



Social Sustainability Policy

illycaffè S.p.A.

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Roles and responsibilities	
Policy responsables (global level)	Chief Total Quality & Sustainability Officer Chief Supply Chain Officer Chief Talent & Organization Officer
Policy application responsables (local level)	General Managers

1. Foreword

Since its founding in 1933, illycaffè has oriented its strategies toward a sustainable business model aimed at creating shared value for all stakeholders, integrating economic and financial objectives with social and environmental considerations.

illycaffè promotes proactive stakeholder engagement, involving those who can influence or be influenced by the activities within its value chain. The Group's long-term sustainable growth also reflects the evolving nature of its relationships with stakeholders and the attention illycaffè pays to their expectations and needs. This engagement, grounded in open dialogue and transparency, enables the development of relationships that foster mutual benefit and the creation of shared value.

In 2019, illycaffè strengthened its commitment as a stakeholder company by adopting the status of a Benefit Corporation, explicitly including in its corporate purpose the commitment to operate in a responsible, sustainable, inclusive, and transparent manner. This commitment is pursued through specific common benefit objectives, focused on creating economic value for stakeholders, enhancing well-being in coffee-growing regions by nurturing a virtuous cycle between producers and consumers, and promoting regenerative agricultural practices aimed at preserving biodiversity and restoring ecosystems.

2. Objective

This Policy reflects the commitment and defines the illycaffè S.p.A. Group's orientation with respect to the recognition, respect and protection of the rights of all its stakeholders and complements the principles and criteria expressed in the Group's Code of Ethics.

In this context, the Group is committed to identifying, preventing and remedying any negative impacts or risks caused or contributed to with regard to human and animal rights along its value chain.

3. Scope of application

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This document applies to all illycaffè S.p.A. Group companies and extends to its entire value chain. It is the responsibility of the global contact persons to give guidance to the General Managers of the individual Group companies with respect to the dissemination and application of the Policy.

4. Corporate commitment

4.1. Combating forced labor and child labor

The illycaffè Group commits to:

- Do not resort to and oppose modern slavery and forced, bonded and compulsory labor, condemning any physical restriction, abuse or threat.
- Do not resort to and oppose child labor and, with particular attention to coffee supply chains, foster the well-being and mental and physical development of children, promoting their right to education, play and basic needs in order to contribute to the development of local communities.
- Purchase coffee only from countries that have ratified the United Nations' International Labor Organization (ILO) standards and have established a minimum age for minors in their laws, which is consistent with what the ILO standards require.
- Actively manage the issues of forced labor and child labor along the coffee supply chains from which it sources through periodic monitoring of the same, based on ISO 20400 and ISO 26000 standards.

4.2. Respect for working conditions

The illycaffè Group commits to:

- Ensure respectful and decent working conditions for all employees, including temporary and temporary workers, by observing the maximum number of working hours stipulated in the contract, rest periods during the day and week, paid vacations, leaves of absence and sick days.
- Adopt fair compensation policies that comply with applicable laws and standards.
- Ensure freedom of association and enforcement of collective bargaining agreements, where they exist.
- Ensure a decent wage (i.e., one that allows employees to cover basic necessities, such as food, housing, education, health care and other essential expenses, for themselves and their families) for all employees by establishing transparent criteria for determining wages, based on periodic cost-of-living analyses in the different geographic areas in which illycaffè operates. The Group is also

committed to raising awareness among suppliers and business partners on the adoption of remuneration policies in line with the principles of decent wages.

- Engage in an open and constructive social dialogue (i.e., a process of negotiation, consultation and exchange of information) through periodic meetings with employee representatives with the aim of promoting the active participation of employees in decisions regarding working conditions.
- Ensure fair remuneration to its suppliers and, in particular, in addition to always covering the cost of green coffee production, recognize a higher margin than the market for the production of sustainable quality coffee.
- Promote the dissemination of a culture of respect for human rights and business ethics, including through awareness-raising activities and internal training courses, with the aim of fostering conscious and responsible conduct throughout the value chain.

4.3. Promoting justice, equity, diversity and inclusion

The illycaffè Group commits to:

- Condemn all forms of discrimination and harassment on grounds of gender, age, ethnicity, nationality, religion, political and union affiliation, health status, sexual orientation and gender identity, language or different ability.
- Create a work environment guided by shared values of behavior and a sense of belonging and promote the enhancement of employees' aptitudes and skills, ensuring equal opportunities without discrimination.
- Promote gender equality, value diversity, and foster an inclusive culture, with particular attention to female participation and empowerment, professional development through the fair assignment of roles and responsibilities, and a healthy work-life balance. In particular, the parent company illycaffè S.p.A. has adopted a Gender Equality Management System in accordance with UNI/PdR 125:2022, initiating a cultural transformation process aimed at consolidating and enhancing the results achieved. The model includes the definition of strategic objectives, monitoring through specific indicators, and periodic reporting. These objectives are defined by the Leadership Team, in coordination with the Steering Committee, and adequately communicated and disseminated inside and outside the organization; they are also the subject of specific training and awareness programs; they are subject to periodic review, with the possibility of confirmation or updating, depending on events that have occurred, organizational transformations and the results that have emerged from monitoring and verification activities. The objectives are managed by a responsible figure, appointed by the Leadership Team and endowed with the necessary skills to oversee the matter. Lastly, it provides for the allocation of resources, responsibilities, and mandates to a Steering Committee tasked with pursuing

and ensuring the achievement of goals related to inclusivity, equality, and gender parity. The composition of the Steering Committee is outlined within the internal document “Organizational Structure” available on the company intranet.

- Ensure access to transparent and understandable information to all suppliers, customers, consumers and end users of illy-branded products through packaging and digital touchpoints and by eliminating, where possible, barriers related to language and different abilities.

4.4. Protection of health and safety

The illycaffè Group commits to:

- Ensure the safety, hygiene and healthiness of company premises in compliance with applicable laws and promote the mental and physical health and well-being of employees.
- Ensure that products placed on the market meet strict quality and safety standards to protect the health of consumers, through systematic controls along the supply chain and targeted audits with activation of timely corrective actions in case of non-compliance.

4.5. Right to privacy

The illycaffè Group commits to:

- Ensure the right to privacy of personal and special data of its employees, suppliers, customers, consumers and end-users and other stakeholders with whom the Group comes into contact in line with applicable laws and standards, applying procedures and forms aimed at complying with principles of the European Data Protection Regulation, including accountability, and legislation in force in the countries where the Group operates.
- Protect information collected as part of business relationships and product user experience, ensuring transparency, integrity and confidentiality in data processing and management.
- Take appropriate security measures to prevent unauthorized access, loss or misuse of information with the aim of protecting the rights and interests of all stakeholders involved.

4.6. Animal welfare

The illycaffè Group commits to:

- Ensuring that 100% of the food products purchased by or through illycaffè are made exclusively with eggs sourced from cage-free farms.
- Guaranteeing that only eggs from cage-free farms are used in all directly operated stores.

- Continuing to monitor franchisees, for which the update of standard food requirements was completed in 2024, in order to ensure the exclusive sourcing of eggs from cage-free farms.

5. Governance

The Board of Directors of illycaffè plays a key role in ensuring that the Group's commitment to sustainable development models is constant and widespread throughout the value chain and integrated into its strategic plan and business model, also because of the common benefit purposes pursued as a Benefit Corporation.

In particular, the governance system adopted by the company provides for the Board of Directors to be supported by a Sustainability Committee, which performs investigative, propositional and advisory functions in favor of the Board of Directors on sustainability issues, meaning policies, processes, technologies and any other initiative aimed at strengthening the pursuit of the corporate purpose, as well as the company's commitment to sustainable development along the entire value chain, from bean to cup.

6. Reporting concerns or violations

In compliance with the Whistleblowing Decree (Legislative Decree No. 23/2024), illycaffè encourages anyone who detects or suspects violations of this Policy to report it through the appropriate channels to ensure the confidentiality of the identity of the whistleblower and the security of the information.

For more information on this matter, please refer to the Whistleblowing Guidelines made available at <https://www.illy.com/en-ww/illy-mission-values>.

7. Regulatory and documentary references

illycaffè bases its actions on conventions, regulations and standards at the national and international level, as well as on relevant corporate documents.

Since 2013, illycaffè has been a member of the United Nations Global Compact and each year publishes its own Communication on Progress, confirming its support for the ten Principles to which it subscribes.

Other normative and corporate references from which this Policy is inspired include:

- International Charter of Human Rights
- Universal Declaration of Human Rights
- United Nations Guiding Principles on Business and Human Rights
- Fundamental Labor Conventions of the International Labor Organization (ILO)
- OECD Guidelines for Multinational Enterprises
- ISO 20400

- ISO 26000
- Code of Ethics
- Organization and Management Model pursuant to Legislative Decree No. 231 of June 8, 2001 ("Model 231")
- Supplier Code of Conduct

This Social Sustainability Policy was approved by the Board of Directors of illycaffè S.p.A. on 25/07/2025 and made available at <https://www.illy.com/en-ww/illy-mission-values>.

Version	01
Date	25/07/2025
Drafted by	Total Quality & Sustainability; Supply Chain; HR & Organization
Verified by	Chief Executive Officer
Approved by	Board of Directors
Significant changes	-
Reason for changes	-