

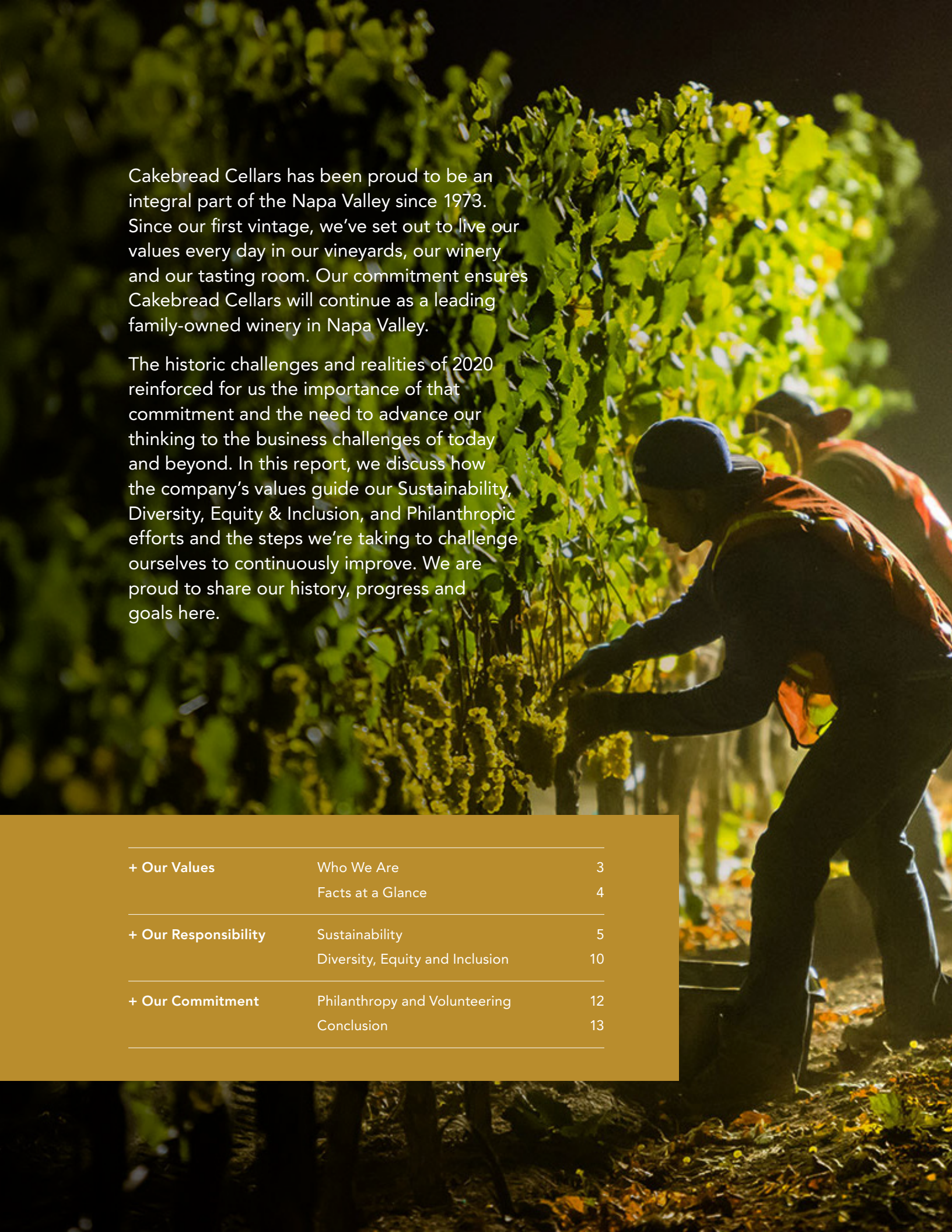
# Cakebread Cellars

Our Values + Our Responsibility + Our Commitment

**STEWARDSHIP REPORT**

Cakebread  
Cellars



A photograph of a worker in a vineyard, wearing a blue cap and a high-visibility orange vest, bending over to harvest grapes. The background is filled with lush green grapevines and leaves, with sunlight filtering through the foliage.

Cakebread Cellars has been proud to be an integral part of the Napa Valley since 1973. Since our first vintage, we've set out to live our values every day in our vineyards, our winery and our tasting room. Our commitment ensures Cakebread Cellars will continue as a leading family-owned winery in Napa Valley.

The historic challenges and realities of 2020 reinforced for us the importance of that commitment and the need to advance our thinking to the business challenges of today and beyond. In this report, we discuss how the company's values guide our Sustainability, Diversity, Equity & Inclusion, and Philanthropic efforts and the steps we're taking to challenge ourselves to continuously improve. We are proud to share our history, progress and goals here.

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## Who We Are

### OUR MISSION STATEMENT:

*We create remarkable wines that bring pleasure and comfort to any table that's host to a good life.*

Our story begins with a piece of land, a family passionate about wine, and a community of friends who helped bring Cakebread Cellars to life. Quality, resourcefulness, remarkability, sustainability, authenticity and a welcoming spirit have been cornerstones of our organization since its founding in 1973. We believe our wines reflect these values and the spirit of our entire team.

Over the past nearly 50 years, we have crafted quality wines, and committed the organization to improving the health and well-being of our environment, employees and community. We care deeply for the land and the community that surrounds and supports our winery, and in the following pages, we hope you will see that commitment illustrated in our practices, policies, and future plans.



**Dennis Cakebread**  
CO-OWNER, CHAIRMAN  
OF THE BOARD

Building a company that lasts into not just our second generation but builds towards the third generation honors the values of our parents, Jack and Dolores. We are proud of our extended winery family and deeply proud of the leadership team that holds the high standards of quality that have made our portfolio of wines renowned.



**Bruce Cakebread**  
CO-OWNER,  
BOARD MEMBER

We are dedicated to making remarkable wines with sustainable methods, that pair best with good food and good company. Our business, our wines and the work of our Cakebread extended family all demonstrate this daily commitment to a healthy environment and a thriving community.

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*"Napa Valley is 'the place I live and love' and Cakebread Cellars will continue to champion sustainability and stewardship for the health and wellbeing of the land and surrounding community." — Bruce Cakebread*



## Facts at a Glance



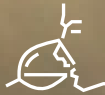
48

YEARS IN BUSINESS



75

NUMBER OF EMPLOYEES



4

WINEMAKERS SINCE FOUNDING



15

NUMBER OF VINEYARDS



1,600

NUMBER OF ACRES



600

ACRES PLANTED



90%

OF WINERY WASTE RECYCLED



80+

ORGANIZATIONS &  
FOUNDATIONS SUPPORTED

## Sustainability

Our commitment to sustainability encompasses all parts of our organization from the vineyards to the cellar including business operations and people practices. We have dedicated ourselves to doing what is right for the environment from the very beginning. Sustainable farming, growing and winemaking techniques further sustain the health of vineyards and the balanced interaction with surrounding wildlife, promoting diverse and balanced ecosystems.

In 2006, we received our first Napa Green Land certification for the home ranch vineyard in Rutherford. Two years later, we were just the second ever to achieve the Napa Green Winery certification. We have been recertified as a Napa Green Winery every year since then, and all of our vineyards are now Napa Green Land certified. In 2018, we were the recipient of the California Green Medal Business Award in recognition of our innovation, efficiency, and sustainability based employee practices such as carpooling and employee training. We will continue to demonstrate leadership and progress across all of our water, waste and energy systems, from water conservation and reduction of energy consumption to recycling.



### ABOUT THE NAPA GREEN WINERY CERTIFICATION:

"Making an exceptional wine requires stewardship and attention to detail. The same is true of achieving Napa Green Winery certification. Napa Green Certified Wineries implement more than 100 sustainability standards to:

- Save energy and increase energy efficiency.
- Conserve water and increase water use efficiency.
- Prevent waste through recycling, composting and environmentally preferable purchasing.
- Reduce greenhouse gas emissions and the winery's carbon footprint.
- Care for employees, build engagement around sustainability and be good neighbors.

Your whole facility is third-party certified, from the cellar to offices to tasting room and outdoor landscaping."

— From [napagreen.org/vineyard-certification](http://napagreen.org/vineyard-certification)



#### ABOUT NAPA GREEN LAND CERTIFICATION:

"The Napa Green Land (NGL) program was originally developed by more than 30 local environmental, community and regulatory stakeholders in the early 2000s. Because the Napa River was known to have excessive sediment at that time, NGL was originally developed for participants to meet and exceed environmental compliance standards to prevent erosion and improve the overall health of the Napa River watershed." — From [napagreen.org/vineyard-certification](http://napagreen.org/vineyard-certification)

*"Cakebread Cellars is a leading example of a winery walking the talk on sustainability... They set a goal to become Zero Waste and achieved over 93% recycling and composting... They saw they had opportunities to improve water efficiency and installed a cutting edge meter system that provides real-time water use data, and immediately identified areas for savings. They are also focused on social sustainability. They have a 'Healthy, Wealthy, Wise' employee campaign, their Green Team includes a member from every department of the winery... they have served as a resource for other Napa Green members. The Cakebread team are champions of sustainability and stewardship."* — Anna Brittain, Executive Director of Napa Green





## SPECIFIC STEPS IN OUR SUSTAINABILITY PLANNING



### WATER & ENERGY STEWARDSHIP

Efficient, sustainable water and energy operations are perhaps the most critical element of our vineyard production. In 2020, we:

- Enrolled in the MCE Clean Energy Deep Green Program; the entire winery is 100% Green e-certified CA.
- Bundled renewable electricity — 50% solar and 50% wind, further reducing our greenhouse gas emissions.
- Recycled over 90% of winery waste.
- Participated in the Napa River Rutherford Reach Restoration efforts, widening the river and reforestation to limit erosion and protect the fish.
- Re-use 100% of the water generated from the wine making process.

### CARBON FOOTPRINT REDUCTION

Our commitment includes:

- Installed solar powered Big Belly Waste Receptacles, compacting waste to reduce trash removal collection which in turn conserves fuel and lowers carbon emissions.
- Capture excess heat generated from our microturbines that is used to cool and warm the bottling hall, original tank room, and egg cellar.
- Increased our participation by 20% in the Napa Valley Forward carpooling program, reducing carbon emissions and traffic in the Napa Valley.
- Transitioned from print to digital customer communications, saving over 20,000 pages of paper per month and changed our wine club practices to reduce packaging.







### GREENING OUR PROPERTY

In 2019, we completed our new eco friendly visitor center using our waste reduction and reuse techniques.

- Our visitor center reflects our sustainability values: *"We wanted everyone to know, from the moment they step out of their car, what Cakebread Cellars is about."*  
— Bruce Cakebread
- In the parking area, the gravel filtration and drainage system removes pollutants from the surface flow. Bioswales capture and filter the water, recharging groundwater.
- Planted native trees, as well as six species of oaks, pecan, olive and almond trees to provide an area of biodiversity along with drought tolerant grasses and flowers, while our permeable pavers are light colored and heat reflecting.
- Installed EV charging stations for visitors and employees.



### BEE-FRIENDLY FARMING

Our certified bee friendly Rutherford Garden is a great microcosm of sustainability and organic farming. The seasonal harvests from our gardens and fruit trees are used in our culinary program. This year, we will:

- Offer forage providing good nutrition for bees on 3-6% of our land (including cover crops and clean water).
- Plant continuous bloom of different flowering plants throughout the growing season, especially in early spring and late autumn in temperate regions.
- Provide a variety of habitat for nesting through features such as hedgerows, natural brush, or buffer strips.
- Continue to use organic gardening practices.





## MOVING FORWARD

We will continue our efforts with:



### Energy Efficiency

- VFD conversion of the Oakville Winery glycol pumps.
- Upgrade of Rutherford to more efficient refrigeration system.
- LED lighting where appropriate.
- Continue engineering on rooftop PV solar arrays.
- Utilizing pre cooling from exhaust air to maintain perfect temperature control in barrel cellars.



### Water Efficiency

- Add pressure control to the water pressure pumps and utilize existing VFD capabilities.
- Monitor new water metering system and track data.
- Improved landscaping resulting in lower water usage.
- Flow meters consistently added to make up flow streams.
- Badger water metering system installed.



### Transition to Organic Farming

We take a holistic and systematic approach to our farming practices, focusing on improving soil health with the ultimate goal of improving vine health. This year we will begin transitioning our sustainable farming practices to all organic. We will start with our Maple Lane Vineyard (varietals planted: Cabernet Sauvignon, Sauvignon Blanc) in Calistoga, and use our experience to improve our process and reach our goal of farming all 600 acres with organic practices. Our aim is to use organic farming practices in all our vineyards within three years.



## Diversity, Equity and Inclusion

Inspired by the millions of people around the world who continue to speak out against the injustice of systematic racism, we've challenged ourselves to look inward and carefully assess our values, programs, and track record on Diversity, Equity and Inclusion (DEI) practices in our business

*"Together, we are committed at Cakebread Cellars to help create a community that is inclusive, equitable and incredibly welcoming."* — Mike Jaeger, Cakebread Cellars President and CEO

### OUR FUNDAMENTAL GOALS ARE TO:

- Ensure we have an exceptionally inclusive work environment and culture within the Napa Valley wine industry; and
- Take a leadership role in the wine industry and our community promoting diversity and racial equity.

In 2020, we conducted a survey of our entire staff, across all departments. We received widespread participation, and made a number of important discoveries from the 95% of our team who responded. In summary:

*Employees make other people feel welcome and respect each other's differences, across gender, gender identity, race, culture, ethnicity, sexual orientation, religion, ability/disability, age and socio-economic status and demonstrate that their work is valued by other members of the team.*

### OUR FOUR-PART ACTION PLAN TO ACHIEVING OUR GOALS:



Investigating  
our own  
organization's  
culture



Updating and  
implementing  
our community  
initiatives



Changing  
our hiring and  
buying practices



Staying  
accountable



Continuous improvement in all areas of our business has been part of our DNA since our founding, and we are applying that same determination to our DEI initiatives. We have engaged with Circle Up Education, a leading California-based company to help us better understand discrimination, racism, inequities and implicit bias, in order to take immediate and long-term action. Since that engagement we have created our first DEI Council which has four sub-committees with individual initiatives. These committees are employee led to empower teams within the winery to create the change they would like to see. Every year, we will continue to monitor and measure to ensure we are meeting our goals.

### TRAINING

- Held and will have on-going employee wide unconscious bias and conscious conversation trainings.
- All employees took a pledge to operate with inclusivity and equity.
- Management training includes integrated and on-going diversity training.

### RECRUITING

- Minimum of 50% of all job postings include Diversity, Equity, and Inclusion (DEI) job boards.
- Reassessed interview process and philosophy and a DEI statement is added to all job postings.
- Exhibited at the "Be The Change Virtual Job Fair" in late 2020.
- Created DEI scholarship program for harvest internships, providing free housing.

### POLICIES

- 2021 community service policy of providing full time employees 16 hours of paid volunteer time per year, and 8 hours for part time employees.
- Additional floating holidays for those not covered by the company calendar.
- Actively work with vendors and partners who support our DEI policies.

### EVENTS

- Created 2021 Calendar of Employee Programs.
- Created organized "Cup of Culture" morning coffee meet ups (discussion sessions with employees).
- Employee DEI Holiday celebrations.
- Employee DEI weekly book club.

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*"Cakebread's work in DEI teaches us that doing DEI work is not just about proclaiming a title or professing support, it's about doing the inner work needed to confront our own biases, change our actions, and lovingly hold each other accountable no matter how uncomfortable it can feel. Cakebread looks and feels nothing like it did just 10 months ago, and this transformation is a testament to the dedication, commitment and collaboration of its employees, Executive Team, and DEI Council."* — Tiffany Hoang, Co-founder, CircleUp Education

## Philanthropy and Volunteering

Over our nearly 50 years, we have donated to more than 80 organizations across the Napa Valley, including health care, foodbanks, and land conservancy. In 2020, we supported our local community, donating to the Napa Valley Community Foundation, Fire Relief Fund, One Napa Valley, and Restaurant Cares. One of the great joys for our organization is being able to support our local communities and we look forward to continuing to do so in 2021 and the years to come.

### DECADES OF INVOLVEMENT

As part of our Employee Summit this year, we agreed to find volunteer opportunities for our employees and leadership to make a difference together. We look forward to making this a priority in 2021.

Our values and belief in volunteering is something instilled by example. We believe in contributing time, talent and treasure. Bruce and Dennis have been Community Leaders for over 25 years. Following in their father Jack's footsteps, they have both served on and Chaired the Napa Valley Vintners Board. Dennis is a co-founder and is currently serving on the board of the grassroots coalition Free the Grapes. He is also on the board of directors for the Wine Institute. Bruce has served as Chair of the Napa Valley College Foundation Board, volunteered as an alternate for the Napa County Flood District, and is on the executive Leadership Board of the UC Davis Viticulture and Enology department.

### DECADES OF DONATIONS

Building a strong community means supporting those that support all of us. Over the last ten years we have donated to organizations with both financial support and in-kind contributions. We have a history of allocating specific funds to targeted causes; for example, all Open House visitor fees are targeted to the Napa County Food Bank. Of note, we were very proud to contribute with many of our winery neighbors to build the South Napa Clinic Ole Health medical facility.

Agriculture in the Classroom/ Napa County Farm Bureau	Napa Valley Auction
American Cancer Society	Napa Valley College
American Red Cross	Napa Valley Grape Growers
Anderson Valley Fire Department	Napa Valley Hospital
Anderson Valley Firefighter's Association	Nashville Cancer Society
Anderson Valley Land Trust	National Grape Research Alliance
Auction Napa Valley	One Napa Valley
Big Brothers and Sisters	Pheasants 4Ever
Boys & Girls Club	PUC Elementary
California Land Stewards	Queen of the Valley Hospital
California Association of Winegrowers	Restaurant Cares
California Trout	Rutherford Valley Fire Department
Calistoga Christmas Tractor Parade	Salvation Army
Calistoga Family Center	San Carlos Borro
Children's Health Initiative	St. Helena Catholic Church
Cinco De Mayo Golf Tournament	St. Helena FFA
Children's Health Initiative	St. Helena High School
Clinic Ole Health	St. Helena Hospital
Community Action	St. Helena Little League
Developing Communities	St. Helena Performing Arts
Hire Heroes	St. Helena Public Library
John Muir Health Fund	St. Helena Public School Fund
Lake County Wine Growers Association	St. Helena Recreation
Le Dames D'Escofier International	St. Paul Lutheran Church
Muscular Dystrophy Association	Stop AAPI Hate
Miss Madeline	The Davis Academy
Mt. St. George Elementary & Parents Association	UC Davis College of Agriculture and Environmental Services
Napa 911 Memorial	United Way
Napa Casa	Yountville Veterans Home
Napa Community Foundation	Vine Village
Napa Food Bank	Vintage High School
Napa Valley Adult School	Walla Walla 2020
	Wine Country Casa
	World Central Kitchen
	Wounded Warrior



## Conclusion

Our dedication to constantly improving everything we do, from our sustainability practices to our work environment, will continue to guide us in 2021 and into the future. We are appreciative of the community that inspires our work and diverse ecosystem that supports our vineyards. As an organization, we are committed to social responsibility and our values to ensure these vital components of our business thrive and grow.

Thank you to our Vineyard, Winemaking, Hospitality, Facilities, and Green teams. Without our employees, we could not accomplish our ambitious goals and promises to the environment and community.

We are continually grateful for the support of our friends and fellow wine enthusiasts. We look forward to welcoming you back to the winery and sharing a glass of wine with good food and good company.

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*“The wine industry in the Napa Valley is unique in our ability to come together to support the overall community. We are proud to actively participate in many facets.” — Dennis Cakebread*

If you have questions about any of the material in this report, please contact Dani Drezner, Green Team member at [DDrezner@cakebread.com](mailto:DDrezner@cakebread.com).







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Cellars

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