



Donnafugata Sustainability and ESG Goals

Sustainability is a value that is part of Donnafugata's **DNA**. For over **30 years**, the winery has been committed to producing wines with **respect for the environment and for humankind**, developing good practices in the field and in the cellar: from the enhancement of biodiversity and native varieties, to energy saving and the increasing use of "clean" energy sources, from careful vineyard and water management to the protection of the landscape also through sustainable architecture.

Donnafugata has chosen to reinforce and enhance its commitment to Environmental, Social and Corporate Governance sustainability in line with the scheme and the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda.

To formalise this commitment, Donnafugata has requested and obtained, after a verification period that ended in December 2021, membership of the SOStain Sicilia Foundation, whose objective is to share "good practices" aimed at respecting the ecosystem, stimulating research and advanced training of companies to develop a culture of sustainability at all levels, orienting production and consumption models.

In **2023**, the company obtained agri-environmental certification according to the **National Quality System for Integrated Production (SQNPI)** for the grapes produced (which guarantees the sustainable quality chain of the wine) and also that for the olives milled at two oil mills.

Donnafugata has been committed for years to environmental certification, through adherence to European and international standards and protocols and the pursuit of the highest standards for environmental protection, rationalisation of the use of natural resources and consumer protection.

The company has environmental certifications issued by DNV: EMAS, UNI EN ISO 14001 and also voluntary certifications UNI EN ISO 9001 - 50001 - 22000 and ACA-SQNPI.

In formulating its strategy, Donnafugata has identified some of the most relevant sustainability issues: product quality, innovation, customer relations, focusing specifically on **6 SDG objectives**.

Below we highlight the results achieved in 2023 and the objectives planned for 2024.





Ending hunger and promoting sustainable agriculture

One of the company's main objectives is to strive for increasingly sustainable and quality agriculture, protecting ecosystems, preserving biodiversity and implementing agricultural practices that are resilient to climate change.

Among the sustainable practices, the protection of biodiversity plays a pivotal role, contributing to the control of vine diseases, plant resistance to environmental stresses such as drought, and combating soil erosion.

In **2023**, the company pursued the objective of biodiversity protection in various ways:

- by maintaining a substantial area of natural areas, in relation to the total area. In 2023, the farm's natural areas far exceed the minimum level of 5% required by the SOStain specification;
- by fertilising the soil with organic fertilisation and increasing the areas sown with field beans and lupin both in the inter-row part of the vineyard and in the headlands; a "virtuous practice" that contributes to improving the soil microbiome and preventing soil erosion;
- enhancing indigenous varieties, continuing the management of the experimental fields of
 - Contessa Entellina where, in collaboration with the Region of Sicily, 30 biotypes of 19 native varieties were planted, including Nocera, a variety that is almost extinct, but excellent for its freshness and fruit component. The research activities are proceeding in line with the new BI.VI.SI. project. (Biodiversità Viticola Siciliana) project desired by the Sicilia DOC Consortium.
 - Pantelleria where 33 biotypes of Zibibbo (Moscato d'Alessandria) from different areas of the Mediterranean have been planted.
- continuing to use mechanical and manual means for weed management and introducing, in an experimental phase, a natural desiccant derived from thistle waste (pelargonic acid) that leaves the fertility of the soil unaltered, preserving its biodiversity and resistance to erosion.



Clean, accessible energy

Donnafugata has been committed since 2001 to producing clean energy with photovoltaic systems installed on the Contessa Entellina estate and in the historic cellars of Marsala.

In 2023, a new 221 kWp photovoltaic system was installed on the roofs of the Marsala winery. This plant, the production of which is estimated at 320,000 KWH/year for the next 20 years, will reduce the use of 49.9 TEP (Ton of Oil Equivalent) per year, contributing to the reduction of CO2 emissions.

Furthermore, over the years, several interventions have been carried out to reduce energy consumption: the renovation of lighting systems, the replacement of traditional lighting fixtures with LED lamps, and the management of temperatures in indoor rooms.

For the evaluation of the energy efficiency of production processes, the parameter relative to energy consumption (in KWh) per litre of wine produced is used, which in 2023 is equal to 0.52 KWh/litre, remaining well below the maximum value (0.7 KWh/litre) required by the SOStain Rules and Regulations.

In **2024-2025** the company's objectives are:

- within the scope of the "PNRR - Agrisolar Park", the installation of a new photovoltaic plant in Marsala of a further 221 KWp is planned to increase the production of clean energy to cover approximately 40% of the energy consumption of the Marsala site
- as part of the 'Wine Regeneration towards Innovation and Sustainability' project, it is planned to replace refrigeration units and old air conditioning systems to improve energy efficiency.



Decent work and economic growth

Our people are the company's greatest asset. They are a fundamental "asset", characterised by a strong sense of belonging, possessing technical know-how, market knowledge, internal and external relations skills, problem-solving abilities, information retrieval and historical knowledge.

Donnafugata is a team of women and men, oriented towards excellence and sustainability that promotes the wellbeing of its employees and the achievement of gender equality to ensure equal rights, treatment, responsibilities and opportunities.

The role of women within the company organisation is significant, as they occupy 43% of top positions and 50% among managers.

Great importance is given to the continuous training of human resources with specific updates aimed at the needs of each sector and at safety in the workplace.

In 2024, the company's objectives within the framework of the 'Wine Regeneration towards Innovation and Sustainability' project are

- the improvement of work safety conditions with the purchase of agricultural machinery and equipment with 4.0 technology



Business, innovation, infrastructure



Donnafugata is constantly engaged in the modernisation of agricultural structures and technological innovation of cellar facilities and equipment based on a careful planning strategy.

In **2023**, the projects developed were aimed at completing and building new vineyard facilities, and agricultural machinery and tractors were purchased to update and strengthen existing equipment in the various production units.

Within the framework of the project "VITIVINE REGENERATION TOWARDS INNOVATION AND SUSTAINABILITY", investments, both fixed and mobile, affecting both primary production and processing and the consequent promotion and marketing of the wines produced, amounting to approximately 25 million Euro, are planned.

Participation in the aforementioned Programme will enable the company to realise, with a single project, a large number of investments whose planning covers the period **2023-2026**.

All of the investments to be made at the company's five production units are functionally interconnected and involve both primary production and the subsequent phases of transformation, storage and marketing of the wines produced, which are certified quality IGT Terre siciliane, DOC Sicilia, DOC Pantelleria, DOC Etna, DOC Vittoria and DOCG Cerasuolo di Vittoria.



Sustainable cities and communities

The valorisation of the territory, the protection of the landscape and the promotion of culture are elements that have always been present in Donnafugata's activities:

- since 2008, it has supported the **FAI (Fondo per l'Ambiente Italiano)** as a "Corporate Golden Donor", contributing to the promotion of Italy's landscape and cultural heritage;
- for more than 20 years, it has collaborated with the **Scuola Normale Superiore** of Pisa in archaeological excavations on the Rocca di Entella, near the Contessa Entellina estate vineyards, and supporting young archaeologists with the "**Giuseppe Nenci**" Prize, a great scholar of the Elymians;
- has been a supporting member of the **University of Gastronomic Sciences** for years, helping to support its research and teaching activities.

Food and Wine Tourism is a strategic resource for the community and the territory and sees Donnafugata strongly committed to its development.

Since the 1990s, the company has been opening its cellars to wine enthusiasts from all over the world, to share and spread the culture of wine.

The fame of the brand and the vast and differentiated offer of the Visits & Tastings sector are a strongly attractive element for the development of hospitality activities that place Donnafugata



among the most beautiful wine destinations in the world. This has allowed the company to be confirmed among the 100 wineries in the world in the "World's Best Vineyards" classification.

In **2023**, the Visits & Tastings sector recorded over 29,000 visitors from all over the world, an increase of about 20% compared to 2022.

The proportion of Italian visitors is higher than that of foreign visitors (71% vs. 29%), mostly from Anglo-Saxon countries; overall, foreign visitors in 2023 came from 80 countries vs. 63 in 2022.

In recent years there has been a large presence of young people under 35 years of age who increasingly want to live a wine tourism experience linked to the discovery of the territory and small-scale production.

Oenotourism is not only economics but the dissemination of our country's culture and history, and Donnafugata confirms itself as an important wine tourism destination.

As part of the 'Regenerazione Vitivinicola verso l'Innovazione e la Sostenibilità' project, the company will invest in expanding the spaces dedicated to the sale and tasting of the company's products.



Responsible consumption and production

Donnafugata is constantly striving to adopt a sustainable production model: from the management of natural resources to the use of recycled, recyclable and biodegradable materials, from the careful use of agro-pharmaceuticals to responsible waste management.

In **2023**, in vineyard management, the use continues:

- of sensors in order to be able to carry out relief irrigation, as well as drip irrigation, according to the principle of controlled water deficit, achieving balanced, quality production while reducing water consumption;

- of environmentally friendly materials, in the planting of new vineyards, chosen on the basis of their recyclability characteristics (100% biodegradable ties, bamboo stakes, wooden poles).

In **2023** in the area of waste management, the company has maintained

- the agricultural practice of spreading **pomace** in the soil as a soil conditioner;
- the RafCycle by UPM certification achieved since 2016.

In **2023**, the use of agricultural machinery and equipment with 4.0 technology, tools capable of interfacing with a computer system, offering multiple functionalities, is growing:

- the shed system(DSS - Decision Support System), equipped with sensors, makes it possible to measure the meteorological parameters that affect the development of vine diseases. The adoption of such a system makes it possible to optimise cultivation operations (irrigation, labour and use of resources such as water, energy and agro-pharmaceuticals);
- sprayers with ISOBUS technology, capable of minimising the use of agro-pharmaceuticals, water and fuel by the pulling machine.

In **2024** , the objectives, within the framework of the 'Wine Regeneration towards Innovation and Sustainability' project, are the purchase of:

- agricultural machinery and equipment with 4.0 technology;
- cassette washers with a reduction in water consumption of up to 80% in some operations.

In **2024**, after experimentation in 2023, the company will implement two sustainable and innovative packaging choices on a large scale

- the use of Vinventions' Nomacorc Ocean cap, a closure obtained by recycling plastic collected in coastal areas (Ocean Bound Plastic). In 2024, this closure will be used for the packaging of 3 wines (1 wine in 2023), an increase of +58%;
- the use of light bottles (410 g vs. 550 g) at 0 km, 100% made in Sicily, produced with 90% recycled glass coming solely from separate waste collection carried out in Sicily. In 2024, the new bottles will be used on 12 references (2 wines in 2023), a 490% increase over 2023. The purchase and transport of the lighter bottles will avoid releasing 109.3 TN of CO₂eq into the atmosphere.