

Introduction (Andreas E. Mach)

Good evening to everybody and a happy, successful, healthy and less turbulent New Year to all of you.

Tonight the conference language is English because our award this year is international. Welcome and thank you for joining us for this year's ALPHAZIRKEL New Year's reception, your loyalty, friendship and the many interesting meetings and talks we had with many of you during the last year.

For several years ALPHAZIRKEL The Family Entrepreneur Plattform has been giving an "Impact and Sustainability Award" to entrepreneurs who make a positive impact on societies and a better future of our fast-changing world which is especially threatened by the obvious climate change.

For 20 years now ALPHAZIRKEL has been successfully addressing issues and challenges for family entrepreneurs not only in our core countries, Germany, Austria, Switzerland and South-Tyrol in panel discussions, workshops and publications. It also connects family entrepreneurs and cultures across the globe for innovation, longevity of family enterprises, governance and family succession. The ALPHAZIRKEL family, as we now call it, reaches out to over 5000 family entrepreneurs in many countries and we can proudly say that our founding principles are all still valid.

We are a meeting and connecting platform by invitation only and our ALPHAZIRKEL family is a well-curated network, many of our guests and participants have become real friends over the years, many seek advice for tailor-made family conferences, innovation visits and travels, family constitutions and resilience measures in markets which are changing faster and more drastically than ever before. Disruption, family conflicts, digitalization and a very challenging geo-political environment as well as the absolute need for sustainable entrepreneurship create risks which require more excellence in entrepreneurship, management, supervisory boards and governance.

And still family enterprises are the backbone and DNA of free, flourishing, democratic countries and being an entrepreneur or serial investor or a single-family office is probably the most fulfilling and rewarding occupation. Without responsible family enterprises, societies and countries cannot strive and develop, a fact that politicians, who know nothing about entrepreneurship, very often completely ignore. So ALPHAZIRKEL also helps family entrepreneurs to get involved in social entrepreneurship and philanthropy and leave an important impact on the urging challenges of our societies as a whole.

The ALPHAZIRKEL Impact & Sustainability Awards in the past have gone to:

- **H.M. King Charles III** for his lifelong battle for biodiversity and protection of our precious environment and nature.
- Florian Kohler of GMUND Paper for sustainable entrepreneurship.
- Michael Durach of Develey for creating a carbon-free significant family enterprise in the food industry.
- Mrs. Cecile Blilious, Tel Aviv, Head of ESG and SDG in Israel's largest Fund Pitango. (Environment, Social, Governance/17 Sustainable Development Goals of the United Nations).
- **Bernard Wendeln**, one of the most noteworthy social entrepreneurs in this country and his sustainable single-family office. He is also the co-founder of Bonventure, Germany's first High Impact Investment fund investing in a better future through social entrepreneurship.
- **H.R.H. Prince Ludwig of Bavaria** for his valuable and committed work for Africa creating a role model digital campus in Northern Kenya for remote learning in rural Africa.
- **Katharina Büttiker**, the Swiss philanthropist and entrepreneur, for her lifelong commitment for the environment and animal welfare.

This year the award goes to a remarkable family business for two reasons: their accomplishments for the environment and circular-economy and their unconditional cross-generation coherence as "la famiglia".

If this were the Oscar, I would open a golden envelope now and say: "The ALPHAZIRKEL Impact and Sustainability Award 2024' goes to:

the Lo Franco Family and their Fattoria La Vialla in Tuscany/Italy."

And this is why?

Fattoria La Vialla and the three generations of the family currently involved in running the family enterprise has been practicing a regenerative circular economy for 45 years without the use of pesticides and synthetic fertilizers, in harmony with and strengthening nature. The constructive agriculture La Vialla implements an interlocking system of principles and agricultural practices that pursue the goal of strengthening soil fertility, promoting biodiversity and producing healthy and nutrient-dense food and cosmetics.

Fattoria La Vialla has proven that vertical, integrated biodynamic farming is possible on a large scale. It is an example of how agriculture can be successful without having to achieve profitability at the expense of the integrity of ecological life systems. Rather, they are systematically preserved, strengthened and regenerated through active sustainable management.

Nature serves as a model for diversity instead of mono-structural concentration. Following this principle, the family business includes winegrowing, olive groves, animal husbandry, arable farming, vegetable growing, but also processing, packaging and direct sales to end consumers and sustainable tourism.

742 hectares of vineyards, fields, olive groves, vegetable and orchards are currently managed according to biodynamic practices and certified according to Demeter guidelines. Another 419 hectares of agricultural land is currently being converted.

1270 hectares of forest areas are only minimally used for forestry purposes, a fine example of "rewilding". These serve to preserve biodiversity and as habitats for example for 110 different, some rare bird species. To date, 91 farmers have been supported to use the same regenerative methods on their cultivation areas of

about 2000 hectares. The biggest challenge here is accelerating the improvement of soil fertility and biodiversity.

The Lo Franco family enterprise checks the organic biomass content annually, among other indicators and compares the development over time. They achieve an average organic biomass buildup of 1.97% per year. Over the last four decades, over a million vines, olive trees, fruit trees, deciduous trees and hedges have been planted to provide noticeable erosion protection, reduced disease and pest pressure, and increased biodiversity, hail protection and storage of CO2, N2O, CH4.

According to an international long-term study comparing biodynamic, organic-biological and conventional farming systems, it has been proven that organic farming causes 20% less yield, but 50% more energy efficiency and 30% less N2O emissions.

Other measures of Fattoria La Vialla include:

- Revival of old grape and grain varieties to preserve and promote biological diversity
- Careful and economical management of resources and recycling of all materials used
- Use of photovoltaic systems and renewable energy (avoidance of $324 \text{ t CO}_2\text{e}$ annually through photovoltaics and $74.42 \text{ t CO}_2\text{e}$ through solar and geothermal energy)
- Phyto-purification of gray water and collection of rainwater for irrigation to conserve water as a resource and surrounding freshwater systems
- Upcycling of the olive vegetation water: Reverse osmosis turns a potentially environmentally harmful waste product into an important resource for biodynamic cosmetics. The remaining residue (olive sansa) now has a residual moisture of less than 20% and can therefore be used in biogas plants
- Use of recycled and reusable packaging, no plastic (99% plastic-free)
- Avoidance of food waste through direct value chain and circular economy.

In cooperation with the Slow Food organization, Fattoria La Vialla has been carrying out a long-term project since October 2010 to save and improve the value of the "Razza Bianca Valdarnese" chicken breed, which is threatened with extinction. It is only suitable for free-range farming, as the animals develop a high level of mutual aggression in cramped conditions.

Through the direct sale of the products to end consumers, mostly in Germany but all over Europe, and the opportunity for customers, guests and holiday makers staying in the many restored farmhouses and visit Fattoria La Vialla on site, customers are emotionally involved and the Fattoria La Vialla example and role model can be experienced with all the senses. In practice, this happens by taking part in the everyday and seasonal work on the farm, through the communication and constant transparency of La Vialla's practices including events and educational visits on site also for schools.

These measures increase an understanding and appreciation of farm work, biodynamic practices and the value of crops grown in this way. This results in changes in awareness and a change in consumer behaviour and understanding of production processes among La Vialla customers and the public.

The La Vialla international employees, guests and customers come from all income and age groups, are people with very different political views, and yet see themselves locally at La Vialla and on social networks as a community that supports each other. In this way, La Vialla strengthens social cohesion and social welfare beyond the immediate farming and food production.

La Vialla advocates internationally for a sustainable, regenerative economy and society, and is networked with local and international organizations, research institutions and universities to promote cooperation and enable the transfer of practical and empirical knowledge as well as promoting public and political awareness on the topic Ecosystem restoration.

Agriculture is one of the greatest levers for overcoming the major challenges of climate change. The diverse impacts of climate change, loss of biodiversity, imbalance in the food system, health, education, equal opportunities and rural development are just a few examples. La Vialla sees the future solely in measures that preserve our living spaces. This goes far beyond the borders of La Vialla.

Knowledge about regenerative agriculture is increased and people are clearly shown what biodynamic or regenerative agriculture is and what it means for society and nature alike. Everything we do – or don't do – today has an impact on future generations. For example, every ton of CO2 we emit into the atmosphere today will remain there for many years, affecting the climate now and in the future. A river that is polluted can no longer be used by future generations. It is therefore only fair and sensible to use all of our resources in such a way that they remain usable for our children, grandchildren and their descendants and that people can live safely, healthy and in dignity.

The Lo Franco family acts according to the best principle of family entrepreneurship: "we do not inherit the land from our ancestors, but rather we borrow it from our children." The family strongly believes that keeping the soil fertile and healthy and being responsibility for not disturbing the balance and integrity of natural life systems is the mission they convey.

Antonio Lo Franco and Gianni Lo Franco represent the family tonight together with their German PR officer Annette Müller. They all strongly believe together with the whole La Vialla family, that respect for the rights and freedom of all people to live and develop on a planet worth living requires that every economic activity not only avoids harm, but also generates benefits in order to preserve and development the environment in which we live, act and work.

In 2007, the parents "officially" handed over the Fattoria to their three sons, who in turn have eight children, who are free to work at La Vialla or not. The model of successfully running the company by several siblings is likely to continue in the next generation. **Antonino Lo Franco says today about the constructive cooperation between the siblings:**

"We run the business by pooling our individual knowledge. Each of us has our own personal expertise that corresponds to our interests. We know from experience that you do best in the areas you love most.

My older brother Gianni loves working with numbers and takes care of the commercial matters of our company. Bandino, the youngest, is increasingly devoting himself to agriturismo - i.e. guest operations - and is also an expert in olive oil. I often spend time in the wine cellar with our oenologist and 'work on' our advertising and marketing campaigns.

Decisions are made democratically by three people, and for difficult questions, for example strategic questions or questions about product innovation or the product range, a kind of family council is convened, which also includes the technical employees with their own expertise."

This is why none of the La Vialla products leave the farm without the whole family voting for them. This is the cohesion of Italian family businesses par excellence and can only be implemented if there is a feeling of togetherness. A role model for all family enterprises regardless of their industry and origin.

I proudly hand the Royal Bavarian Lion to you out of respect and in recognition of your role model as a family, a family enterprise and one of the finest examples of impact and sustainability for a better world. Congratulations from us all!