

**READ, UNDERSTAND, APPLY**



**POLICY**

**2026**



- Issuing Department:** - Group Policy, Guidelines and Procedures
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  - Chief Operations Officer
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# Contents

OBJECTIVE AND SCOPE..... 4

OUR COMMITMENT..... 5

OPERATIONAL APPROACH..... 6

GLOSSARY ..... 8

## OBJECTIVE AND SCOPE

The Lavazza Group (or "Lavazza") acknowledges that the climate crisis and biodiversity loss are two of the most pressing and interconnected environmental and social challenges worldwide. Both threaten food security, the resilience of farming communities and the very survival of the coffee ecosystem, a sector that is closely dependent on the health and richness of biodiversity in the tropical and subtropical areas of the planet.

Aware of its role as a global player in the agri-food sector, Lavazza is committed to adopting a proactive and systemic approach, based on science, innovation and collaboration with the territories. This policy is intended to formalize this commitment, guiding the company's action towards a low-carbon and high-biodiversity future.

This policy is part of the business model of Luigi Lavazza S.p.A. and all its subsidiaries, commercial subsidiaries, the coffee supply chain and the players involved in sustainability projects activated directly or through collaboration with third sector entities.

This Policy is aligned with the Group's corporate values and long-standing commitment to the environment and biodiversity and is at the same time part of the Group's regulatory compliance with the European Union's Corporate Sustainability Reporting Directive (CSRD), which came into force on 5 January 2023, amending the Non-Financial Reporting Directive (NFRD) No. 2014/95/EU.

# 01 SECTION

## OUR COMMITMENT

Lavazza is committed to:

- Reduce greenhouse gas (GHG) emissions along the entire value chain, through a gradual and science-based decarbonisation plan.
- Protect, enhance and regenerate terrestrial biodiversity, particularly in the areas of origin of coffee, recognizing its crucial role in climate regulation, soil fertility and crop resilience.
- Integrate environmental and climate considerations into business decision-making, risk management and strategic planning.
- Actively collaborate with agricultural communities, scientific partners, institutions and territorial stakeholders to promote regenerative development models.
- Monitor and communicate progress transparently, through reporting in sustainability reports and in line with international standards.
- Strengthen the internal corporate culture on climate sustainability and the protection of biodiversity, promoting training, empowerment and involvement.

# 02 SECTION

## OPERATIONAL APPROACH

### Decarbonization plan

Lavazza has launched a structured decarbonisation plan, based on:

- Reduction of direct (Scope 1) and indirect emissions from energy (Scope 2).
- Involvement of suppliers and supply chain stakeholders to develop projects to reduce indirect emissions (Scope 3).
- Eco-design of machines and packaging, product innovation and logistics with low environmental impact.

The plan is developed according to scientifically validated trajectories and will be progressively extended and refined over time, with intermediate milestones and annual checks.

### Commitment to biodiversity

Biodiversity is a vital element for the quality and availability of coffee, as well as for the resilience of farming communities. Lavazza promotes a holistic vision of biodiversity protection, promoting:

- **Good agricultural practices:** training, technical support and agronomic innovation projects for farmers, aimed at preserving soil fertility, increasing biodiversity and increasing carbon absorption capacity, as well as promoting a better yield of the plantation.
- **Conservation of coffee varieties:** promotion of research on climate-resilient varieties, in collaboration with research centres, foundations and universities.
- **Reforestation and agroforestry:** support for the implementation of agroforestry systems and reforestation interventions in the most vulnerable areas to promote the restoration of ecosystems.
- **Protection of water resources:** protection of natural resources that are critical to the balance of crops and the safety of local communities, including water resources and aquifers.

### Protection of forests and ecosystems

The Group recognises the relationship between coffee cultivation and the impact on forests and ecosystems and is committed to promoting a traceable and resilient coffee supply chain, based on responsible agricultural practices that protect biodiversity, regenerate the soil and preserve local ecosystems. We work closely with our partners and producers to integrate responsible agronomic techniques, strengthen environmental resilience and combat deforestation.

### Roles and responsibilities

- **Innovation, Sustainability & Institutional Relations Department:** leads the Group's climate and biodiversity strategy, coordinates the definition of targets, monitors indicators and takes care of ESG reporting. The **Institutional Relations Function** is responsible for following the evolution of the main legislative drivers in ESG issues and the developments of pre-competitive networks on environmental and social issues.
- **Operations Department/ Food Industrial Engineering and Technology Functions:** Integrates energy efficiency and emission reduction initiatives within the Group's industrial processes.
- **Operations Department/Health, Safety and Environment function:** includes in the Group's ISO 14001 environmental management system the activities and projects aligned with this Policy and the Group's commitment to decarbonisation.
- **Operations Department/Coffee Responsible Sourcing and Quality & Procurement Department/Sustainable Procurement functions:** integrate ESG parameters in the evaluation of suppliers, collaborating with the Sustainability function for a more responsible and lower-impact supply chain.
- **R&D Department:** collaborates with the **Sustainability function** and with foundations and third sector entities to implement projects related to agroforestry, regenerative agriculture and research into coffee species resilient to climate change. It also reduces the use of raw resources for the pack and for the machines.
- **Human Resources Department:** promotes training and awareness-raising initiatives on climate and the objectives of the 2030 Agenda in collaboration with the **Innovation, Sustainability & Institutional Relations Department** or with foundations and third sector bodies.
- **Board of Directors and Executive Sounding Board:** respectively the highest decision-making body and the highest executive body, they monitor the achievement of the Group's sustainability targets, as well as the approval of the double materiality analysis and the non-financial reporting process.

### Monitoring and transparency

The Sustainability Function **is responsible for monitoring** qualitative and quantitative results on an annual basis with the support of internal and external audits, coordinated by the Sustainability Function. This function, in agreement with the main Departments involved in the implementation of the environmental strategy, defines KPIs on which to evaluate progress, which are then communicated in the sustainability report according to current standards and regulations.

**The Innovation, Sustainability & Institutional Relations Department** is responsible for updating this Policy to reflect the latest regulatory developments, best practices and the expectations of the Group's main stakeholders: coffee communities, research centres, non-governmental organisations, regional and international forums and supranational bodies dedicated to cooperation and sustainable development.

With this policy, Lavazza strengthens its commitment to the ecological transition of the coffee sector, promoting a future in which the business can grow while respecting the environment and nature.

# GLOSSARY

**Agroforestry:** Land management system that combines the cultivation of trees and shrubs with agriculture or grazing, improving biodiversity and environmental sustainability

**Biodiversity:** The variety of life on Earth, including genetic, species, and ecosystem diversity. It is essential for the resilience of ecosystems and the sustainability of natural resources

**Decarbonization:** Process of reducing carbon emissions, especially CO<sub>2</sub>, through the adoption of technologies and practices that reduce the use of fossil fuels and increase energy efficiency

**Greenhouse gas (GHG) emissions:** Gases that contribute to the greenhouse effect by trapping heat in the Earth's atmosphere. Common examples include carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), and nitrogen oxide (N<sub>2</sub>O)

**Eco-design:** Design of products with a focus on reducing environmental impact throughout the product lifecycle, from production to disposal

**Executive Sounding Board: Management Committee** consisting of the CEO and his first executive reports, with specific powers of attorney

**Lavazza Group (or "Lavazza"):** a group of companies comprising Luigi Lavazza S.p.A. and all legal entities directly or indirectly controlled by (or under

common control with) Luigi Lavazza S.p.A., which are directed and coordinated by Luigi Lavazza S.p.A. when acting as the parent company of the Group.

**KPIs (Key Performance Indicators):** Key performance indicators used to measure and monitor the effectiveness of the actions taken in relation to the established objectives

**Luigi Lavazza S.p.A.:** the Italian parent company of the Lavazza Group.

**Scope 1, Scope 2, Scope 3:** Greenhouse gas emission categories.

- **Scope 1:** Direct emissions from sources owned or controlled by the company.
- **Scope 2:** Indirect emissions from energy purchased and consumed by the company.
- **Scope 3:** Indirect emissions that occur in the company's value chain, including emissions from suppliers and customers

**Subsidiary (or "Company"):** a company controlled directly or indirectly by Luigi Lavazza S.p.A.

**Stakeholders:** Individuals or groups who have an interest in or are influenced by the activities and decisions of the company. Examples include employees, customers, suppliers, local communities, and investors