

# Code of Conduct for Suppliers

## Purpose

This document outlines the principles that illycaffè requires its Suppliers to comply with in their business relationships. These principles are based on illycaffè's Code of Ethics, and underline transparency in working practices and the values of economic, social and environmental sustainability.

## I. Ethics and Business Integrity

Ethical values are fundamental to guarantee illycaffè's reliability in its relationships with stakeholders and, more generally with the social and economic context in which the company operates.

illycaffè believes that respect for ethical rules and transparency in business are the only way to pursue and achieve its objectives, at the same time creating value for its clients, its business partners, its shareholders, and for the communities it is involved with.

### 1.1 Protection Against Discrimination

illycaffè rejects any discrimination based on race, national origin, gender and sexual orientation, age, disability status, political opinion and religious beliefs in both the selection and the management of its Suppliers.

### 1.2 Relationships With Suppliers

Relationships with Suppliers, including financial and consulting contracts, are constantly monitored by illycaffè. Any contract must be based on extremely clear relationships. It is forbidden to give either services or compensations of any kind to any business partner for a job that is not deemed justified in the context of the relationship built with the partner itself. It is also forbidden to give any kind of compensation to any external collaborator, unless justifiable in relation to their task and established local procedures. Any association with partners and external consultants must be stated in a written contract that specifies any economic agreement. The contract must require compliance with the Organizational Model and of Italian law (D.Lgs.231/2001), specifying penalties in case of violation.

### 1.3 Data Protection

All data management by illycaffè is undertaken with a high regard for confidentiality. Specific procedures are employed and constantly updated to protect data privacy, and any third party that has access to our data is required to subscribe to non-disclosure agreements. illycaffè will rescind its contract with any Supplier infringing the terms of these documents, and reserves the right to sue for damages resulting from said infringement.

### 1.4 Business Integrity

Suppliers must always operate within the limits of relevant laws. Any form of corruption, extortion or illicit payment is not tolerated. Suppliers are forbidden to propose or accept any bribe or illegal incentive that is offered to obtain any kind of advantage or benefit.

### 1.5 Fair Business Practices

Suppliers are required to adopt and maintain business practices that comply with the principles of fair business practice and anti-trust regulations, following national and international laws regarding

competition. Examples of inappropriate practices are setting of prices, market and client sharing agreements, collusive tendering.

### **1.6 Intellectual Property**

Suppliers must commit to adopting management practices for sensitive data that ensure the protection of illycaffè's intellectual property rights.

## **II. Human Rights and Employment Rights**

Suppliers are required to protect the human rights of their employees, and to treat them with dignity and respect. Specifically:

### **2.1 Age Requirements and Child Labour**

Suppliers must commit not to exploit any form of child labour in their supply chain management, as defined by ILO and UN conventions.

### **2.3 Non-Discriminatory Practices**

Suppliers must commit to treat their employees with dignity and respect. Hiring practices, training and education, career advancement, and dismissal must not rely on discriminatory criteria based on race, gender, sexual orientation, national origin, age, disability or maternity status, social status, religious beliefs, political opinions.

### **2.4 Fair Treatment**

Suppliers must commit not to tolerate any form of intimidation, threat, physical or mental abuse, or any verbal, sexual or psychological harassment.

### **2.5 Working Hours and Salary**

Suppliers must commit to comply with standards set by national laws regulating working hours. Suppliers are required to comply with national regulations and collective agreements, both for standard working hours salaries and additional overtime payments. Salaries must allow the employees and their families to satisfy their basic needs.

### **2.5 Freedom of Association**

Suppliers must commit to respect freedom of association and to participate in collective bargaining without any effect of discrimination, in accordance with national laws and relevant regulations.

## **III. Environment**

illycaffè believes that the environment is a shared resource, and aims to protect it by balancing economic initiatives and essential environmental needs, always keeping in mind the rights of future generations. illycaffè is committed to the reduction of any environmental impact of its activities and to the prevention of risks for both people and the environment in general. illycaffè intends to achieve this not only by respecting existing standards, but also by exploiting the on-going development of scientific research and best practices.

### **3.1 Minimum requirements**

Suppliers are required to operate according to industry standards and to local and national rules regarding environmental protection. They are also required to promote initiatives favouring the improvement of environmental performance, for instance implementing ISO14001 for Environmental Management System Standards or EMAS certification.

### **3.2 Use of Materials**

Suppliers must commit to produce raw materials following ethical standards. They must take natural resources into account, consider environmental responsibility and aim for the smallest environmental impact possible by using the best available technology.

### **3.3 Energy Resources and Greenhouse Gases**

Suppliers must work towards a responsible management of energy resources, aiming for constant improvement. They must coordinate and monitor their systems, verifying their consumption and promoting actions to constantly improve efficient energy performance and a reduction in the emission of greenhouse gases.

### **3.4 Waste Disposal**

illycaffè encourages Suppliers to aim for a responsible and sustainable waste management strategy through the entire waste life cycle, following the principles of the circular economy to benefit society as a whole.

## **IV. Verifications and Rescission of Agreements**

illycaffè will not commit to any business relationship with Suppliers that will not subscribe to this Code of Conduct; it reserves the right to verify their compliance with this Code and, in the case of any instance of actions or conditions which do not comply, will be allowed to immediately rescind any commercial agreement.