

HIGHLIGHTS

SUSTAINABILITY REPORT

2026

Our goal is to become the reference company for supplying Italian wines globally.

The Identity of Fratelli Martini

Fratelli Martini is much more than a winery: it is a legacy of almost eighty years rooted in the heart of the Piedmont Langhe, in Cossano Belbo, where in 1947 the brothers Secondo and Luigi Martini founded what would become one of the main realities of the Italian wine sector.

Today, led by Gianni Enrico Martini, the Company continues to embody the values of the founders: the belief that quality wine should be accessible to all, the deep respect for the territory and the indissoluble bond with local donors.

With a turnover of approximately EUR 200 million and a production capacity of one and a half million hectoliters per year, Fratelli Martini represents a solid and constantly evolving reality. The Company employs 80 people, 95% of whom have permanent contracts, evidence of a commitment to occupational stability and the well-being of its employees.

Through the brands Sant'Orsola, leader in the Italian market, and Canti, present in more than sixty Countries in the world, the Company has been able to combine the Piedmontese tradition with an international vocation that continues to grow, especially in the Asian and European markets.





.Values

People

The people are the engine of the Company, every collaborator is valued and encouraged to contribute actively to the construction of a shared and sustainable future.

Territory

The territory is the source of prosperity: for Fratelli Martini, sustainability, environmental respect and responsible viticulture are fundamental values.

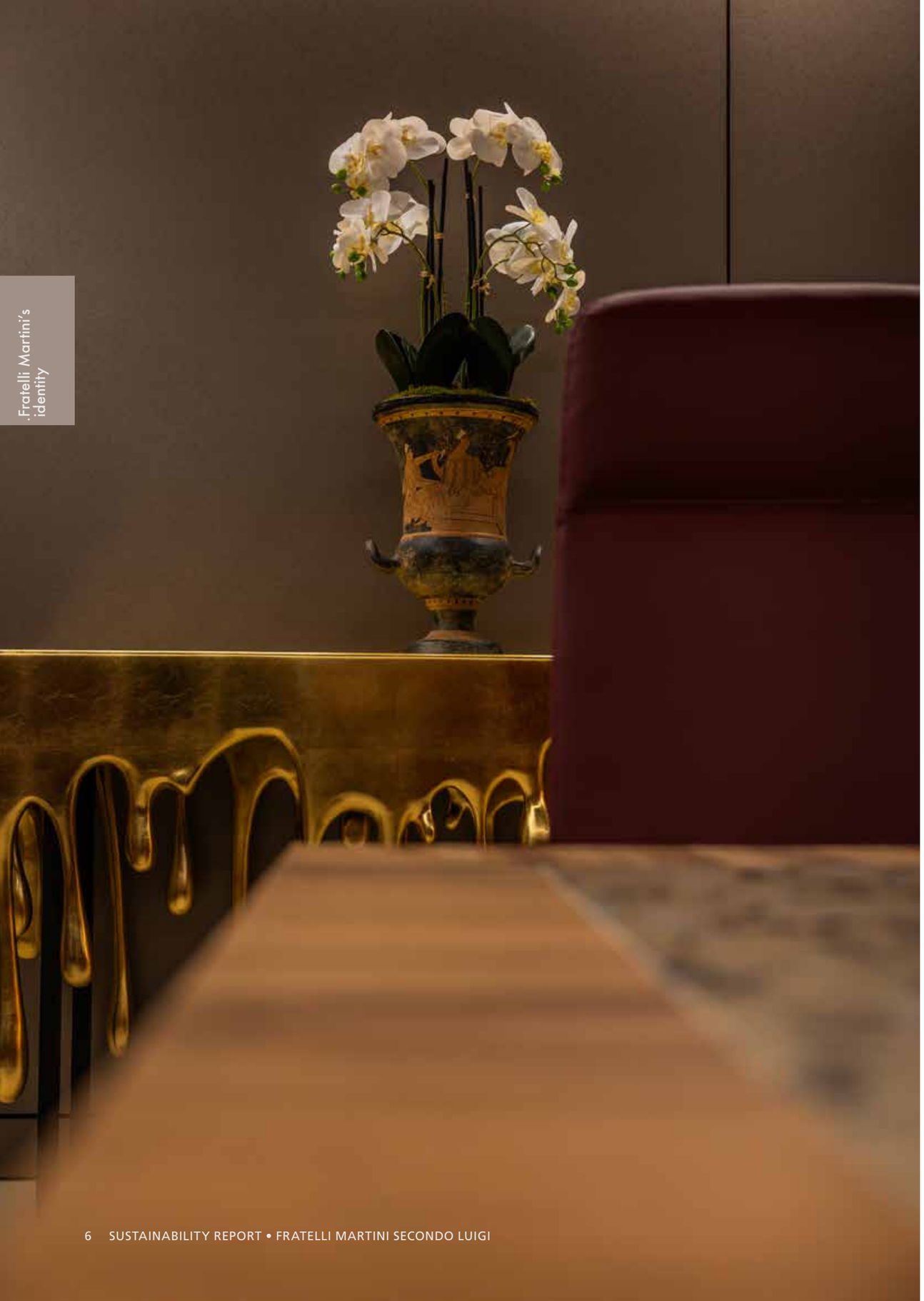
Wine

Wine is the heart of the Company. Fratelli Martini offers affordable quality products, combining wine excellence and convenience to reach a wide and international audience.









The Control of Corporate Integrity

The governance structure of Fratelli Martini is based on the principles of transparency, accountability and risk control. The Board of Directors, composed of two members, works in synergy with a Board of Statutory Auditors of five members and with a supervisory body dedicated to monitoring the effectiveness of the 231 Model and the Corporate Code of Ethics.

This Internal control system is the foundation on which the Company builds trust with its stakeholders, ensuring that all operations are conducted in accordance with the most stringent regulations and ethical principles.

During the reporting period, no penalties were recorded or infringement proceedings were initiated by any public control and supervisory body. Moreover, no reports have come through whistleblowing channels or the regulator, and no fraudulent cyber-security attempts have been successful.



ADMINISTRATION AND MANAGEMENT BODIES

Board of Directors	Board of Statutory Auditors	Delegate Attorney	Supervisory Body
Gianni Enrico Martini Chairman of the Board of Directors	**Edoardo Fea** President of the Board of Statutory Auditors	**Vaniel Nervo** Attorney	**Dott. Francesco Maria Massolo** *Accountant and auditor, financial statements expert*
Giulio Maria Tommaso Culasso Chief Executive Officer	**Giovanni Vissio** Auditor		**Avv. Arnaldo Bernardi** *External lawyer, compliance and internal investigation expert*
	Barbara Negro Auditor		**Avv. Matteo Vizzardi** *External lawyer, compliance and criminal law expert*
	Francesco Massolo Alternate Auditor		
	Deborah Tallone Alternate Auditor		

The Sustainability Path of Fratelli Martini

Organic Production

IFS Food

UNI EN ISO 14001

BRCGS Food

SEDEX - SMETA

UNI EN ISO 45001

EQUALITAS

HACCP Compliant

The Certifications System

Sustainability represents a central and transversal element in the activities of Fratelli Martini, supported by a **structured management system** recognized at international level through numerous certifications in the field of quality, food safety and environmental and ethical-social sustainability, and **strengthened by various private standards** including:











Double Materiality Analysis

During 2026, Fratelli Martini took a significant step by carrying out for the first time a Double Materiality Analysis and a complete mapping of its value chain. These activities identified eleven material themes organized into four key categories: environment, people, governance, customers and product. This exercise represents a moment of consolidation of the Company's sustainability journey, providing a solid foundation to guide future initiatives and strategic choices.

The following are the material themes identified:

- **Environment**: Energy consumption and climate change; water management; waste management and circular economy.
- **People**: Health and safety at work; employee well-being, development and growth; equity, inclusion and equal opportunities.
- **Governance**: Territorial economic development; ethics, integrity and governance; responsible management of the value chain.
- **Customers and products**: Innovation and development; product quality, well-being and customer satisfaction.

The Value Chain of Fratelli Martini

Fratelli Martini has created for the first time a structured mapping of its value chain, with the aim of acquiring a more in-depth understanding of the activities, the actors involved and the relationships that characterize its business model throughout the entire product life cycle.

This exercise allowed the Company to expand the analysis beyond the boundaries of the activities directly managed by Fratelli Martini. The mapping of the value chain was one of the fundamental elements behind the Double Materiality Analysis carried out in 2026. The understanding of the relationships that exist along the supply chain has in fact enabled the Company to evaluate with greater accuracy the impacts generated by the business activities and to identify the risks and opportunities that can influence the capacity of Fratelli Martini to create value in the short, medium and long term.



A collaboratively written commitment: our promise of transparency for future generations

The Future Path: Concrete Ambitions and Commitments

Fratelli Martini has identified eleven material themes through the Double Materiality Analysis, organized into four fundamental categories:

In the **environmental dimension**, the Company focuses on energy consumption and climate change, water resource management, and waste management and circular economy.

In the **people dimension**, attention is devoted to occupational health and safety, employee well-being, development and growth, and equity, inclusion and equal opportunities.

In the **governance dimension**, the Company is committed to local economic development, ethics, integrity and governance, and responsible management of the value chain.

Finally, in the **customers and product dimension**, the Company pursues innovation and development, as well as product quality, and customer well-being and satisfaction.

Fratelli Martini contributes directly to the United Nations Sustainable Development Goals, in particular to SDG 3 (Good Health and Well-being), 5 (Gender Equality), 6 (Clean Water and Sanitation), 7 (Affordable and Clean Energy), 8 (Decent Work and Economic Growth), 9 (Industry, Innovation and Infrastructure), 12 (Responsible Consumption and Production), 13 (Climate Action) and 15 (Life on Land).

Concrete Commitments for the Next Three Years

During 2026-2027, Fratelli Martini undertakes to calculate its complete carbon footprint according to the ISO 14064 Standard, including Scope 3 emissions, in order to have an even more aware view of its environmental impact. At the same time, the Company will calculate its own water footprint according to ISO 14046 Standard, for a more aware management of the water resource and to define further specific objectives of reduction.

The Company plans a reduction of at least two hundred and sixty tons of CO_2 in the next year through projects of lightening of bottles and change of color, continuing the path of innovation in packaging. In addition, a desalator for water recovery and reduction of specific consumption is being implemented, as well as the upgrading of purification plants with new technologies to reduce discharges into surface water.

In 2026-2027, Fratelli Martini will undergo the renewal of the Equalitas Certification, confirming its commitment to sustainability in the wine sector. The company will also continue to invest in Industria 5.0 technologies, integrating more and more technology and human centrality, fostering productive processes that are not only smarter, but also more inclusive, resilient and oriented to the well-being of people and of the territory.

.Sustainability Plan

ENVIRONMENT

Material topics	Objective
ENERGY CONSUMPTION AND THE FIGHT AGAINST CLIMATE CHANGE	Increase in the use of energy from renewable sources
	Zero-Emission Company: reduction and/or offsetting of Scope 1, 2 and 3 emissions
	Energy efficiency improvements in plants and processes
RESPONSIBLE USE OF WATER RESOURCES	Adoption of efficient technologies to reduce consumption
CIRCULAR MANAGEMENT OF MATERIALS AND WASTE	Ecodesign and sustainable packaging
	Circular economy and recovery of waste
	Optimization of separate waste collection and waste monitoring

SOCIAL

Material topic	Objective
WELL-BEING, DEVELOPMENT AND GROWTH OF EMPLOYEES	Development of wellbeing initiatives
	Enhancement and wellbeing of employees
DIVERSITY, INCLUSION AND EQUAL OPPORTUNITIES	Diversity valorization
HEALTH AND SAFETY OF WORKERS	Maintaining the highest health and safety standards
	Initiatives aimed at prevention and the promotion of healthy lifestyles
ENHANCEMENT AND DEVELOPMENT OF THE LOCAL AREA	Value creation for the local community
	Engagement of younger generations

PRODUCT AND CLIENTS

Material topic	Objective
RESPONSIBLE MANAGEMENT OF THE SUPPLY AND DISTRIBUTION CHAIN	Formalizing processes for the qualification and assessment of critical/strategic suppliers according to ESG criteria
	Promoting sustainable practices along the value chain
	Reducing the environmental impact of logistics and transport
PRODUCT DEVELOPMENT AND INNOVATION	Measuring and improving the environmental sustainability of products along their life cycle
PRODUCT QUALITY, WELL-BEING AND CUSTOMER SATISFACTION	Garantire standard elevati di qualità e sicurezza alimentare
	Accrescere la soddisfazione dei consumatori

GOVERNANCE

Material topic	Objective
INTEGRITY, ETHICS AND CORPORATE REPUTATION	Creation of ESG Governance
	Promoting the digitalization of company processes to improve operational efficiency
	Continuous strengthening of legal safeguards for the prevention of corporate risks
	Ensuring privacy and the protection of personal data

In the Langhe, they know how to make wine, but also landscapes.

Fabrizio Caramagna

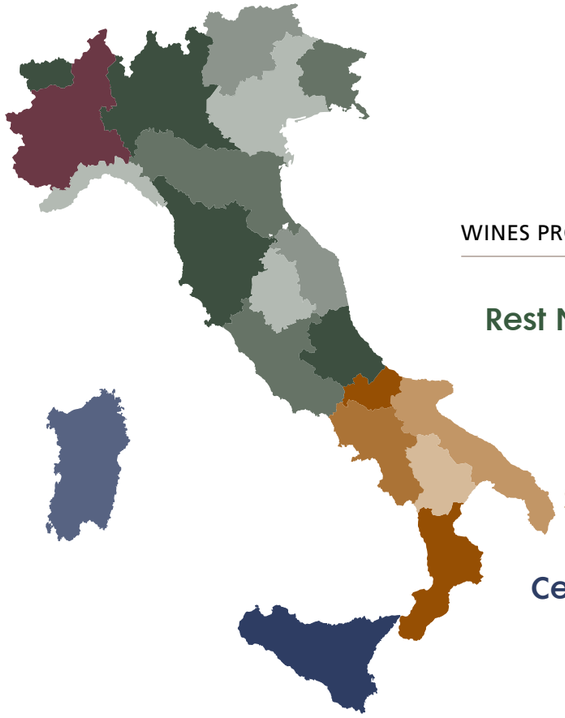
Product responsibility and customer relationship

The quality of Fratelli Martini wines is not the result of chance, but the result of an articulated chain deeply rooted in the territories of origin, built on long-term relationships, mutual trust and an in-depth knowledge of the partners with which the Company collaborates.
98% of the suppliers are located in the national territory, a conscious choice that allows to maintain a direct presence on the quality of the supplies, strengthen the link with the territories and contribute to the reduction of the environmental impacts associated with the logistics.

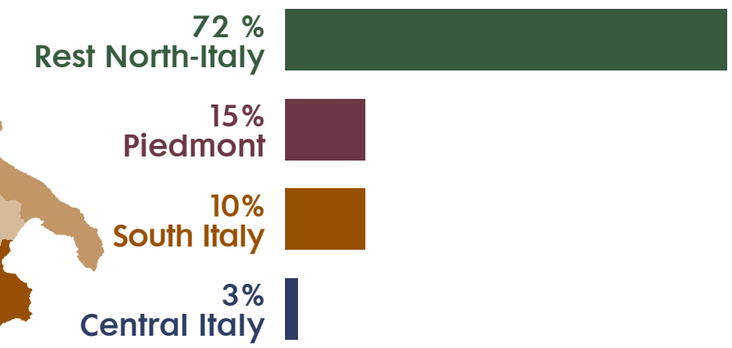
Prosecco D.O.C. Millesimato (Luxury)



- Prosecco wine D.O.C.
- Cork from a FSC supply chain
- SMETA certified cage
- Fully recyclable cellophane
- Glass bottle of 700 grams reduction project between 8 and 15%
- FSC/PEPC/SMETA certified labels
- Certified paper boxes



WINES PRODUCED BY REGION 2025-2026



Selection and Control: a Structured Process

Fratelli Martini attributes a strategic role to the selection, qualification and management of its suppliers, aware that the quality, safety and sustainability of the products also depend on the performance and reliability of the partners involved along the entire value chain.
The Company has developed a structured process of evaluation and monitoring that involves the suppliers belonging to the main product categories, allowing to systematically oversee the qualitative, normative and sustainability aspects associated with the supplies.

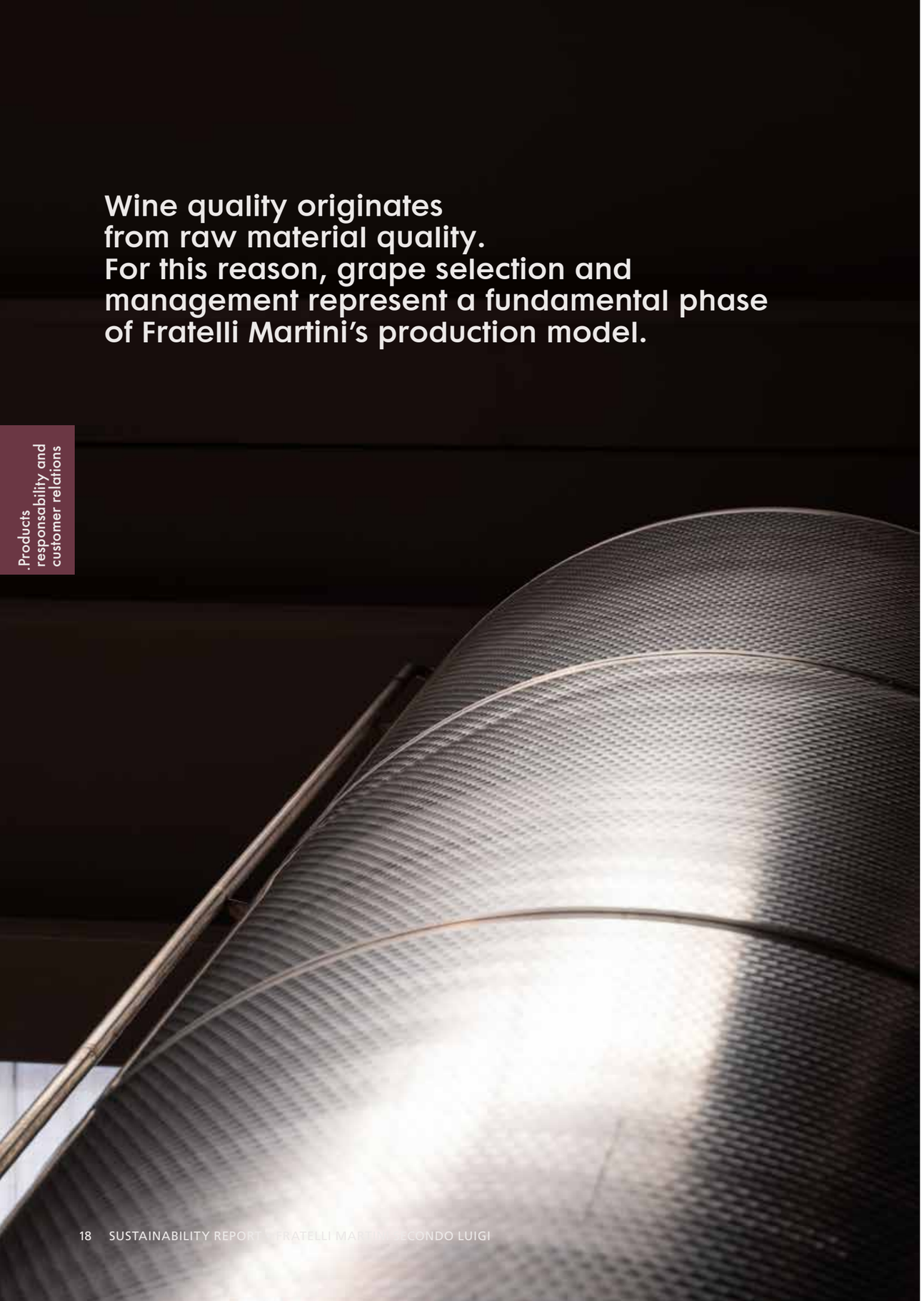
Suppliers are required to periodically complete an internally developed questionnaire, aimed at collecting information not only on the technical and regulatory compliance of supplies, but also on the adoption of responsible environmental, social and ethical practices.

Particular attention is devoted to the prevention of food fraud and to managing risks associated with supplies, with checks covering the risk of ingredient substitution or adulteration, correct product labelling, and the presence of allergens, foreign bodies and microorganisms.

The company considers adherence to internationally recognized standards an added value, such as BRC, IFS, FSSC 22000, ISO 22000 for food safety, ISO 14001 for environmental management, ISO 45001 for health and safety, as well as schemes such as FSC, PEFC and Equalitas that promote more sustainable agricultural and industrial practices.



Wine quality originates from raw material quality. For this reason, grape selection and management represent a fundamental phase of Fratelli Martini's production model.



Quality and Safety: No Compromise

During the reporting period, Fratelli Martini did not record any non-compliance with regard to product labeling, marketing and communication practices, or consumer safety. This excellent result confirms the effectiveness of the control processes adopted and the constant commitment to ensuring transparent, accurate and responsible communication to all stakeholders.

Compared to about 17 thousand deliveries in 2025/2026, the Company recorded only a couple of complaints, an extraordinarily limited data that testifies to the operational solidity and the reliability demonstrated in the management of the productive and logistic chain.

Weight Reduction of Bottles

During 2025/2026, Fratelli Martini continued the project to reduce the weight of bottles of still wine and sparkling wine, with the aim of reducing the environmental impact associated with the glass production phase.

The initiative provided for the introduction of lightweight bottles, with a reduction in the unit weight of between 60 and 155 grams compared to the bottles previously used, while maintaining unchanged the quality and safety standards of the product.

Overall, thanks to the adoption of the new packaging solutions on different references, over 500 tons of glass, corresponding to 251 tCO_2 eq, were saved during the reference period (considering an average glass emission factor of 0,5 t CO2eq/ t glass).

Canti sparkling wine



Glass bottle lightened from 700 grams to 640 grams

124.501 kg of glass saved with the lightening equal to about **62,3 t CO_2eq**

Sant'Orsola sparkling wine



Glass bottle lightened from 700 grams to 640 grams

25.817 kg of glass saved with the lightening equal to about **12,9 t CO_2eq**

Borgognotta



Glass bottle lightened from 550 grams to 395 grams

52.821 kg of glass saved with the lightening equal to about **17,8 t CO_2eq**

Environmental Responsibility

Fratelli Martini orients its industrial model toward a structured management of environmental impacts, recognizing the importance that production activities have on the territory and on the global climate context. For the Company, sustainability is not a declaration of intent, but a strategic lever of development that translates into concrete projects and initiatives aimed at reducing negative externalities on the environment and the valorisation of the territory in which it operates.

Energy and Climate Change: Toward Energy Autonomy

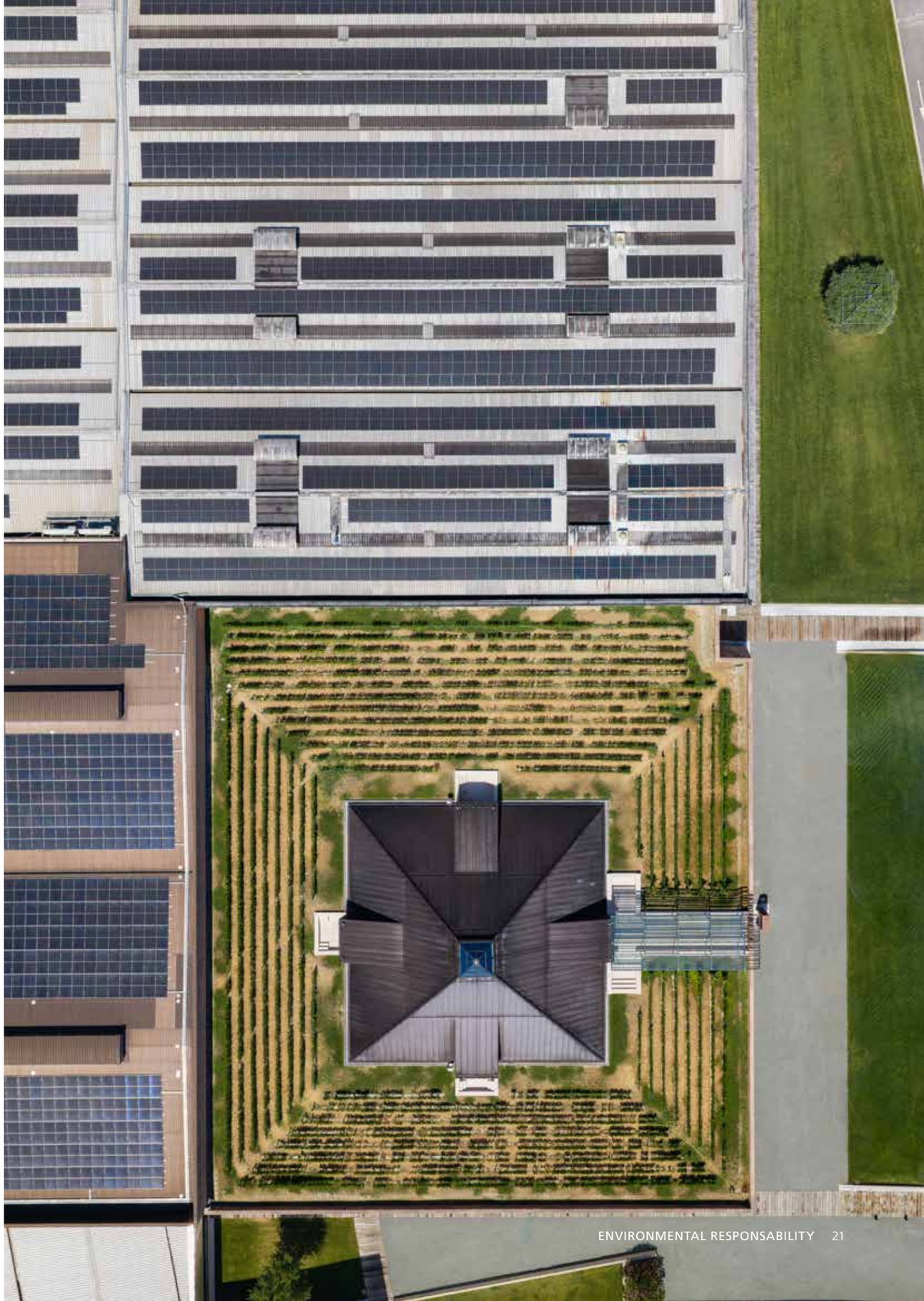
During the year 2025-2026, Fratelli Martini recorded a total energy consumption of 56.882 GJ, an increase of 9% compared to 2024-2025, mainly due to the inclusion of the Gavi plant in the reporting perimeter. However, to the demand covered by purchased energy is added the self-produced electricity from photovoltaic and self-consumed plant, equal to 2.158 GJ; in the same period the Company has also introduced 20 GJ of photovoltaic energy into the network.

During 2025-2026, Fratelli Martini completed the installation of a grid-connected photovoltaic system with a peak of 2.024 kilowatts, equipped with high efficiency monocrystalline two-sided modules, designed to fit the existing coverings of the plant in Cossano Belbo. The plant, with an expected annual production of approximately 1,98 GWh and an estimated savings of 751 tCO_2, allows to significantly reduce the electricity draw from the grid and is part of the wider transition program toward an industrial 5.0 production model, focused on energy efficiency and mitigation of environmental impact.

The greenhouse gas emissions calculated for 2025-2026 amount to 829 tCO_2 for Scope 1 (direct emissions), 2.949 tCO_2 for Scope 2 location-based and 5.066 tCO_2 for Scope 2 market-based.

The emission profile of the Company is strongly concentrated on indirect emissions from electricity purchased, confirming the strategic importance of contractual supply choices and low-emission energy supply strategies.

During 2026-2027, Fratelli Martini undertakes to calculate its complete carbon footprint according to the ISO 14064 Standard, including Scope 3 emissions, in order to have an even more aware view of its environmental impact.





Water: a Valuable Resource to Manage with Awareness

Fratelli Martini, because of the nature of its production processes — in particular the washing phases of the plants and bottling — makes a relevant use of the water resource and systematically monitors its consumption.
In 2025-2026, the company withdrew around 78 Ml of water, of which 47 Ml from groundwater. The discharges derive entirely from Company processes and also include so-called parasitic water due to rainfall, which increases the overall volume of effluent compared to the water actually used in the processes. In the same period, water discharge volumes are decreasing compared to the previous year, amounting to about 55 Ml, a reduction mainly due to the enhancement of the monitoring system put into operation during the year.

Fratelli Martini has implemented several technology solutions to reduce water consumption:
- "clean in place" systems for automated plant cleaning;
- a semi-automatic machine for washing the tanks;
- The restructuring of the FLOTTWEG C3E decanter treatment plant for the dehydration of liquid sludge, to significantly reduce the organic load before the waste water is discharged.
- a system for the recovery of rainwater by means of containment tanks.

In 2025-2026, Fratelli Martini continued the technological innovation program with the completion of the new purification line and the installation of a new generation decanter, which allow more efficient waste treatment and better separation of solids for the recovery of water and by-products.

During 2026-2027, the company will calculate its own water footprint according to the ISO 14046 Standard, for an even more aware management of this precious resource.

Materials and Circularity: from Bottle to Recycling

Fratelli Martini is committed to ensuring sustainability throughout its supply chain, using materials from responsible and traceable sources. 99% of the materials used are renewable, reflecting the Company's awareness of the importance of circularity and responsible management of natural resources.

The glass comes from Italian glassworks, with weight and color selected for the maximum saving of CO_2. During the year 2025-2026, the Company reduced bottle-related CO_2 by about 250 tons, a significant result that demonstrates the effectiveness of this approach.

For corks, Fratelli Martini mainly uses 4 typologies: Stelvin in recyclable aluminum, to save up to 95% energy compared to primary production; technical corks in plastic material containing biopolymers of the sugar cane, completely renewable; stoppers in one-piece micro-granular cork with cork coming from a FSC certified supply chain, natural and recyclable.

The labels are made of FSC paper, cardboard and beehive packaging from recycled materials and from sustainably managed forests, and recyclable wood footboards certified by PEFC.

In 2025-2026, Fratelli Martini generated a total of 1.213 tons of waste, an increase of 13% compared to 2024-2025, mainly due to the disposal of obsolete machinery and to the restructuring and modernization of Company infrastructures. Of the waste produced, only 2,6 tons are hazardous waste.

Of all the waste produced, 350 tons (29% of the total) were used for disposal, while the remaining 863 tons were used for recovery operations, which are evidence of the Company's commitment to the circular economy.

Thanks to efficiency projects, the Company has already achieved a twenty-four percent reduction in waste, with the aim of continuing to improve in this direction.

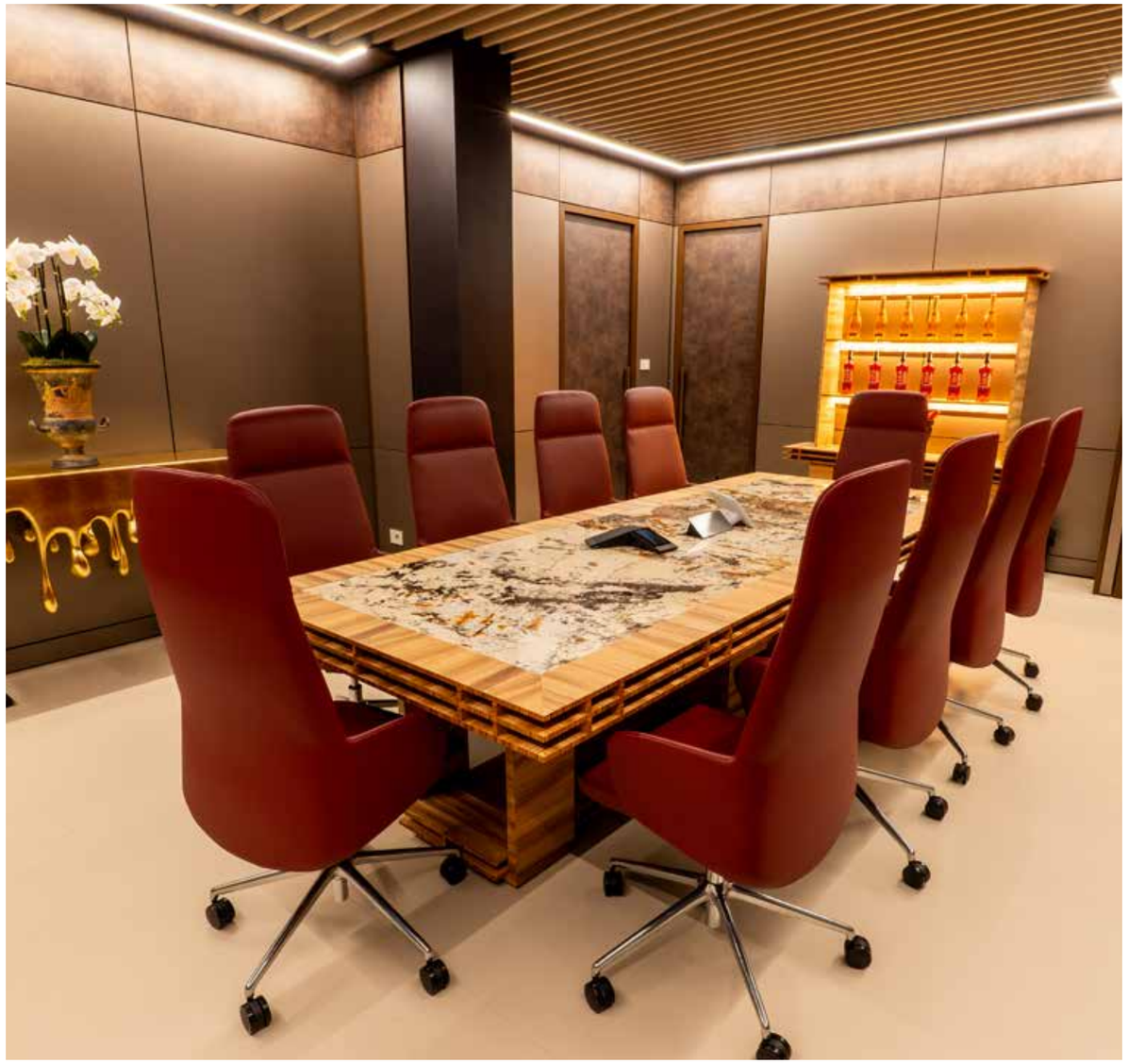
Social Responsibility

Fratelli Martini considers workers, both internal and external, a fundamental resource to ensure a solid business continuity. The Company is committed to improving the skills and well-being of every individual, ensuring adequate working conditions and a safe working environment, basing all major decisions and initiatives on respect for human rights, attention to working conditions and the professional development of its workers.
With 80 employees, 95% of whom have permanent contracts, Fratelli Martini demonstrates a concrete commitment to the employment stability and well-being of its employees.

The Company is ISO 45001 certified for the health and safety of workers, ensuring that all activities are conducted according to the highest standards of protection and risk prevention. No injuries were detected during 2025/2026 and no suspected occupational disease was reported.

Fratelli Martini demonstrates a constant and rigorous commitment to the protection of the health and safety of its workers, in conformity with the current regulations and international standards. The Company not only respects regulatory obligations, but goes further, promoting a culture of safety that actively involves all employees and collaborators. For example, the Company has equipped itself with semi-automatic defibrillators, which are not compulsory, and are located in the concierge and reception. The prevention of accidents and occupational diseases is at the heart of company policies.

Fratelli Martini will continue to monitor and improve its own security processes, ensuring that every worker can operate in a safe and healthy environment, thus contributing to the sustainable growth of the Company and to the well-being of the communities in which it operates.



Local Community

Fratelli Martini is also active in the territory through initiatives of involvement of the local communities.



FONDAZIONE ANT
FRANCO PANNUTI ETS

Fratelli Martini has renewed its commitment to local communities by donating, in collaboration with ANT Foundation, a hybrid car to support free home care for cancer patients and their families.
This donation enhances the activities of the Foundation, allowing the expansion of services on the territory.
The initiative reflects the Company's commitment to quality of life and support for high-impact social projects, in line with its values and social sustainability.



An important moment for dialogue is the “Moscato Festival”, an event organised by Fratelli Martini close to the grape harvest. In 2025 as well, the initiative proved to be a key opportunity for engagement and exchange between growers, the Company’s technical staff, institutional representatives, industry experts and representatives of the protection consortia.



During the day, participants had the opportunity to:

- analyze and discuss the trend of the previous season;
- evaluate production data;
- reflect on new market trends;
- deepen the main developments in the wine sector.



Thanks to the plurality of voices involved, the event offered a complete and up-to-date view not only of Company strategies, but also of territorial policies and local investments that directly affect farms.
In addition, key issues related to environmental sustainability, such as the reduction of pesticide use and the rational and conscious use of plant protection products, were specifically addressed.
At the end of the day, equipment and products for viticulture were donated, helping to further strengthen the community bond.
These projects show that for Fratelli Martini, sustainability is not only an environmental issue, but also a profound commitment to the well-being of the people and communities with which it has been working for generations.

Business Conduct

Strong Governance and Operational Transparency

The governance of Fratelli Martini is based on the principles of accountability, transparency and risk control, with the aim of ensuring a conscious and future-oriented management.

The Company adopted the 231 Model and Code of Ethics, which are key tools for preventing corruption and promoting a corporate culture based on integrity. Confidential whistleblowing channels are available to anyone who wishes to report violations of legality and transparency, ensuring protection and confidentiality.

During the reporting period, Fratelli Martini recorded zero cases of computer breaches and zero cases of non-compliance with labels, marketing, health and consumer safety.

These excellent results are the result of significant investments in cybersecurity, with the introduction of firewalls and 24hr MDR/NDR services, which strengthen corporate defenses against cyber threats.

Geographical Distribution and Production Portfolio

Fratelli Martini operates on global markets with a well diversified geographic distribution.

In 2025-2026, 44% of turnover comes from Europe (excluding Italy and the United Kingdom), the Middle East and Africa, 30% from Italy, 21% from Asia-Pacific, 4% from North America and Latin America, and 1% from the United Kingdom. This geographical diversification represents a strategy of risk reduction and sustainable growth in international markets.

The production portfolio is highly specialized in the bubble segment, which represents 71% of turnover. Prosecco and Prosecco DOCG represent the central nucleus of production, with 56% of turnover, followed by Asti Spumante with 7%. Still wines represent 22% of turnover, while the new Spirits division contributes 1%.

This specialization reflects the historical vocation of the Company and its ability to maintain a leadership position in the segment of bubbles, both in the Italian and international markets.

Generated Value for the Territory

Fratelli Martini generates significant value for the territory and for all its stakeholders. In 2025-2026, the economic value distributed to stakeholders amounted to 184 million euros, divided between employees, suppliers, local communities and institutions. This reflects the Company's awareness of the importance of creating shared value, not just for shareholders, but for the entire community in which it operates.

The Company also invested about 4 million euros in sustainability initiatives, 350 thousand euros for the renovation of infrastructure — including the modernization of reception spaces and tasting rooms — and more than 3,5 million euros for technological innovation, with a particular focus on Industry 4.0 and 5.0. These investments bear witness to the Company's commitment to continuous improvement and the creation of a modern, efficient and well-being-oriented work environment.

ECONOMIC VALUE DISTRIBUTED 2024/2025



Conclusion

A Long-term Vision

Fratelli Martini has consolidated its sustainability path through the adoption of a structured, transparent and long-term approach. With the second Sustainability Report and the first Double Materiality Analysis, the Company demonstrates a concrete commitment to translating ESG principles into measurable and tangible operational actions. The strong territorial roots, the quality of the supply chain built on relationships of trust and collaboration, the significant investments in sustainable technologies, and responsible and transparent governance are the pillars on which Fratelli Martini builds sustainable growth in the long term.

The Company generates value not only for its shareholders, but for the entire stakeholder community with which it interacts: employees, suppliers, customers, local communities, and institutions. This approach to shared value creation reflects a deep understanding that sustainability is not a marginal choice, but the very foundation of a resilient, competitive, and well-being-oriented business model for people and the planet. In the coming years, Fratelli Martini will continue to strengthen the sustainability of its processes, to enhance the contribution of people, to promote responsible relations along the chain, and to generate value for the territories with which he has been collaborating for almost eighty years

This document represents the summary version of the Sustainability Report of Fratelli Martini Secondo Luigi S.p.A. with the aim of describing the initiatives realized and the main results achieved in the ESG - Environmental, Social, Governance - between July 1st, 2025 and June 30th, 2026.

The extended version of the Sustainability Report is drawn up in accordance with the Global Reporting Initiative Sustainability Reporting Standards defined by the GRI - Global Reporting Initiative, under the "with reference" option.
The extended version of the Sustainability Report can be found on the Fratelli Martini Secondo Luigi S.p.A. website..

For further information, please contact
the following e-mail address: sustainability@fratellimartini.it

Registered Office:
20121 Milano - Via Borgonuovo 10
Production Sites:
12054 Cossano Belbo (CN) - via Statale 26
Gavi (AL) - Loc. Lomellina 35

Tel . +39 0141 837211

www.fratellimartini.it
info@fratellimartini.it