

HISTORY, TRADITION, FAMILY AND DEDICATION

SUSTAINABILITY REPORT 2022

ZENATO AZIENDA VITIVINICOLA SRL - AZIENDA AGRICOLA «S. CRISTINA»

ZENATO AZIENDA VITIVINICOLA SRL and AZIENDA AGRICOLA S. CRISTINA srl have drawn up this Sustainability Report with the aim of reporting sustainable activities, explaining the results achieved and the actionable goals that can be pursued in the field of environmental, social and economic sustainability.





SUMMARY • The History • The Soul of Lugana • The heart of Valpolicella • The EQUALITAS project - Processes managed in the EQUALITAS project Sustainability - Sustainability Policy Supplier selection and Managements - Audits Best Practice in Agriculture Best Practice in Winery and Bottling • Best Practice in Social Management • Best Practice in Communication • Investiments made in 2022 Future Goals and Investments



THE HISTORY

The history of a prestigious winery always has powerful and evocative roots in areas with a strong personality.

Zenato does not shy away from this rule of excellence: the family has always been committed to enhancing the oenological characteristics of both the morainic area south of Lake Garda and Valpolicella area, in a search for balance between tradition and territoriality on the one hand and innovation on the other.

It all began in 1960 with Sergio Zenato, who decided to bet on an indigenous grape variety with great potential, namely Trebbiano di Lugana, transforming it into a great white and this elevation led to the recognition of the DOC LUGANA in 1967, among the first DOC in Italy. Sergio Zenato was one of the supporters and pioneers in making this denomination known throughout the world.

In Valpolicella, on the Costalunga estate where traditional varities such as Corvina, Corvinone, Rondinella e Oseleta are grown, Zenato continued his work of experimentation, giving new life to a wine of great tradition and fame, Amarone, but also rediscovering an ancient method of Valpolicella which had long been in disuse, the Ripasso wine, from which the most representative red wine of the company was born, the RIPASSA.

Careful and sustainable investments have contributed to creating a winery that is a benchmark of quality and which has achieved important goals thanks to significant technical and production commitment.

Today the company that Sergio and Carla Zenato nurtured and grew is run by their children who have consolidated and expanded the wide appeal of the project: Alberto takes care of the production, from the vineyard to the bottle, paying particular attention and care to the principles of sustainable development, and Nadia dedicates her attention to marketing and the internal market and together they take care of the growth in the foreign commercial sector, as they are present in over 65 countries.





THE SOUL OF LUGANA

In the Lugana area, Zenato has its ancient heart in an area of rolling morainic hills near Lake Garda.

The area is particularly suitable for the cultivation of vines: Zenato has 65 hectares of vineyards and it is in this space that the historic S. Cristina estate is located, dedicated to the production of wines that respect and enhance the qualities of a prestigious terroir rich in history.

The excellence achieved with long and delicate work in San Benedetto area, near Peschiera del Garda, has led to the planting of vineyards that emphasise the quality of native vines such as Trebbiano di Lugana. It is here that the twenty-year-old Massoni vineyard is located, the oldest owned by the family, from whose grapes the Lugana Santa Cristina was first created and, after a careful selection and long refinement first in oak barrels and then in bottle, the Lugana Riserva «Sergio Zenato».

Low yields, fermentation in stainless-steel tanks for around three weeks, six months in wood and the same number in the bottle make the wineglass bloom with such depth and persistance of aromas as to make this white a splendid companion for table pairings and an authentic protagonist during tastings.

The appreciation received from enthusiasts is confirmed by the recognition obtained in Italy and around the world and today pushes the company towards new experiments and new challenges. Zenato approaches these objectives with a wealth of experience and a breadth of vision acquired over years of work striving for the highest possible quality in both the vineyard and in the cellar.





THE HEART OF VALPOLICELLA

From its roots, in the moraines of lower Garda, Zenato then extended its horizons and its interests towards another unique part of the Italian wine panorama, Valpolicella.

Tenuta Costalunga stretches over the Valpolicella Classica wine growing area, in Sant'Ambrogio: 35 hectares of which 30 are cultivated with the typical Valpolicella varieties: Corvina, Corvinone, Rondinella and Oseleta, used to make Amarone.

In Valpolicella Sergio Zenato challenged himself with a new project and undertook the painstaking and tenacious work of development in a test vineyard applying the most modern agronomic techniques and at the same time bringing back traditional methods that had defined the landscape of Valpolicella.

The family subsequently created new vineyards enhancing the native grape varieties, and produced elegant wines with character such as Valpolicella Classico Superiore, Ripassa, Amarone Classico, Amarone Riserva and Recioto, in addition to Cresasso, a unique interpretation of the Corvina in its purity.







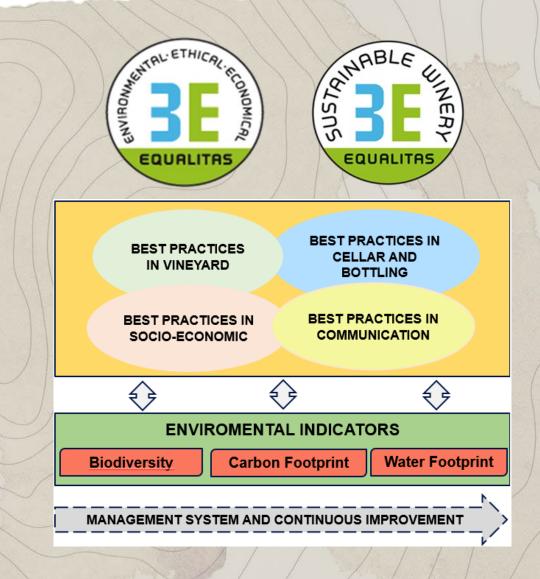
THE EQUALITAS PROJECT

The values and philosophy of the Zenato family have guided the company in its approach to sustainability.

Only continuous commitment and careful attention to detail in every phase of wine making produces high quality wines. Therefore, attention to the environment during the entire wine production process makes a sustainable production.

The path to sustainability began in 2021, with the aim of combining the three fundamental and inseparable dimensions of development: Environmental, Economic and Social.

Zenato Azienda Vitivinicola srl and Azienda Agricola S. Cristina srl are certified according to the EQUALITAS organization standard for business processes from the cultivation of grapes in the vineyards to the production of wines in the cellar, bottling and then sale of the finished product.







PROCESSES MANAGED IN THE EQUALITAS PROJECT

Vineyards

Site: Sant'Ambrogio di Valpolicella e Santa Cristina

Site: Broglie

Vineyard Management

Winery

Bottling and Packing of product

Sales

Zenato Az. Vit.

Az. Agr. S. Cristina

Zenato Az. Vit.

Az. Agr. S. Cristina

Zenato Az. Vit.

Az. Agr. S. Cristina

Zenato Az. Vit.





SUBSTAINABILITY POLICY

The goal of the Zenato family is to consolidate its position as a leading company in the production of typical Lombard/ Venetian wines, such as Lugana and red wines of Valpolicella.



The companies are committed to actively contributing to economic progress, social well-being and the protection of the environment in which they operate, conducting their activities in compliance with the following principles:

- Develop the best production choices and use the best technological solutions available in order to fully satisfy the expectations of our customers by providing high quality products, guaranteeing food safety and demonstrating sustainable management.
- Conduct your activities by identifying the best management and production solutions, carefully monitoring your consumption and taking actions aimed at promoting circular economy processes.
- The companies are committed to creating stimulating and dynamic working environments, in which the protection of health and safety, respect for diversity and human rights are priorities.





SUPPLIER MANAGEMENT

ZENATO AZIENDA VITIVINICOLA srl and AZIENDA AGRICOLA S. CRISTINA srl consider the selection of suppliers a strategic element and for this reason they have created a qualification and management policy which also takes sustainability requirements into account.

The selection of suppliers follows economic and ethical principles. Specific information is requested regarding the certifications held and various questions in the areas of quality, safety, environment, sustainability and ethics.

A periodic analysis of the supplier's performance id required, based on any non-conformities during reception, such as the guarantee and punctuality of delivery, compliance with shared technical, and quality standards.

The process of supplying goods and services is based on contracts stipulated with a view to indispensable and mutual loyalty, transparency, collaboration and awareness towards sustainability.







AUDITS AND MANAGEMENT REVIEW

Internal audits are carried out annually by qualified personnel from Unione Italiana Vini Servizi.

Non-conformities and suggestions for improvement were promptly taken care of and resolved. At least once a year, a review of the management system is carried out in the presence of company management.

The CSQA certification body carried out the first verification in May 2022 and a year later the first surveillance in 2023, evaluating the Biodiversity factor.









BEST PRACTICE IN AGRICULTURE

Good agricultural practices in the vineyard, considering the various production phases as required by the reference standard, take into consideration the following aspects

- SOIL MANAGEMENT: no chemical weeding, shredding in the inter-row and grass cutting/mechanical work in the under-row, natural grassing.
- FERTILITY MANAGEMENT: fertilization according to the integrated pest management method according to regional regulations, soil analysis carried out for homogeneous areas, fertilization plan, electronic field notebook and vineyard intervention plan, leaf analysis for homogeneous areas.
- IRRIGATION: depending on the needs of the crop and variety of vine, and continous weather forecast updates.
- PLANT MANAGEMENT: bud load modulated based on the yield obtained and the weight of the pruned wood.









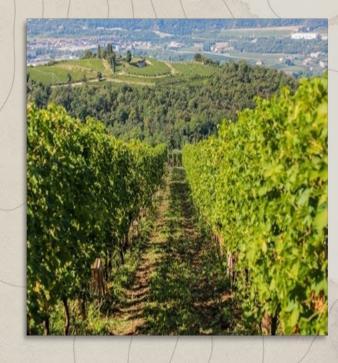


BEST PRACTICE IN AGRICULTURE

DEFENSE MANAGEMENT: treatments carried out with the DDS evaluation, vineyard monitoring and weather forecasts. Use of formulations compliant with the SQNPI method and registered for cultivation. Monitoring recorded on the App and carried out to define the disease pressure, forecast models consulted and the information deriving from regional integrated pest managements releases was evaluated. The company has adopted sexual confusion as an intervention against months and mealybugs.

HARVEST MANAGEMENT: sampling according to the calendar that specifies the vineyards to be monitored and timings; vineyard work recorded on the management system and combined with the vineyard identified by code.

BIODIVERSITY MANAGEMENT: company vineyards continuously grassed with spontaneous herbs or by sowing organic mixtures. There are ecological and respectful areas such as woods, borders, hedges and meadows sown with local floral species.







BIODIVERSITY ACCORDING TO THE BF (Biodiversity Friend) PROTOCOL

Azienda Agricola S. Cristina

Soil biodiversity index (IBS-bf): average score obtained is 122,5, where 100 represents the minimum required.

The average biodiversity of the air (IBL-bf) obtained a score of 62, where 45 represents the minimum required. Lichen biodiversity, an indicator of air quality, was found to be very good, in line with the surrounding environment which, in addition to agricultural and agro-industrial activities, also provides space for wooded areas.

The absence of watercourses did not allow for the calculation of the aquatic biodiversity index (IBA-bf).

Zenato Azienda Vitivinicola

The relevant documents highlight careful management and effective agronomic practices to protect biodiversity.

Soil biodiversity (IBS-bf) on the vineyard surface: average score 117,5 ((100 is the minimum required).

Aquatic biodiversity index (IBA-bf) across the entire farm surface: score 33 (30 represents the minimum required)

Air lichen biodiversity index (IBL-bf) across the entire company surface: 62, where 45 represents the minimum required.

The relevant documents highlight careful management and effective agronomic practices to protect biodiversity.



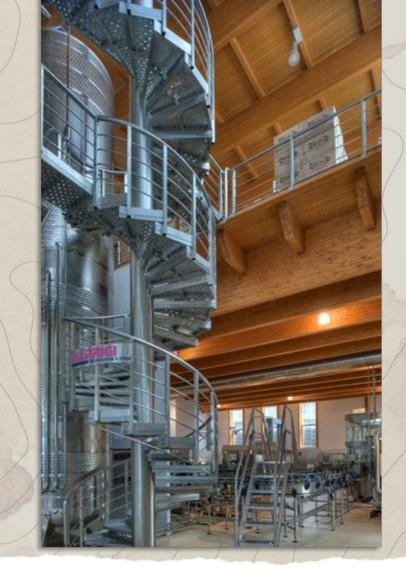


BEST PRATICE IN WINERY AND BOTTLING

The cellar is the heart of the company and is equipped with the most modern winemaking technologies.

These are the activities and areas:

- Efficient grape sampling system aimed at carrying out chemical-physical and organoleptic laboratory analyses to evaluate and monitor the progress of phenolic maturity;
- Careful selection of grapes on arrival to enhance the quality of the product;
- Definition of processing protocols from winemaking to bottling with indication of processing methods, product and process control and recording activities;
- Analytical checks carried out on the product through its own laboratory and accredited external laboratories;
- Cleaning of the cellar, of the tanks and of the mahinery used with particular attention to the rationalization of water consumption and energy saving;
- Research into the reuse of by-products with a view to the circular economy;







BEST PRACTICE IN SOCIAL MANAGEMENT

ZENATO AZIENDA VITIVINICOLA SRL and AZIENDA AGRICOLA SANTA CRISTINA believe that the creation of long-term value is closely linked to human capital.

These are the areas involved:

- WORKERS: Respect for workers' right and ILO convention, application of the CCNL, absence of discriminatin in the company;
- TRAINING: training plays a key role in the process of enhancing people. It is a tool to develop and consolidate individual skills and at the same time spread the company's values and strategy and to increase staff awareness of sustainability;
- LAND AND COMMUNITY: companies have always had an excellent relationships both with local institutions and with the numerous charities present in the area, through collaborations and sponsorships of events taking place the community.







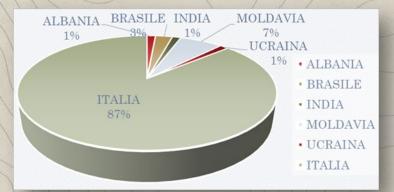




WORKERS: WORKFORCE ANALYSIS



Breakdown of the CCNL used in our two companies.



87% of the workers are Italian, 13 % are staff of different nationalities.

The average age of workers at Zenato Azienda Vitivinicola is 44, while at Azienda S. Cristina it is 43.

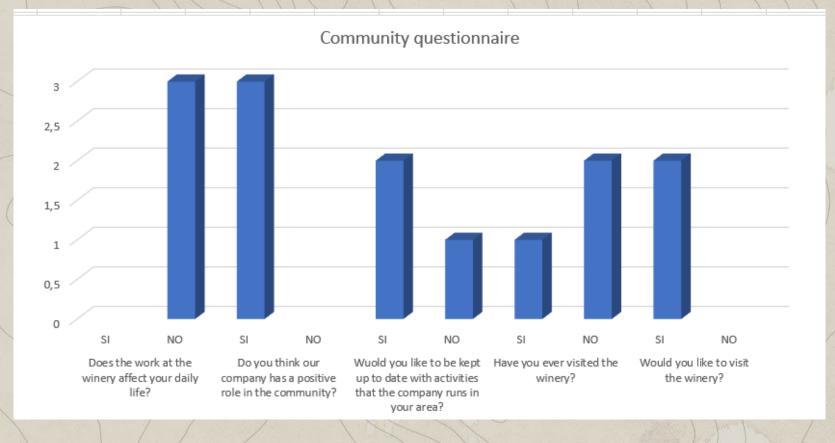


Distribution of workers by gender: S. Cristina has only 1 woman given the nature of agricultural work in the vineyard; in Zenato there are female quotas mainly inthe administrative, communication and marketing areas.





LAND AND COMMUNITY



The two companies administered a questionnaire to their neighbours to receive information about the relationship established





BEST PRACTICE IN COMMUNICATION

The organization has created an internal company regulation, with ethical principles, to communicate all information regarding sustainability and information on the characteristics of the product it places on the market.

All the information reported in the various documents can be verifiable and easy to understand through appropriate in-depth documents.

All information communicated is consistent with company policies.







INVESTIMENTS MADE IN 2022

- Completion of the farmhouse for tastings in Sant'Ambrogio di Valpolicella
- Purchase of tonneaux and new tanks for decanting and cold fermentation of thermo-conditionable white wines
- Purchase of pneumatic press
- Installation of a photovoltaic system for the S. Cristinaheadquarters
- Promotion of artistic and tourist activities in the area
- Promotion of local sports activities and support for charities involved in social issues















FUTURE INVESTIMENTS AND GOALS

- Evaluation of photovoltaic system for other company locations
- · Insertion of incoming and outgoing water meters to control consumption in the bottling department
- Packaging: evalution of supplies derived from sustainable raw materials and lighter glass bottles
- Recycling of barriques upcycled as a design element
- Introduction of a apiary in the Valpolicella vineyards
- Promotion of artistic and tourist activities in the area
- Promotion of local sports activities















DOCUMENT PERIMETER

This document reports all the activities carried out by ZENATO AZIENDA VITIVINICOLA SRL and AZIENDA AGRICOLA S. CRISTINA srl.

The data and qualitative and quantitative information in the social, environmental and economic fields refer to the year 2022.

With this certification ZENATO AZIENDA VITIVINICOLA SRL and AZIENDA AGRICOLA S. CRISTINA srl can consider themselves a sustainable organization more specifically with regard to the sustainability of company processes along the entire production chain, form the vineyard to bottling, with relevance towards Human Resources and technology that allows monitoring and optimization of environmental, social and economic impacts.









CONTACTS

We thank You for dedicating your time to us and we are pleased to receive opinions and suggestions from people interested in continous improvement.

ZENATO AZIENDA VITIVINICOLA SRL - AZIENDA AGRICOLA S. CRISTINA SRL

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