

INVESTING IN OUR FUTURE



SUSTAINABILITY REPORT

RIDGE
VINEYARDS

INVESTING IN OUR FUTURE

SUSTAINABILITY REPORT

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Sustainability Committee

In 2023, we initiated the Sustainability Committee, composed of dedicated employees driven to align our operations with our environmental goals. This committee is crucial in steering our sustainability initiatives and ensuring that RIDGE sets a benchmark for ecological and social responsibility in the wine industry while also learning from our industry leaders' successes.

MESSAGE FROM THE CEO

At RIDGE, we call our approach to winemaking “pre-industrial.” We believe that for anyone attempting to make fine wine, modern additives and industrial processing limit true quality. Pre-industrial winemaking begins with respect for the natural process that transforms fresh grapes into wine, and the 19th-century model of minimum intervention. When you have great vineyards that produce high-quality grapes of distinctive individual character, this is not only an environmentally and socially responsible approach, it’s also the best way to consistently make fine wine.

In 2023, we started a Sustainability Committee, with a group of RIDGE employees who are passionate about the needs of the planet. The committee’s collective work and research are the basis of the Sustainability Report, which will be updated as major milestones and goals are achieved.



MARK VERNON, CEO, RIDGE VINEYARDS



Commitment to Carbon Reduction

International Wineries for Climate Action (IWCA)



**INTERNATIONAL
WINERIES FOR
CLIMATE ACTION**

Joining the [IWCA](#) in August 2021 marked a significant step for RIDGE in our [sustainable journey](#). In 2022, we conducted our first comprehensive greenhouse gas (GHG) emissions inventory, which led to our certification as an

IWCA Silver Member. We have completed our second audit in 2024, which shows our reduction in emissions. Our ongoing commitment includes achieving Net Zero emissions by 2050 and reaching specific milestones by 2030.

RIDGE's IWCA Silver Membership Achievements

- RIDGE completed a baseline, third-party verified GHG emissions inventory across Scopes 1, 2, and 3, following the WRI GHG Protocol and the ISO-14604 process (see next page for graph). This was verified by an ISO-14064-3 accredited auditor.

RIDGE is committed to becoming an IWCA Gold member, which requires applicants to:

- Achieve Net Zero by 2050
- Be at least 20% powered by on-site renewable energy and reduce 25% of CO2 emissions per unit of wine produced
- Complete a biannual greenhouse gas audit utilizing the World Resources Institute Greenhouse Gas (GHG) Protocol methodology and be verified by an internationally accredited, third-party auditor

RACE TO ZERO

In alignment with global efforts to mitigate climate change, RIDGE proudly joined the 'Race to Zero' campaign in 2023. Our commitment under this initiative is to mobilize support for sustainable growth and achieve net zero greenhouse gas emissions by 2050, with an interim target of a 50% reduction by 2030.



RESOURCES

JOURNEY TO CARBON NEUTRAL
ridgewine.com/journey-to-carbon-neutral

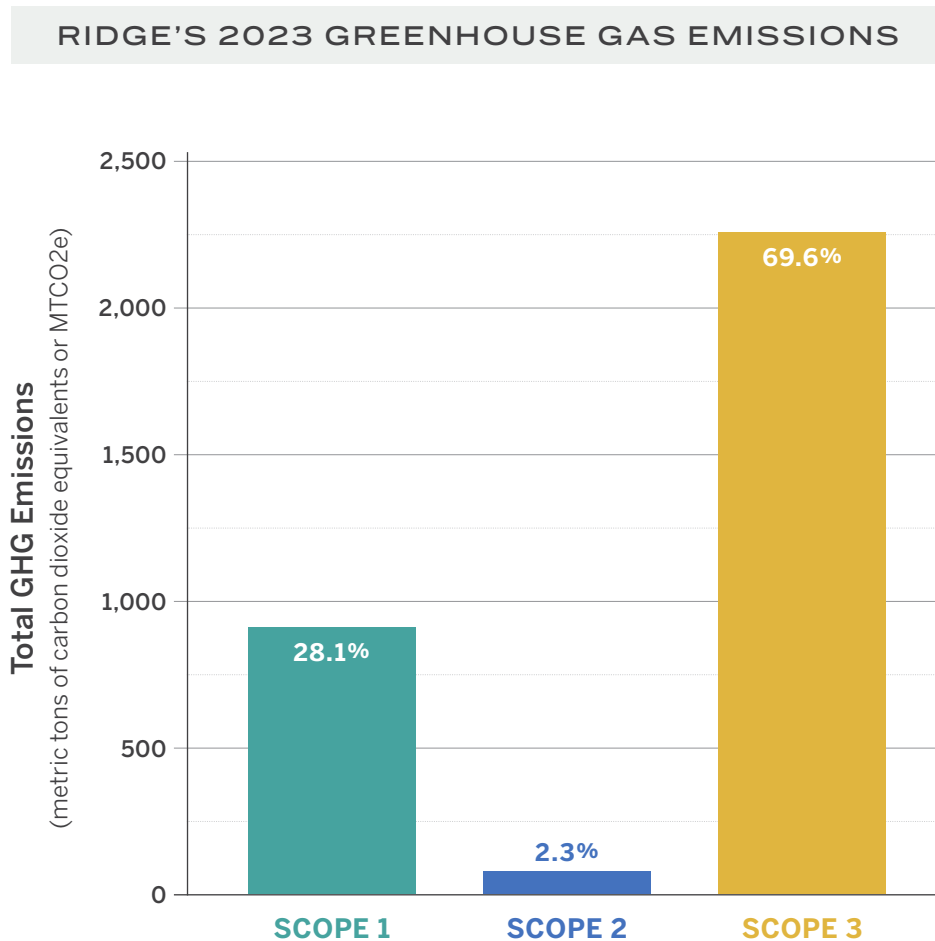
INTERNATIONAL WINERIES FOR CLIMATE ACTION
iwcawine.org/members

RACE TO ZERO
iwcawine.org/race-to-zero

Commitment to Carbon Reduction

Greenhouse gases (also known as GHGs) are gases in the earth's atmosphere that trap heat. A unit of measurement that standardizes the atmospheric impact of GHG emissions is metric tons of carbon dioxide equivalents or MTCO₂e.

RIDGE's first baseline audit for GHG emissions was performed from 2023 data. RIDGE is committed to do this biannually, with our second audit occurring from 2025 data in 2026.



SCOPE 1

Direct emissions from activities under a company's control

EXAMPLES: CO₂ used in winemaking, refrigerants for cooling barrel rooms and indoor spaces, vineyard soil emissions, fuel use for company business (e.g., vineyard pumps, company-owned vehicles, ag equipment)

SCOPE 2

Indirect emissions related to a company's purchase of electricity, steam, heat, or cooling

EXAMPLES: Electricity purchased from local utility grid, onsite generated renewable electricity

SCOPE 3

Indirect emissions derived from the company's activity (i.e., any emissions not under the direct responsibility of the firm that are spread across the company's value chain)

EXAMPLES: Purchased products (e.g. purchased grapes, barrels, fertilizers), packaging materials (e.g. glass, cork, cartons, labels), business travel related to company business and daily commutes, offsite waste/loss (e.g., solid waste to landfill, recycling, composting), post-consumption (product disposal at end of life)

Sustainable Energy Practices

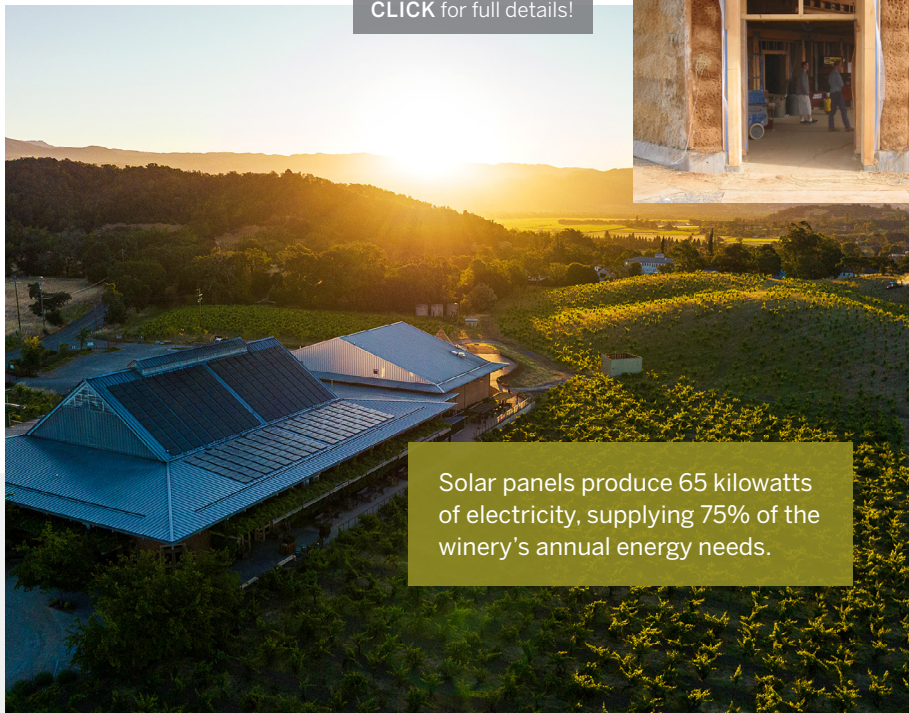
Electricity

Our [Lytton Springs facility](#) embodies our dedication to sustainability, featuring construction elements like rice straw bales for insulation, natural earthen plasters, recycled lumber, and a passive solar design. This site is a testament to our commitment to energy efficiency and minimal environmental impact, with a significant portion of our energy needs met through on-site solar power generation.

Any additional electricity needed at our facilities that is purchased is Zero Carbon and fully renewable. At our Monte Bello Visitors Center & Winery, and the Milpitas Warehouse, we use [Silicon Valley Clean Energy](#). For the small amount of additional power that our solar panels cannot provide at Lytton Springs, we use [Sonoma Clean Power](#).

LYTTON SPRINGS: A BUILDING MADE OF STRAW

[CLICK](#) for full details!



Solar panels produce 65 kilowatts of electricity, supplying 75% of the winery's annual energy needs.

Fossil Fuels

GASOLINE

We are in the process of replacing gasoline-powered vehicles with electric vehicles, including our sales team which travels both nationally and internationally. The RIDGE viticulture team has purchased several fully electric ATVs for use in our vineyards.

DIESEL

We are working on replacing diesel-powered vehicles and equipment with electric versions when older vehicles need replacement. We added our first two all-electric Monarch tractors to our fleet in 2023.

PROPANE

The propane-powered heating systems for employee housing will be replaced with electric units as the old equipment is phased out. We are also looking at ways to heat our water at our production facilities with electric power instead of propane.



RESOURCES

LYTTON SPRINGS: A BUILDING MADE OF STRAW

ridgewine.com/about/explore/lytton-springs-a-building-made-of-straw

Packaging Innovations

Lightweight Glass Initiative

In our quest to reduce our carbon footprint, RIDGE has transitioned to [lighter-weight glass bottles](#), significantly decreasing the greenhouse gas emissions associated with our bottle production and transport. This initiative is a part of our broader strategy to minimize our environmental impact across all aspects of [our packaging](#).

BURGUNDY BOTTLE

Weight was reduced by 23%, saving about

41,973 pounds

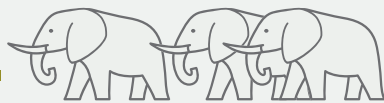
in shipping weight per year.

EQUIVALENT TO:



A fully loaded city bus

Three adult elephants



Pink outline shows new bottle shape

BORDEAUX BOTTLE

Weight was reduced by 16%, saving about

166,003 pounds

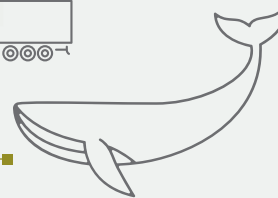
in shipping weight per year.

EQUIVALENT TO:

Two fully loaded 18-wheelers



A 4-year-old blue whale



Pink outline shows new bottle shape

Subtle differences, such as **shorter punts** and **narrower shoulders**, help reduce the amount of glass used without compromising stability.



Natural Cork

RIDGE wines are made for aging, and extensive trials show that cork continues to be the best closure to ensure exceptional quality. We only use [natural cork](#) in our bottles; this 100% renewable and sustainable resource is unrivaled for premium wines.



WHY CORRUGATED?

- Made from sustainable raw materials
- Lighter to ship than wood
- Can be recycled multiple times
- Has a higher recycling rate than other packing materials

Packaging Innovations

Three-Bottle Box Program

While our branded wood boxes were popular with Monte Bello collectors, we realize there were better options available. With that in mind, we switched to a new [three-bottle box](#) made from 100% recycled paper, water-based ink, and Green Cell Foam packing materials. This innovative packing material is natural, environmentally friendly, and made from corn that dissolves in water.



We save 10,000 wooden boxes each year.

A reduction of 50,000 pounds of total weight being shipped around the world.

No more wood boxes ↑

Wine On Tap

In 2023, we made several changes to packaging in our wholesale department. One of our biggest changes was putting a small amount of our 2021 Three Valleys into kegs. We partnered with Free Flow Wines, a keggling facility in Sonoma whose commitment to quality in this space is unparalleled.



10,400

BOTTLES SAVED FROM THE LANDFILL EACH YEAR

[Wine kegs](#) reduce waste and CO₂ emissions associated with traditional bottle packaging.

RESOURCES

PACKAGING AT RIDGE
ridgewine.com/about/sustainability/packaging

LIGHTWEIGHT GLASS
ridgewine.com/about/news/our-ongoing-commitment-to-sustainability-lightweight-glass

NATURAL WINE CORK
ridgewine.com/about/news/natural-wine-cork-and-its-benefits

MONTE BELLO BOXES
ridgewine.com/about/news/our-ongoing-commitment-to-sustainability-monte-bello-boxes

WINE KEGS
ridgewine.com/about/news/our-ongoing-commitment-to-sustainability-kegs

Key Milestone: 100% Organic Estate Vineyards

Organic Certification

RIDGE is proud to announce that as of 2023, 100% of our estate vineyards have achieved organic certification. This milestone is a result of our long-standing commitment to organic farming practices that enrich the soil, promote a healthier ecosystem, and support sustainable wine production.



To achieve certification, you must adhere to the farming standards of the [National Organic Program](#) for three transition years. The rules:

- i. You may use only certified organic pesticides, fertilizers, and other inputs, and keep records of all inputs.
- ii. You must register with, and pay a fee to the state.
- iii. You must contract with a third-party certifier, who inspects your records and property annually to assure you are complying with National Organics standards.



Organic farming practices enhance biodiversity and soil health, leading to **higher quality grapes**.



“

[Our commitment to farm organically](#) was driven by our conviction that the organic approach leads to better grapes and higher quality wines. True organic farming focuses attention on the health of each individual vine, and on the soil’s microbiological life. We are stewards of the land and take that responsibility seriously. Farming organically is the right thing to do—for our employees, the community, and for the planet. This approach in the vineyard, along with our traditional approach to winemaking, will provide the finest possible wines for our customers, today, tomorrow, and for generations to come.

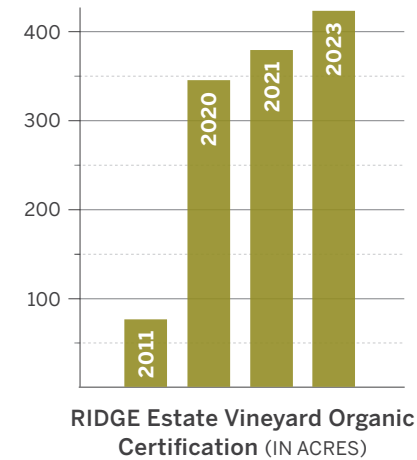
— PAUL DRAPER, CHAIRMAN OF THE BOARD

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Key Milestone: 100% Organic Estate Vineyards

OUR JOURNEY TO 100% ORGANIC ESTATES

- 2011** 76 acres at Monte Bello and 135 acres at Lytton Springs and Geyserville were certified as organic.
- 2020** In January, RIDGE received organic certification for a collective 345 acres of vines at our Monte Bello, Lytton Springs, Geyserville, and East Bench vineyards.
- 2021** That number reached 379 acres.
- 2023** 100% of our estate vineyards became certified organic, including Monte Bello, Lytton Springs, Geyserville, and East Bench. This comes to a total of 423 certified organic estate-grown vineyards.



RIDGE ADDITIONAL CERTIFICATIONS



All of the vineyards that we farm are certified by the [Fish Friendly Farming Environmental Certification Program](#).



The [Sonoma County Winegrowers](#) have recognized our Sonoma County vineyards as Certified Sustainable.

RESOURCES

OUR DEDICATION TO RESPONSIBLE WINEGROWING
ridgewine.com/about/sustainability

INDUSTRY RECOGNITION & CERTIFICATIONS

ridgewine.com/about/sustainability/industry-recognition-certifications



Water Management Excellence

Utilization of Own Sources

[All water used in our vineyards and wineries](#) originates from our own sources. Neither winery is connected to municipal water systems. Instead, we rely on deep wells and water-recycling systems for irrigation and wine production. Our water management includes treatment plants, reverse well systems, and filtration systems to ensure efficient usage. Annually, we recycle 85% of winery water, amounting to approximately 500,000 gallons.

Lytton Springs Water Management

WELL WATER DEPENDENCE

100% of water at Lytton Springs originates from our wells.

RAINWATER CAPTURE

A large irrigation pond collects rainwater from the winery roof.

GREY WATER TREATMENT

Water used for washing winery equipment undergoes treatment for vineyard irrigation.

EFFICIENCY ENHANCEMENTS

High-water usage tank washing equipment is being replaced with low-flow alternatives, significantly reducing water consumption.

Monte Bello Water Management

WELL WATER DEPENDENCE

100% of water at Monte Bello originates from our wells.

IRRIGATION TECHNOLOGY

[Investments in technology](#), including the use of sap-flow sensors by Fruition Sciences and Vapor-Pressure Deficit sensors by Tule Technologies, enhance vineyard irrigation efficiency.

REVERSE WELL SYSTEM

Rainwater runoff is collected and injected back into the ground to recharge the aquifer, with plans for further expansion.

BIO-REACTOR

Unlike at Lytton Springs, we do not have room to create water treatment ponds at Monte Bello. Instead, we have installed an advanced bio-reactor and filtration system which cleans the water to where we can use it for irrigating our vineyards.

**500,000
GALLONS**

Average amount of water reused annually at Lytton Springs and Monte Bello



RESOURCES

WATER USAGE & MONITORING

ridgewine.com/about/news/water-usage-and-monitoring

RIDGE TRIMS WATER USE WITH TECHNOLOGY

ridgewine.com/about/news/ridge-trims-water-use-with-technology

Championing Human Rights and Diversity

Otsuka Standards and the UN Global Compact

Since 1986, RIDGE has been owned by its parent company, Otsuka Pharmaceutical, Inc. Aligned with the [Otsuka Code of Ethics](#) and the [UN Global Compact's principles](#), RIDGE is dedicated to fostering an inclusive and equitable workplace. This commitment is integral to our corporate ethics and is implemented through initiatives like our [Diversity Committee](#), which focuses on enhancing diversity, equity, and inclusion across all levels of our company. To capture feedback for organizational improvements, we conducted the first ever Voice of Employee survey.



Diversity Committee

Established in 2020 by forward-thinking employees, RIDGE's [Diversity Committee](#) focuses on enhancing our commitment to Diversity, Equity, and Inclusion (DEI). This initiative is a direct response to our team's desire to improve internal DEI practices and align them more closely with our organizational values. We created focus groups to promote collaboration and diversity of thought, and we developed ongoing DEI training to educate and engage employees.

Championing Human Rights and Diversity

Charitable Giving and Community Engagement

Our [Charitable Giving program](#), including a policy that allows employees to use their paid time off to support charitable causes, encourages employee engagement and reinforces our ties to the local community. Annually, we contribute financially with donations to various non-profits, directly engaging in efforts that benefit the wider community and are reflective of our company values.



Employee Benefits

RIDGE provides comprehensive benefits, including healthcare, competitive wages, and unique benefits such as housing for vineyard employees, contributing to an average employee tenure significantly above industry standards. Programs like “Juntos” encourage cross-departmental collaboration and professional development, enriching our corporate culture and enhancing employee satisfaction.

RESOURCES


OTSUKA GLOBAL GROUP CODE OF BUSINESS ETHICS
otsuka.com/en/company/conduct

UN GLOBAL COMPACT 10 PRINCIPLES
unglobalcompact.org/what-is-gc/mission/principles

RIDGE VINEYARDS' DIVERSITY COMMITTEE
ridgewine.com/diversity

CREATING A DIVERSITY COMMITTEE
ridgewine.com/about/news/creating-a-diversity-committee

CHARITABLE GIVING
ridgewine.com/about/ridges-philosophy-on-charitable-giving



This report reflects Ridge Vineyards' unwavering dedication to sustainability, responsible business practices, and our commitment to the well-being of our planet, employees, and community.

We are proud of our progress and remain committed to continuing our journey toward a more sustainable and just world.

For detailed information and updates on our sustainability initiatives, visit our website: [Ridge Vineyards Sustainability](https://www.ridgevineyards.com/sustainability)

C O N T A C T

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