



SUSTAINABILITY REPORT YEAR 2024

Prepared by: Team Fattoria San Michele a Torri

Edition Year 2024 – Rev 1 of 24.11.2024



- Key Highlights
- Chapter 1. Our Identity
 - o History and Tradition
 - o Mission
 - o Values
 - o 2024 Technical Projects on Sustainability
- Chapter 2. Our Wine
 - o Our Wines
 - o How We Work
 - o Climate Trends in Tuscany
 - o 2023 Certifications
- Chapter 3. Sustainability at Fattoria San Michele a Torri
 - o Our Stakeholders
 - o Material Topics and 2024/2026 Goals
 - o Environmental Impact
 - o Social Impact and 2024 Goals
 - o Economic and Financial Impact



Key Highlights



222 acres of vineyards located in Tuscany



10 varieties of native grapes



20-33 feet cultivation altitude



60 average staff in 2024



Our Identity – From Origins to Today

Historical Background

San Michele a Torri is a small village nestled in the hills of Val di Pesa, southwest of Florence. The presence of the medieval defensive structure, Castello di Torri, gives the location its name, first mentioned in 1126. Today, only a few traces of the castle remain, as it was destroyed in 1324 by Castruccio Castracani. Fattoria San Michele a Torri developed over the centuries from an ancient medieval villa. Records of the estate date back to 1535, and by the 19th century, it had become an important agricultural center. Over time, the estate underwent various modifications, as evidenced by the brick-vaulted cellars, the 18th-century chapel, and the neo-Gothic well.

In 1822, the farm underwent extensive restoration but was later destroyed during World War II. It became the center of the fierce Battle of San Michele a Torri, which took place on July 30, 1944. The hills surrounding the farm were the last stronghold before reaching Florence, where New Zealand and German troops fought for a week, resulting in dozens of casualties. Historians argue that the intensity of fire during this battle exceeded that of the famous Battle of Monte Cassino.

During the battle, the entire population of San Michele a Torri sought refuge in the estate's deep cellar. Around 120 people sheltered among the barrels, believing it to be the safest place. For the New Zealand armed forces, July 30 is still commemorated as "San Michele Day" in memory of the fallen soldiers.

In recent years, the farm has been carefully restored, preserving its historical charm and elegance. Under the leadership of Paolo Nocentini, the current owner, the estate has experienced significant growth, with an emphasis on traditional agriculture and organic production of authentic Tuscan products.

Since 1993, Fattoria San Michele a Torri has been certified organic. It is located in the heart of Chianti, just 15 km from Florence, on a stunning hillside offering breathtaking views of vineyards, olive groves, and forests. The estate spans 2,750 acres, straddling the Chianti Colli Fiorentini and Chianti Classico wine regions, with 222 acres dedicated to vineyards. It produces Chianti Colli Fiorentini DOCG, Chianti Classico DOCG, and IGT Toscana wines. The cultivated grape varieties include Sangiovese in different clones, Canaiolo, Colorino, Malvasia Nera, Ciliegiolo, Aleatico, Pugnello, Montepulciano, Verdea, Merlot, Syrah, Cabernet Sauvignon, Grenache, Trebbiano Toscano, San Colombano, Vermentino, Chardonnay, Petit Manseng, and Pinot Bianco, with a planting density of 5,000 vines per hectare (approximately 2,020 vines per acre).





We believe that wine is a journey through history, culture, and passion. Each bottle holds a legacy of artisanal knowledge, a deep connection to the land, and a commitment to excellence.

We carefully select every grape, and through cutting-edge winemaking techniques, we ensure that every sip reflects our dedication to quality.

We are guardians of a centuries-old winemaking tradition, yet we always look to the future, innovating to enhance the quality and sustainability of our wines.

Our philosophy is based on respect for nature. We work in harmony with the environment, adopting sustainable practices that protect our winemaking landscape for future generations.





Mission

To offer the opportunity to intimately experience Nature in all its forms through:

- Its products, particularly high-quality wine, linked to a conscious use.
- The work of skilled and ancient teamwork.
- The art of good living in a pristine, healthy, and vibrant environment.
- Deep and universal meanings such as the passage of time, day and night, the changing seasons, and celestial influences.
- The landscape as a source of beauty and vitality.
- A passion for continuous new challenges.





Values

Equality, fairness, and inclusion are the values that guide our daily work.

Wine begins in the vineyard. We respond to the climatic conditions of each vintage with flexibility, combining the wisdom of our farming tradition with innovation in viticulture to continuously improve our winemaking processes. Tradition, modernity, and sustainability define our winery.

Every sip of our wines is a sensory journey through a unique territory.

Thanks to inherited expertise and the use of cutting-edge technology, we create wines that inspire and celebrate our passion for excellence.

The values of Fattoria San Michele a Torri can be summarized as follows:

1. **Passion for the land:** the history of our estate is a testament to the deep bond between Fattoria San Michele a Torri and the Tuscan territory. This is why we are committed to enhancing its enological and touristic excellence through our wines worldwide
2. **Quality:** all our wines are made from carefully selected grapes grown in our own vineyards and vinified with full respect for local winemaking traditions. This is our mantra, allowing us to never compromise on the quality of our products.
3. **Innovation:** while respecting local winemaking traditions, in recent years we have increasingly invested in innovation and the modernization of our production processes. Through long-term collaborations with professionals and specialized companies, we strive to become one of the leading wineries in the region.
4. **Professionalism:** the team at Fattoria San Michele a Torri is made up of highly qualified and passionate professionals who work with dedication and commitment, supported by external partners to optimize production, reduce waste, and improve our overall impact.
5. **Environmental sustainability:** we are dedicated to minimizing the environmental impact of our activities, using sustainable agricultural techniques in vineyard cultivation and implementing eco-friendly solutions in the winery's operations.



Our Mission

Telling the story of what drives us toward quality every day. Showcasing the values that define the Fattoria San Michele a Torri brand and have made it a symbol of its territory.

These principles have led us to create our manifesto: four key points that embody our identity.

- 1. Always improving**

We continuously refine our skills and sensitivity as vintners, paying attention to every detail. This is the distinctive style of our winery.

- 2. Honoring tradition and those who help preserve it**

We respect our land, ancient techniques, and traditional knowledge, which, combined with constant experimentation, make our wine unique. We value our work, guided by the principles of respect, inclusion, fairness, and social well-being.

- 3. Respecting nature's rhythm**

We have always embraced natural and artisanal production processes, rooted in careful observation, patient waiting, and respect for the natural cycle of our plants. We know each vineyard intimately and follow its unique vegetative journey, honoring its natural pace.

- 4. Cultivating sustainability**

Sustainability is at the core of our philosophy and approach, because what makes our wine exceptional is also our deep respect for the land. We strive to minimize interventions in our vineyards and use natural resources responsibly.



IMPROVEMENT PLAN AND SUSTAINABILITY PROJECTS

Fattoria San Michele a Torri has always stood out for its tradition of producing high-quality wines.

For this reason, in 2024, we have continued to develop various projects to keep improving and finding increasingly innovative solutions.





- **WE PRACTICE ORGANIC FARMING
to sow the future**

Fattoria San Michele a Torri is certified organic and adopts farming practices that respect nature and consumers' health.

- **WE LIVE AMONG THE VINEYARDS
and we don't want to breathe chemical treatments**

Our lands and wines are free from chemical agents. We practice green manure techniques, sowing legumes, red clover, and other plants to protect and enrich the soil. These are mulched in spring to nourish the vines. Thanks to an innovative weather station that monitors humidity, rainfall, and temperature, we minimize pesticide treatments.

- **WE REGENERATE THE SOIL
to cultivate diversity**

We embrace regenerative agriculture to leave future generations with healthier, more fertile soils. We care for hedgerows and biodiversity, diversifying crops to naturally enrich the ecosystem.

- **ENERGY AND WATER
a concrete commitment in the vineyard and winery**

In 2023, we decided to implement the EQUALITAS standard, allowing us to monitor energy and water consumption effectively.



In 2015, we installed a photovoltaic system under the 1st Conto Energia program, a system that covers 60-70% of our energy needs. Since 2011, we have been using a biomass boiler to heat our facilities, a boiler that runs on pruned branches, fallen trees, etc...

- **BIODIVERSITY**

We follow low-impact viticulture. Where possible, we regenerate abandoned land.

We safeguard biodiversity:

To ensure a stable and lasting habitat for local flora and fauna.

We fight the risk of erosion:

We take care of tree roots so they can support the soil, and their leaves provide protection against wind and rain erosion.

We reduce vine vulnerability:

We do this naturally through hedge reforestation, which hosts insects and animals capable of controlling pests.





Our wine



Our wine - How we work

Our winery is designed to preserve all the aromas of the grapes. Fermentation mainly takes place in concrete or stainless steel tanks, while aging can occur in concrete or wood. For wine aging, we use a cellar protected from light, with controlled temperature variations, preserving the superior quality and taste of the wines over time.

To reduce the use of pesticides, we employ recovery machinery that precisely applies treatments directly to the plants, reducing airborne dispersion of the product by 80-90%, such as in the case of copper. This practice is fundamental for Fattoria San Michele a Torri, not only for reducing chemical products but also for maintaining compliance with the strict standards of organic farming.

The decision to certify the entire supply chain is a demonstration of our transparency and commitment to our customers.

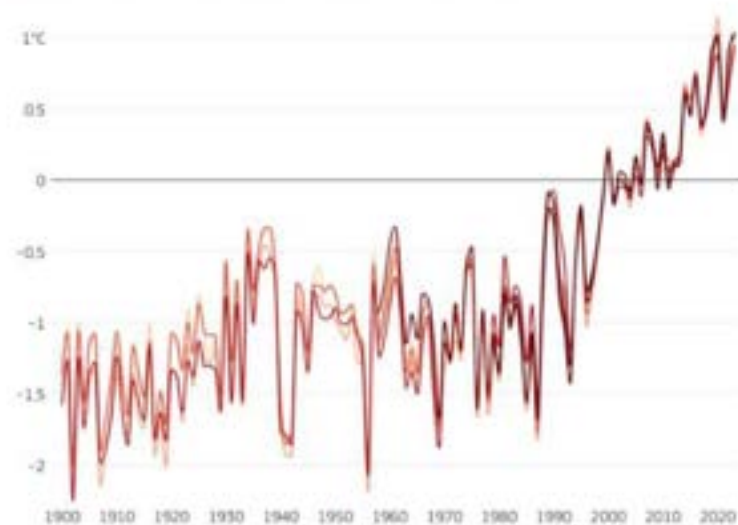


The Trend of Annual Weather Patterns and Climate Change in Tuscany

Anomalies in annual surface air temperature for European land (WMO RA VI Europe domain)

Compared to 1991-2020 average, various data sources

— Berkeley Earth (1900-2023) — GISTEMP (1900-2023) — HadCRUT5 (1900-2023)
— NOAAGlobalTemp (1900-2023) — JRA-55 (1958-2023) — ERA5 (1979-2023)



Data: HadCRUT5, NOAAGlobalTemp, GISTEMP, Berkeley Earth, JRA-55, ERA5 - Credit: WMO



The report highlights that:

- 2023 was the hottest or second hottest year on record, depending on the dataset;
- Temperatures in Europe were above average for 11 months of the year, including the hottest September ever recorded;
- 2023 saw a record number of days with "extreme heat stress"; Heat-related mortality has increased by approximately 30% over the past 20 years, with heat-related deaths rising in 94% of the monitored European regions;
- The number of negative health impacts linked to extreme climate and weather events is increasing;
- Data from the last decade show generally good awareness, but a low-risk perception of heat among the public, vulnerable groups, and some healthcare professionals;
- Initiatives such as the WMO Regional Climate Center's climate surveillance system and other early warning systems enhance awareness of expected extreme events to improve societal preparedness;
- Health risks and adaptation strategies vary from country to country;
- Climate services tailored to the healthcare sector are effective in increasing resilience, with significant potential for further development;
- Health adaptation can rely on existing healthcare system infrastructure, but progress has been limited;
- Europe as a whole recorded approximately 7% more precipitation than average;
- River flows across the European river network reached record-high levels in December 2023, with "exceptionally high" flows in nearly a quarter of the network;
- One-third of the European river network recorded river flows exceeding the "high flood" threshold, while 16% surpassed the "severe flood" threshold.

The Trend of Annual Weather Patterns and Climate Change in Tuscany

In Tuscany, the average temperature increased by approximately 1.6°C between 1955 and 2022, affecting all seasons, with a significant rise in summer heat waves. The region has followed this trend, showing a temperature increase of about 1.6°C during this period. Temperature increases have impacted all seasons but are most pronounced in summer (+2.9°C today compared to summers in the 1950s). The temperature rise recorded in spring and autumn (+1.5°C) aligns with the annual trend. In winter, warming is less noticeable in lowland areas (+0.8°C) but more significant in mountainous regions (+1.8°C).

Additionally, Tuscany has experienced a significant rise in summer heat waves (June-August) and an increase in "very hot" days (with temperatures well above average) even outside the three summer months. Summer heat waves have tripled over the past 20 years compared to previous decades, while the number of "very hot" days outside the summer quarter has doubled from 1955 to today.



Certifications



In 2024, we maintained our BIO certification with CCPB Srl. This certification ensures the production of grapes without the use of synthetic chemicals (fertilizers, herbicides, fungicides, insecticides, pesticides in general) and without the use of genetically modified organisms.

We place sustainability at the heart of our business philosophy, actively engaging in various initiatives that reflect our commitment to the environment and the community. We promote sustainable farming practices and respect for the environment. This system allows us to manage our crops responsibly, minimizing environmental impact while ensuring food safety.



In 2023, we achieved Equalitas certification. This certification scheme represents the sharing of a unique approach to the sustainability of the wine sector in Italy, based on the three pillars: social, environmental, and economic, and the dissemination of a collective guarantee label for consumers. With the technical, cultural, and political resources of a broad social network, Equalitas aims to gather the best consolidated and innovative best practices to establish an Italian model of sustainable quality at a global level.

This important milestone reflects our ongoing commitment to improving every stage of production, from the vineyard to the bottle. This recognition confirms our respect for strict quality and sustainability standards, allowing us to offer unique and authentic wines, reflecting a territory rich in history and passion. Equalitas' main objective is to share a unique approach to the sustainability of the wine sector in Italy, based on the three pillars of social, environmental, and economic responsibility, and to promote a collective guarantee label for the consumer.



Sustainability at Fattoria San Michele a Torri

Stakeholder

Every day, in carrying out our activities, we engage with various stakeholders—those individuals and groups who may be influenced by the activities of Fattoria San Michele a Torri and have an interest or "stake" in its operations. These stakeholders can be divided into internal and external stakeholders, depending on their direct relationship with the company.

Internal stakeholders are those directly involved in the day-to-day operations and management of the company. These include employees at all levels, from manual workers to CEOs. Internal stakeholders have an in-depth understanding of the company's activities and can directly influence strategic decisions. For example, employees have a personal interest in the success of Fattoria San Michele a Torri, as their livelihood and professional well-being depend on it.

On the other hand, external stakeholders are those who are not directly part of the company but are interested in or influenced by its activities. These may include customers, suppliers, consultants, local communities, shareholders, environmental organizations, financial institutions, and other external parties. External stakeholders may have a range of interests and expectations, such as product quality, environmental sustainability, social engagement, or financial performance. Fattoria San Michele a Torri must consider these interests and maintain relationships to ensure continued support and trust in its operations.

The stakeholders of Fattoria San Michele a Torri can be summarized in the following categories:

Internal

Employees: Fattoria San Michele a Torri values its employees as a precious resource and continuously engages their talent and commitment. The company provides opportunities for training and professional development to foster the growth of employees' skills and career advancement. Additionally, it promotes an inclusive work environment, with a strong focus on equity, diversity, and inclusion. The company encourages active employee involvement through open communication channels and supports their contributions to continually improve processes and performance.

Management: The management of Fattoria San Michele a Torri plays a key role in guiding the company toward success. The leadership team actively participates in strategic decision-making processes, offering vision and direction to the entire organization. Management is involved in setting company goals and strategies, providing support and resources for the implementation of initiatives. Furthermore, the management is committed to creating a collaborative and stimulating work environment, motivating employees and encouraging them to reach their full potential.

External

Customers: Fattoria San Michele a Torri maintains direct contact with customers through satisfaction surveys, gastronomic experiences, visits, and direct sales at the winery. We also maintain an active presence on social media to engage with customers, answer their questions, and gather feedback.



Suppliers of products and services: Fattoria San Michele a Torri establishes long-term collaborative relationships with its suppliers and professionals responsible for technical consulting, promoting transparency and responsibility in the supply chain. Moreover, thanks to a “short” supply chain, we are able to interact almost daily with our suppliers, discussing various aspects to improve production efficiency and the quality of our wines.

Local communities: Fattoria San Michele a Torri is committed to engaging with local communities through corporate social responsibility programs, participating in community events and medical initiatives, supporting local organizations, and promoting local employment.

Organizations and entities: Fattoria San Michele a Torri actively collaborates with various external organizations and entities to promote sustainability and create shared value. We also work with public institutions, such as the Chamber of Commerce and industry associations, to create synergies, share best practices, and promote the adoption of sustainable initiatives in the wine industry and the surrounding community.

Financial institutions: Fattoria San Michele a Torri has established relationships with financial institutions through regular meetings to discuss financing needs, investment opportunities, and financial management. We have provided accurate and transparent financial reports to maintain a relationship of trust.

Material Topics

Fattoria San Michele a Torri, to define its material topics—those areas of intervention that have or will have a substantial impact on the evaluations, decisions, and actions of its stakeholders in the short, medium, and/or long term—has chosen to use a “double materiality” approach.

Following an analysis of its activities, processes, and supply chain conducted in collaboration with its stakeholders, Fattoria San Michele a Torri has selected the following material topics:

- ✓ Water consumption
- ✓ Energy consumption
- ✓ Use of raw materials and circular economy
- ✓ Biodiversity
- ✓ Social impact
- ✓ Health and safety of employees
- ✓ Local community
- ✓ Health and safety of products



Environmental Impact

Water Consumption

Water withdrawal 2024: 350 cubic meters



Energy Consumption

TOTAL CONSUMPTION 2024: 314,187 kWh

Fattoria San Michele a Torri, committed to promoting the sustainable use of energy and reducing the environmental impact from energy consumption, adopts measures to optimize energy efficiency throughout the production process and reduce its environmental footprint. The company closely monitors energy consumption, including those related to lighting, refrigeration, and winemaking.





Thermal Energy

TOTAL CONSUMPTION 2024: 380,000 Kcal (330 quintals of wood)



Diesel

TOTAL CONSUMPTION 2024: 35,000 L



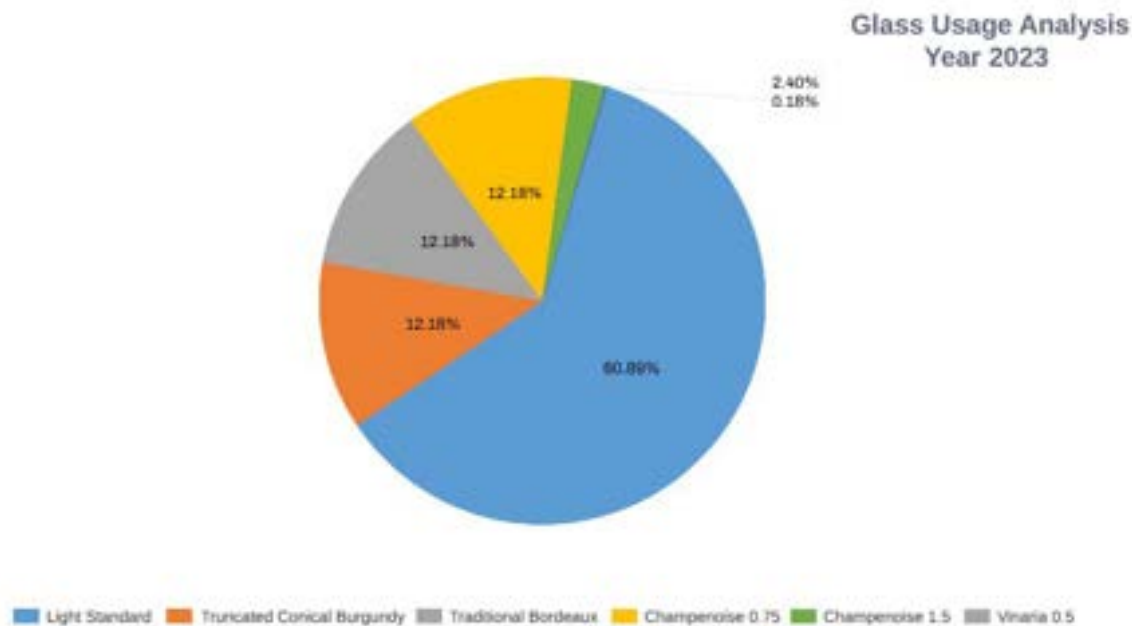
Use of Raw Materials and Circular Economy

Materials Used: Fattoria San Michele a Torri reports the materials used in all stages of the production process, including bottles, labels, packaging, and winemaking tools. The company is committed to selecting and using sustainable materials, with particular attention to their origin, efficiency, and recyclability.



Fattoria San Michele a Torri adopts sustainability criteria in the choice of bottles, in particular, it has implemented projects and product lines with lighter glass, reducing the impact of inbound and outbound logistics.

Below is the trend of light glass usage. It can be noted that light bottles make up approximately 50% of the bottles used.



Specifically, among the active projects, the following are highlighted:

- Use of light bottles
- Use of self-assembling boxes for wines at the retail point

Waste Management:

Waste generated at the company in 2024: Fattoria San Michele a Torri, aware of the importance of waste management, integrates this topic into its sustainability strategy. Through a hierarchical approach, the company is committed to reducing waste through internal recycling practices, reusing bottles, and optimizing packaging. Fattoria San Michele a Torri actively promotes material recycling, collaborating with suppliers specializing in waste management to ensure proper disposal. In addition, the company continuously monitors the volumes of waste generated, implements responsible disposal practices, and seeks innovative solutions to reduce the environmental impact of waste produced.



Biodiversity

Fattoria San Michele a Torri, in its commitment to sustainability and environmental protection, pays special attention to the conservation of biodiversity. The company understands the importance of biological diversity for the proper functioning of ecosystems and the maintenance of soil, plant, and organism health within its vineyard estate. Fattoria San Michele a Torri adopts a series of practices aimed at promoting and preserving biodiversity within its territory.

Corporate Sustainability Objectives 2025-2026

Corporate Water Consumption	Aim to reduce water consumption by at least 20% through the evaluation of water-saving techniques (optimization of cleaning plans, installation of water withdrawal meters).	Deadline: By 2025
Packaging Study to Promote Greater Eco-Sustainability	Implement studies on packaging materials to evaluate possible further actions to reduce environmental impact.	Deadline: By 2025
Carbon Footprint Calculation	Calculate the Carbon Footprint index to optimize the study of the impact of production activities on the ecosystem.	Deadline: By 2026
Water Footprint Calculation	Calculate the Water Footprint index to optimize the study of the impact of production activities on the ecosystem.	Deadline: By 2026
Specific Biodiversity Study	Calculate the Soil Biodiversity index.	Deadline: By 2026

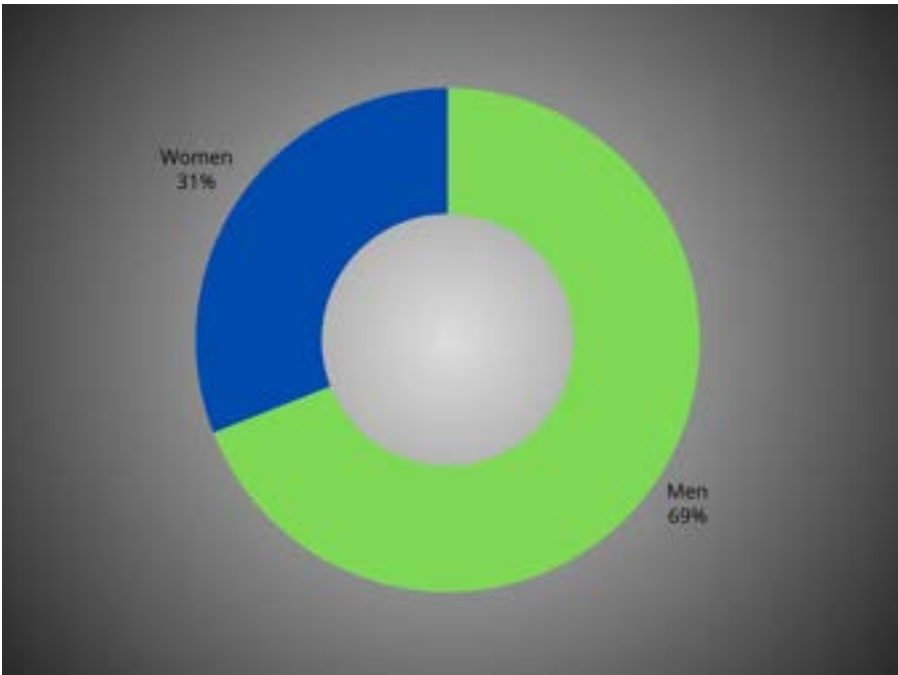


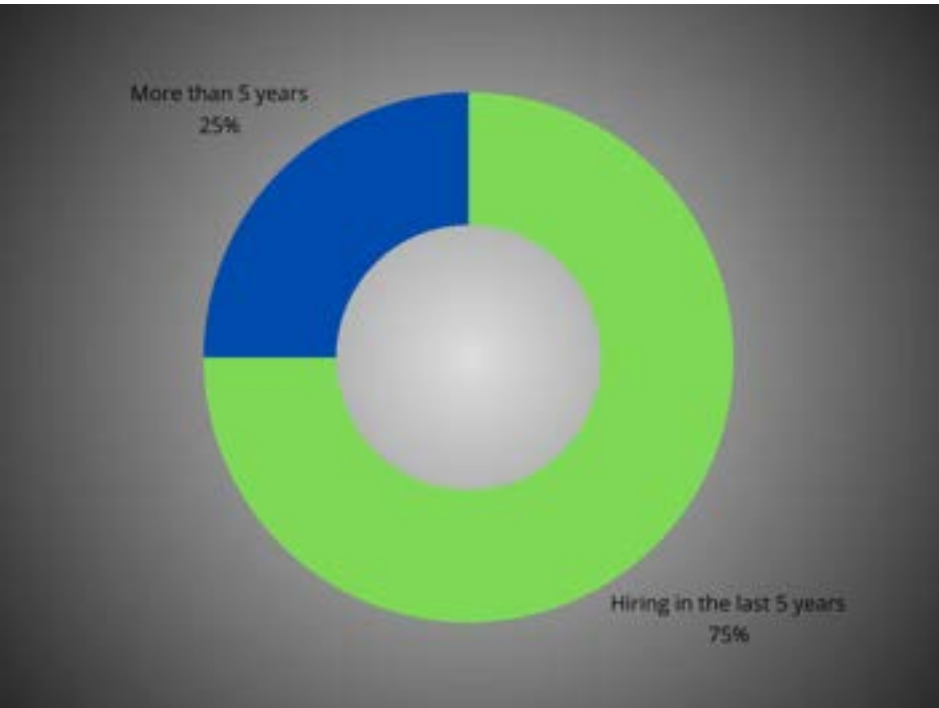
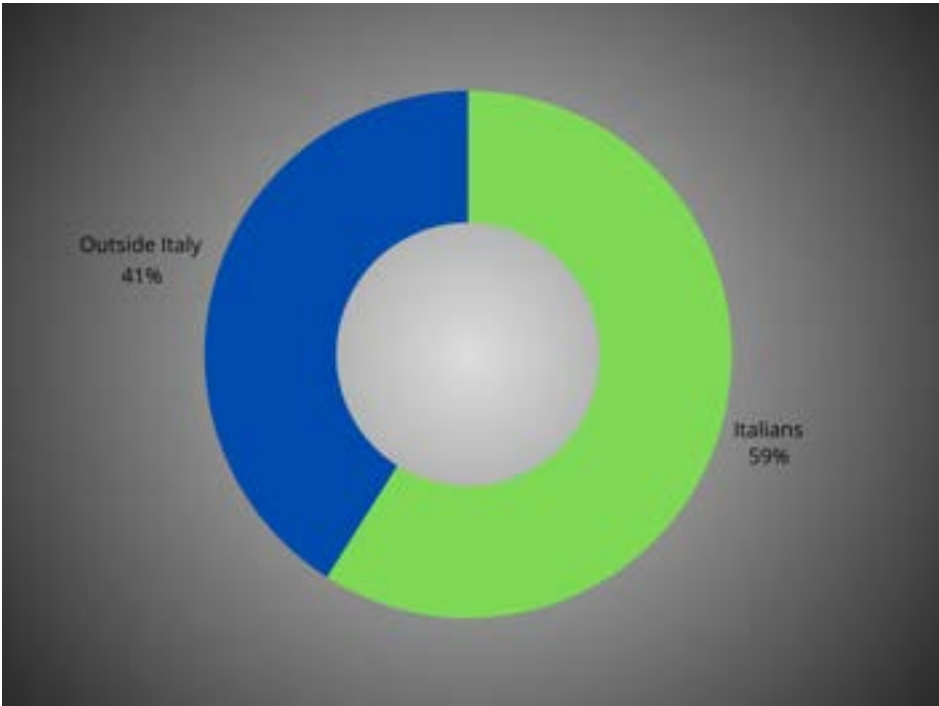
SOCIAL IMPACT



Average Workforce 2024	n.60
Employees at the beginning of the period	n.60
Average Age	35 years
Resignation Rate	0%

Some Team Data







Staff Goals in Relation to Sustainability – Year 2025

Implementation of Equalitas Certification	This certification applies to the entire company and covers all sectors. It is essential to raise awareness of the importance of human health and resource exploitation. It is a goal aimed at environmental and social sustainability.	Ongoing – Year 2024
Reduction of energy consumption by at least 10% for energy use by operators	Due to changes in the ecosystem and the planet, it is necessary to promote internal staff awareness to optimize energy savings (turning off lights).	Ongoing – Year 2024
Reduction of paper consumption by operators	Due to changes in the ecosystem and the planet, it is necessary to promote internal staff awareness to optimize paper savings (promoting work on digital media).	Ongoing – Year 2024
Reduction of plastic consumption	Due to changes in the ecosystem and the planet, it is necessary to promote internal staff awareness to optimize plastic savings (use of reusable bottles).	Ongoing – Year 2024

Employee Health and Safety

For Fattoria San Michele a Torri, the well-being of its employees is a fundamental priority. The company is constantly committed to providing decent job opportunities, respecting workers' rights, and promoting a corporate culture based on equality, respect, and inclusion.

Health and Safety in the Workplace: To ensure a safe and healthy work environment for all employees, Fattoria San Michele a Torri actively implements policies and procedures aimed at preventing accidents and promoting workers' health and well-being. Employee safety is an absolute priority for the company, which enforces concrete measures and actions to guarantee a risk-free workplace. To achieve this goal, the company provides training for its employees on specific risks related to their roles and the correct use of appropriate personal protective equipment. Regular risk assessments and the implementation of preventive measures are an integral part of the company's management practices.

Training and Education: Fattoria San Michele a Torri recognizes the importance of continuous training and invests in internal education, offering learning and professional development opportunities to help employees acquire the skills and knowledge necessary for their roles and career advancement.



Local Community

Establishing a strong and long-lasting relationship with all stakeholders surrounding the company is very important for Fattoria San Michele a Torri. The company is committed daily to supporting and actively collaborating with the local community in which it operates. It organizes, sponsors, and participates in training events in the viticulture sector and supports non-profit organizations working for the benefit of the community.

Product Health and Safety

Marketing, Labeling, and Privacy: Fattoria San Michele a Torri follows a responsible and transparent marketing and labeling policy toward its customers. The company is committed to providing clear, accurate, and complete information about its products, ensuring compliance with industry regulations and consumer expectations while avoiding any form of exaggeration.

Regarding the privacy and protection of its customers' personal data, the company adopts policies and procedures to guarantee the security and confidentiality of the collected and processed personal information, in compliance with the provisions of Articles 13 and 14 of Regulation (EU) 2016/679 of the European Parliament and the Council of April 27, 2016. The company distinguishes three categories of subjects involved in data collection and processing:

- Employees
- Customers
- Suppliers

Product Health and Safety: Fattoria San Michele a Torri places the utmost importance on the health and safety of its products, strictly adhering to current regulations and laws. Throughout the entire production cycle, from grape selection to winemaking and bottling, rigorous quality controls are implemented to ensure product traceability and safety. Special attention is given to the constant monitoring of the hygienic and sanitary conditions of company facilities, with employee training programs in place to ensure compliance with best practices in food safety. Fattoria San Michele a Torri adopts a transparent policy regarding the information provided on its wine labels. The company ensures that all labels display the appropriate symbols that promote awareness and the protection of consumers' health, in full compliance with current regulatory requirements.

Economic and Financial Impact

Economic Performance

The economic performance of Fattoria San Michele a Torri plays a crucial role in the overall analysis of the company. Throughout 2023, the company confirmed its solid financial foundation and its ability to manage available resources prudently. Fattoria San Michele a Torri is committed to maintaining sound financial management, aiming for sustainable growth and balanced profitability.



The company strives to create value for all stakeholders through a targeted strategy that combines a strong focus on product quality with efficient management of economic resources. Through responsible financial management and a long-term success-oriented approach, Fattoria San Michele a Torri aims to consolidate its position as a leading company in the wine sector, always prioritizing product quality, customer satisfaction, and value creation for all stakeholders involved in its growth journey.

The Management

24.11.24