



SUPPLIER CODE OF CONDUCT

PROCUREMENT DEPARTMENT

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1. Introduction

This Supplier Code of Conduct defines the principles and expectations that illycaffè S.p.A. (hereinafter also referred to as "illycaffè") has towards its Suppliers. Our company is committed to collaborating with Suppliers who share our core values, including respect for human rights, environmental sustainability, and business ethics.

2. Vision and Mission

MISSION

Delighting everyone in the world with the best coffee nature can provide, enhanced by the best technologies and sustainable practices and the beauty of art.

VISION

illycaffè wants to be the reference point of coffee culture and excellence around the world. An innovative company that offers the best products and places of consumption and, thanks to this, grows and becomes a leader in the high-end sector.

VALUES

Ethics: long-terms value creation through sustainability, transparency and personal development.
Excellence: love for beauty and goodness.



illycaffè is guided by the principles of transparency, respect for rights, loyalty, and trust, with a focus on the human factor, paying particular attention to social, environmental, and economic sustainability.

A commitment to ethics is the essential foundation to ensure illycaffè's reliability in its relationships with stakeholders and, more generally, with the entire civil and economic context in which the company operates.

3. Business Ethics and Integrity

The Supplier commits to operating in compliance with applicable local, national, and international laws and regulations.

The Supplier also commits to adopting practices that reflect illycaffè's ethical standards in areas such as business ethics, integrity in business, impartiality, fair competition, and non-discrimination, in accordance with the principles outlined in illycaffè's Code of Ethics (link in the References section).

The above applies to all Suppliers, subcontractors, and business partners involved in activities with illycaffè.

4. Human and Labor Rights

Suppliers are required to uphold the human rights of their employees, treating them with dignity and respect, in line with the "Diversity, Equity and Inclusion" policy adopted by illycaffè (link in the References section).

Specifically:

4.1 Minimum Age and Child Labor

Suppliers commit to not using any form of child labor in their supply chain, as defined by the ILO (International Labour Organization) and UN (United Nations) conventions.

4.2 Discrimination

Suppliers commit to treating their employees with dignity and respect, ensuring non-discriminatory criteria in the evaluation of hiring, training, education, career advancement, dismissal, and issues related to gender, sex, age, social origin, ethnicity, nationality, religious beliefs, political ideas and opinions, health status, physical and mental abilities, identity, and sexual orientation.

4.3 Fair Treatment

Suppliers commit to ensuring that no form of intimidation, threats, physical or mental mistreatment, verbal, sexual, or psychological harassment is tolerated or practiced in the workplace.

4.4 Working Hours and Compensation

Suppliers commit to ensuring that their employees work in compliance with the laws and standards set by national regulations regarding working hours. Suppliers must ensure that their employees are compensated for regular working hours in accordance with current national laws and applicable industry collective agreements,

including overtime pay differentials. Compensation must be adequate to meet the basic needs of the employee and their family.

4.5 Freedom of Association

In accordance with national laws and applicable regulations, Suppliers commit to respecting the right to freedom of association and participation in collective bargaining, without prejudice or discrimination.

5. Environmental Responsibility

5.1 Environment

The environment is a primary collective asset that illycaffè is committed to respecting and safeguarding, considering the rights of future generations.

Suppliers are required, in the course of their activities and the exercise of their business initiatives, to comply with applicable environmental regulations (for example, by implementing a management system such as ISO 14001 for the environment and/or ISO 50001 for energy).

Additionally, we encourage Suppliers to set objectives for improving their environmental and landscape impact, preventing risks to local populations, ecosystems, and animal welfare.

5.2 Use of Resources

Suppliers commit to producing raw materials ethically, paying attention to natural resources, with environmental responsibility, and minimizing the impact through the use of the best available technologies.

5.3 Energy Resources and Greenhouse Gas Emissions

Suppliers work to ensure responsible management of energy resources with a focus on continuous improvement, coordinating and monitoring their energy system, checking consumption, and promoting actions that lead to increasingly efficient energy performance, resulting in lower greenhouse gas emissions.

5.4 Circular Economy

illycaffè encourages Suppliers to adopt an approach based on the principles of the circular economy, including resource optimization, waste reduction, material reuse, and waste management that favors recycling as much as possible. This approach aims to create a system where products, materials, and resources are kept in use for as long as possible, minimizing environmental impact.

6. Health, Safety, and Well-being of Workers

The Supplier must ensure that their workplaces are safe, healthy, and free from health risks. It is recommended to implement a health and safety management system, adopting preventive measures to reduce the risk of accidents and occupational diseases.

illycaffè is inspired by the principles of corporate social responsibility, embracing the values expressed in normative instruments such as the ILO (International Labour Organization) Convention and the Universal Declaration of Human Rights.

7. Integrity and Fairness in Negotiations

Anti-Corruption: The Supplier must not offer, promise, or accept bribes or any form of corruption, and must conduct its business activities in a transparent and honest manner.

Conflict of Interest: The Supplier must avoid conflicts of interest that may compromise their ability to act impartially and professionally.

8. Supply Chain Management

The Supplier must ensure that their subcontractors and business partners also adhere to the same principles and ethical standards defined in this Code of Conduct. Transparency throughout the supply chain is essential, and the Supplier must be willing to provide relevant information regarding their operations.

9. Information Handling

9.1 Privacy

Supplier data is processed by illycaffè in full compliance with the applicable privacy regulations, pursuant to Regulation (EU) 2016/679 (GDPR).

To this end, specific policies and procedures are applied and continuously updated to protect data processing.

In particular, illycaffè informs suppliers about the methods of data processing and retention through the acceptance of the data processing notice (link in the References section).

9.2 Confidentiality

Confidential information is processed by illego in full respect of the confidentiality of the parties involved.

To this end, specific policies and procedures are applied and continuously updated to protect confidential information.

In particular, illego requires third parties involved in the processing of information to sign confidentiality agreements. The supplier must protect and respect the intellectual property rights and confidentiality of business information provided by illego, and must not use such information for unauthorized purposes.

Regarding suppliers, any violation of the provisions of this document will result in the termination of the existing contracts with them, without prejudice to illego's right to claim compensation for damages caused by such behavior.

10. Supplier Access Rules to illego Sites

illego has implemented a system of rules that define the procedures for access and behavior for all Suppliers entering the company facilities at the Trieste and Robecchetto locations. The objective is to ensure safety, compliance with regulations, and operational efficiency during the execution of services within our company. (link in the References section)

11. Health and Hygiene Regulations

In order to ensure food hygiene in compliance with legal regulations and voluntary certification standards adopted by illego, the hygiene and sanitary rules outlined in the HACCP Manual Extract, sent as an attachment with the tender documentation or available at the Reception upon accreditation at the company, must be followed within illego's sites.

illego reserves the right to carry out checks during the execution of the contracted activities to ensure compliance with these rules. If non-conformities are found, they will be forwarded to the purchasing department for reporting and a reminder to the Supplier.

12. Monitoring and Compliance with the Code of Conduct

il.lycaffè does not engage in business relationships with Suppliers who do not accept the terms of this Code. It reserves the right to verify their compliance with this Code and, if it becomes aware of any non-compliant actions or conditions, may immediately terminate the commercial agreement.

The Supplier must be willing to allow audits and inspections, including on-site visits, by the Company or third parties to verify compliance with this Code of Conduct.

il.lycaffè reserves the right to carry out checks during the execution of the contracted activities to ensure compliance with applicable safety regulations. If non-conformities are found, a penalty of 1 point per violation will be applied (starting from a base of 20 points with a three-year duration).

Violations will be identified by the person responsible for the contract (or their representative) and reported by the purchasing department to the Supplier.

Once the threshold of 10 points is reached, the Supplier commits to providing voluntary specific training courses for the workers involved in the contract.

The score will be taken into consideration for the assignment of future contracts.

13. References

Ethical Code il.lycaffè

https://www.il.ly.com/content/dam/channels/website/consumer/global/pdf/who-we-are/2024/1_CodiceEtico_il.lycaffè%C3%A8_ENG_30102023_LV.pdf

Access Rules to il.lycaffè Sites

https://il.ly-procurement.bravosolution.com/documents/eng_regole_accesso_fornitori_in_il.ly_triESTE_plants.pdf

Privacy Notice

https://il.ly-procurement.bravosolution.com/documents/Mod_05_T-ACCRED_Fornitori-Informativa-2017-rev01_en.pdf

Diversity, Equity and Inclusion

<https://www.il.ly.com/content/dam/channels/website/consumer/italy/pdf/Inclusion%20and%20Gender%20Equity%20Policy.pdf>