

E. & J. GALLO WINERY — CORPORATE SOCIAL RESPONSIBILITY BROCHURE

CONSERVE & PRESERVE

SUSTAINABILITY COMES NATURALLY

The hallmark of our company has always been an unwavering responsibility for protecting the environment, while producing the highest quality wines and spirits for consumers around the world to enjoy. Our purpose is to serve consumers in the moments that matter to them.

Being a family-owned business fuels our passion for preserving the land for future generations. We're dedicated to operating in a way that balances the social, environmental and economic impacts now and into the future.





“Our commitment to sustainability began with my grandfather Ernest and great-uncle Julio and continues today.

At Gallo, we make long-term business decisions considering the social, environmental, and economic impacts, reflecting a deep commitment to the land, to our employees, and to the communities where we do business.

To us, sustainability is about continuous improvement and being stewards for future generations.”

Ernest J. Gallo, CEO





FROM GRAPE TO GLASS

We recognize natural resources sustain not only our business but, more importantly, our communities and future generations. E. & J. Gallo Winery places protecting these precious resources at the center of everything we do.

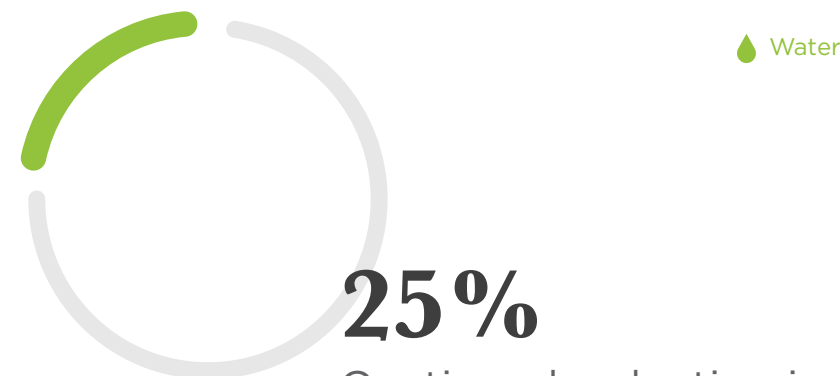
We're deeply dedicated to refining our processes, our sourcing strategies, reducing our carbon footprint and preserving our natural resources. Here are just some of the ways we're putting this commitment in action:

- **Minimize the use of herbicides, synthetic fertilizers and pesticides at every opportunity, including working with the industry to improve overall Integrated Pest Management Practices**
- **Recycle and reuse our process water**
- **Reformulate cleaning materials to be the most environmentally friendly in the wine industry**
- **Protect river habitats and create new wetlands**
- **Reestablish numerous endangered and threatened species including the Coho Salmon, Aleutian Goose, Riparian Bush Rabbit and the Kestrel, among others**
- **Maintain rigorous certifications such as ISO 14001, third-party standards geared towards minimizing impacts to the environment**
- **Adhere to The California Code of Sustainable Winegrowing Practices**
- **Work to achieve an industry-leading 3:1 water to wine ratio by 2022**
- **Use alternative pest management practices such as sheep, barn owls, falcons and other alternatives while reducing the need for traditional agricultural pest management materials**
- **Divert almost 175,000 tons of glass from landfills each year, accounting for 30% of all recycled glass in California**
- **Achieve 35-40% recycled content for Gallo Glass bottles**
- **80% reduction in smog forming materials after Gallo Glass was the first in California to switch to oxygen-fired furnaces**



By The Numbers

The best way to ensure sustainability is to set goals and measure progress. Here are some of our recent successes.

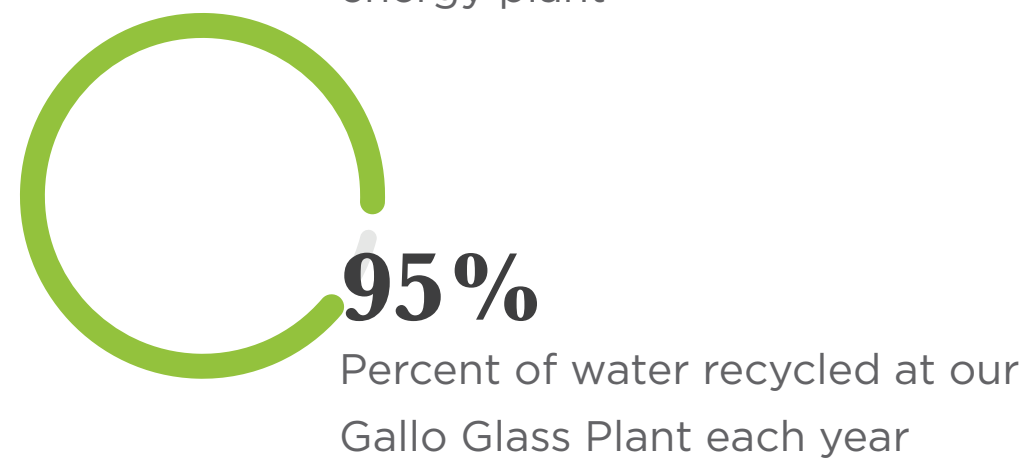


25%

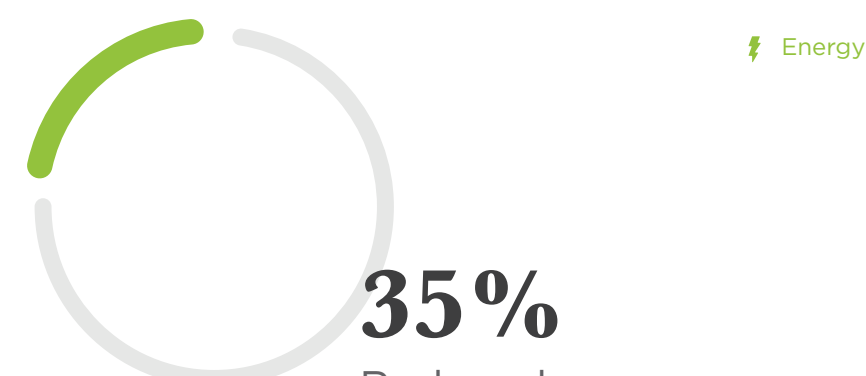
Continued reduction in overall water use at our wineries



Treated over 150 million gallons of wastewater at our Livingston Winery through our onsite energy plant



Percent of water recycled at our Gallo Glass Plant each year

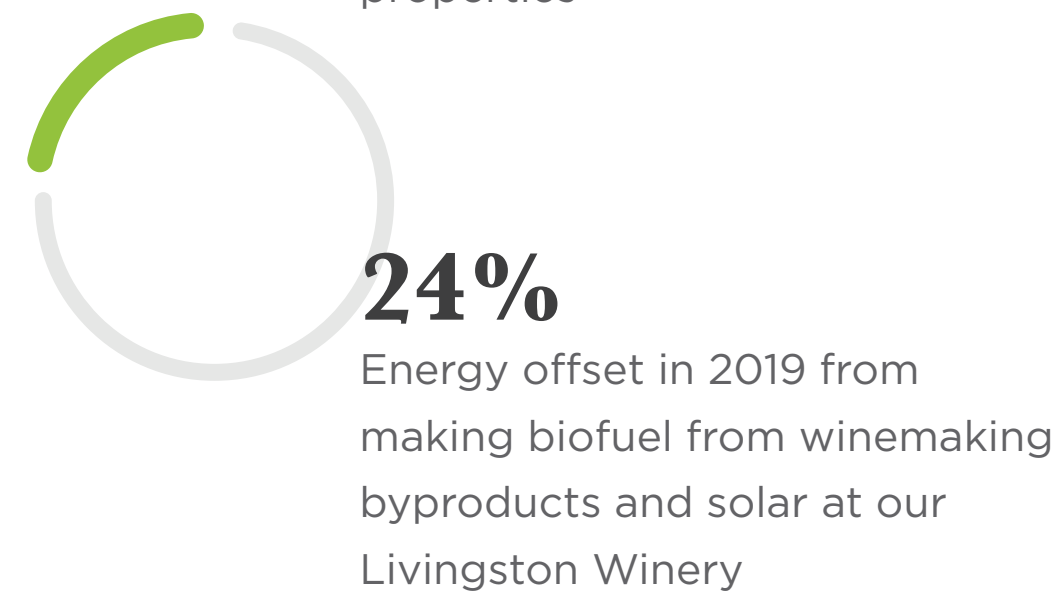


35%

Reduced energy consumption by 35% with new wastewater aeration technology at Courtside Winery



Combined acres of solar panel fields across the North Coast, Central Valley and Central Coast properties

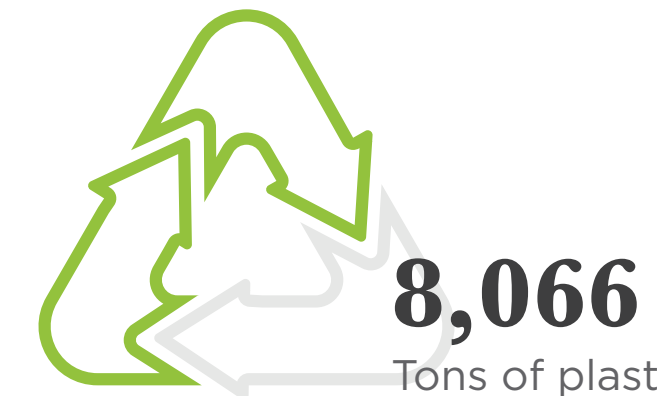


Energy offset in 2019 from making biofuel from winemaking byproducts and solar at our Livingston Winery

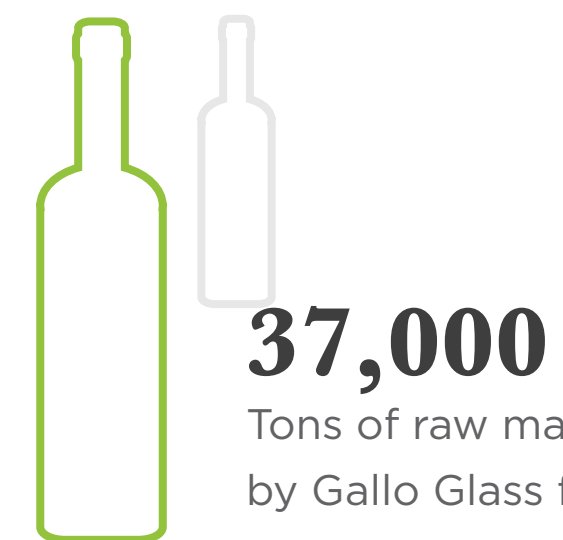


50

Nearly 50 packaging changes resulting in 10-20% source reduction



Tons of plastic, cardboard, glass and other materials recycled at our Modesto Winery sites in 2019



Tons of raw material saved annually by Gallo Glass from producing lightweight 750 mL and 1.5 L bottles



IN OUR VINEYARDS

We're not just about growing grapes. We're about growing the highest quality grapes in a way that ensures we flourish together while being a steward of the land. Being environmentally conscious in how we manage our vineyards enables us to craft the highest quality wines.

All of Gallo's vineyards are certified sustainable under the California Sustainable Winegrowing Alliance. Additionally, we've implemented more than 200 vineyard management best practices and are continuing to innovate to address land use, canopy management, energy efficiency, water quality assessments and carbon emissions.

We're proud to say many of our initiatives date back to our founders. Julio Gallo introduced the "50/50 Give Back" decades ago. This unique land management plan set aside one acre to help protect and enhance wildlife habitat for every acre of land planted under vine in our premium vineyards. We continue this tradition today at our coastal vineyards.

In our ongoing effort to promote environmentally sound farming practices, Gallo is proud to partner with Sonoma County Wildlife Rescue (SCWR) as part of their Barn Owl Maintenance Program (BOMP). We have worked with SCWR in Sonoma County for the past eight years as part of Gallo's Sustainable Rodent Control Program. Owl boxes have been placed in a

number of our coastal vineyards, which are maintained and monitored by SCWR and BOMP. We look forward to our continued success in working together to help barn owls thrive and control rodents without pesticides.

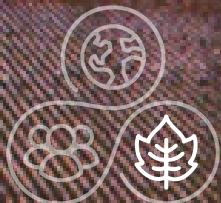
Gallo is dedicated to the preservation of the agroecosystem for future generations. As an industry leader, we know it is essential to develop and advance agritech applications for the wine grape industry using new and evolving technologies that enhances the sustainability of our farming practices.

Using remote sensing from satellites and ground instrumentation to develop mathematical algorithms we are able to accurately predict the amount of water being used by our vineyards. This data allows us to precisely adjust the amount of irrigation water applied to each vineyard block to match actual vine water use or evaporative demand. To date, these efforts have allowed us to reduce vineyard irrigation requirements by up to 20% while maintaining yield and enhancing overall fruit quality. We continue to work collaboratively with USDA scientists, scientists at several universities and many others. By sharing our information with the grower community, we hope to advance the adoption of precision viticulture practices in the industry to ensure a sustainable water supply for our vineyards and our communities.



"Caring for the land has always been part of our daily decisions. We've been using sustainable practices for a long time – back before there were certifications. My grandfather Julio knew it was the right thing to do."

Matt Gallo, Vice President of Coastal Operations



AT THE WINERY

We believe renewable energy should be used wherever possible. All of Gallo's wineries throughout California are certified sustainable under the California Sustainable Winegrowing Alliance. Additionally, we have invested heavily in solar operations throughout our organization, resulting in significant energy savings.

Like in our vineyards, we pursue water reduction projects, as well as water re-use projects across our winery facilities.

Our corrugated packaging suppliers are committed to helping us find responsible packaging solutions to make products that are sustainable and renewable. We are proud to use recycled fiber in our packaging wherever possible. The journey of the corrugated box begins in a sustainably managed forest. There,

certified foresters and loggers harvest just enough trees to make packages. For each tree harvested, three more are planted to take its place. Corrugated packaging is a completely renewable resource, environmentally responsible and recyclable. We are proud to use these recycled fibers in our packaging.

Gallo is also a member of the Sustainable Packaging Coalition (SPC), a membership-based collaborative that believes in the power of industry to make packaging more sustainable. SPC is the leading voice on sustainable packaging and is passionate about creating packaging that is good for people and the environment, which fully aligns with Gallo's long-standing commitment to sustainability.



At Gallo, we believe it is our corporate and social responsibility to support the well-being of our employees.

ON OUR CAMPUS

Our sustainable outlook is reflected in more than our efforts to preserve the land and exercise conscientious operational practices. It also drives us to protect and nurture our community, our workplace and the well-being of our employees.

The Gallo Sustainability Club drives a culture of sustainability throughout our Modesto headquarters. Founded in 2019 by Gallo team members passionate about reducing our environmental impact, the club has since grown to nearly 200 members. The Club focuses on three main goals: supporting efforts to make the Modesto campus more sustainable, raising employee awareness of Gallo's sustainability efforts and building a community of ambassadors at Gallo that promote sustainable behaviors.

The Dry Creek Building on our Modesto campus received the Leadership in Energy and Environmental Design (LEED) Gold Certification by the U.S. Green Building Council (USGBC). Features of the building include a solar roof, abundant natural light and both electric vehicle and carpool parking.

The grounds on our Modesto campus feature copious green space. Paths wind between buildings and around a small lake where flocks of Canadian geese nest each year. Employees are able to walk, jog and relax among the cork oak, stone pine, camellias and pomegranate trees. This beautiful setting also provides a home for events, including our annual company picnic for employees and their families.





CULTIVATE COMMUNITY

We're committed to making a difference in the communities where we live and work. We're proud to support a variety of non-profit organizations, community events, scholarship programs and more. This includes our employee matching gift program that doubles employee contributions up to \$5,000 annually. This empowers employees to direct much of the company's charitable giving to causes they are passionate about.

Our employees also give generously of their time. We've partnered with an elementary school near our headquarters for more than two decades. Dozens of employees mentor children each week throughout the school year. As the holidays approach, many employees also select a student's gift wish list ornament from Giving Trees placed around campus. Employees shop for their student knowing the gifts will make a child's wish come true.

Currently we face the unprecedented challenges of a global pandemic and the impact of COVID-19 on our employees, our company and the world at large. The health and safety of our employees and our communities continues to be our top priority.

Gallo employees came together, converting a hand bottling line at our Spirits facility to produce hand sanitizer. Over the course of the project, employee volunteers hand-bottled more than 100,000 containers of hand sanitizer for use by our employees as well as to donate to local organizations in need. Gallo's hand sanitizer was distributed to emergency operations centers throughout California and Washington including Stanislaus, San Joaquin, Merced, Fresno, Napa, Sonoma, Monterey, San Luis Obispo and Yakima Counties, among others.

Our wine and spirits brands collectively donated to more than eight organizations to support COVID-19 relief efforts across the country. As part of our Rescue Our Amazing Restaurants (ROAR) program, Gallo purchased more than 65,000 meals in support of struggling restaurants, and donated those meals to help feed first responders, seniors in need, as well as to supply local food banks. Working together, Gallo provided support to the communities where we live and work, and for the industry we love.



“Gallo recognizes diversity in our workplace as an opportunity to become a company that better reflects the multicultural world that we live in today. As a company that brings wines and spirits to consumers around the world, our focus is on making wine accessible to all. The most important thing we can do is to embody and reflect the diverse world we live in, allowing us to be better prepared to meet and respond to new challenges that arise in the future.”

Stephanie Gallo, Chief Marketing Officer



glassdoor

2020 BEST
PLACES
TO WORK

EMPLOYEES' CHOICE





OUR COMMITMENT TO DIVERSITY & INCLUSION

We value the diverse skills, backgrounds, experiences and cultural differences every individual brings to the workplace. We have always believed that seeking diversity in all its dimensions encourages innovation and creativity, leading to a stronger company with better results.

Our initiatives focus on ensuring equity and opportunity for all.

Diversity and inclusion continues to be a top priority at Gallo. Embracing diversity allows us not only to attract and retain top talent, while stimulating innovation, but also helps us to meet today's increasingly diverse marketplace. Everyone should feel welcome and have access to products that satisfy their unique needs. Collectively, our brands and our company are committed to driving positive change within our industry moving forward.

We are focused on continuing to make a difference through our collective commitment and efforts to maintain a community where all employees, customers, suppliers and consumers are welcome, respected and safe, and where racism and prejudice are not tolerated in any form.

Our brands have partnered with several non-profits in support of their missions to impact change, support underserved communities, and ultimately to improve the quality of life for communities around the country while fighting for equality and social justice. We are proud to be an ally.

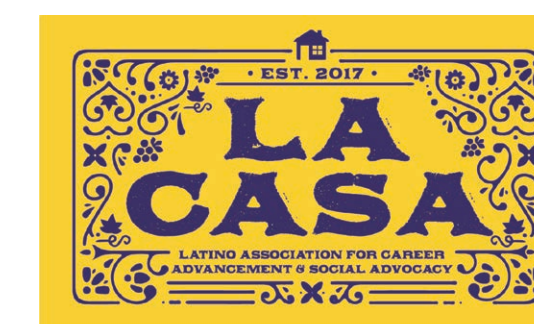




At Gallo, We Are All Family

EMPLOYEE RESOURCE GROUPS

Sharing our differences and building on our similarities helps us think creatively, collaborate effectively and take pride in our accomplishments. Our internal Employee Resource Groups help us accomplish this by providing opportunities for professional development, networking, outreach and cultural enrichment. Gallo partners closely with its Employee Resource Groups to solve business challenges, to support personal and professional goals and to improve retention and recruiting efforts.





E. & J. Gallo Winery proudly participates in the following certifications and organizations.



These symbols represent our commitment to ensure our decisions meet the highest sustainability standards. The best version of the future depends on our ability to meet the needs of our employees, communities, customers and consumers – all while preserving the planet for generations to come.

Visit www.gallo.com for more information on our corporate initiatives. For the very latest information, follow us on:





E&J Gallo Winery

Our family values of Integrity, Respect, Humility, Innovation, Commitment and Teamwork are the foundation of everything we do. These values connect our past with our future, guiding our decision-making processes, allowing our company and our planet to flourish together now and for generations to come.

At Gallo, our purpose is to serve consumers in the moments that matter. Thank you for letting us be a part of your everyday moments – we are honored.