HORIZON
Governance	G1 – Business Conduct	Adoption of a governance structure that places sustainability at the core of its strategic vision, ensuring a continuous commitment to environmental, social, and economic objectives, reflecting an approach focused on long-term value creation	Impact, positive, potential	Own operations	Medium and long term
		While recognizing the importance of whistleblower protection, this topic is not considered particularly relevant for HERITA, as the risk of serious violations is deemed low, and the company already has adequate tools in place to manage any reports			
		While recognizing the importance of animal welfare, this topic is not considered a priority by the company, as its activities do not involve animal farming, processing, or use. Consequently, there are no significant impacts nor the need to adopt specific measures on this issue			
		While recognizing the relevance of political engagement and lobbying activities, this topic is not considered a priority by the company, as it is not significantly involved in political influence dynamics or lobbying			
		Supply chain disruptions due to poor supplier performance could jeopardize operational continuity and result in additional emergency management costs	Financial risk, potential	Own operations	Medium and long term
		Incorrect or incomplete contractual definition of payment and collection terms with clients and suppliers could negatively affect the company's liquidity and financial stability	Financial risk, potential	Own operations	Medium and long term
		Ensuring traceability of ESG performance throughout the supply chain to guarantee compliance and accountability across the entire production process	Impact, positive, potential	Own operations	Medium and long term
		While recognizing the importance of the issue related to active and passive corruption, the company does not consider it a priority, as the sector it operates in generally has a low exposure to corruption risks, unlike highly regulated fields or those characterized by frequent interactions with public administration			

Table 6. Relevant Impacts, Risks, and Opportunities

4. Environment

4.1 Climate change

The climate crisis represents an urgent challenge that requires concrete actions and collaboration across sectors. HERITA is aware of its role and has embarked on a transformation path aimed at reducing its impact on climate change, placing **sustainability** at the center of its **strategy**.

The company is working to reduce **greenhouse gas emissions**, both in direct activities and along the **supply chain**, through a **dynamic and continuously evolving** approach based on data analysis, innovation, and partnerships.

This is a progressive commitment that strengthens over time with the adoption of new solutions and increasing transparency.

4.1.1 Material impacts, risks, and opportunities

Within the context of the double materiality analysis conducted by HERITA, climate change is identified as a priority issue, both for the environmental impacts generated by the company's activities and for the **financial and operational risks** associated with increasing climate instability. The company recognizes its role within the production system and has embarked on a sustainable transition path aimed at actively contributing to the **mitigation** and **adaptation** to climate change.

The organization's **main emission sources** are attributable to **indirect emissions** generated along the value chain. These include, for example, emissions related to the production and transport of raw materials, materials used, outsourced services, and, more generally, all those activities not directly controlled by the organization but essential to its operation.

At the same time, the entire value chain is vulnerable to the **effects of climate change**, which represents a growing threat to the wine supply chain. The company's activities are exposed to physical risks such as:

- Prolonged droughts
- Heat waves that compromise grape quality
- Torrential rains, hailstorms, and unseasonal frosts that can damage crops or disrupt activities.

HERITA's commitment translates into a climate strategy focused on:

- **Progressively reducing emissions** through energy efficiency, renewable sources, and process innovation
- **Increasing company resilience** with adaptation measures in vineyards and production facilities
- **Engaging the supply chain in the transition**, promoting low-impact agricultural practices

For a detailed description of the methodology adopted in the materiality assessment, please refer to paragraph **3.3 Management of impacts, risks, and opportunities**.

With specific reference to ESRS E1, HERITA's double materiality analysis has identified two material impacts and three material risks, as shown in the following table.

4.1.1 Material impacts, risks, and opportunities

MATERIAL TOPIC	IROs	MANAGEMENT
Adaptation to Climate Change	Physical risk: Decrease in yields caused by changes in seasonal patterns and intense heat waves, which can compromise the quality and quantity of agricultural products, reducing production capacity	Continuous monitoring of evolving climate patterns and assessment of potential impacts on agricultural production. Investments in heat-resistant crop varieties, high-efficiency irrigation techniques, diversification of cultivation areas, and adoption of insurance coverage against extreme weather events
	Physical risk: Extreme weather events, increasingly frequent and intense, which can damage company assets and compromise agricultural production	Adaptation of company infrastructure to increase resilience to extreme events, monitoring of climate risks and potential operational impacts, adoption of emergency and business continuity plans, investments in drainage systems and soil protection, and specific insurance coverage for severe weather events
Climate Change Mitigation	Negative impact: Carbon emissions generated by company activities and operations along the value chain, contributing to climate change	Accurate measurement of direct and indirect emissions along the value chain, definition of emission reduction targets, promotion of energy efficiency, use of low environmental impact solutions, and implementation of offset initiatives
Energy	Negative impact: Use of energy derived from fossil fuels, generating greenhouse gas emissions, with a significant impact particularly in Scope 2	Improvement of energy efficiency and progressive transition to the use of renewable energy sources, reducing greenhouse gas emissions and the company's carbon footprint
	Transition risk: Increase in energy costs, influenced by geopolitical dynamics, climate policies, and the transition towards renewable energy sources	Constant monitoring of geopolitical dynamics and climate policies, diversification of energy sources to reduce dependence on fossil fuels, investment in energy efficiency technologies and in the transition towards renewable energy

Table 7. Relevant impacts, risks, and opportunities – Climate Change

Although HERITA has identified climate change as a **significant risk** factor for its **operational continuity** and its **economic-financial performance**, at this stage a thorough scenario analysis on the potential impacts of climate change has not yet been conducted.

In the coming years, the company will initiate a **structured analysis of climate scenarios**, based on international best practices. This study will involve modeling different medium- to long-term climate scenarios, including both **physical risk** (e.g., extreme weather events, changes in water resources and temperature) and **transition risk** (e.g., regulatory changes, market evolution, and impacts on supply chains).

The objective of the analysis will be to:

- **Quantify the financial impacts** arising from different types of climate risk, assessing the potential effects on revenues, operating costs, and future investments.
- **Identify the most vulnerable areas** and develop mitigation and adaptation strategies to strengthen business resilience.
- **Support strategic decisions** with concrete data, enabling a proactive management of climate risk in line with the company's sustainability objectives.

Through this approach, the company aims to increasingly integrate climate risk management into its business strategy, ensuring greater long-term strength and competitiveness.

4.1.2 Policies, actions, objectives

Currently, HERITA does not have formalized policies for **mitigation and adaptation** to climate change, nor for **energy management**. However, the company has already initiated some actions in these areas, such as optimizing energy consumption, adopting solutions for **energy efficiency**, conducting preliminary assessments of climate risks on its activities, and **reducing and offsetting carbon emissions**.

By recognizing the importance of a **structured strategy**, HERITA commits to developing within the next **two years** a formal transition plan, with specific policies and objectives for **reducing emissions**, improving **energy efficiency**, and strengthening **climate resilience**. These actions will be aligned with industry best practices and major international standards, aiming to effectively integrate sustainability into the company's business model.

Climate change adaptation

Herita Marzotto Wine Estates has adopted several concrete actions to address the effects of global warming and ensure the **resilience of its wine production system**, with the aim of preserving the productivity and quality of wine production in the long term. The strategies implemented involve the entire agricultural supply chain and focus particularly on three fundamental areas: **agronomic management, varietal selection, and optimization of natural resource use**, primarily water.

Considering that the **vine** is a plant known for its heat resistance and low water requirements, the company has nonetheless introduced **drip irrigation systems**, which allow for targeted and efficient water use. This technique proves essential to cope with increasingly frequent periods of **prolonged drought**, minimizing waste and ensuring the well-being of the plant during the most critical moments of the season.

From a **varietal selection** point of view, the company has opted to enhance **ancient varieties** traditionally cultivated in the territory, which over time have developed a natural tolerance to water and heat stress. These are complemented, where possible, by the selection of **specific clones** with greater resistance to heat and drought, with a view to the **genetic adaptation** of the vine to new climatic conditions.

In terms of **agronomic management**, each production unit follows a **shared technical protocol,** which defines the main cultivation parameters, maintaining a balance between quality standards and adaptability to annual climatic conditions. Within these ranges, the agronomist has the authority to make specific decisions, such as adopting **minimal pruning, useful to delay grape ripening** during intense heat periods, or carrying out **selective pruning** to reduce the quantity of grapes produced and ensure greater qualitative concentration in the remaining clusters.

In light of an **increasingly uncertain climatic context characterized by extreme and unpredictable events**, the company adopts a structured risk management approach aimed at ensuring the continuity of agricultural activities and safeguarding company income. This approach takes into account available technical solutions and existing landscape constraints.

Climate change mitigation

In **2023**, Herita Marzotto Wine Estates calculated for the first time the **Organizational Carbon Footprint** for all Group units, with the goal of **quantifying its impact on climate change**. This initial calculation represented a fundamental step in understanding the company's emissions. In **2024**, the company repeated the calculation to compare data between the two years and develop a **clear and accurate roadmap** to reduce its emissions. The **medium-to-long-term** goal is to **align with the objectives of the Paris Agreement**, actively committing to the **transition towards a low-carbon future**.

In parallel, in **2023** and **2024**, HERITA also conducted a **product carbon footprint** for two of its wines to understand the environmental impact of individual products. This approach will enable more informed decisions about corrective actions to undertake and improvements to implement.

In the long term, HERITA intends to develop a **carbon emission reduction plan** aligned with **international climate agreements**, using recognized scientific methods.

HERITA has embarked on a strategic path toward carbon neutrality, demonstrating a concrete commitment to combating climate change through targeted investments in CO2 emission offset projects both in 2023 and 2024.

In 2023, the company undertook a significant initiative by offsetting the emissions associated with Pinot Grigio sold in the Canadian market.

*An even more ambitious milestone was reached in **2024**: HERITA expanded its commitment by offsetting **all emissions included in the organizational carbon footprint**, thus becoming the **first Italian company in the wine sector to achieve carbon neutrality**.*

*This achievement was made possible by supporting the **Mai Ndombe REDD+ Project** in the Democratic Republic of Congo. This crucial initiative aims to protect 248,946 hectares of tropical forest, combating industrial deforestation, unsustainable firewood extraction, and slash-and-burn agriculture. The project's seriousness and effectiveness are guaranteed by CO2 reduction validation according to the Verified Carbon Standard (VCS) and verification of socio-economic benefits for local communities through the Climate, Community and Biodiversity (CCB) standard. Developed by ERA-Ecosystem Restoration Associates Inc. and Wildlife Works Carbon LLC, this pioneering project in the Congo Basin uses the advanced VM0009 methodology for avoided deforestation. Thanks to the certification of its carbon credits (with an estimated long-term avoidance of over 175 million tons of CO2 equivalent over 30 years), the investment by Herita Marzotto Wine Estates underscores a proactive commitment to sustainability.*

*Looking ahead, HERITA reiterates its determination to **pursue carbon emissions reduction** as a priority, complementing this ongoing effort with continued offsetting to achieve a net-zero climate impact.*

4.1.2 Policies, actions, objectives

Energy Efficiency

Within the framework of its sustainability strategy, HERITA has embarked on a path aimed at improving its energy efficiency and increasing the use of **renewable sources**. This commitment has materialized through a series of targeted investments and infrastructural interventions, reflecting a long-term vision focused on the **decarbonization of production processes** and the containment of energy consumption.

Starting from **2023**, HERITA has implemented strategic actions to enhance energy efficiency and increase the use of renewable energy.

In **2024**, the company continued its commitment to greater sustainability and energy efficiency with total investments amounting to **10.3 million euros**. The main actions undertaken include:

- **Installation of a 900-kW photovoltaic system** at the **Cà del Bosco** winery, which became operational in January 2024.
- **Installation of a new 850 kW system and revamping of the existing 199 kW system** at Herita S.p.A. Fossalta, both operational as of March 2024.
- **Introduction of lower energy impact systems,** including **insulation of finished product storage warehouses** to improve thermal efficiency and reduce energy loss.
- **Replacement of existing tanks with insulated models** to improve insulation and reduce energy dispersion.

Aligned with its environmental sustainability vision, the company has also planned that by **2025**, at least **30% of the purchased electricity** will come from **certified renewable sources** equipped with **Guarantees of Origin (GO)**. This choice will further contribute to the **indirect decarbonization** of the company's energy mix, strengthening its commitment to combating climate change.

4.1.3 Metrics

Carbon Emissions

For the second consecutive year, **Herita Marzotto Wine Estates** completed its **organizational carbon footprint** assessment, using the **UNI EN ISO 14064-1:2019** standard as a reference. Unlike the previous year, **in 2024 the calculation was certified by a third-party body**, confirming the reliability of the applied methodology. However, the reporting was carried out according to the **GHG Protocol**, to ensure comparability with data from previous years.

The **greenhouse gases** considered in the analysis are: **carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF_6)**. Each gas was weighted according to its **Global Warming Potential (GWP)**, in order to express the emissions in terms of **CO_2 equivalent (CO_2eq)**.

Emissions accounting was performed using the **"Operational Control"** consolidation approach, which includes emissions from activities over which the organization exercises full **operational control**, i.e., the authority to define and implement management and environmental policies.

The analysis showed that, for the year 2024, the **total greenhouse gas emissions** attributable to company activities amounted to **30,448.30 tonnes of CO_2 equivalent (tCO_2eq).**

Table 8 presents the evolution of the organizational carbon footprint between 2023 and 2024, measured in **tonnes of CO_2 equivalent (tCO_2eq)** and classified according to **Scopes 1, 2, and 3 as defined by the GHG Protocol**.

Data analysis highlights an **overall 22% reduction** in the carbon footprint compared to the previous year, a positive result that reflects the effectiveness of the environmental actions undertaken. Specifically:

- **Direct emissions (Scope 1)** decreased by **89%**, thanks to a combination of factors: the improvement of business processes, the refinement of the mathematical model and integration of CO2 removal from forested areas.
- **Indirect emissions from purchased energy (Scope 2)** show a **slight decrease,** suggesting improved energy efficiency or sourcing from lower-impact source.
- **Indirect emissions along the value chain (Scope 3),** which represent the **largest share of the total footprint**, saw a **reduction of nearly 16%**, thanks to better management of upstream and downstream activities such as transportation, procurement, waste, and business travel.

Overall, this reduction in the carbon footprint is a strong indicator of the company's progress toward greater sustainability, in line with its commitment to mitigating climate-related impacts.

4.1.3 Metrics

ORGANIZATIONAL CARBON FOOTPRINT (tCO_2eq)

Scope	2023	2024	Δ 2023/2024
Direct emissions (Scope 1)	3.640,00 9,32%	390,46 1,28%	-89,27%
Indirect emissions from imported energy (Scope 2)	1.820,00 4,66%	1.766,30 5,80%	-2,95%
Indirect emissions from the value chain (Scope 3)	33.600,00 86,02%	28.291,54 92,92%	-15,80%
Total	**39.060,00**	**30.448,30**	**-22,05%**

Table 8. Organizational Carbon Footprint – Emissions by Scope and Year-over-Year Variation

The overall reduction in carbon emissions related to Scopes 1, 2, and 3 observed during the reporting year is partly attributable to the **refinement of data** and the **improvement of the mathematical model** used to quantify emissions. This has enabled greater accuracy and representativeness of the results compared to previous years.

At the same time, there have also been **improvements in certain operational performances** that contributed to the decrease in emissions. As for Scope 1, it is worth noting that, unlike the previous year, the **CO_2 absorption from forested areas** has been included, positively impacting the net balance of direct emissions.

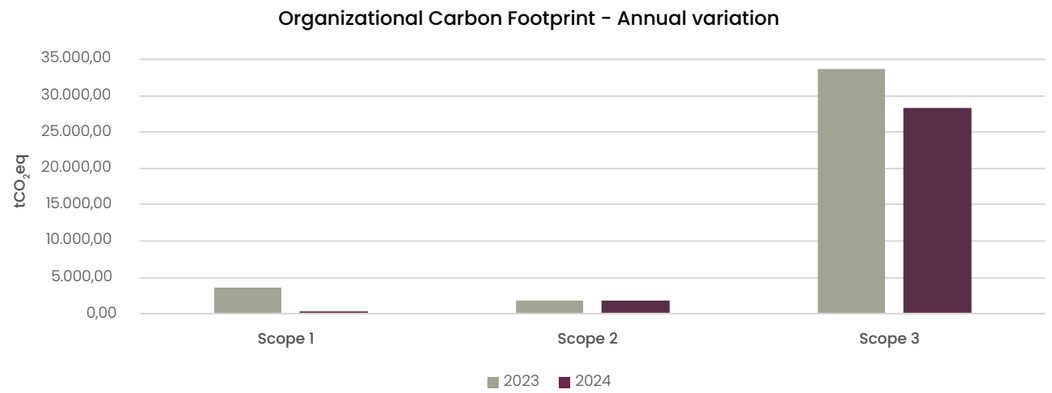


Chart 6. Organizational Carbon Footprint – Emissions Contribution by Scope and Year-over-Year Change

Table 9 below relates total greenhouse gas emissions to revenue for the years 2023 and 2024, showing **carbon intensity**. Carbon intensity is an indicator that relates greenhouse gas emissions (CO_2 equivalent) to the unit of output of the organization. This parameter provides an indication of the number of emissions generated for each unit of product or service, helping to understand the environmental impact in proportion to the activity carried out and, consequently, to assess emission efficiency.

The table shows an **improvement** in the organization's carbon intensity between 2023 and 2024, showing a reduction in emissions per unit of output, reflecting greater efficiency of production processes. Emissions per unit of revenue have in fact decreased by almost 20%.

CARBON INTENSITY

	2023	2024	Δ 2023/2024
Total carbon emissions tCO_2eq	39.060,00	30.448,30	-22,05%
Revenue (€/000)	255.440,00	248.200,00	-2,83%
Carbon intensity (tCO_2eq/1000 euro)	0,15	0,12	-19,77%

Table 9. Carbon Intensity – Year-over-Year Change

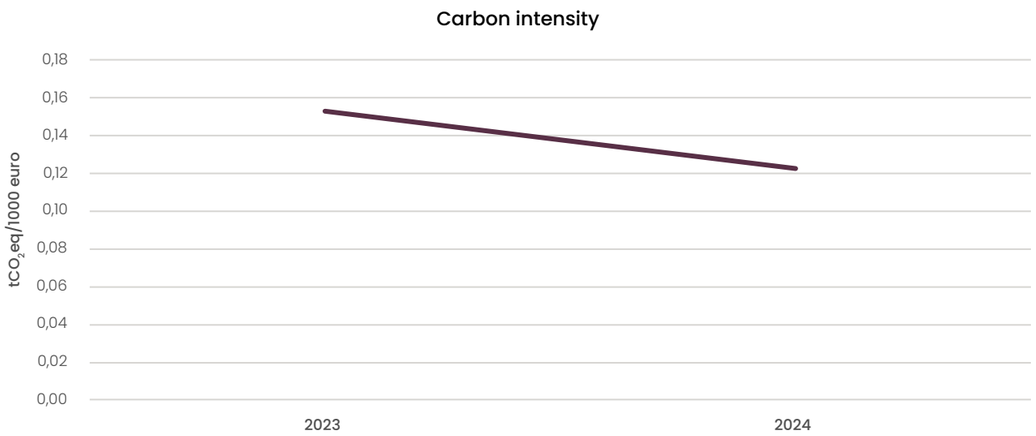


Chart 7. Carbon intensity

Energy

The table below highlights **a steady decline in overall energy consumption**, with a reduction of **-2.10% in 2024 compared to 2023**. This result reflects **an improvement in energy efficiency** and a growing focus on **rationalizing consumption**.

At the same time, there is **a strong growth in renewable sources**, with an increase of **88.79% compared to 2023**, driven particularly by the **expansion of photovoltaic self-consumption**, which compensates for **the decline in biomass used for district heating**. This trend indicates **a progressive move towards energy autonomy and the adoption of low environmental impact technologies**.

However, **the energy mix still remains heavily dependent on fossil fuels**, which account for **over 80% of the total**, despite a **significant reduction of 10% compared to the previous year**. Within this context, there is a **decline in electricity produced from fossil sources**, while **LPG shows a marked increase**, although it is heading towards a phase of **stabilization**.

ENERGY CONSUMPTION AND ENERGY MIX (MWH)

Type	2022	2023	Δ 2022/2023	2024 (Italy)	Δ 2023/2024	2024 (Global)
Total energy consumption from fossil sources	**13.117,25**	**12.354,81**	-3,25%	**10.949,16**	-9,47%	**11.117,80**
	93,39%	*90,36%*		*81,80%*		*82,03%*
Of which methane	4.725,19	4.593,30	3,21%	4.382,78	7,67%	4.382,78
	36,02%	*37,18%*		*40,03%*		*39,42%*
Of which LPG	15,65	53,50	262,91%	68,80	45,11%	108,73
	0,12%	*0,43%*		*0,63%*		*0,98%*
Of which diesel for heating	-	-	-	29,78	-	29,78
				0,27%		*0,27%*
Of which electricity	8.376,41	7.708,01	-2,30%	6.467,80	-5,32%	6.596,50
	63,86%	*62,39%*		*59,07%*		*59,33%*
Total energy consumption from renewable sources	**927,99**	**1.318,08**	45,90%	**2.436,04**	88,79%	**2.436,04**
	6,61%	*9,64%*		*18,20%*		*17,97%*
Energy consumption from renewable sources, purchased or acquired – Biomass district heating	668,64	520,68	-45,17%	550,96	-42,75%	550,96
	72,05%	*39,50%*		*22,62%*		*22,62%*
Self-produced renewable energy consumption without using fuels – Photovoltaic	259,35	797,40	55,97%	1.885,08	27,91%	1.885,08
	38,79%	*60,50%*		*77,38%*		77,38%
Total energy consumption	**14.045,24**	**13.672,89**	-2,65%	**13.385,20**	-2,10%	**13.553,84**

Table 10. Energy consumption and energy mix

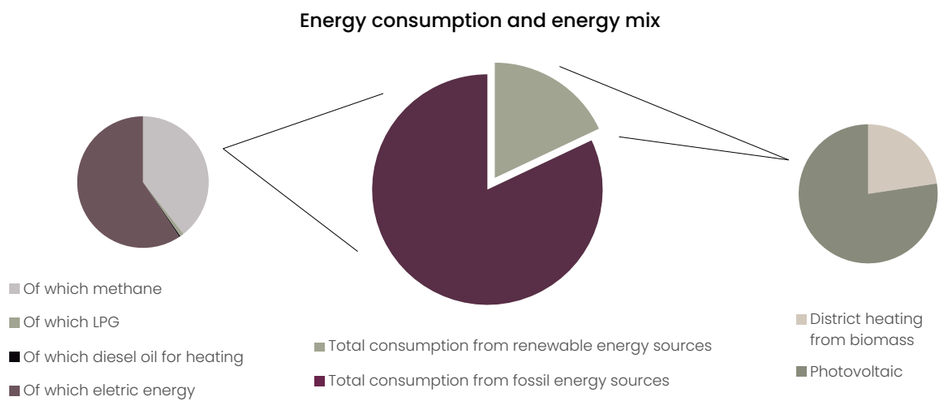


Chart 8. Energy consumption and energy mix

Table 10 below shows the overall fuel consumption in 2024, the only year for which specific and disaggregated data by source type is available. The **vast majority of consumption (99.84%)** is still covered by **petroleum-derived products**, highlighting a strong dependence on traditional sources. The contribution of **biofuels** remains **marginal (0.38%)**, indicating that their potential is still underutilized. Compressed **natural gas (CNG)** also shows limited presence, while providing **useful support for the energy transition**.

FUEL CONSUMPTION (MWh)

Type	2024 (Global)
Fuel consumption from crude oil and petroleum products	**2.716,21**
	99,84%
of which diesel	2.640,09
	97,20%
of which biodiesel	5,06
	0,19%
of which HVO	5,08
	0,19%
of which gasoline	65,51
	2,41%
of which lubricants	0,46
	0,02%
Fuel consumption from natural gas - CNG	**4,24**
	0,16%
Total fuel consumption	**2.720,45**

Table 11. Fuel consumption

The following chart shows the distribution of fuel consumption from crude oil and petroleum products in 2024.

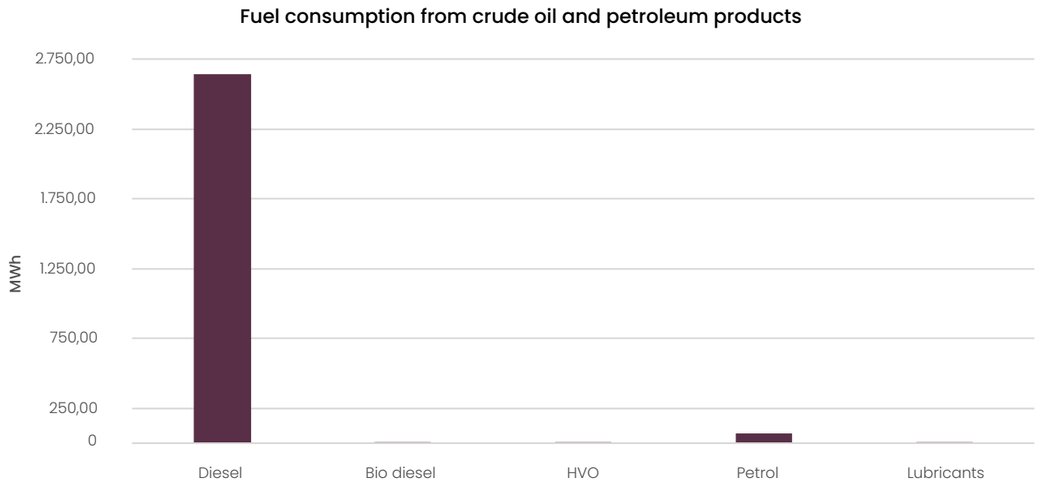


Chart 9. Fuel consumption from crude oil and petroleum products

Below is the **energy production, renewable and non-renewable**, by HERITA. In particular, there is a **clear predominance of production from photovoltaic sources**, accompanied by a **very limited share of non-renewable energy production**.

ENERGY PRODUCTION (MWh)

Type	2024 (Global)
Non-renewable energy production	1,74
Renewable energy production - photovoltaic	2207,58

Table 12. Energy production

The energy intensity, shown below, is a key indicator to assess how efficiently HERITA uses energy relative to its operational activities. Despite an overall reduction in energy consumption, in recent years an increase in energy intensity has been observed.

ENERGY INTENSITY (EXCLUDING FUELS)

	2022	2023	Δ 2022/2023	2024	Δ 2023/2024
Total energy consumption (MWh)	14.045,24	13.672,89	-2,65%	13.385,20	-2,10%
Revenue (€/1000)	260.700,00	255.440,00	-2,02%	248.200,00	-2,83%
Energy intensity (MWh/1000 euro)	0,0539	0,0535	-0,65%	0,0539	0,75%

Table 13. Energy Intensity – Annual Variation

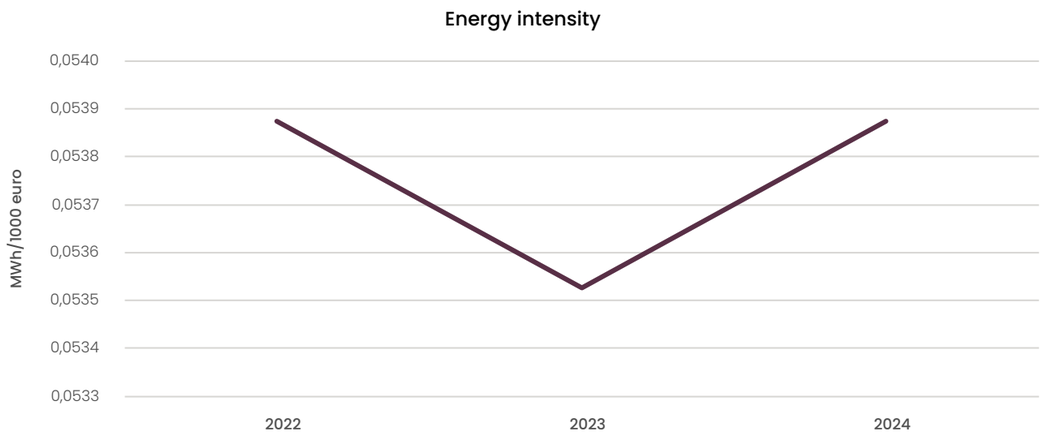


Chart 10. Energy intensity

4.2 Water resource management

In Italy, **agriculture is the sector that registers the highest water consumption**. In this scenario, the wine sector plays a significant role, both for **the direct use of water** in agricultural and production processes, and for its growing **vulnerability to the effects of climate change**. Phenomena such as drought, heavy rainfall, and hailstorms can compromise water availability and grape quality.

For HERITA, water is an essential productive resource that is subject to variations related to climate, crop requirements, and the efficiency of systems. In this context, adopting practices for a **rational and efficient use** of water is strategic: **low-impact agronomic techniques, targeted irrigation, recovery of process water,** and consumption monitoring are key tools for **sustainable management** and greater **future resilience**.

4.2.1 Relevant impacts, risks, and opportunities

In the context of the double materiality analysis conducted by Herita Marzotto Wine Estates, water resources emerge as a significant topic, both in terms of **environmental impacts** due to the substantial use of water and **financial risks**, given the increasing vulnerability to climate change.

HERITA primarily sources water through **company wells** and **public water networks**, adopting monitoring and management solutions to reduce consumption. **Wastewater** is treated according to local regulations, either through **municipal sewer networks** or **internal treatment plants**.

The main uses of the resource are:

- **In the vineyard**, for **emergency irrigation, phytosanitary treatments, cleaning machinery**, and **agronomic management** operations
- **In the winery**, for **cleaning the equipment** and for **winemaking processes**.

Water consumption varies significantly from year to year depending on three main factors:

- **climatic conditions**, which are increasingly unstable
- **crop needs** of the individual vintages
- **efficiency of the systems** and management practices.

Although the vine is a plant that tolerates **moderate water stress**, viticulture is increasingly exposed to **climate changes**, with resulting effects on grape quality and productivity. Among the most frequent extreme events are:

- prolonged droughts
- heat waves
- torrential rains and hailstorms
- spring frosts

These phenomena lead to potential **operational interruptions, crop losses, increased costs, and risks to business continuity.**

With reference to the **ESRS E3 standard, two material impacts and one material risk** have been identified. For a description of the methodology adopted, please refer to paragraph “3.3 Management of impacts, risks, and opportunities.”

MATERIAL TOPIC	IROs	MANAGEMENT
Water consumption	Negative impact: Irrigation, necessary during certain crop stages, can exert pressure on water resources, especially in areas subject to water stress and drought. Inefficient use can cause overexploitation of aquifers, disrupt local hydrogeological balances, and generate environmental impacts, regulatory risks, and reputational damage	Improvement of water efficiency through the adoption of advanced irrigation systems (such as drip irrigation), resulting in reduced consumption, resource optimization, and greater resilience to climate change
	Transition risk: Increased costs and reduced availability of water resources due to drought, with potential impacts on the economic and operational sustainability of production activities, particularly during critical periods for crops	Investments in efficient irrigation technologies, continuous monitoring of hydro-climatic conditions to strengthen adaptation capacity and operational continuity even in unfavorable climatic scenarios.
Water discharge	Negative impact: Water discharges from production activities which, if not properly managed and treated, can compromise the quality of surface and groundwater, alter the balance of local ecosystems, and generate risks to biodiversity and to civil or agricultural uses downstream	Adoption, where necessary, of wastewater treatment systems compliant with environmental standards, periodic checks on discharge quality, and promotion of proper management of treated water, reducing the risk of pollution and contributing to the protection of water resources and local biodiversity

Table 14. Relevant impacts, risks, and opportunities – Water resource

4.2.2 Policies, actions, objectives

Herita Marzotto Wine Estates has currently undertaken numerous actions to optimize **water use** in its agricultural activities, with particular attention to the **vineyards**, where irrigation plays a crucial role in managing **water resources**. Although there is not yet a formal policy on the matter, HERITA is committed to continuing on this path and developing an official strategy for sustainable water management.

Among the main actions implemented, the adoption of systems that allow a gradual and controlled distribution of water stands out, **reducing water consumption by 15-30%**. This technology optimizes water use efficiency by counteracting **evaporation** and **deep drainage**, while ensuring proper water supply to the plants. Beyond these technical benefits, drip irrigation allows for **greater resilience** to variable climatic conditions, particularly during drought periods. Currently, **almost all** vineyards requiring irrigation are equipped with drip or micro-spray systems, and all new installations are designed with an emergency irrigation system. The **emergency irrigation system** is supplementary irrigation applied when adverse climatic conditions occur that could damage the crop. Its goal is to prevent or minimize damage caused by water shortage, protecting yield and the quality of agricultural production.

To further improve efficiency, Herita Marzotto Wine Estates has adopted a **remote digital monitoring system** through **electronic control units** that monitor millimeters of rainfall, allowing for more precise, timely, and optimized management of interventions. This system, which takes advantage of **digitalization**, enables irrigation to be adapted to the actual needs of the soil and plants, avoiding waste and ensuring **careful management** of **water resources**.

For the management of **wastewater**, HERITA has already implemented effective solutions, such as the use of **municipal sewer networks**, and at the Fossalta and Cantina Mesa sites, dedicated **water treatment plants**. In particular, at the Fossalta site, wastewater treatment is entrusted to a facility outside the company perimeter, managed by the consortium “La Vecchia,” of which Herita S.p.A. is a member. These solutions ensure proper management of wastewater in compliance with environmental standards.

4.2.3 Metrics

In monitoring **natural resources** and **environmental performance, metrics** play an essential role in evaluating the effectiveness of **corporate strategies** and ensuring **transparency** towards **stakeholders**. Regarding data on water consumption, it is important to emphasize that **no specific value is reported**, since **wastewater** also includes **collected rainwater**, which **does not constitute an actual consumption of the resource**. Including this component **would distort the overall data**, providing a **misleading representation** of actual water use. To ensure accuracy and reliability of the information, it was therefore decided to **exclude this element from consumption metrics**.

The tables below offer a comprehensive view of the management of **water resources** by the organization, distinguishing between **withdrawal** (water extracted from various sources, particularly company wells or the water network) and **discharge** (water returned after use in production processes). The data present a comparison over three years: **2022 and 2023**, which exclusively concern activities in **Italy**, and **2024**, for which both an **overall figure**, including **sites in the United States**, and a **disaggregated figure** referring only to the **Italian perimeter** are available to allow for a consistent comparison with previous years.

WATER WITHDRAWAL (m³)

	2022 (Italy)	2023 (Italy)	Δ 2022/2023	2024 (Italy)	2024 (Global)	Δ 2023/2024 (Italy)
Water withdrawal	186.691,00	181.071,00	-3,01%	175.998,00	188.571,00	-2,80%
Water withdrawal in water-risk areas	-	-	-	171.344,00	171.344,00	-

Table 15. Water withdrawal – Annual variation

By analyzing the **water withdrawal**, a **moderate reduction** is observed between 2022 and 2023, a trend that continues into 2024, as highlighted by the specific Italian data. It is important to note that water withdrawal can be affected by the **variability of weather conditions**, particularly rainfall, which can vary significantly from year to year, influencing irrigation needs.

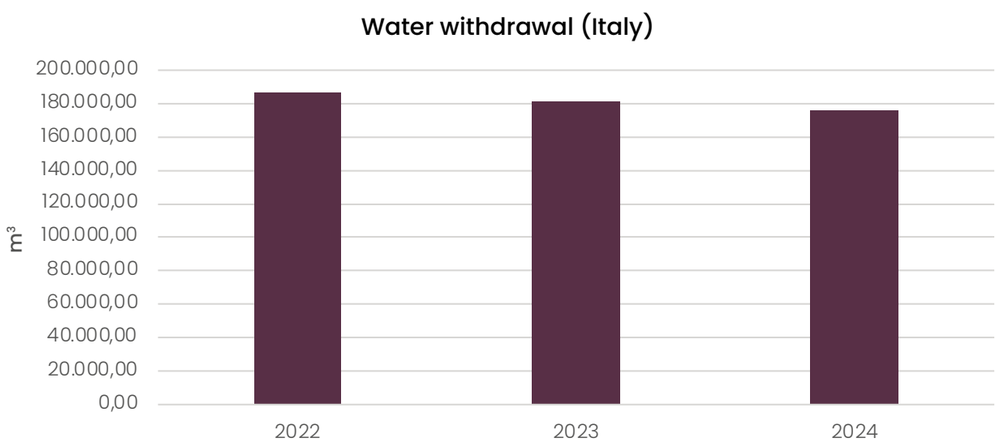


Chart 11. Water withdrawal in estates located in Italy – Annual variation

A particularly significant aspect is the **withdrawal in areas subject to water stress**. Although data for previous years are not available, the 2024 figure shows that a substantial portion of the water withdrawn comes from **zones classified as water-risk areas**. The identification of these areas, which include all HERITA sites except Caldaro and the U.S. locations, was carried out using specific assessment tools, including the **WRI's Aqueduct Risk Atlas**. This underscores the importance of **careful and responsible management** of the resource, especially in the most vulnerable regions.

WATER DISCHARGE (m³)

	2022 (Italy)	2023 (Italy)	Δ 2022/2023	2024 (Italy)	2024 (Global)	Δ 2023/2024 (Italy)
Total water discharge	179.052,00	183.594,00	2,54%	167.386,00	179.959,00	-8,83%
Of which discharged after internal treatment	97.146,00	102.666,00	5,68%	102.368,00	102.368,00	-0,29%
Of which discharged into the municipal sewer network	81.906,00	80.928,00	-1,19%	65.018,00	77.591,00	-19,66%

Table 16. Water discharge – Annual variation

Regarding **water discharge**, a slight increase is observed between 2022 and 2023, followed by a more pronounced decrease in 2024. It is important to highlight that different dynamics are observed depending on whether the water is discharged after **internal treatment** or into the **municipal sewer network**. In detail:

- The volume of water **discharged after internal treatment** remains **relatively stable** over time.
- In 2024, a significant decrease is observed in the **volume of water discharged into the municipal sewer network** compared to 2023.

Regarding wastewater, a clarification is necessary. Rainwater is treated like process water and is therefore subjected to internal treatment or sent to the sewer system.

The following table reports **water intensity**, an indicator useful for evaluating the **efficiency of water use** by the organization. The data relates the **volume of water withdrawn** to two key metrics: **revenue** and **number of bottles sold**. The values refer to the years **2022, 2023, and 2024,** considering exclusively the **water withdrawals from the Italian sites**, in order to ensure **consistency and comparability** across the years.

WATER INTENSITY

	2022	2023	Δ 2022/2023	2024	Δ 2023/2024
Water withdrawal Italy (m³)	186.691,00	181.071,00	-3,01%	175.998,00	-2,80%
Revenue (€/1000)	260.700,00	255.440,00	-2,02%	248.200,00	-2,83%
Water intensity (m³/1000 euro)	0,7161	0,7089	-1,01%	0,7091	0,03%

Table 17. Water intensity – Annual variation

Chart 12. Water intensity

The current data confirm a good overall **environmental performance**, yet the evolution of the **water intensity** indices highlights the need to **continue monitoring and optimizing** processes. Among future objectives, therefore, is a commitment to deepen the understanding of the **variables influencing water use per unit of output**, in order to identify **further efficiency opportunities**. This approach will ensure greater **alignment between environmental goals and operational performance** over time, strengthening the **sustainability of the production model** in the long term.

4.3 Biodiversity and ecosystems

Biodiversity is an essential component of natural and agricultural ecosystems, contributing to **environmental resilience, soil health**, and the balance of ecological cycles. In a context marked by increasing anthropogenic pressures and the effects of climate change, its protection has become an increasingly central issue for companies operating in the agricultural sector.

Herita Marzotto Wine Estates, aware of the deep connection between agricultural activity and the territory, recognizes its **responsibility in safeguarding natural capital**. Its estates are located in areas of high ecological value, which makes the adoption of **agricultural practices respectful of biodiversity**, the protection of the rural landscape, and the monitoring of potential pressures on local ecosystems even more relevant.

4.3.1 Relevant impacts, risks, and opportunities

Within the context of the double materiality analysis conducted by Herita Marzotto Wine Estates, **biodiversity** emerges as a strategic and cross-cutting theme, fundamental for the **health of agricultural ecosystems, resilience to climate change, and the quality of agricultural productivity**. Agricultural activities constantly interact with natural capital, directly or indirectly influencing the ecological balances of the territories where the company operates.

Through proper management of the vineyard soil, agricultural enterprises exert a significant influence on the conservation and strengthening of local biodiversity. The goal is to **preserve soil fertility and ecological properties** while minimizing biodiversity loss and the exploitation of natural resources. In the vineyard, the control of spontaneous flora aims to keep vegetation within thresholds compatible with vine development, without compromising productivity.

In particular, **soil biodiversity**-connected to the presence of microorganisms essential for biological and chemical transformations-represents a vital resource for the fertility and long-term sustainability of the land. Healthy, living soil is not only a physical support for the vine but a complex system that supports biogeochemical cycles and regulates ecosystem services.

The commitment to biodiversity also offers **strategic opportunities**, both in reputational and operational terms. The conservation and strengthening of ecological balances make it possible to:

- Improve **soil health** and crop quality
- Reduce dependence on external inputs (fertilizers, pesticides)
- Access **environmental certifications** and funding dedicated to the ecological transition
- Contribute to the objectives of the **European Biodiversity Strategy** and compliance with **CSRD** and the **ESRS**

With reference to the **ESRS E4 standard, two material impacts and one material risk** have been identified.

For a description of the adopted methodology, please refer to paragraph *"3.3 Management of impacts, risks, and opportunities."*

MATERIAL TOPIC	IROs	MANAGEMENT
Direct impact factors on biodiversity	Negative impact: Agricultural and production activities, if not properly planned and managed, can cause alterations to local ecosystems, resulting in loss of biodiversity, degradation of natural habitats, and disruption of ecological cycles. These effects compromise environmental balance and may generate environmental, regulatory, and reputational risks	Sustainable management of agricultural soil and protection of ecosystems through the adoption of low environmental impact agronomic practices aimed at conserving soil fertility, maintaining biodiversity in vineyards, and protecting natural habitats. The commitment is also realized through the initiation of specific environmental assessments and constant monitoring of ecological conditions to ensure the preservation of environmental balance and the resilience of agroecosystems
Impacts on the extent and condition of ecosystems	Positive impact: Promotion of sustainable agricultural practices aimed at improving ecosystem conditions and conserving biodiversity. These practices contribute to soil preservation, protection of natural resources, and improvement of environmental quality, fostering agricultural production that respects natural ecological cycles and reduces territorial impact	Adoption of certified agronomic practices within organic farming or SQNPI frameworks, ensuring the responsible and controlled use of production inputs and promoting the maintenance of soil fertility
	Financial risk: Possible decrease in yields compared to conventional techniques due to restrictions on the use of pesticides and chemical fertilizers. This may lead to lower production volumes, negatively impacting company revenues and increasing management costs	Implementation of advanced technologies to improve resource efficiency and reduce operating costs, supporting long-term economic sustainability. Continuous improvement of product quality and market enhancement

Table 18. Relevant impacts, risks, and opportunities – Water resource

4.3.2 Policies, actions, objectives

Biodiversity management

Herita Marzotto Wine Estates recognizes the crucial value of **biodiversity** as an indispensable resource to ensure **environmental sustainability, soil fertility**, and **ecosystems** resilience in which it operates. Although it does not yet have a formal and structured policy regarding **biodiversity** and **ecosystem management**, the company has already undertaken a series of concrete, systematic, and scientifically based actions aimed at safeguarding the **ecological balance** and reducing the environmental impact of its agricultural activities. The goal is to progressively evolve towards a more defined and formalized strategy in the coming years.

In 2020, HERITA launched a pilot project for **environmental monitoring** aimed at assessing the ecological status of the agricultural lands under its management. This approach laid the foundation for a structured path, which in 2024 was consolidated with the adoption of a certified program. The program is based on the use of scientifically recognized **biological indicators**, which allow objective measurement of environmental quality and the effectiveness of agricultural practices adopted. This supports a decision-making process aimed at continuous improvement of environmental performance.

The monitoring activities include three specific **biodiversity indices**, which enable detection and analysis of key aspects for the conservation of ecosystems and the enhancement of local biodiversity.

Soil Biodiversity Index (IBS-bf)	Evaluates the presence and functional distribution of soil-dwelling invertebrates, providing an indication of the biological vitality, ecological structure, and intrinsic fertility of agricultural soils.
Lichen Biodiversity Index (IBL-bf)	Analyzes epiphytic lichen communities, highly sensitive bioindicator organisms to air pollution and intensive use of pesticides, offering an overview of the air quality status in agricultural contexts.
Aquatic Biodiversity Index (IBA-bf)	Measures the quality of surface waters based on the composition of aquatic macroinvertebrate communities (stoneflies, caddisflies, mayflies, mollusks, crustaceans, etc.), reliable indicators of the ecological status of riverine and lake habitats.

Table 19. Biodiversity indices

The systematic use of these indices has allowed Herita Marzotto Wine Estates to **quantify the impact on biodiversity of the adopted agronomic practices**, guiding corrective actions and improvement strategies in an objective and measurable way.

4.3.2 Policies, actions, objectives

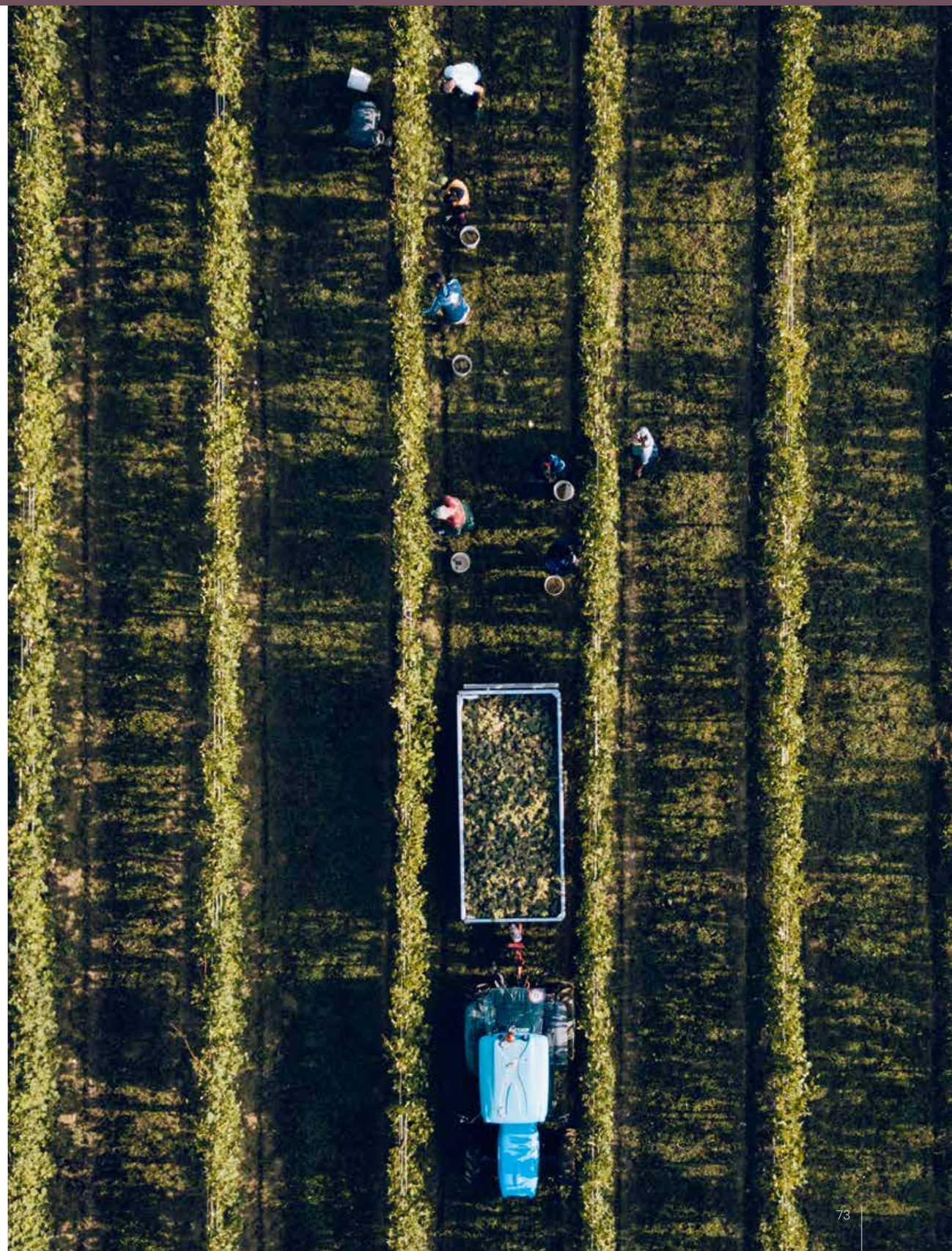
In 2024, culminating this journey, all Italian sites obtained the **Biodiversity Friend certification**, a voluntary standard promoted by the World Biodiversity Association. This certification attests that the company operates according to principles of sustainable agriculture, actively committing to the conservation of biodiversity and the protection of local ecosystems.

In particular, the Biodiversity Friend certification qualifies agricultural companies that manage their lands in a responsible, ethical manner and in harmony with natural cycles. It is based on an **integrated environmental monitoring system** and the verification of **good agricultural practices** which, taken together, ensure compatibility between agricultural production and biodiversity conservation. The main requirements of the standard include:

- **Low-impact phytosanitary management**, through the rational and selective use of synthetic products and the adoption of eco-friendly strategies (e.g., mating disruption, natural products, intervention thresholds).
- **Recovery and maintenance of soil fertility**, through the use of organic amendments and mechanical tillage practice.
- **Protection of the agricultural landscape** through the presence and active management of hedges, woods, trees, polyphyte meadows, and flowering areas, fundamental habitats for functional biodiversity.
- **Conservation of local agricultural varieties** and protection of pollinating insects, key elements for agro-ecological resilience.
- **Adoption of renewable energy** and energy efficiency practices aimed at reducing the company's ecological footprint.
- **Scientific monitoring of the biological quality** of main environmental matrices (soil, air, water), using standardized and validated methods.

The certification not only attests to respect for ecological balances but also commits certified companies to a path of **continuous improvement**, assessed through regular monitoring of the biological quality of environmental matrices.

HERITA is also committed to **sharing technical know-how with suppliers**, to progressively extend good practices throughout the supply chain, compatibly with the pedoclimatic characteristics of the different territories.



Sustainable agricultural practices

At the operational level, Herita Marzotto Wine Estates' commitment to protecting biodiversity and ecosystem balance is realized through the adoption of **sustainable agricultural practices**, aligned with European environmental strategies, such as the Green Deal and the **Farm to Fork** strategy, which set the target of dedicating at least 25% of agricultural land to organic production by 2030.

Currently, 100% of the vineyards directly managed by HERITA within the Italian perimeter are **certified according to the organic farming standard or the National Integrated Production Quality System (SQNPI)**, two distinct but complementary approaches to reducing the environmental impact of agricultural practices.

The organic farming adopted by HERITA is based on the total elimination of **herbicides and synthetic chemical fertilizers**, replaced with **mechanical tillage, organic fertilizers, and natural prevention techniques**. The main vine diseases are managed exclusively with **copper, sulfur, and natural-origin products**, drastically limiting soil and water contamination. Alternative methods such as mating disruption are also used to control harmful insects, promoting a natural balance between plants and pests.

Integrated viticulture according to the **SQNPI** protocol, on the other hand, is based on a "rational" approach to the use of technical means, favoring low-impact interventions and minimizing the use of chemical substances, in compliance with codified technical regulations. This model promotes resource use efficiency, such as water, energy, and nutrients integrating production needs with the protection of biodiversity and soil fertility.

The agricultural practices adopted by Herita Marzotto Wine Estates through organic farming and the **National Integrated Production Quality System (SQNPI)** are fundamental not only to improve product quality but also to **preserve and enhance the ecosystems** where the company operates. In particular, these practices translate into a positive impact on the following crucial areas:

4.3.2 Policies, actions, objectives

Protection and Conservation of Biodiversity: the adoption of organic farming and the SQNPI model directly contributes to the **safeguarding of agricultural and natural biodiversity**. By eliminating the use of chemical pesticides and synthetic fertilizers, the risk of soil and water contamination is reduced, ensuring the survival and well-being of **local animal and plant species**, including native plant varieties and pollinating insects. These practices also promote the presence of **natural habitats** within vineyards, such as hedges, trees, and flower meadows, which provide refuges for various species and improve the company's **ecological resilience**. 1

Improvement of Soil Health: the use of **organic fertilizers** and the restoration of soil fertility through natural techniques stimulate the **biological vitality** of the soil, favoring the activity of microorganisms and invertebrates. This approach increases the **water retention capacity** of the soil, reducing the risk of erosion and improving **climate change resilience**. Healthy soil is essential for the proper functioning of the entire agricultural ecosystem, as it guarantees better quality and stability of crops. 2

Respect for Water Resources: organic farming and integrated viticulture place strong emphasis on the **optimization of the use of water resources**. By reducing the use of chemical fertilizers and pesticides, the risk of contamination of surface and groundwater is avoided, thus protecting **aquatic ecosystems** vital for local biodiversity. Furthermore, adopting more efficient irrigation techniques contributes to reducing water consumption, a fundamental resource for the survival of the ecosystem, especially in scenarios of increasing water stress. 3

Promotion of Natural Defense Practices: the use of **ecological plant protection methods**, such as mating disruption for insect control and the use of natural products to combat diseases, significantly reduces the risk of damaging **natural balances**. In this way, the negative impact on **non-target species**, such as pollinators, is limited, and an agricultural environment capable of self-regulation is promoted through maintaining a **functional biodiversity** that supports the natural control of pests. 4

Direct Benefits to Local Ecosystems: the presence of hedges, woods, meadows, and flower-covered areas along the vineyards contributes not only to the improvement of agricultural biodiversity but also creates **ecological corridors** that enable the mobility of local wildlife, favoring greater **connectivity between natural habitats**. These elements help maintain ecological balances, promoting the **resilience of local ecosystems** to climate change impacts and ensuring the **long-term sustainability** of natural resources. 5

4.3.3 Metrics

During the year, Herita Marzotto Wine Estates managed a total area of **approximately 2,300 hectares**, including both owned and leased land, with an increase of 40 hectares compared to the previous year, partly due to the acquisition of some vineyards for the Roco Winery LLC estate.

A significant portion of the area managed by HERITA is dedicated to grape cultivation, with a total vineyard area of 910 hectares. Of these, 687 hectares are **owned vineyards**, while the remaining 223 hectares are **leased**.

Out of a total of 910.75 hectares of vineyards, **56%** (511 ha) are cultivated according to the principles of **organic farming**, while **39%** (359 ha) are **SQNPI certified**. These figures demonstrate a concrete and ongoing commitment to production methods that are compatible with the conservation of biodiversity and the protection of natural habitats.

The **impermeable surfaces**, i.e., areas covered by structures or pavements that prevent water infiltration, represent an extremely limited portion of the total land managed: only 9 hectares. This figure, less than 0.5% of the company's total surface area, reflects the intent to minimize land artificialization, thereby contributing to the preservation of the **ecological functionality** of soils.

Another important aspect concerns **nature-oriented areas**, which amount to **687 hectares**. These include primarily **natural or semi-natural zones located on vineyard edges, woodlands, buffer strips, and other elements of the agricultural landscape** not directly used for productive purposes but maintained and managed in ways that favor biodiversity. These are areas that play a crucial role in the **ecological connectivity of the territory**, offering shelter to wildlife and contributing to the overall environmental balance.

Overall, the soil management model adopted by the company aims to harmoniously integrate production needs with the protection of **natural environments**. Below are the metrics related to **land use**.

4.2.3 Metrics

IMPACT METRICS RELATED TO BIODIVERSITY AND ECOSYSTEMS	
Owned vineyards (Ha)	687,02
Managed vineyards (Ha)	223,73
Vineyards under organic cultivation (Ha)	511,30
Vineyards under SQNPI cultivation (Ha)	359,45
Total land use (Ha)	1637,85
Total sealed (impermeable) surface area (Ha)	9,31
Total nature-oriented surface area on site (Ha)	678,46

Table 20. Impact metrics related to biodiversity and ecosystems

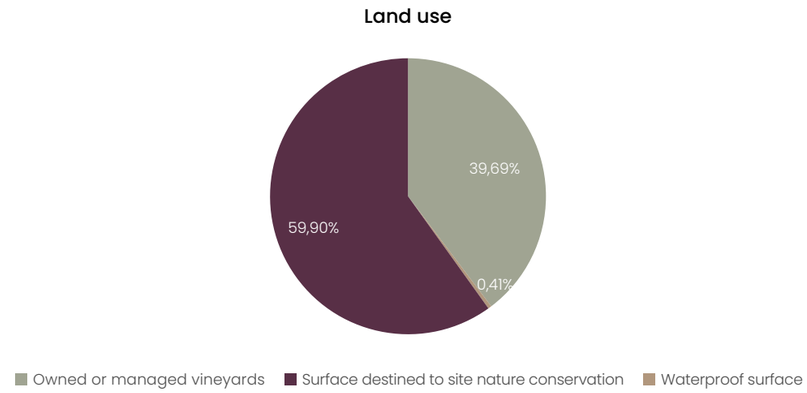


Chart 13. Land use

4.4 Circular economy

In the context of the transition toward more sustainable production and consumption models, the **circular economy** represents a fundamental guiding principle for reducing pressure on natural resources and minimizing environmental impacts. For a wine-producing company, this translates into careful and conscious management of both **incoming materials** (such as packaging, bottles, cartons, corks, cultivation products, etc.) and the **waste generated** throughout the production cycle.

The adoption of circular practices allows not only to **optimize resource use**, but also to enhance waste as potential resources, promoting a regenerative approach that involves the entire supply chain, from the vineyard to the distribution of the final product.

4.4.1 Relevant impacts, risks, and opportunities

The transition toward a circular economy model represents one of the strategic levers through which Herita Marzotto Wine Estates aims to reduce its environmental footprint while simultaneously improving operational efficiency. Business activities inevitably generate **waste** and require the use of **materials** which, if not managed sustainably, can have significant impacts on the environment, safety, and regulatory compliance.

The waste produced are primarily derived from **primary and secondary packaging, agricultural residues, industrial activities, and daily business operations**. These are **classified, based on their hazardousness, into hazardous and non-hazardous waste** to ensure proper treatment in accordance with current regulations.

Material selection is also a key aspect of the company's journey toward a more circular approach. Herita Marzotto Wine Estates actively collaborates with its supply chain to **select materials with recycled content** or sourced from **sustainable production practices**, with the goal of reducing environmental impact throughout the product's life cycle.

A particularly relevant aspect concerns the glass used for bottles. Although glass is fully **recyclable**, its production involves high consumption of energy and natural resources, and bottle transportation significantly contributes to the organization's **carbon footprint**. For this reason, Herita Marzotto Wine Estates shares the sustainability strategies of its supplier Zignago Vetro, with whom it works closely, aimed at progressively increasing the use of PCR (post-consumer) glass wherever technically feasible. Specifically, an increase in the percentage of recycled glass is planned for dark glass, while in half-white and white glass, such an increase is currently limited by technical requirements.

With reference to the **ESRS E5 standard, two material impacts** have been identified. For a detailed description of the methodology adopted, please refer to paragraph *"3.3 Managing Impacts, Risks and Opportunities."*

MATERIAL TOPIC	IROs	MANAGEMENT
Inflows of resources, including resource use	Negative impact: Use of resources, with particular attention to packaging, with environmental effects related to extraction, production, and disposal	The company adopts ecodesign strategies, favoring recycled, recyclable, or certified materials and, where possible, reducing the overall weight of packaging. LCA analyses are also underway to monitor and improve environmental performance throughout the entire life cycle
Waste	Negative impact: Waste production along the production cycle, with particular reference to processing scraps, packaging materials, and process residues	The approach is focused on preventing and minimizing waste along the entire production chain through monitoring input and output flows, optimizing internal processes, and selecting materials that are easier to recycle or reuse

Table 21. Relevant impacts, risks, and opportunities – Water resource

4.4.2 Policies, actions, objectives

Although HERITA has not yet adopted a formalized and structured policy on waste management and responsible resource use, the company has already initiated a series of operational actions aimed at containing the most significant environmental impacts, including the management of waste generated by the specific activities of each unit within the Group.

Waste management is entrusted to individual production units, which are responsible for the **classification and management of waste recycling or disposal operations** based on the type of waste. After waste classification, the company works with qualified and authorized recipients who receive the waste using transporters who are also authorized to transport it.

HERITA's waste management objectives are defined in line with European sustainability policies, particularly the circular economy action plan, and include the following actions:

- **Recovery and valorization of waste**: commitment to ensuring that most of the waste produced is recovered and valorized, minimizing the amount of waste disposed of in landfills.
- **Reduction of the use of plastic and non-recyclable materials**: HERITA is progressively reducing the use of plastic and non-recyclable materials, aiming to shift toward materials that can be reused or recycled and sustainably certified, thus contributing to the reduction of the ecological footprint related to waste.

- **Promotion of a sustainable waste management culture**: HERITA promotes a corporate culture focused on responsible waste management, raising awareness not only within its own production units but also among its suppliers, actively involving the entire supply chain in pursuing common environmental sustainability goals.

Sustainable packaging management and material selection

HERITA is committed to **sustainable packaging management**, recognizing the importance of reducing the **environmental impacts** arising from the sourcing and production of packaging materials. To this end, the company prefers to collaborate with **suppliers who use materials from renewable or recycled sources**, contributing to the protection of **natural resources** and the reduction of **waste**.

Currently, most of the **paper and cardboard packaging** used is **FSC or PEFC certified**, except for certain types, like labels for example, where this is not possible due to technical limitations. These two international certifications guarantee the **sustainable management of forests** from which the materials originate, representing a fundamental step in protecting **global forest resources** and promoting **responsible sourcing** practices.

A particularly important aspect for HERITA is the selection of **suppliers who have among their objectives the use of post-consumer recycled glass (PCR). Bottles** represent **almost 33% of the total weight of materials used** by the company and **about 90% of the material destined for packaging**.

Currently, suppliers ensure that **50.1% of the weight of the glass used in bottles** comes from **PCR recycled glass**, significantly contributing to the **reduction in demand for new glass** and promoting a **circular economy model**.

This choice not only allows for **reducing the environmental impact** related to glass production but also helps **contain the consumption of natural resources**

4.4.3 Metrics

Waste

In the three-year period 2022–2024, there is a significant increase in the total amount of waste produced, with a particularly noticeable peak in 2024. Table 22 shows the trend of **waste production** over the 2022-2024 period, distinguishing between types of waste and final destinations.

Over the years, waste has increased steadily. This is largely attributable to **extraordinary renovation activities** in the various units of the Group, which generated substantial amounts of construction waste, particularly cement. There was also an increase in **biodegradable waste**.

Despite this growth, waste management still shows **extremely positive results from a sustainability perspective**. In 2024, **99.62% of non-hazardous waste** was sent for recovery, with disposal reduced to a minimum. Even for **hazardous waste**, the share destined for recovery operations exceeded **93%**, confirming a careful and responsible approach, even towards the most critical components. **Non-hazardous waste** represents almost the entire amount of waste produced and has seen the most significant increase, while hazardous waste remains marginal.

Overall, corporate waste management is strongly aligned with the principles of the circular economy, with increasing valorization of waste and a constant reduction in disposal. The year 2024 ends with **nearly 100% of total waste recovered**, demonstrating the company's concrete commitment to reducing its environmental impact.

WASTE PRODUCED (Tons)

	2022	2023	Δ 2022/2023	2024	Δ 2023/2024
Total quantity of waste produced	**719,73**	**773,50**	7,47%	**1.065,28**	37,72%
Total weight of non-hazardous waste	**709,37** 98,56%	**764,57** 98,85%	0,29%	**1.054,11** 98,95%	0,11%
Total weight of non-hazardous waste destined for recovery operations	683,83 96,40%	745,76 97,54%	1,18%	1.050,11 99,62%	2,13%
Of which destined for preparation for reuse	-	-	-	652,41	-
Of which destined for recycling	-	-	-	397,70	-
Of which destined for other recovery operations	-	-	-	-	-
Total weight of non-hazardous waste destined for disposal	25,54 3,60%	18,81 2,46%	-31,68%	4,00 0,38%	-84,57%
Of which destined for incineration	-	-	-	-	-
Of which destined for landfill disposal	-	-	-	0,26	-
Of which destined for other disposal operations	-	-	-	3,74	-
Total weight of hazardous waste	**10,36** 1,44%	**8,88** 1,15%	-20,24%	**11,17** 1,05%	-8,69%
Total weight of hazardous waste destined for recovery operations	9,50 91,70%	8,21 92,36%	0,72%	10,44 93,43%	1,16%
Of which destined for preparation for reuse	-	-	-	10,44	-
Of which destined for recycling	-	-	-	-	-
Of which destined for other recovery operations	-	-	-	-	-
Total weight of hazardous waste destined for disposal	0,86 8,30%	0,68 7,64%	-7,92%	0,73 6,57%	-14,03%
Of which destined for incineration	-	-	-	-	-
Of which destined for landfill disposal	-	-	-	0,47	-
Of which destined for other disposal operations	-	-	-	0,26	-
Total weight of waste destined for recovery operations	**690,534** 95,94%	**753,97** 97,47%	1,60%	**1060,55** 99,56%	2,13%
Total weight of waste destined for disposal	**29,2** 4,06%	**19,48** 2,52%	-37,91%	**4,73** 0,44%	-82,36%

Table 22. Waste produced – Annual variation

Chart 14. Waste by type and destination – Global data for 2024

In compliance with the principles of circular economy and environmental responsibility, the waste generated broken down by type according to the **European Waste Catalogue** (EWC) classification is reported below.

DETAIL OF WASTE BY TYPE IN TONS

Cod CER	Description	Tons	Destination
20 02 01	Biodegradable waste	253,82	Recycle
15 01 01	Paper and cardboard packaging	184,54	Recycle
17 01 01	Cement	143,88	Recycle
15 01 07	Glass packaging	131,16	Recycle
15 01 02	Plastic packaging	74,92	Recycle
02 07 04	Scraps unusable for consumption or processing	66,73	Recycle
15 01 06	Mixed material packaging	62,15	Recycle
17 04 05	Iron and steel	54,23	Recycle
15 01 03	Wood packaging	46,75	Recycle
17 08 02	Construction materials	13,36	Recycle
15 01 10*	Packaging containing residues of hazardous substances	6,77	Recycle
Other	-	26,99	-

Table 23. Waste produced by type

Resource inflows

Table 24 analyzes the **consumption trends of various materials used** in the production process. The data highlight some interesting trends useful for better understanding the evolution of procurement and production strategies.

Overall, material consumption in Italy recorded a decrease in 2023, followed by a slight recovery in 2024.

Packaging materials — which include bottles, boxes, wooden crates, corks, capsules, and other packaging — continue to represent the most significant part of total consumption, accounting for over 87% of the total each year. Among these, **bottles** remain the most used material in all three years, although showing a **slight but steady decrease**. This reflects a growing attention to reducing packaging or changes in packaging methods.

In contrast, **corks** show a **steady increase** over the three-year period. **Wooden crates** exhibit a **fluctuating trend**, with a sharp decline in 2023 followed by a strong increase in 2024: this dynamic is **linked to procurement strategies** involving **multi-year purchases**, and therefore **does not directly reflect annual production volumes.**

Other materials, such as **capsules, cages, and packaging**, show **more contained fluctuations**.

4.4.3 Metrics

MATERIAL CONSUMPTION BY TYPE (Tons)

Type	2022	2023	Δ 2022/2023	2024 (Italy)	Δ 2023/2024	2024 (Global)
Dry materials	20.019,10	18.156,00	-9,31%	18.365,20	1,15%	18.495,26
Of which bottles	17.604,30 *87,94%*	15.934,20 *87,76%*	-0,20%	15.932,33 *86,76%*	-1,14%	16.058,87 *33,14%*
Of which packaging	1.956,10 *9,77%*	1.773,10 *9,77%*	-0,05%	1.730,22 *9,42%*	-3,53%	1.732,58 *3,58%*
Of which corks	305,90 *1,53%*	318,80 *1,76%*	14,91%	539,72 *2,94%*	67,39%	539,72 *1,11%*
Of which wooden crates	61,60 *0,31%*	43,70 *0,24%*	-21,78%	77,63 *0,42%*	75,63%	77,63 *0,16%*
Of which capsules	47,70 *0,24%*	44,30 *0,24%*	2,40%	44,95 *0,24%*	0,32%	44,95 *0,09%*
Of which cages/ aluminum caps	43,50 *0,22%*	41,90 *0,23%*	6,21%	40,35 *0,22%*	-4,79%	41,52 *0,09%*
Oenological materials	-	-	-	-	-	26.050,42 53,76%
Agricultural materials	-	-	-	-	-	3.913,69 8,08%
Total	**20.019,00**	**18.156,00**	**-9,31%**	**18.365,20**	**1,15%**	**48.459,37**

Table 24. Material consumption by type – Annual variation

The following table analyzes in detail the **consumption of dry materials by composition**, offering a more specific insight compared to the previous table and allowing for a more precise assessment of the types of materials used.

Glass remains the predominant material, albeit with a slight decline in consumption. Followed by **paper**, which maintains a share between **9%** and **10%**, but with a slight decrease in 2024.

There is a clear increase in **cork and wood**, driven by a purchasing strategy concentrated in specific years, not always directly linked to annual production.

Materials such as **paper, aluminum, and PET** show **good stability over time**, with limited variations during the three-year period considered.

CONSUMPTION OF DRY MATERIALS BY COMPOSITION (Tons)

Type	2022	2023	Δ 2022/2023	2024 (Italy)	Δ 2023/2024	2024 (Global)
Glass	17.604,30	15.934,20	-0,20%	15.932,33	-1,14%	16.058,87
	87,94%	*87,76%*		*86,76%*		*86,84%*
Paper	1.956,10	1.773,10	-0,05%	1.728,32	-3,63%	1.730,68
	9,77%	*9,77%*		*9,41%*		*9,36%*
Cork	305,90	318,80	14,91%	539,72	67,39%	539,72
	1,53%	*1,76%*		*2,94%*		*2,92%*
Wood	61,60	43,70	-21,78%	77,63	75,63%	77,63
	0,31%	*0,24%*		*0,42%*		*0,42%*
Aluminum - PET	47,70	44,30	2,40%	44,95	0,32%	44,95
	0,24%	*0,24%*		*0,24%*		*0,24%*
Aluminum	43,50	41,90	6,21%	40,35	-4,79%	41,52
	0,22%	*0,23%*		*0,22%*		*0,22%*
Total	**20.019,10**	**18.156,00**	**-9,31%**	**18.363,30**	**1,14%**	**18.493,36**

Table 25. Consumption of dry materials by composition – Annual variation

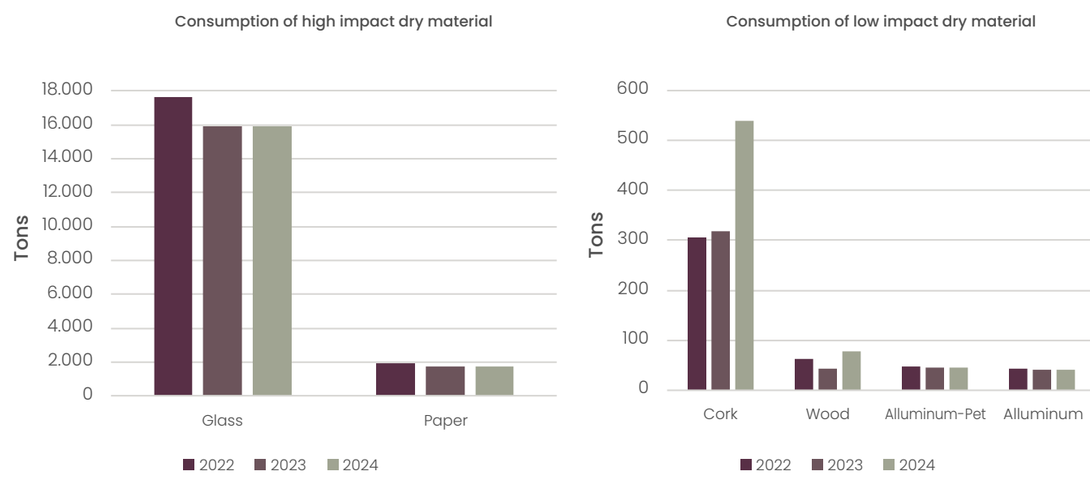


Chart 15. Consumption of dry materials by type

In this context, it is interesting to observe the data related to the **percentage of post-consumer recycled glass**. After the **decline recorded in 2023, 2024 shows encouraging signs**, with an increase bringing the percentage to **50.10%**. Although the figure **has not yet reached the levels of 2022**, it still represents **a positive reversal of the trend** that is expected to continue in the coming years.

PERCENTAGE OF POST-CONSUMER RECYCLED GLASS

2022	2023	2024
53,40%	48,60%	50,10%

Table 26. Percentage of post-consumer recycled glass

5. Social

5.1 Human capital

Human capital represents one of the most strategic resources for Herita Marzotto Wine Estates, which views it as a central element in creating long-term value and promoting a corporate culture based on **well-being, inclusion, development, and safety**. The company recognizes the importance of building a work environment that enhances both individual and collective skills, supports the professional and personal growth of its people, and ensures working conditions that are safe, fair, and respectful of diversity.

The composition and quality of the workforce, types of employment contracts, turnover rates, as well as health, safety, and organizational well-being policies, are all fundamental aspects in evaluating the company's commitment to the responsible management of its human capital.

5.1.1 Relevant impacts, risks, and opportunities

Operating in a sector with a strong local identity, where production activities follow the rhythms of nature and require a high level of specialization, HERITA is aware that the **well-being, safety**, and the **enhancement of skills** of its human resources are key to ensuring quality, operational efficiency, and a positive impact on the surrounding territories. Herita Marzotto Wine Estates contributes significantly to creating social and economic value by promoting quality employment and offering professional opportunities in contexts marked by high seasonality and specialization.

In the wine sector, work carries a value that goes beyond production: it is an identity-defining element, deeply rooted in the landscape, local culture, and the intergenerational transmission of knowledge.

HERITA stands out for having a **stable workforce**, predominantly employed on permanent contracts and spread across multiple locations, ensuring **professional continuity and protection of corporate know-how**. This is supported by a continuous commitment to building an inclusive organizational culture that promotes equal opportunities, values talent, and encourages participation at every stage of the professional journey, recognizing the importance of creating a fair workplace that respects differences and embraces diversity.

Another top priority is **Health and safety at work**, particularly in agricultural and production settings, where manual activities, machinery use, and changing environmental conditions expose workers to specific risks. Herita Marzotto Wine Estates regularly invests in training, updates, and prevention technologies to ensure safe and efficient working environments.

At the same time, the current environment presents several **critical issues and material risks** that require ongoing attention. Among these:

- Injury risk
- Low female representation in certain technical functions and in top-level positions

To address these challenges, Herita Marzotto Wine Estates adopts an **integrated and proactive approach** to human resource management, focused on valuing people and continuous improvement. Key indicators related to safety, workforce composition, and development paths are regularly monitored, supported by skill mapping tools and opportunities for dialogue across various organizational levels.

In this perspective, the centrality of people represents a long-term strategic lever. The care of human capital goes beyond operational management and becomes a foundational element of the company's identity: authentic, attractive, and aligned with sustainability values. **Investing in people** – in their skills, well-being, and the quality of internal relationships – means strengthening the sense of belonging, fostering a widespread culture of innovation, and generating competitive and reputational value.

With reference to the **ESRS S1 standard, four material impacts and two material risks** have been identified.

MATERIAL TOPIC		IROs	MANAGEMENT
S1 – Own workforce	Health and safety	Negative impact: Exposure of workers to physical risks during agricultural and cellar activities, with potential adverse effects on health and safety	Promotion of practices and policies aimed at ensuring the health and safety of workers through the identification, assessment, and management of physical risks present in agricultural and cellar activities. Periodic training programs, preventive and protective measures, and continuous updates of operational procedures are implemented in compliance with current health and safety regulations
	Equal treatment and opportunities for all	Positive impact: Promotion of diversity and inclusion, fostering a corporate culture based on respect, equity, and the appreciation of differences	Currently, no formal policies or structured initiatives supporting diversity and inclusion have been implemented. The company recognizes the importance of promoting a corporate culture based on respect, equity, and the enhancement of differences and is committed to evaluating the adoption of specific practices and programs in the future
S2 – Workers in the value chain	Equal treatment and opportunities for all	Financial risk: Use of forced labor along the supply chain, with possible legal consequences, reputational damage, and loss of trust from customers and investors	The adoption of ESG criteria is planned in the processes of supplier selection, qualification, and monitoring, with a strong emphasis on respecting human rights and preventing forced labor

Table 27. Relevant impacts, risks, and opportunities – Own workforce

5.1.2 Policies, Actions, Objectives

The main guide for corporate policies regarding human resources management is the **Code of Ethics**, which establishes clear and non-negotiable principles on fundamental issues such as the protection and enhancement of human resources, the promotion of a healthy and safe work environment, respect for individual personality, and the prevention of any form of exploitation or slavery.

The **Code of Ethics**, applied to all stages of the employment relationship, places particular emphasis on **equal opportunities**, ensuring that the selection and hiring process is transparent and free of favoritism. In this context, the company promotes **diversity**, inclusion, and the recognition of individual merits, aiming to combat any form of discrimination and to foster a work environment that stimulates the professional growth of every employee.

Moreover, the Code establishes specific rules for **privacy protection** and compliance with **health and safety** regulations, recognizing the need for a work environment that safeguards not only the physical well-being but also the psychological well-being of its collaborators.

To support an ethical and responsible work environment, the company has also adopted a **whistleblowing policy** that allows all employees to report, securely and confidentially, behaviors that do not comply with regulations or corporate policies. This policy is fundamental to ensuring transparency and integrity within the organization, enabling the timely identification and correction of any problems or abuses.

In the coming years, the company is committed to further strengthening and formalizing its actions in these areas, with the goal of ensuring continuous improvement in working conditions and promoting an inclusive and respectful corporate culture.

Health and Safety

The safety of workers is a fundamental principle for Herita Marzotto Wine Estates, which adopts an integrated and proactive approach to risk management. Corporate practices are based on strict compliance with the relevant legislation, including **Legislative Decree 81/2008**, which regulates workplace safety. Herita S.p.A., at its two locations in Fossalta and Caldaro, has also obtained **ISO 45001 certification**, implementing an occupational health and safety management system fully compliant with the standard's requirements.

Particular attention is given to **seasonal workers**, who represent a significant part of the workforce during peak activity periods such as the grape harvest. HERITA ensures that these employees are also properly trained and protected, applying specific regulations related to seasonal contracts and guaranteeing safe working conditions.

HERITA's commitment to ensuring the health and safety of its workers goes beyond mere regulatory compliance, with the strategic goal of achieving the "**zero accidents" objective**. To pursue this target, the company adopts a set of practices including:

- The implementation of a **managerial delegation system**, which allows safety issues to be managed locally and promptly, directly involving the managers of individual areas.
- The **enhancement of training hours**, with a program aimed at raising awareness and improving risk perception to reduce dangerous behaviors and prevent workplace accidents. Training is conducted both by internal experts and through external courses, ensuring continuous and updated preparation for all employees.

5.1.3 Metrics

General Characteristics

Human resources metrics include exclusively **permanent and fixed-term employees**, excluding **seasonal workers**. This distinction arises from the **temporary nature of the seasonal contract,** which involves limited hiring periods and duties that vary according to the season. Despite their exclusion from the metrics in this document, HERITA guarantees these workers safe, dignified working conditions consistent with principles of fairness and respect.

In 2024, 159 seasonal workers and 84 self-employed workers were employed, compared to 413 employees with permanent or fixed-term contracts. Seasonal workers were mainly involved in activities related to harvesting and winemaking, with 82 workers specifically assigned to winemaking during the harvest period. Self-employed workers are mainly composed of sales agents.

TYPES OF EMPLOYEE CONTRACTS

Self-employed workers	Employees	Seasonal workers
84	413	159

Table 28. Types of Employee Contracts

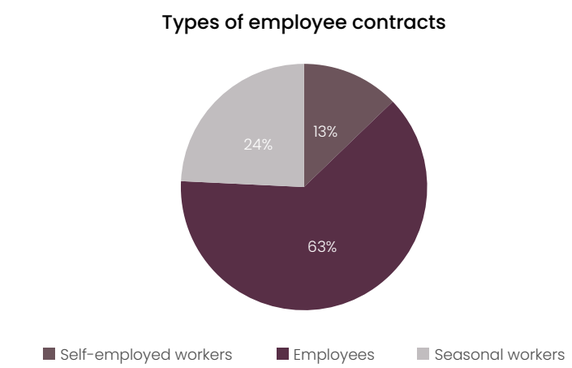


Chart 16. Breakdown of employees, seasonal workers, and self-employed workers

Below are the results related to the **distribution of employees between Italy and the United States**, highlighting a significant difference in the total number of workers, with a considerably higher percentage for Italy. The gender distribution shows a male predominance in Italy, while in the United States there is a more balanced situation, with a slight female majority.

EMPLOYEES BY COUNTRY

	Italy	United States
Total number of employees	329	84
	79,66%	20,34%
of which are female	117	44
of which are male	212	40

Table 29. Employee distribution by country and gender

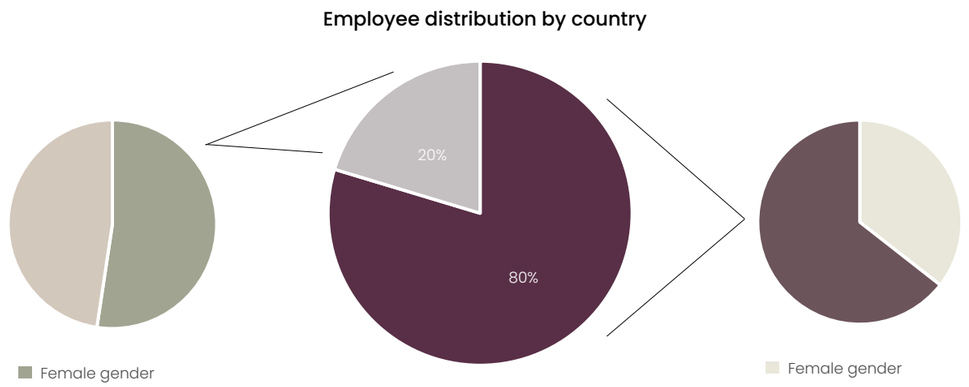


Chart 17. Employee distribution by country

Given the **different regulations managing employment relationships in the United States compared to Italy**, the data related to human resource characteristics – except for the total number and gender composition – will subsequently be presented exclusively with reference to employees at the Italian locations.

GENDER COMPOSITION

	2022	2023	Δ 2022/2023	2024	Δ 2023/2024
Female gender	108	118	10,89%	117	0,66%
	31,86%	35,33%		35,56%	
Male gender	231	216	-5,09%	212	-0,36%
	68,14%	64,67%		64,44%	
Tot	339	334	-1,47%	329	-1,50%

Table 30. Employee distribution by gender – Annual variation

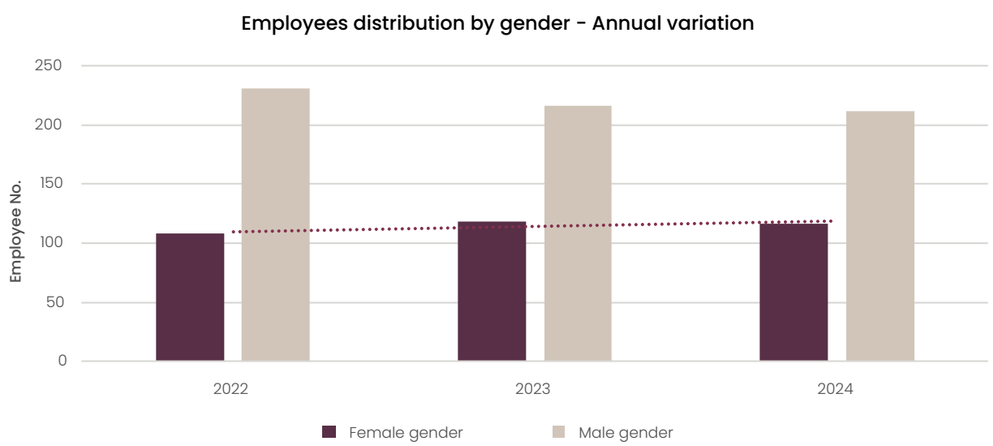


Chart 18. Employee distribution by gender – Annual variation

The following table shows the distribution of permanent and fixed-term contracts, highlighting a slight decline in permanent contracts for both genders with a partial recovery in 2024. The female component shows a more variable trend, while the male component remains substantially stable during the period considered. This decline is mainly attributable to the **trend of signing fixed-term contracts for new hires**.

COMPOSITION BY CONTRACT TYPE

		2022	2023	2024
Permanent	Female gender	93	86	88
		86,11%	72,88%	75,21%
	Male gender	201	187	185
		87,01%	86,57%	87,26%
Fixed-term	Female gender	15	32	29
		13,89%	27,12%	24,79%
	Male gender	30	29	27
		12,99%	13,43%	12,74%

Table 31. Employee distribution by contract type and gender – Annual variation

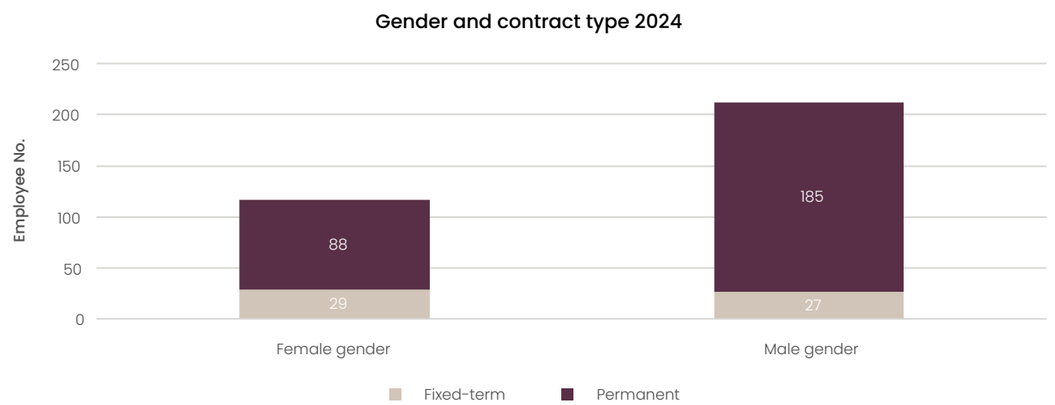


Chart 19. Employee distribution by contract type and gender

The following table provides an overview of the evolution in the number of **full-time** and **part-time** employees broken down by gender. The data reveal some interesting trends, especially regarding female participation and the use of part-time work.

Regarding **full-time** employment, there is a **steady increase in women,** rising from 88 in 2022 to 100 in 2024, with a progressive increase in their percentage share as well. **Men**, on the other hand, show a **slight numerical decline** but remain **by far the majority** among full-time workers. Overall, the **total number of full-time workers has remained stable**, with slight fluctuations over the three-year period.

Regarding **part-time** work, the use of this contract type has decreased significantly. The reduction mainly affected women, who nevertheless continue to represent the majority. Male part-time work, already residual, is now almost completely absent.

POSITION BY EMPLOYMENT TYPE

		2022	2023	Δ 2022/2023	2024	Δ 2023/2024
Full-time	Female gender	88	99	2,97%	100	1,87%
		81,48%	83,90%		85,47%	
	Male gender	226	215	1,74%	211	-0,01%
		97,84%	99,54%		99,53%	
	Total	314	314	1,50%	311	0,57%
		92,63%	94,01%		94,55%	
Part-time	Female gender	20	19	-13,05%	17	-9,76%
		18,52%	16,10%		14,53%	
	Male gender	5	1	-78,61%	1	1,41%
		2,16%	0,46%		0,47%	
	Total	25	20	-18,80%	18	-8,91%
		7,37%	5,99%		5,45%	

Table 32. Employee distribution by employment type and gender – Annual variation

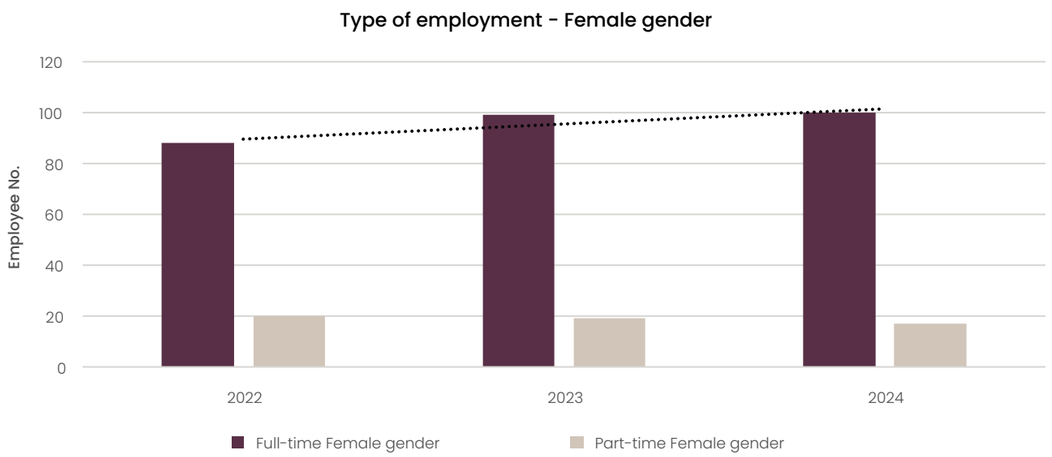


Chart 20. Female employees by employment type

It is important to emphasize that, in accordance with current regulations, HERITA supports the **right to part-time work**, often requested to balance work and private life, especially after returning from maternity leave. The company constantly monitors these needs to ensure a flexible and inclusive work environment.

Diversity and Inclusion

Table 33 shows the demographic evolution of employees from 2022 to 2024, with particular attention to gender differences and age groups. Over the three-year period, there is a progressive **contraction of the under-30 age group**, which, after a sharp decline in 2023, shows a **partial recovery in 2024**, although it remains below initial levels. This trend affects both men and women, indicating a lower presence of young people in the workforce.

The middle age group, between 30 and 50 years, **remains the largest**, but shows a slight decline in 2024. Women, after an increase in 2023, decrease the following year, while among men there is a more gradual and steady decline.

Conversely, employees over 50 are **steadily increasing**, confirming themselves as an increasingly significant component, with growth both in absolute numbers and percentages for both genders.

WORKFORCE AGE

		2022	2023	Δ 2022/2023	2024	Δ 2023/2024
< Under 30 years	Famale gender	24	20	-24,37%	23,00	15,97%
		22,22%	16,81%		19,49%	
	Male gender	55	37	-28,06%	39,00	7,90%
		23,81%	17,13%		18,48%	
	Total	79	57	-26,99%	62	10,76%
		23,30%	17,01%		18,84%	
30-50 years	Famale gender	57	69	9,86%	64,00	-6,46%
		52,78%	57,98%		54,24%	
	Male gender	124	114	-1,68%	105,00	-5,71%
		53,68%	52,78%		49,76%	
	Total	181	183	2,31%	169,00	-5,97%
		53,39%	54,63%		51,37%	
> Over 50 years	Famale gender	27	30	0,84%	31,00	4,21%
		25,00%	25,21%		26,27%	
	Male gender	52	65	33,68%	67,00	5,52%
		22,51%	30,09%		31,75%	
	Total	79	95	21,69%	98,00	5,04%
		23,30%	28,36%		29,79%	

Table 33. Employee distribution by age and gender – Annual variation

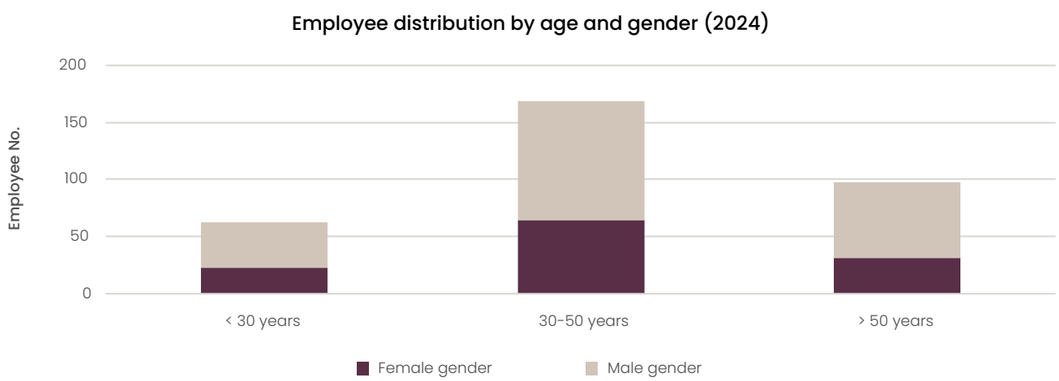


Chart 21. Employee distribution by age and gender

Table 34 analyzes the gender distribution within different professional categories (Executives, Middle Managers, Clerical Staff, Workers). Regarding **Executives**, throughout the three-year period the category is composed exclusively of men, with female presence at 0% in each year.

In the **Middle Managers** category, there is also a clear male predominance, although with a slight trend toward greater female presence over time. In 2022, women represented 16.67%, while in 2024 the percentage rose to 23.53%, alongside a reduction in men. This trend suggests an initial sign of improvement in gender balance in intermediate roles.

Among **Clerical Staff**, the situation is reversed: women are the majority component in all three years. The female percentage fluctuated between 59.56% and 63.57%, maintaining a prevalence over men despite a slight increase in the male component in 2024.

Finally, in the **Workers** category, there is a strong male predominance. Although there was a slight increase in the number and percentage of female workers between 2022 and 2024, female presence remains largely in the minority, with values ranging from 13.64% to 16.46%.

EMPLOYEE DISTRIBUTION BY POSITION AND GENDER

	2022		2023		2024	
	Famale gender	Male gender	Famale gender	Male gender	Famale gender	Male gender
Executives	0	9	0	8	0	13
	0,00%	100,00%	0,00%	100,00%	0,00%	100,00%
Middle Managers	3	15	3	17	4	13
	16,67%	83,33%	15,00%	85,00%	23,53%	76,47%
Clerical Staff	81	55	89	51	87	54
	59,56%	40,44%	63,57%	36,43%	61,70%	38,30%
Workers	24	152	26	140	26	132
	13,64%	86,36%	15,66%	84,34%	16,46%	83,54%

Table 34. Employee distribution by position and gender – Annual variation

5.1.3 Metrics

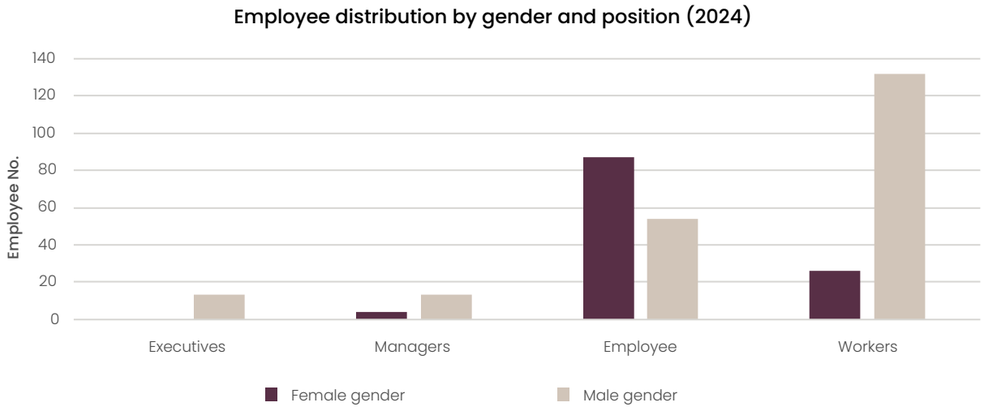


Chart 22. Employee distribution by gender and position

Health and Safety

The following table reports the **occupational health and safety indicators**. In the period **2023-2024**, there was an increase in the number of accidents, rising from 2 to 5 (excluding commuting accidents, which were 1 in 2024). However, it is important to emphasize that **the severity of accidents has significantly decreased: the severity rate** has been reduced by almost **55%** and the **days lost due to work-related injuries have nearly halved** (**-49.79%**). These data highlight that, despite the increase in accident events, their severity and overall impact on worker health and company productivity have significantly improved.

OCCUPATIONAL HEALTH AND SAFETY INDICATORS

	2023	2024	Δ 2023/2024
Percentage of own workers covered by the company's health and safety management system according to legal requirements and/ or recognized standards or guidelines	100%	100%	-
Number of deaths due to work-related injuries or illnesses	0	0	-
Number of work-related illnesses	0	0	-
Number of accidents (Including commuting accidents)	9	6	-33,33%
Number of work-related accidents (Excluding commuting accidents)	2	5	150,00%
Days lost due to work-related injury	88	44,19	-49,79%
Frequency rate (number of accidents x 1,000 / number of hours worked	0,0034	0,0078	126,23%
Severity rate (number of days lost due to accidents x 1,000 / number of hours worked)	0,15	0,07	-54,56%

Table 35. Occupational health and safety indicators

5.2 Consumers and end users

The relationship with **consumers** is a central point in Herita Marzotto Wine Estates' sustainability vision. In a market increasingly focused on **quality, traceability,** and **product integrity**, HERITA acknowledges its responsibility to ensure high standards of food safety, informational transparency, and respect for customer expectations. Consumer trust is built daily through responsible practices that embrace the entire product lifecycle, from the vineyard to the bottle, reflecting a concrete commitment to excellence and sustainability.

5.2.1 Significant impacts, risks, and opportunities

Herita Marzotto Wine Estates' activities generate significant impacts related to **public health protection, perceived product quality and the building of lasting trust** with consumers. In a sector such as winemaking, where the final product is intended for human consumption, consumer safety is a daily responsibility and a non-negotiable priority.

For this reason, HERITA is committed to the **continuous improvement of food management practices** through structured systems of quality control, traceability, and hygiene along the entire supply chain, from grape harvesting to bottling and distribution. These processes aim to **guarantee product integrity** and prevent any form of contamination or non-compliance.

Compliance with food safety regulations inevitably entails operational risks, including the possibility of incurring sanctions, product recalls, or reputational damage in case of oversights or control failures. However, this very attention represents a strategic opportunity: demonstrating consistency and commitment in terms of safety and transparency helps consolidate consumer trust and differentiate the product through evidence of its ethical and sustainable values.

Clear labeling, traceability, the use of safe materials, and detailed information on ingredients and allergens are fundamental elements to meet consumer needs, who require accurate and accessible information, preventing misuse and ensuring personal safety. This is particularly relevant for those who, for health reasons or sensitivities, need transparent and reliable communication.

The scope of the analysis includes all end consumers of products under the Herita Marzotto Wine Estates brand, distributed both in the domestic market and international markets. Within this scope, specific groups potentially exposed to significant impacts have been identified:

- **Consumers who require accurate and accessible information**, protected through complete and compliant labels.
- **Potentially vulnerable consumers**, for whom responsible and unambiguous communication is adopted, avoiding references to excessive benefits or risky consumption patterns.
- **Consumers sensitive to health issues**, to whom HERITA directs its commitment to promoting moderate consumption, consistent with Mediterranean culture, also through participation in the international initiative Wine in Moderation.

Herita Marzotto Wine Estates therefore considers the relationship with consumers not only as a final stage of the value chain, but as a **central element of its corporate social responsibility**, actively contributing to promoting **aware, informed, and sustainable consumption**.

With reference to the **ESRS S4 standard, two material impacts and two material risks** have been identified.

For a description of the methodology adopted, please refer to paragraph *"3.3 Management of impacts, risks, and opportunities."*

MATERIAL TOPIC	IROs	MANAGEMENT
Impacts related to information for consumers and/or end users	Positive impact: Promotion of transparency in marketing practices and consumer awareness towards responsible wine consumption, through clear, truthful communication consistent with the company's values	Promotion of transparent and consistent communication in marketing activities, avoiding misleading messages and enhancing wine as an expression of conviviality, pleasure, and culture, in line with the principles of moderate consumption. The company also participates in the international initiative Wine in Moderation
	Financial risk: Evolving regulations that may create interpretative complexities or unintentional inaccuracies in statements and practices related to sustainability, potentially leading to reputational and legal consequences	Continuous and proactive monitoring of ESG regulations, supported by external expert consultancy working closely with the Sustainability Manager, and ESG training for staff to ensure correct interpretation of the provisions and alignment with best practices
Personal safety of consumers and/or end users	Positive impact: Continuous improvement of food management practices throughout the entire supply chain, with the aim of ensuring high standards of quality, safety, and traceability, preventing contamination risks and protecting the end consumer	Continuous monitoring of food quality and safety through internal laboratories present in each production unit, supported by periodic checks from accredited external laboratories. Full traceability of the process and verification of regulatory compliance through the analysis of specific parameters
	Financial risk: Possible lapses in the correct application of food safety regulations that could lead to the production of non-compliant products, exposing the company to the risk of sanctions, market recalls, and resulting negative impacts on corporate reputation and consumer trust	Adoption of a structured system based on HACCP guidelines and BRC certification, aimed at ensuring food safety and preventing non-compliance. Additionally, a periodic hygiene training program for staff is in place to safeguard product quality and the company's reputation

Table 36. Relevant impacts, risks, and opportunities – Consumers and end use

5.2.2 Policies, actions, objectives

Herita Marzotto Wine Estates adopts a proactive approach to managing actual and potential impacts on consumers and end users throughout the entire product lifecycle, from design and production to communication, distribution, and consumption. The goal is to ensure high standards of **food safety, quality, transparency, and awareness in consumption**, preventing any possible direct or indirect negative effects.

The approach adopted by HERITA is based on three main pillars:

1. Food **quality** and **safety** throughout the entire production chain;
2. **Transparency** and **accuracy** in communication with the consumer;
3. Promotion of a culture of **moderate** and **responsible wine consumption**.

These elements form the foundation of the trust-based relationships built over time with a broad and diverse clientele, active both in Italy and in the main international markets.

Health and Food Safety

Wine, as a food product, requires rigorous management of all aspects related to hygiene, quality, and traceability. For this reason, an integrated control system is active in all production units, combining the activities of **internal analysis laboratories** with the support of **qualified external laboratories**. The adopted control plan allows the monitoring every phase of the production process, ensuring that the final product complies with regulations, is safe for the consumer, and meets expected quality standards.

This is complemented by a strong investment in **continuous staff training**: for example, in 2023, a periodic update program on **HACCP** was launched for all personnel involved in food handling, which will continue through 2025. The goal is to build an increasingly aware and responsible work environment, capable of preventing possible non-compliances and protecting consumer health.

Management of **non-compliances** is an integral part of HERITA's quality control system. The units of Herita S.p.A. and S.M. Tenimenti S.r.l. are certified according to the **BRC (Level AA)** standard and have well-defined structures for identifying, recording, and resolving any non-compliances, both internal and those detected during external audits.

Even other group units, although not certified, adopt rigorous practices to guarantee **product quality and safety**. Systematic monitoring of **non-compliances** and **customer complaints** is active across all group units, with in-depth analysis of causes and targeted action plans to prevent recurrence.

Constant monitoring of trends related to non-compliances and complaints — categorized by type, area of interest, and detection method — enables evaluation of the effectiveness of actions taken and, if necessary, updates to company procedures. This control system not only guarantees the safety and quality of the final product but also strengthens consumer trust in the brand, promoting a transparent, reliable, and responsible business model.

Transparency, Accurate Information, and Communication Channels

To ensure a clear and transparent relationship with consumers, HERITA places great emphasis on **labeling** and communication of its products. Every bottle clearly displays all information required by the specific legislation of each country where the wines are exported, allowing for an informed and responsible choice.

Consumers also have access to **direct contact channels** — through the company website and customer service — to ask questions, express concerns, or report any issues. Every report is handled by an internal team, which logs the complaint and activates corrective measures in agreement with internal managers.

Education on Responsible Consumption

Wine is an integral part of Mediterranean culture, linked to conviviality and a balanced lifestyle. However, in a global context where awareness campaigns on alcohol use are multiplying, HERITA considers it essential to **convey a clear message to its consumers: wine should be enjoyed with awareness and responsibility**.

This value is deeply rooted in the corporate culture and is reflected in all communication, marketing, and public relations activities. As evidence of this commitment, HERITA adheres to the international association **Wine in Moderation**, an initiative in which Herita Marzotto Wine Estates participates through Federvini. This membership translates into concrete actions such as the dissemination of **educational messages**, the development **of standards for responsible communication**, and participation in **awareness campaigns** on responsible drinking. These activities are designed not only for external audiences but also to internally strengthen a shared ethic around wine consumption.

6. Governance

6.1 Responsibility and corporate culture

Every action and decision taken by Herita Marzotto Wine Estates is guided by fundamental values of **transparency, integrity, and responsibility**, which form the pillars of corporate culture and permeate every area of its activities. These principles not only guide daily decisions but are also reflected in all business practices, from **human resource** management to the selection of **suppliers**, and to the care and quality of the **final product**. The commitment to **sustainability** thus translates into concrete actions aimed at ensuring ethical and responsible management throughout the entire value chain.

This commitment is also reflected in relationships with all stakeholders, where transparency and responsibility form the foundation of an open and constructive dialogue aimed at promoting collective well-being and long-term prosperity.

6.1.1 Relevant impacts, risks, and opportunities

The **governance** of Herita Marzotto Wine Estates places **sustainability** at the center of strategic and operational decisions, influencing every business choice through the principles of **transparency, integrity, and responsibility**. These values form the foundation of the corporate culture and guide the company towards sustainable and lasting growth. **Sustainability**, in fact, is not only a goal in itself but represents a development driver that helps the company evolve and respond to the needs of its stakeholders.

Managing sustainability also involves addressing significant risks. Among these, one of the main concerns is the **supply chain**: supplier performance is critical to the company's operational continuity. Any disruptions or inadequacies among suppliers could not only slow down the production process but also generate **additional costs** and damage the company's reputation.

Effective management of **contracts** and **payment terms** is also essential to safeguard **liquidity** and ensure **financial stability**. Mistakes in these areas could have negative impacts, compromising economic solidity.

Lastly, ensuring **traceability of ESG performance** throughout the entire supply chain is fundamental to guarantee that the whole production process complies with the highest standards of sustainability and **social responsibility**.

However, these challenges also translate into significant **opportunities**. A concrete commitment to **selecting responsible suppliers**, combined with the adoption of transparent practices, not only improves the overall quality of the final product but also helps build **a solid and reliable reputation**. Moreover, adopting sustainability policies along the supply chain can foster innovations that enhance the company's competitiveness and reputation, offering benefits also in terms of **savings and efficiency**.

With reference to the **ESRS G1** standard, **two material impacts and two material risks** have been identified. For a description of the methodology adopted, please refer to paragraph *"3.3 Management of impacts, risks, and opportunities."*

6.1.1 Relevant impacts, risks, and opportunities

MATERIAL TOPIC	IROs	MANAGEMENT
Corporate culture	Positive impact: Adoption of a governance structure that places sustainability at the core of its strategic vision, ensuring a constant commitment to environmental, social, and economic goals, reflecting a value-creation approach oriented towards the long term	Formalization of the sustainability governance system, with roles and responsibilities assigned at the Board of Directors and operational management levels
Management of relationships with suppliers, including payment practices	Financial risk: Supply chain disruptions due to inadequate supplier performance, which could compromise operational continuity and generate additional emergency management costs	Selection and qualification of suppliers based on technical, qualitative, and sustainability criteria, with periodic performance evaluations
	Financial risk: Incorrect or incomplete contractual definition of payment and collection terms with customers and suppliers, which could negatively affect the company's liquidity and financial stability	Implementation of an integrated approach to contractual and financial management, through contract standardization, cross-functional coordination, cash flow monitoring, adoption of control and financial planning tools, and targeted measures to mitigate credit risk
	Positive impact: Ensuring traceability of ESG performance along the supply chain to guarantee compliance and responsibility throughout the entire production process	Introduction of ESG criteria in the supplier selection, qualification, and evaluation processes, along with the adoption of codes of conduct for suppliers that establish minimum requirements regarding workers' rights, environmental protection, and corporate integrity

Table 37. Relevant impacts, risks, and opportunities – Governance

6.1.2 Policies, actions, and objectives

HERITA adopts and implements established global policies, such as the **Code of Ethics and the Whistleblowing Policy**, fundamental tools to prevent unlawful behavior and promote a corporate culture based on integrity.

The Code of Ethics and Business Conduct, updated in 2021, serves as the reference framework for all personnel and business partners, governing key areas such as:

- Conflict of interests
- Anti-corruption and compliance with antitrust regulations
- Equal opportunities and inclusion
- Health and safety at work
- Environmental protection and promotion of sustainability
- Protection of personal and confidential data
- Accuracy of external communications
- Regulatory compliance in production processes.

During 2024, as in previous years, **no cases of unethical behavior**, nor incidents of corruption, anti-competitive practices, antitrust violations, or discrimination were reported. Similarly, **no significant monetary** or **administrative sanctions** were imposed related to non-compliance with social or economic laws and regulations.

In the coming years, confirming its commitment **to ethical management of the value chain**, HERITA will introduce specific practices to ensure the **traceability of ESG performance along the supply chain**. These actions include:

- The integration of environmental, social, and governance criteria in the selection and evaluation of suppliers;
- The adoption of binding codes of conduct for business partners;
- Training of internal personnel on ethical and sustainability topics;
- Clear and compliant contract management to ensure fairness in payment and collection terms..

6.1.2 Policies, actions, and objectives

On a strategic level, Herita Marzotto Wine Estates has defined clear and measurable **objectives to strengthen its sustainable governance:**

- The maintenance of a zero rate of ethical and legal infractions;
- The progressive extension of ESG evaluation to the entire supply chain;
- The promotion of an inclusive, safe, and respectful work environment;
- The improvement of information flows and transparency towards stakeholders;
- The structured integration of ESG issues within corporate governance;
- The implementation of specific policies in the ESG field.

Sustainability plan
Goals achieved in 2024

Type	KPIs	Target 2024
Climate change mitigation	Reduction of direct greenhouse gas emissions (Scope 1) from company activities	✓
	Reduction of indirect greenhouse gas emissions (Scope 2) related to purchased electricity consumption	✓
Energy	Reduction of electricity consumption	✓
	Increase in the share of electricity from photovoltaic systems	✓
Water and marine resources	Reduction of water withdrawal	✓
Circular economy	Increase in the percentage of waste sent for recovery out of total waste produced	✓
	Reduction in the weight of bottles relative to the total packaging used	✓
	Increase in the percentage of recycled glass in bottle composition, promoting the use of secondary raw materials and reducing the use of virgin resources	✓
	Increase in the percentage of FSC or PEFC certified paper or cardboard packaging out of the total packaging made with these materials, promoting responsible management of forest resources	✓

Sustainability plan
Future Objectives

TYPE	KPIs	UNITS OF MEASURMENT	2023 (BASELINE)	2024	Δ 2023/2024	Target 2025	ACTION (2025)	ACTION (2030)	ACTION (2035)
Climate change mitigation	Emissions tCO_2eq (Scope 1)	tCO_2eq	3640,00	2905,87	-20,17%	Performance maintenance	-	Increase in the use of low environmental impact fuels in operational activities and company vehicles, replacing traditional fossil fuels and thus reducing climate-altering emissions associated with energy consumption	-
	Emissions tCO_2eq (Scope 2)	tCO_2eq	1.820,00	1.692,78	-6,99%	-	Signing contracts for the supply of electricity from certified renewable sources with Guarantees of Origin, aimed at covering at least 30% of the company's energy needs	Installation of new photovoltaic systems to increase self-production of energy from renewable sources	-
	Emissions tCO_2eq (Scope 3)	tCO_2eq	33600,00	31.509,55	-6,22%	Performance maintenance	-	Selection of packaging (bottles) with a higher percentage of recycled glass in their composition	Use of lightweight bottles
Energy	Electricity consumed	MWh	7708,01	6.467,80	-16,09%	Performance maintenance	-	-	-
	Electricity from photovoltaic sources as a percentage of total electricity consumed	%	9,38%	22,57%	140,72%	Performance maintenance	-	Expansion of the existing photovoltaic system to increase self-production of energy from renewable sources	-
	Thermal energy consumed	MWh	4.646,80	4.481,36	-3,56%	Performance maintenance	-	Increase in the use of low environmental impact fuels in operational activities and company vehicles, replacing traditional fossil fuels and thereby reducing climate-altering emissions associated with energy consumption	-
Water and marine resources	Water withdrawal	m^3	181.071,00	175.998,00	-2,80%	Performance maintenance	-	-	Development of innovative strategies for the efficiency, conservation, and sustainable reuse of water resources
Circular economy	Waste production (excluding cement from renovation works)	Ton	702,10	921,40	31,24%	Performance maintenance	-	Increase in the reuse of biodegradable waste	Strategic collaboration with suppliers to reduce the use of incoming packaging materials
	Percentage of waste sent for recovery out of the total waste produced	%	97,47%	99,56%	2,13%	Performance maintenance performance	-		Strategic collaboration with suppliers to promote solutions with lower environmental impact
	Consumption of dry material	#	18155,96	18363,3	1,14%	Performance maintenance	-	-	Use of lightweight bottles
	Incidence of bottles on total packaging used	%	87,76%	86,76%	-1,14%	Performance maintenance	-	-	Use of lightweight bottles
	Percentage of recycled glass out of total glass used	%	48,60%	50,10%	3,09%	Performance maintenance	-	-	Increase in the share of recycled glass up to 58% in bottles, in accordance with the strategies of the supplier Zignago Vetro
	Percentage of packaging made from FSC or PEFC certified paper or cardboard out of total packaging made from paper or cardboard	%	90,00%	97,60%	8,44%	Performance maintenance	-	-	-
Own workforce	Total injuries	#	9	6	-33,33%	Performance maintenance	-	-	-

Qualitative objectives

QUALITATIVE OBJECTIVES

Corporate culture	Obtaining certifications to guarantee compliance with international standards in environmental, quality, organizational, and safety fields	Achievement of certification in compliance with the Organizational Model as per Legislative Decree 231/2001 for Herita S.p.A., with a target date set for 2025
		Achievement of the UNI EN ISO 14001 certification for Herita S.p.A. by 2030, ensuring an environmental management system compliant with international standards
		Achievement by Ca' del Bosco of the UNI EN ISO 14001, ISO 45001, and ISO 9001 certifications by 2030, guaranteeing compliance with international standards in environmental management, occupational health and safety, and quality management
		Obtaining B Corp certification by HERITA by 2030, recognizing the commitment to high standards of social, environmental, and governance impact
	Integration of sustainability into corporate governance	Structural integration of sustainability into corporate governance, promoting active and strategic involvement of the Board of Directors by 2030

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