

2024 SUSTAINABILITY REPORT



*A Goal
in Every Cup*

LAVAZZA
GROUP



ACCESSIBLE PDF

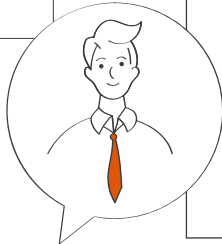
A Goal in Every Cup



2024 SUSTAINABILITY REPORT

Contents

Letters to stakeholders	p. 4
Purpose and values	p. 6
2024 Highlights	p. 8
The world of coffee	p. 12



2. Our commitment to people

2.1 People first	p. 68
2.2 Our path towards diversity and inclusion	p. 73
2.3 People professional development and wellbeing	p. 81



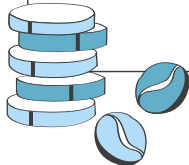
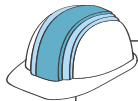
1. Lavazza Group

1.1 Who we are	p. 20
1.2 Governance	p. 40
1.3 Sustainability strategy: "A Goal in Every Cup"	p. 56



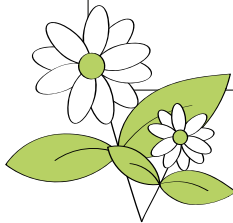
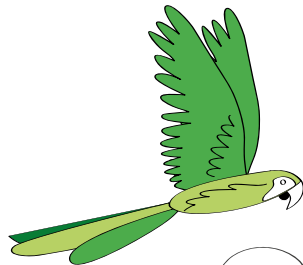
3. Responsible growth

3.1 Supply chain	p. 94
3.2 Value creation	p. 102
3.3 Occupational Health and Safety	p. 106



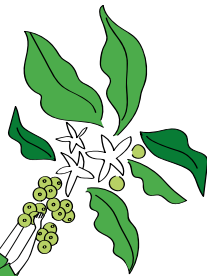
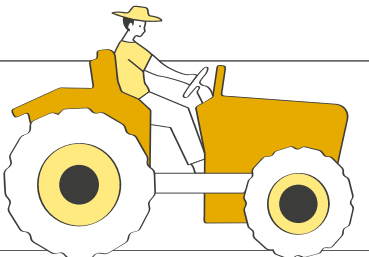
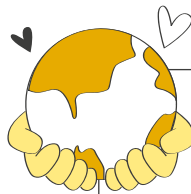
4. Protection of the environment and natural resources

4.1 The path towards environmental sustainability	p. 110
4.2 The environmental impact management	p. 114
4.3 Fighting deforestation and protecting biodiversity	p. 124

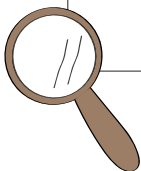


5. Our pledge for local communities

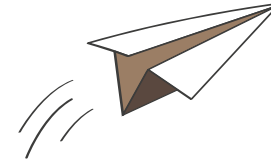
5.1 Lavazza Group for the communities where it operates	p. 144
5.2 Lavazza Group for the communities in the coffee-producing countries	p. 154



Annex	p. 162
Methodological note	p. 178
GRI content index	p. 183
UN Global Compact - communication on progress	p. 188
Independent Auditors' report	p. 189



Letters to stakeholders



“

We aim to create value for all stakeholders in the supply chain and to preserve the beauty of the environmental and the cultural heritage of the areas in which we operate.



Giuseppe Lavazza
Chairman of Lavazza Group

The year 2024 was marked by significant challenges, with constantly rising commodity prices and some new European regulations that are about to come into force and will strongly impact the entire coffee industry. Despite these complexities, our Group has continued to grow, supporting the communities in which we operate and standing by our commitment to virtuous growth.

In 2024, we celebrated the first 20 years of Lavazza Foundation — a major milestone of which we are very proud. Founded with the aim of supporting sustainability projects and giving a medium/long-term horizon to the initiatives promoted in coffee-producing countries, over time the Foundation has created a series of strategic partnerships with associations, government bodies and international partners, extending its activity to many Countries and helping many beneficiaries.

Its adventure began with coffee-focused projects, to then broaden our operational scope and tackle more complex issues such as women empowerment, youth entrepreneurship and the effects of climate change. The Foundation's programmes have thus integrated an ever increasing number of aspects, in the conviction that responsible growth, co-developed with the people directly involved, is essential for the future of our sector.

We also celebrated another significant milestone, the 60th anniversary of Merrild, a brand of quality and tradition for coffee lovers in Denmark and the Baltics, whose entry into Lavazza Group in 2015 marked the first step on the path that, over the years, has made us a global organisation.

As a Group operating in over 140 countries, we always try to be innovative and to be a positive agent of change. Our transformative vision cannot ignore principles such as diversity and inclusion as catalysts for positive and lasting social development. By promoting sustainability, pushing for innovation and pursuing excellence in every aspect of the business, we aim to create value for all stakeholders in the supply chain and to preserve the beauty of the environmental and the cultural heritage of the areas in which we operate. Our vision also encompasses the areas of diversity and inclusion to generate a positive impact on society.

For four generations, Lavazza has demonstrated the enduring strength of a values-based vision: a history of continuous growth rooted in trust, innovation and the ability of coffee to bring people together. Our mission is clear: safeguarding the future of coffee by strengthening our partnerships with all the players in the value chain and driving innovation to ensure resilience and prosperity for future generations.

”

The growth and goals we have achieved are the result of a winning blend of passion for excellence, authenticity, inventiveness and responsibility.



Faced with the increasingly complex challenges of today's global coffee market, our Group needs to be able to adapt quickly in order to be successful.

In a critical and extremely volatile macroeconomic and geopolitical context marked by constantly rising commodity prices, Lavazza Group has demonstrated strength and flexibility, achieving solid results in 2024. More than ever, the turbulences have required a constant ability to adapt and manage costs — both operational and capital — at all levels, ensuring an ongoing solid profitability for the Company. This has allowed us to continue to preserve and enhance the value of our people and to maintain our investment capacity, necessary to be increasingly competitive in the global coffee market scenario.

In 2024, we achieved many new milestones in our path towards sustainable social and environmental transition, as described in this Report, and we grew further, reporting revenues in excess of €3 billion.

In addition, we worked hard across functions to prepare for the challenges posed by European regulations, aiming for early compliance thanks to a long-term transformative vision.

Our strategy for the future is clear: we aim to consolidate our omnichannel model in Europe, expand our footprint across all channels in North America and establish a solid base in China through strategic partnerships. We have ambitious goals, but we also have a team ready to surpass them. We look to the future with confidence and determination, aware of the challenges ahead, but certain that our collective commitment will enable us to overcome them and continue to grow.

Although our financial results are due to our business strategy, with its resilience and capacity for innovation, they necessarily entail an equally solid sustainable development strategy, the success of which is closely linked to the commitment and passion of each member of our Worldwide Coffee Family.

The growth and goals we have achieved are the result of a winning blend of passion for excellence, authenticity, inventiveness and responsibility. We will continue to work in this direction, convinced that this is the right path to follow.

Antonio Baravalle
Chief Executive Officer of Lavazza Group

Purpose and values

Awakening a better world every morning

Awakening a better world every morning is the highest expression of the commitment to helping make the world better, coffee after coffee, day after day.

In compliance with its purpose statement, Lavazza Group aims to **offer high-quality products through a responsible business model based on innovation, passion and competence.**

The **2021-2025 five-year strategic plan** was designed based on this model and in this value framework, which, in its 129 years of history, has evolved to a point that economic, social and en-

vironmental sustainability is considered to be a compass for guiding the business strategy and for multiplying the positive effects on the Group and on the communities in which it operates.

In 2024, all company functions worked to continue to consolidate this approach, which involves all brands and reflects an integrated international group perspective, while ensuring the characteristics of a family business with a global vision — an independent key player in all segments and distribution channels of the coffee market, with over **30 billion cups of coffee** produced yearly.



OUR VALUES

Our worldwide coffee family grows through respect for people and environment



We are true to our past, and to ourselves.
We are genuine because we value the freedom to be ourselves, the freedom to express our ideas. We respect the opinions of others throughout the entire Group. We are proud of our roots, and we believe in the future we are building together.



We believe that even excellence can be improved.
We are passionate about our products and services and we always ensure impeccable quality, whatever our role may be. We are committed to everything that we do, which is how we are able to exceed all expectations. We always seek to create exceptional experiences for our customers, consumers and for all people: for us, people are the top priority.



We are responsible coffee producers.
We are committed to responsible economic growth, and do everything we can to protect people and the planet. We are inclusive, working closely with both those inside the Group and our external partners. We take responsibility for our actions and for the impact that we generate.



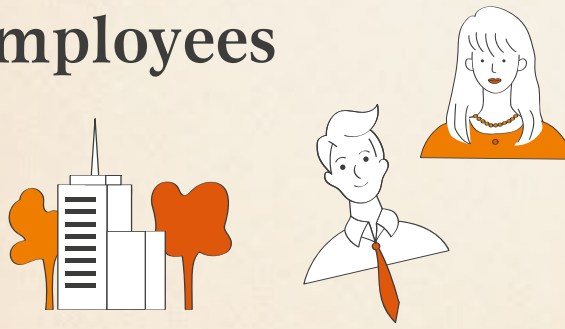
We never stop striving for more.
We focus on the future, learning from our mistakes in order to create a better tomorrow. We are flexible and capable of adapting, and we approach new situations with an open and receptive mind. We apply our spirit of initiative to overcome problems, we are courageous and daring, we think big and we never give up.

2024 HIGHLIGHTS

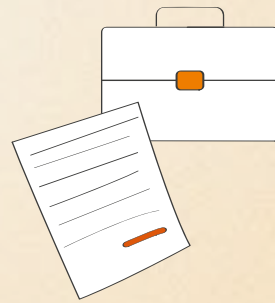
OUR COMMITMENT TO PEOPLE



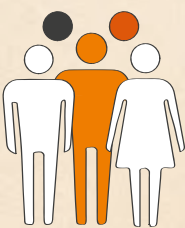
5,806 employees



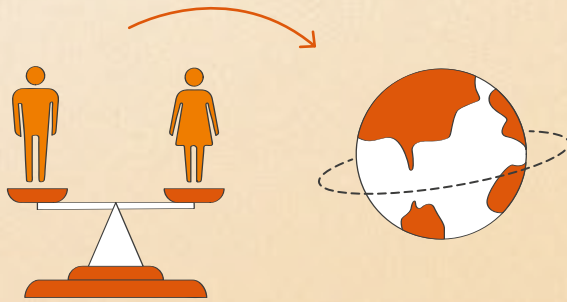
+97% with permanent contracts



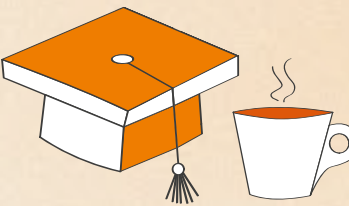
Diversity & Inclusion



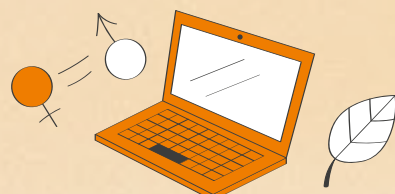
GAP FREE Program extended at global level



Training

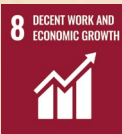


11.9 hours per capita

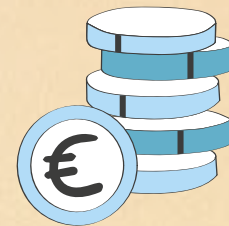


+4,000 hours on D&I and sustainability

RESPONSIBLE GROWTH

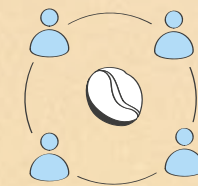


Value creation



+€ 3.3 billion

+97% distributed to stakeholders



Supply chain

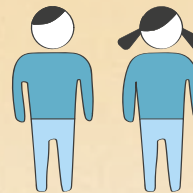
96% of green coffee¹ from suppliers evaluated on EcoVadis



10 ethical and social audits in 5 countries



+6,000 beneficiaries reached with projects for children's rights promotion in Vietnam



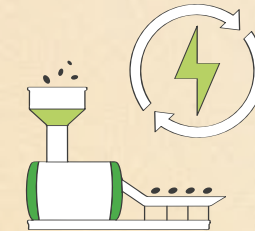
¹) Percentage calculated on total green coffee billed to the Group in 2024.

ENVIRONMENT AND NATURAL RESOURCES PROTECTION

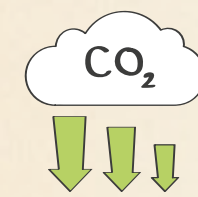


Decarbonisation

+95% of coffee produced in plants that use 100% renewable electrical energy



-9% of CO_{2eq} emissions compared to 2023 thanks to reduction activities



Circularity

81% recyclable packaging of the product portfolio



87% waste recovered or recycled

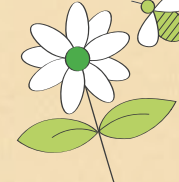


Biodiversity

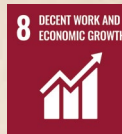


¡Tierra! Special Edition Coffee from Ecuador produced using sustainable practices guided by the United Nations Development Programme

3 regenerative agriculture projects



OUR PLEDGE FOR LOCAL COMMUNITIES



Community Care



Social inclusion program extended globally in 6 countries



8 projects in Italy
5,500 people involved

Lavazza Volunteer Program extended to plants



+160 participants

+750 hours



15 associations

A Cup of Learning

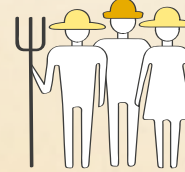
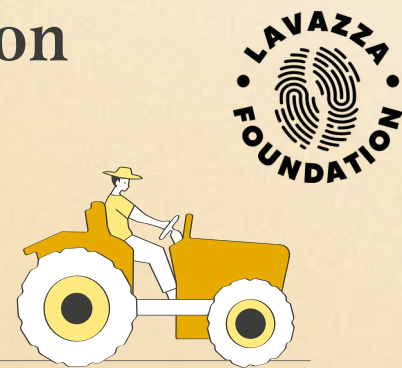
+700 young people professionally trained

in 20 countries since 2017



Lavazza Foundation

29 projects on sustainable agriculture and social inclusion in 18 coffee-producing countries

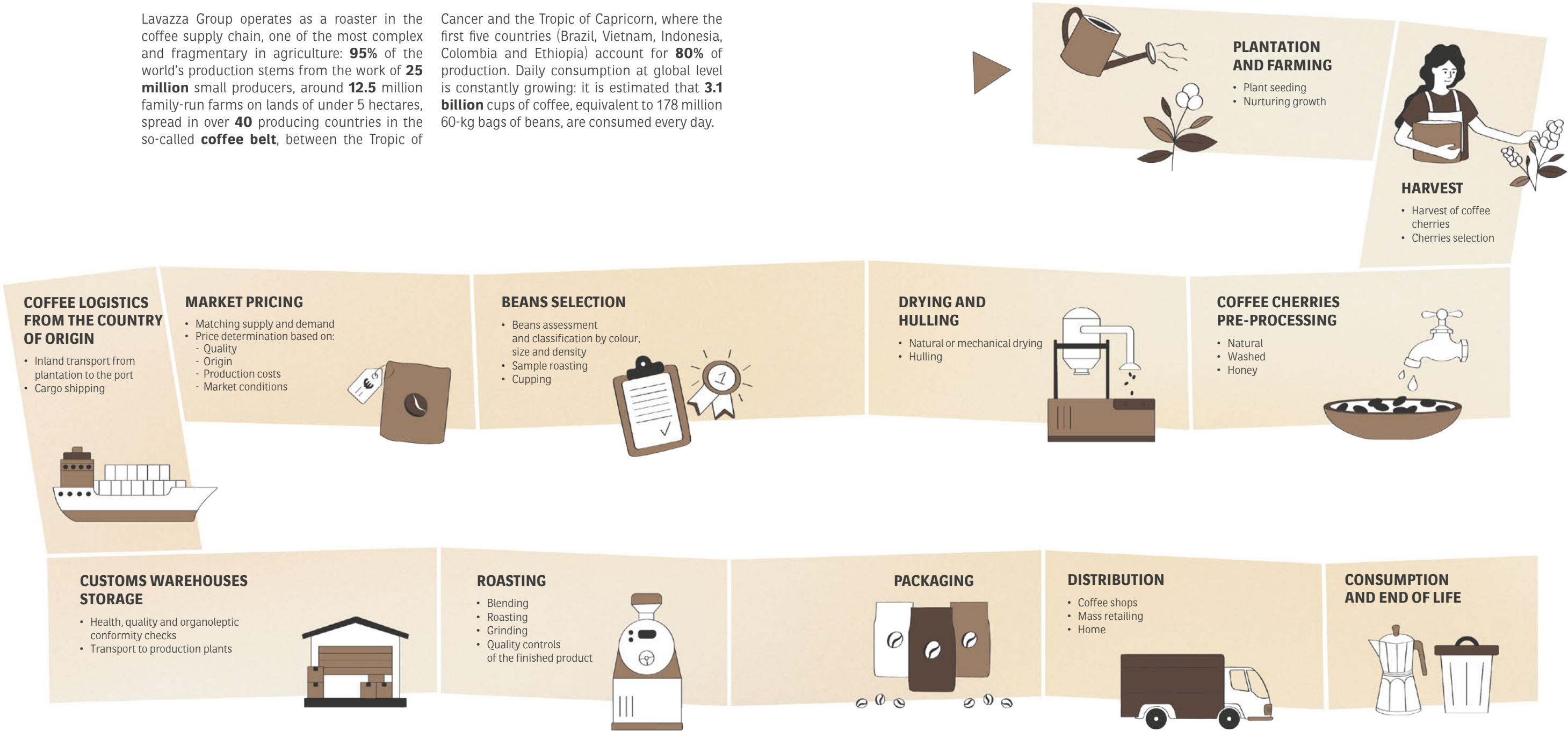


+137,000 people involved


The world of coffee

Lavazza Group operates as a roaster in the coffee supply chain, one of the most complex and fragmentary in agriculture: **95%** of the world's production stems from the work of **25 million** small producers, around **12.5 million** family-run farms on lands of under 5 hectares, spread in over **40** producing countries in the so-called **coffee belt**, between the Tropic of


Cancer and the Tropic of Capricorn, where the first five countries (Brazil, Vietnam, Indonesia, Colombia and Ethiopia) account for **80%** of production. Daily consumption at global level is constantly growing: it is estimated that **3.1 billion** cups of coffee, equivalent to 178 million 60-kg bags of beans, are consumed every day.




COFFEE TREE




Tropical and equatorial regions with hot and humid climate




124 species: Arabica and Robusta the most widespread




Arabica coffee grows at an altitude of 700-2,200 metres



Robusta coffee grows at an altitude of 0-900 (with peaks up to 1,600) metres



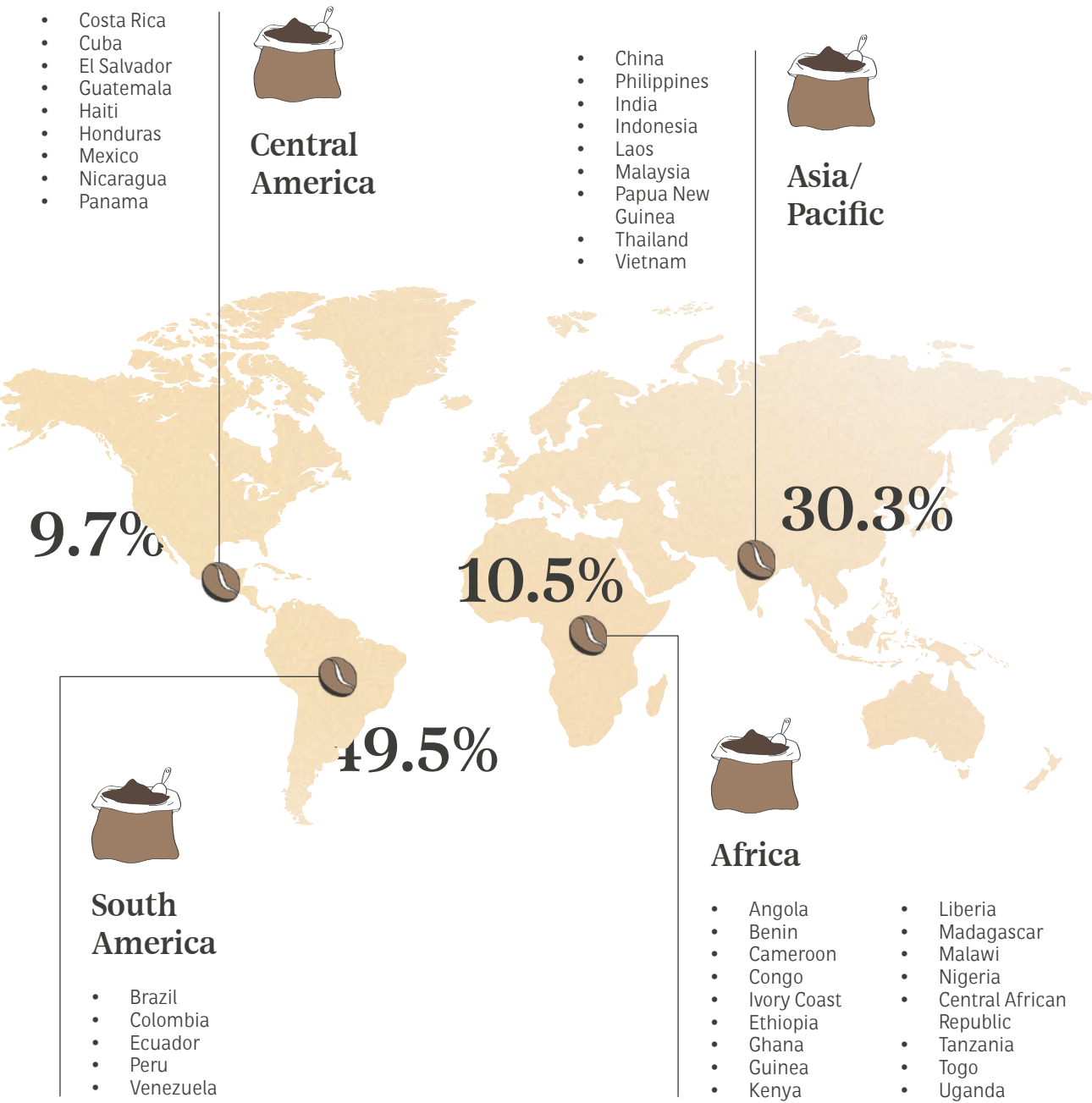
Maximum plant height: 3.5 metres



Produces white flowers and red cherries, each containing two coffee beans



PRODUCTION²



2) USDA (United States Department of Agriculture Foreign Agricultural Service) - 2024.

1. Lavazza Group



1.1 Who we are p. 20

1.2 Governance p. 40

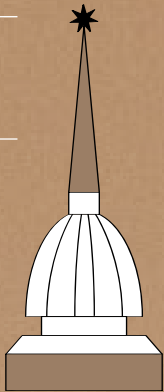
1.3 Sustainability strategy:
“A Goal in Every Cup” p. 56

Overview

BASED IN TURIN SINCE 1895



140 countries worldwide



9 plants

- Italy
- France
- UK
- USA
- Canada



Purpose

Awakening
a better world
every morning

Values

AUTHENTICITY

PASSION FOR EXCELLENCE

RESPONSIBILITY

INVENTIVENESS

Brands

Our sustainability strategy A Goal in Every Cup

4 priority SDGs

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

1 Tool Goal

GOAL ZERO

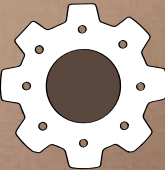
to spread the 2030 Agenda

Multi-channel business

- Retail
- E-commerce
- Food Service
- Retailing
- Office Coffee Service
- Vending



Corporate Governance



- Business model
- Control, risk and sustainability committee
- Risk management
- Stakeholder engagement
- Impact analysis

1.1 Who we are

Over 5,800 employees

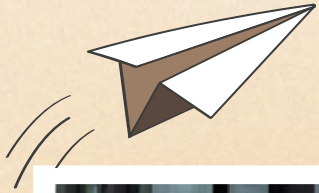


Lavazza Group (hereinafter also “Group” or “Lavazza”) with Headquarters in Turin, Italy, was born by the entrepreneurial passion of the Lavazza family, and today it is among the major players in the global coffee arena as a roaster, present in all business segments. It operates in **140** markets, with **9** production plants in **5** countries (Italy, United Kingdom, France, Canada and the USA) and over **5,800** employees and collaborators worldwide. This global footprint stems from a growth path that has lasted for **129** years.

Following a paradigm that integrates economic, social and environmental sustainability, the Group has always ensured optimal product **quality** through investments in research and innovation that guarantee the best coffee experience in all its forms, offering a moment of pleasure with the perfect product for all times of the day. From the intuition behind the Com-

pany’s first success — the **coffee blend** — to the development of innovative packaging solutions, from the first espresso drunk in space to the hundreds of patents in its portfolio, Lavazza has always revolutionised the coffee culture with courage, energy and reliability, modernising tradition to anticipate the needs of the market and consumers.

The Company’s attitude applies to all the Group’s brands and is also reflected in the attention paid to economic, social and environmental sustainability, always considered a reference in steering the company strategy. Sustainable development in favour of the coffee-producing communities and the most vulnerable segments of the local areas in which it operates has been supported by the third-sector entity ETS Giuseppe and Pericle Lavazza Foundation since 2004.



BRANDS

Lavazza Group brings together the global Lavazza brand with the brands Carte Noire, Kicking Horse and Merrild, market leaders in their respective countries, all united by a focus on quality, yet quite distinct in terms of characteristics and personality.

Lavazza



It is the Group's global brand, a symbol of authentic Italian coffee around the world and a symbol of conviviality, quality and the *Italian way of life*. A history that dates back to 1895, thanks to the entrepreneurial spirit of Luigi Lavazza, inventor of the art of *blending*. Lavazza is a consolidated, historic leader in Italy's retail chains, and it is present in all business segments — At Home, Away From Home and Office Coffee Service — with dedicated products and solutions at global level. It can also count on excellent brand awareness and reputation in all the most strategically important markets, also thanks to its constant commitment to sustainability. A communication innovator, over the years the Lavazza brand has also built its global identity through partnerships in the areas of top gastronomy, sport and culture.



Carte Noire



Part of the Group since 2016, Carte Noire is an icon of the French art of coffee and is the leading retail coffee brand in France, well known since its foundation for its extremely high-quality coffee. Thanks to the vision of its founder, René Monnier, since 1978 Carte Noire has stood out for its refined blends and for being the first player in the French market to offer 100% Arabica products, as well as the No. 1 brand in France's coffee market by penetration, reputation and image.



Kicking Horse Coffee



Part of the Group since 2017, this brand was founded in 1996 in the Canadian Rocky Mountains, where founders Elana Rosenfeld and Leo Johnson dreamed of creating an innovative coffee roasting company with an artisanal approach, experimenting with the art of roasting and blending coffee grown according to strictly natural methods. Over time, the brand has specialised in the marketing of 100% organic and fair-trade certified coffee, becoming the leading player in this segment on the North American market.



Merrild



Part of the Group since 2015, this brand was founded in Denmark as a result of the passion of Møller Merrild, an entrepreneur who in 1964 opened a small coffee roasting company in Fredericia, a small Danish municipality on the shore of the North Sea, driven by a desire to improve the coffee blends available on the market.

His research resulted in the development of high-quality recipes with unmistakable flavour — some of which remain unchanged to this day — propelling the brand's growth and transforming it into a leader of the coffee market in Denmark and the Baltics.

Merrild's 60th anniversary

An iconic Danish brand and part of Lavazza Group for nearly 10 years, Merrild celebrated its 60th anniversary in 2024 — a history made of quality that has led it to achieve over 1 billion cups of coffee drunk every year.



SALES CHANNELS

Lavazza Group's wide range of products, dedicated to both At Home and Away From Home consumption, is distributed across all sales channels: Retail, E-commerce, Food Service, Retailing, Office Coffee Service (OCS) and Vending.

This presence makes available to all consumers and customers the most suitable solutions on every occasion, in every moment of the day.

Retail



Within the At Home consumption channel, the Group has a very strong position in a number of key markets such as Italy, France, Denmark, the Baltics and Canada.

The range, differentiated by country, includes whole-bean and ground coffee products — for espresso, moka coffee pot and filter systems — pods, instant coffee, ready-to-drink beverages and capsules for the world's most common home systems.

In addition to a broad presence in mass retail and specialist stores, the Group also markets its At Home products through its subsidiary **Nims S.p.A.**, which joined the Group in 2017 and offers its customers direct door-to-door sale of coffee products and prompt, timely warranty and support service, thanks to a network of personal coffee shoppers who create a direct relationship of trust with their customers.

E- Commerce



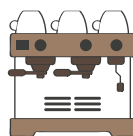
To respond to consumers' new online purchasing habits, in recent years, e-commerce has become increasingly important across all the Group's channels.

This was the result of significant investments made over the years in digital platforms and the focus on improving e-commerce service in both proprietary and third-party channels.

The Group's strategy involves offering a comprehensive service: a different way to approach customers and meet their needs while exploring new business models.

The 2023 acquisition of **MaxiCoffee** — a French company that targets both private customers and commercial businesses through its e-commerce platform, a network of 60 sales agencies throughout France, its Écoles du Café and its Concept Stores — confirmed the consolidation in the e-commerce channel and its international footprint. MaxiCoffee offers a range of 8,000 products (whole beans, ground and capsules) from more than 350 different coffee brands and a wide range of espresso coffee machines, coffee makers, grinders and accessories.

Food Service



Among the channels reserved to the Away From Home consumption, Lavazza caters to professionals in the sector by offering dedicated products and tailor-made solutions for every service mode and all types of coffee preparation.

Quality in every cup is ensured making available a selection of professional machines and specific service materials, in addition to all communication materials that allow to leverage all aspects of the coffee ritual.

In addition to coffee, the range is rounded out by complementary products such as hot chocolate, ginseng and barley beverages, tea, infusions and granitas.

Retailing



With regard to the Away From Home consumption, through its two **Milan and London flagship stores**, Lavazza brand also offers an immersive, comprehensive coffee experience, where the product is enhanced in all its forms, from the most traditional, such as espresso, to the most surprising Coffee Design preparations, while also building a direct relationship with the end-consumer. Moreover, the Group has set up a joint venture with **Yum China Holdings Inc.** — the largest restaurant company in China in terms of total sales — to explore and develop the concept of the Italian coffee shop in China, opening **112** points of sale in 2024. The joint venture aims to open Lavazza coffee shops in China, as well as to distribute and market the brand's retail products, thus becoming the Group's exclusive distributor in mainland China.

Office Coffee Service (OCS) e Vending

To ensure that consumers can enjoy an excellent cup of coffee anywhere, the Group has developed a specific range of products for various consumption occasions.

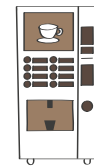
OFFICE COFFEE SERVICE (OCS)



It is the channel devoted to the Away From Home consumption, specifically for workplaces, to which the Group pays very special attention and care and that includes a wide range of coffee capsules and other beverages, as well as a range of designer manual coffee machines suitable for any environment, in addition to supply and support service.

Cutting-edge systems such as **Lavazza Firma**, **Lavazza Professional Flavia** and **Lavazza Expert** are dedicated to this channel.

VENDING



It is the channel devoted to the Away From Home consumption through vending machines located in public spaces, such as airports, stations, Universities and hospitals, where the Group offers a range of products and services under the **Lavazza BLUE** brand and, for Lavazza Professional, under the **Klix** brand, which has become a sustainability benchmark thanks to its Eco Cups, i.e., fully recyclable and compostable paper cups.



LAVAZZA TRAINING CENTER

58 centers



32,075 people trained



6,531 courses delivered



Lavazza Training Center is the largest international training network in the coffee industry, with 58 locations on 4 continents.

It was founded in Turin in 1989 from the “Luigi Lavazza Centre for Coffee Studies and Research”, the first Espresso School in Italy opened to celebrate the 100th anniversary of espresso coffee: a pioneering institution dedicated to the training of baristas and their constant theoretical and practical development.

It aims at developing and transmitting coffee knowledge to industry professionals and also to coffee lovers: it is a company academy for the entire Lavazza Group and all sales channels, where coffee is recognised as a cultural element that is constantly investigated by the Center’s two main structures, the Coffee School and **Coffee Design**. The **Coffee School** is dedicated to professional training on coffee and its preparation methods, whereas Coffee Design focuses on research and development of recipes and tools to offer a unique coffee experience. Training is delivered with programmes tailored to the level of knowledge of the participants, from baristas and

sales personnel to distributors and coffee lovers. In addition, in 2020 Lavazza Training Center expanded by opening its **Production Hub**, a fully-fledged video production studio aimed at spreading coffee culture via digital means.

Lavazza Training Center’s mission of sharing coffee knowledge is also reflected in **A Cup of Learning**, the free training programme now present in 20 countries that since 2017 has been supporting young people living in fragile contexts and looking for opportunities to work in the world of coffee. The Lavazza Training Center trainers, often in various locations around the world, are responsible for passing on their coffee expertise to the programme recipients.

In addition, over the years Lavazza Training Center has strengthened prestigious collaborations such as those with the Polytechnic of Turin, a world leader in the academia, the University of Gastronomic Sciences of Pollenzo, established and promoted by the international association Slow Food, and the El Bulli Foundation of the famous Catalan chef Ferran Adrià. Since 2018, Lavazza Training Center has also been Premier Training Campus of SCA (Specialty Coffee Association), a qualification that authorises it to deliver all the training courses of the international Association that is currently the most authoritative and recognised in the coffee world.

L’École Café

In 2023, Lavazza Group acquired MaxiCoffee Group, which has been improving the coffee experience at all levels since 2011 through its **École Café**, a learning institution open to all, both passionate consumers and industry professionals.

With a consumer-centric approach, this institution offers in-depth training courses to baristas, roasters and Ho.Re.Ca. professionals, who in turn become ambassadors of a culture of high-quality coffee. The training catalogue includes both theoretical and practical courses, divided into different modules: from discovering the origins of coffee and brewing techniques to the art of cupping and Latte Art. Students can choose between personalised sessions and certified courses, with a programme comprising more than 11 different training modules.



“OASI LAVAZZA ¡TIERRA!” for the coffee break

Greatly appreciated by students and workers, the Oasi Lavazza ¡Tierra! project continued in 2024, aiming to transform the way the coffee break moment is experienced in places for study or work, by improving and enhancing it with sustainability-related values. The coffee break area is conceived as a green island with a tropical atmosphere, where spaces have a contemporary design and plastic-free materials, are equipped with air purifiers and aroma diffusers, and are rich in plants and living greenery. In these spaces, it is possible to enjoy the BLUE ¡Tierra! For Planet Espresso Bilanciato compostable capsules³.

Upon opening each of these coffee break areas, Lavazza supports reforestation projects in several countries together with the **Tree-Nation** platform. To date, **6,700** trees have been planted, reforesting 2.6 hectares of land.



6,700 trees planted



3) Compostable capsules certified EN 13432:2000 for industrial composting by TÜV Austria.

ATTENTION TO QUALITY

The great attention that Lavazza Group pays to consumers is enshrined in the **Quality and Food Safety Policy**, which prioritises the *customer experience*, tailoring quality criteria not only according to product characteristics, but also through customer perception.

Right from the choice of the coffee origins, the Group defines its own standards relating to specific quality characteristics identified by Lavazza experts to guarantee a uniform quality of the coffee purchased and provide its consumers with the same taste as always: the so-called “**in-cup profile**”. These standards embrace the international classifications of the respective countries of origin, but also add more restrictive and specific characteristics related to coffee quality, bean size and sensory profile. Over time, Lavazza standards have been revised and extended for those countries where small quantities of coffee are bought. Lavazza purchases its coffee thanks to collaboration between *coffee buyers*, *coffee tasters* and exporters, which are required to provide the commodity according to the above-mentioned standards to ensure that the “in-cup profile” is kept constant over time. The quality standards defined by the Group in-

clude compliance with a series of requirements monitored by the **Coffee Buying Department**, the division dedicated to purchasing raw coffee (also called “green coffee” from the colour of the bean before roasting), as well as to transport management and customs procedures.

Once the purchased coffee has entered the destination ports, the container is transferred to customs warehouses and all the procedures are then completed so that the product is available to be used for production. A sample is taken from each container and then sent to Lavazza’s laboratories, where the *coffee tasters* carry out the necessary tastings and analyses to verify that the product received corresponds to the coffee purchased in the coffee-producing countries.

A specific identification code is given to each batch of coffee to identify its characteristics, such as the embarkation month or the price fixed. This process also guarantees traceability of the coffee back to the region of origin. The batch is held in the customs warehouse until the analyses are completed and it is judged fit for processing at the plants. When it reaches the plant, the coffee undergoes once again a series of visual and humidity checks, according to specific reference and control standards, to be then placed in storage silos.





















































Lavazza Best Commercial Coffee Roaster – Europe

In 2024, for the second year running, Lavazza brand was recognised as Best Commercial Coffee Roaster – Europe at the European Coffee & Hospitality Awards 2024, standing out for its quality, consistency and global reach. With thousands of nominations from industry professionals and over 6,000 votes, this award recognises the brands that stand out for their quality, service, innovation and sustainability, and thus confirms Lavazza’s commitment to pursuing coffee excellence, a driver for the Group’s ongoing innovation.



Each plant has a small tasting laboratory, where all the finished product lots are tested by personnel with special training to check that the right blend is contained in the pack and has no defects. In order to ensure solid management systems that pay attention to quality, product safety and production processes’ social and environmental

impacts, Lavazza Group has obtained the certifications applicable to processes and products for its production plants, as summarised in the table below. In addition, the Gattinara plant in 2024 passed the SMETA⁴ sustainability audit.

										
	Turin (IT)	Gattinara (IT)	1895 (IT)	Pozzilli (IT)	Lavérune (FR)	Mios (FR)	Basingstoke (UK)		West Chester (USA)	Invermere (CAN)
							Drinks	Machines		
Process certifications										
ISO 9001:2015 ⁵										
HACCP ⁶										
FSSC 22000 ⁷										
Product certifications										
Rainforest Alliance ⁸										
Fairtrade ⁹										
Confida ¹⁰										
Bio-Organic ¹¹										
National Organic Program (NOP) ¹²										
Canadian Organic Regime (COR) ¹³										
Certifications of a religious nature										
Kosher										
Halal										

4) The Sedex Members Ethical Trade Audit (SMETA) protocol is the standard for being listed on the Supplier Ethical Data Exchange (Sedex). Sedex is a global organisation that promotes the improvement of ethical and responsible business practices throughout the supply chain.

5) Quality Management System.

6) (Ref. CodeXAlimentarius) HACCP System – International Food Standards.

7) Food Safety Management System.

8) Rainforest Alliance is a certification attesting the origin of products deriving from sustainable agriculture that helps farmers and their families to adopt good agricultural practices and run their farms profitably, while respecting people and the planet’s resources.

9) Fairtrade certification ensures growers a stable minimum price (regardless of market variations and in support of sustainable production) and a Fairtrade prize that growers’ cooperatives can allocate to social projects, schools and clinics or improved production.

10) Confida (Italian Automatic Distribution Association) ensures that companies that own automatic vending machines comply with a series of parameters and meet a high standard of quality in the provision of vending services.

11) Bio-Organic certification guarantees that production processes comply with the specific requirements for the processing of raw ingredients of organic origin. It covers all the levels of the production chain..

12) NOP is the US federal standard for organic products.

13) COR is the Canadian certification of biologic agriculture.

ATTENTION TO CONSUMERS

Lavazza Group’s commitment to consumer protection translates into a rigorous approach to product quality and safety, supported by clear and responsible communications. The Group pays great attention to consumers’ **health**, actively overseeing food safety and monitoring contaminants in both green coffee and finished products. Excellence is constantly pursued not only in production, but also in terms of the **transparency** of information provided to consumers. Each product is provided with concise usage and disposal instructions printed on the packaging, along with a regional telephone number for direct assistance. Coffee products are accompanied by basic storage instructions, whereas coffee machines come with concise practical instructions for safe use and display a QR code for downloading full instructions.

With a view to guaranteeing informed purchasing choices, a cross-functional team thoroughly supervises the selection of packaging claims and graphics, as well as advertising campaigns, ensuring full compliance with regulations and the principles of truthfulness and fairness.

In addition, the **Legal Department** plays a constantly proactive and reactive role in consumer protection, combating phenomena such as the sale of counterfeit products, misleading offers and unfair commercial practices including:

- “look-alike products”, i.e., products with colours, forms and characteristics similar to the products or product packaging of the Group’s brands;
- original products of the Group’s brands sold by unauthorised sellers via e-commerce and/or whose expiry date has passed: in these cases, consumers must be protected

and provided with products ensuring the quality required by Lavazza standards;

- misleading online sales pretending to offer products of the Group’s brands, but delivering products of other brands;
- use of Internet domains similar to the Group’s brand names to attract consumers for unfair purposes.

This is in addition to the support of a highly specialised **Customer Care** division, integrated within the **Quality & Procurement Department**, aimed at maximising the quality of products and services through the development of an increasingly greater listening capacity, able to ensure constant dialogue with customers. The Customer Care division is centralised and relies on the work of points of contact from local markets: in 2024, it handled inquiries from all over the world.

Lavazza Group is also committed to **nutrition** and collaborates with institutions and universities to expand scientific knowledge in this field and to develop solutions that meet consumers’ nutritional needs, combining research and innovation to ensure products that are increasingly in line with a balanced lifestyle.

The Group is also a member of **ISIC¹⁴**, which investigates scientific matters related to coffee and health. Its main activities include collecting scientific studies, supporting independent research and conveying to a broad range of stakeholders the benefits of coffee, including the prevention of certain diseases. This commitment allows to raise consumers’ awareness about how coffee, in moderate quantities, is a healthy beverage that contributes to a balanced and active lifestyle.

14) Institute for Scientific Information on Coffee, a non-profit organisation founded in 1990 and aimed at developing and constantly updating studies on the health effects of coffee.

Research and innovation: new partnership with the University of Turin

In 2024, Lavazza Group signed a three-year collaboration agreement with the University of Turin: a strategic research, innovation and training partnership aimed at strengthening its ties with the local area and encouraging the internationalisation of research.

The agreement provides for an investment of approximately **€600,000** over **three years** for projects linked to the Butterfly Area, a space dedicated to investigation and research among universities and businesses at the new University Campus, City of Science and the Environment, in Grugliasco, in the province of Turin. The project roadmap will specifically focus on two main areas of interest: “The future of coffee, the coffee of the future”, dedicated to the industry challenges in terms of sustainability, enhancement of commodities and innovation, and “Coffee consumption and the impact on young people’s wellbeing”, which studies the relationship between coffee components and the wellbeing of young consumers through the application of neuroscience.



600,000 €
investment



Innovation: the patent portfolio

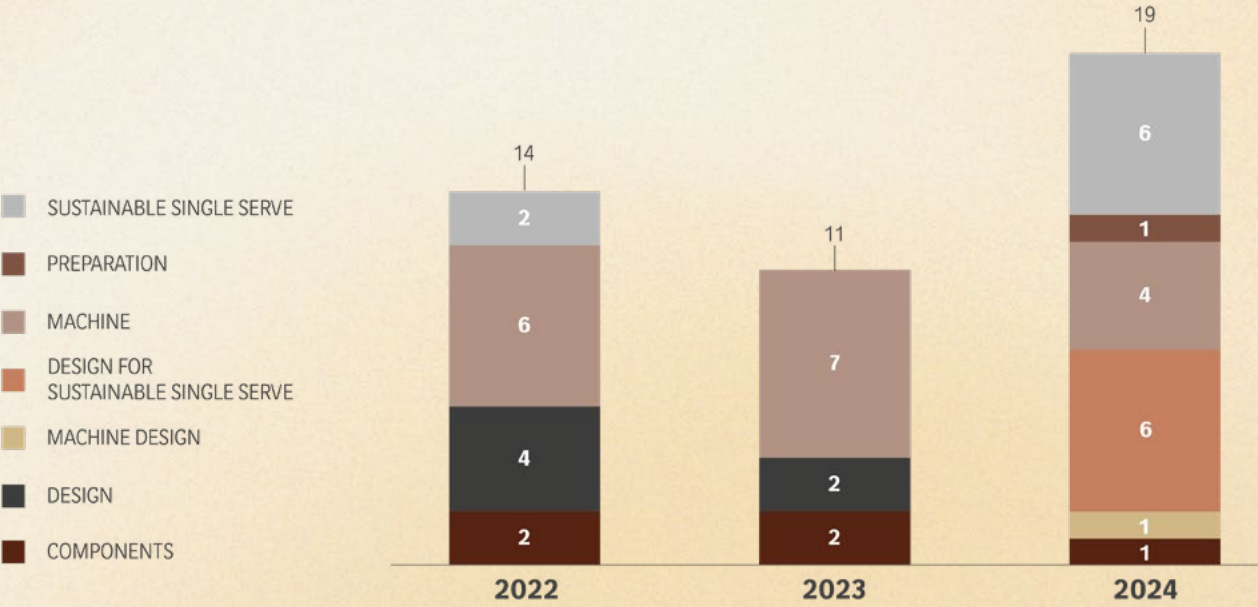
Opened in 2010 and home to **130** staff, the **Innovation Center** hosts all the Group's Research and Development (R&D) functions, reflecting the Company's industrial evolution. The R&D strategy is based on four pillars: sustainability, innovation, attention to quality and market competitiveness. These are the principles guiding the development of products, coffee blends and packaging, not to mention machine design and engineering.

Lavazza Group's ability to create value through innovative processes both for stakeholders and for the local areas in which it operates is strengthened by the careful disclosure and protection of the intellectual property generated. The Group's “patent portfolio” consists of **1,080** patents protecting intellectual property granted nationally and internationally (787 invention patents, 287 design patents, 6 utility models), and **306** patents pending (271 invention patents, 35 design patents), of which **19** new applications filed in 2024.



1,080 patents
in the Group's
patent portfolio

NEW PATENT APPLICATIONS FILED IN 2022-2024¹⁵



15) The number of new patent applications filed in 2023 was restated as the aggregation of the portfolio was completed in 2023 through integration of some patent applications and division design patent applications that had not been accounted for in the previous Report.

The Pozzilli plant (Italy): quality and sustainability

Dedicated to the decaffeination of coffee beans, the Pozzilli plant in Italy is an example of unparalleled excellence at European level in terms of sustainability and quality.

Founded in 1991 in the Molise Region, it has a closed-loop manufacturing system based on the use, as a natural solvent, of carbon dioxide (the same used in mineral water) in a supercritical state, i.e., under high pressure.

Carbon dioxide acts selectively on the beans, extracting only the caffeine and preserving all the sensory characteristics of the coffee. This selective extraction method makes it possible to obtain **excellent quality** coffee, with flavours like those of non-decaffeinated coffee, in addition to a **98%** pure caffeine powder, suitable for use in several other industries, such as cosmetics and pharmaceuticals. The plant is specifically designed to allow for CO₂ recycling for over **1,000 cycles**, thus reducing environmental impact.

Operating on a 24/7 basis and with a team of 21 people, the Pozzilli plant is the only one in the world that employs this type of process able to decaffeinate both Robusta and Arabica coffee. Therefore, it is a benchmark in coffee production, capable of satisfying the needs of both Lavazza Group and other industry players.

Because of these elements of excellence, the plant is recognised as a best practice by the entire industry.



A unique excellence in Europe



A point of reference in the decaffeinated coffee production landscape

LAVAZZA GROUP'S BUSINESS MODEL

In the complex world of coffee, Lavazza Group develops its business according to a model that aims to create **shared value** through ethical and responsible practices. In order to best represent how the Group operates and fosters the planning of shared actions for complete, substantial integration of sustainability goals into the business

with a view to continuous improvement, a joint round table between Finance and Institutional Relations & Sustainability functions has drafted and developed a specific business model¹⁶. The model requires that the main resources — the different capitals referred to as “**inputs**” — are used to create shared value throughout the chain to pursue the Group’s targets and contribute to its sustainable development.

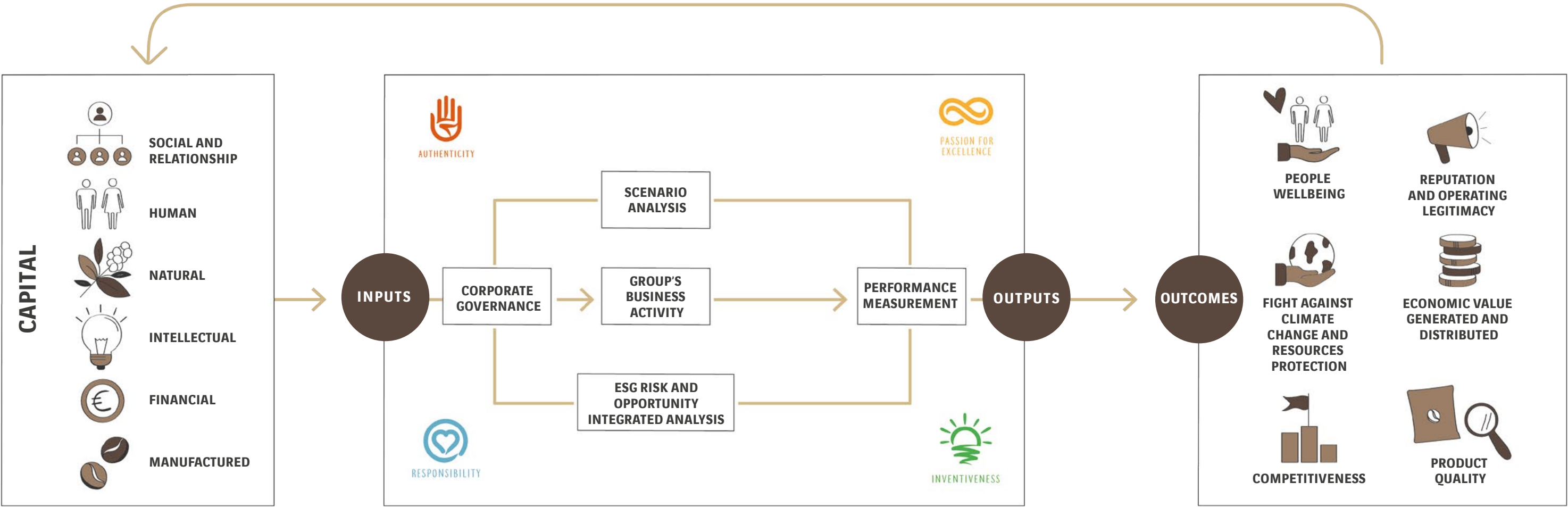
A solid and transparent governance, in which sustainability is integrated into business decisions,

enables the use of *capital inputs* considering a thorough, up-to-date scenario analysis of the coffee industry and the sustainability macro-trends, in line with the Group’s strategy. The risk analysis, integrated with ESG (Environmental, Social, Governance) factors, allows to prevent and mitigate the main threats while protecting the Group’s business activities.

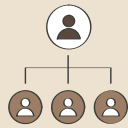
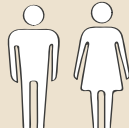



Through cyclical monitoring of financial and non-financial performance, the Group creates short- and medium-term **outputs** that generate

an ensuing long-term **outcome**. Outputs and outcomes are monitored through dedicated action plans and specific indicators managed by the various company departments.

The compass that guides the entire process is represented by the Group’s values and purpose, from which stems an approach common to all brands, creating a culture based on responsible innovation, passion, integrity and competence.



16) Lavazza Group's business model is constructed on the basis of the International <IR> Framework, published by the International Integrated Reporting Council (IIRC), to show the system for organising inputs with company activities, outputs and outcomes, with the goal of creating value in the short, medium and long term.

	<div>SOCIAL AND RELATIONSHIP CAPITAL</div> <div></div>	<div>HUMAN CAPITAL</div> <div></div>	<div>NATURAL CAPITAL</div> <div></div>	<div>INTELLECTUAL CAPITAL</div> <div></div>	<div>FINANCIAL CAPITAL</div> <div></div>	<div>MANUFACTURED CAPITAL</div> <div></div>
INPUTS	<p>An extensive presence on working tables and in key coffee associations, including: the International Coffee Organization (ICO), World Coffee Research (WCR) and the European Coffee Federation (ECF). Active participation in pre-competitive networks and international research enriches the corporate vision, contributing to identifying transversal solutions to common coffee industry problems and promptly seizing emerging opportunities. A strong attention to the local communities in which the Group operates, where it collaborates with a dense network of NGOs, civil society associations and public entities to meet the needs of these communities.</p>	<p>The Group community is made of direct employees and independent contractors, who together contribute to the Group's success. The combination of the various types of knowledge and competencies offered by employees with a constant investment in their wellbeing and training generates added value for the business activity. The company values are the compass that guides strategic decisions and people management.</p>	<p>Green coffee is the main natural resource necessary to operate and is highly sensitive to the climate change impact. The variety of the countries of origins helps the Group protect biodiversity and preserve the ecosystems of coffee-producing countries. In addition, at present the use of renewable energy sources is essential to develop a production process that is increasingly sustainable over the long term, as is the constant search for circular solutions for the packaging of finished products.</p>	<p>The Group's intellectual capital is a unique heritage of expertise relating to the selection, processing and sale of coffee blends. In recent years, it has been enriched by the filing of numerous patents, also intended to improve the efficiency and sustainability of coffee machines. The existence of a set of company policies, supported by IT systems and consolidated practices, processes and internal procedures, enables constantly efficient management of business activities.</p>	<p>The Group is characterised by a solid financial structure and a thorough net financial position management based on liquidity and credit lines that enable the continuity of its business and activities. Through the use of its own funds and the reinvestment of profits, financing from major financial institutions (e.g., sustainability-linked loans) and a medium/long-term debt exposure, the Group also optimises its financial profile through the mitigation of interest rate, exchange rate and commodity risks by means of derivative financial instruments with exclusive hedging purposes.</p>	<p>The Group has 9 plants in 5 countries, where specific roasting and packaging machinery is used to keep the production process constant and efficient. In addition to these are the Turin Headquarters and the Innovation Center, devoted to R&D investments and to training coffee professionals. Furthermore, thanks to its extensive distribution network, made up of warehouses and storage centres, the Group distributes its products in over 140 countries, in many of which it operates through direct commercial subsidiaries.</p>
OUTPUTS	<p>Building solid, lasting relationships, while maintaining operating legitimacy. Dialogue with institutions, thus giving the sector a common voice. Increasing control of the supply chain and of its impacts. Planning of sustainable development projects, which reach an ever-larger number of beneficiaries.</p>	<p>A constant focus on people wellbeing is directly proportional to improving company performance. The commitment to ensuring an inclusive, healthy working environment for people, the development of professional growth paths and the integration of ethics into performance measurement processes foster retention and talent attraction.</p>	<p>Thanks to a careful selection of origins and blends, the Group is able to offer a high-quality finished product with specific sensory properties. The threat posed by climate change to coffee drives business decisions that integrate respect for the environment and natural resources. The implementation of strategies that call for emission reduction, and an increasingly efficient use of materials and resources translate into strategic market decisions such as the marketing of products with specific sustainability characteristics like the La Reserva de ¡Tierra! range and compostable capsules.</p>	<p>The policies, internal procedures and IT systems implemented support and ensure over time compliance with the highest standards of management system certification, with the ensuing increasing efficiency of company processes and a drive towards constant innovation.</p>	<p>The Group has completed several acquisitions and continues to invest, creating added value. It has formulated a strategic plan that calls for investments consolidating this process, increasing resilience and profitability and strengthening the Company's positioning with a view to sustainable development. The internationalisation drive towards new markets is an investment that translates into successful joint ventures and acquisitions.</p>	<p>The Group ensures the high quality of its finished product by complying with strict standards regarding coffee processing procedures, innovation and constant maintenance of production machinery. A further drive towards the use of assets compatible with the energy transition that meet the strictest regulatory requirements and the highest certification standards is in line with the company sustainable development plans.</p>
OUTCOME	<p>A constant presence on the main international working tables in the coffee sector ensures monitoring of any regulatory changes. The sustainable development projects promoted by the Group through Lavazza Foundation invest in capacity building for the local communities where the Group operates and its suppliers are located, strengthening entrepreneurship among small coffee growers and the role of women throughout its supply chain.</p>	<p>The indirect value generated by the Group in the countries where it operates through its commercial and production sites, combined with a constant focus on the quality of the jobs offered, the safety of its employees, their training and overall wellbeing contribute to the sustainable economic development of the countries in which the Group operates.</p>	<p>Agroforestry projects or projects aimed at increasing the efficiency of agricultural production and reforestation, financed by the Group and Lavazza Foundation, have positive impacts on the quality of life of coffee growers, while also representing effective climate change mitigation initiatives.</p>	<p>The processes of ongoing innovation, supported by the expertise gained over more than a century of activity, ensure the creation and preservation of value over time and the competitiveness of the Group.</p>	<p>The Group produces and distributes wealth for its stakeholders, contributing to the growth of the local communities in which it operates. The commitment to sustainable economic development ensures greater autonomy, as well as the ability to generate long-lasting income and jobs, without compromising the Company's future.</p>	<p>Highly efficient business activities and compliance with the strictest quality standards ensure productivity, technological progress and innovation.</p>

1.2 Governance

Lavazza Group recognises the utmost importance of a solid corporate governance system to reach its strategic goals and create sustainable value: its business model is thus ensured by a robust, responsible, growth-oriented governance, which aims to generate value in the short and long term.

The Group's companies in Italy and abroad are controlled, directly or indirectly, by the parent company, Luigi Lavazza S.p.A., which, despite having no obligation to do so, has decided to base its model of administration and control on the Italian Stock Exchange Code of Corporate Governance applicable to listed companies, while complying with some requirements viewed as a priority.

Shareholders have chosen for the Parent Company a traditional corporate governance model, featuring a governing body, the **Board of Directors** (BoD), and a control body, the **Board of Statutory Auditors**. The Board of Directors is vested with full powers for management and strategic guidance to ensure that the Company and Lavazza Group – of which the company is part – are managed properly and efficiently, including the approval of consolidated financial statements.

The current Board of Directors – appointed in April 2023 – is made up of 13 members, **30%** of whom are women. The Board of Directors consists of the Chief Executive Officer, an Executive member, six Non-Executive members belonging to the Lavazza family (including Chairman Gi-

useppe Lavazza, Vice Chairman Marco Lavazza and Honorary Chairman Alberto Lavazza) and five Independent Non-Executive members. It will remain in office for three years, until the General Shareholders' Meeting convened to approve the Financial Statements for the year ending 31 December 2025.

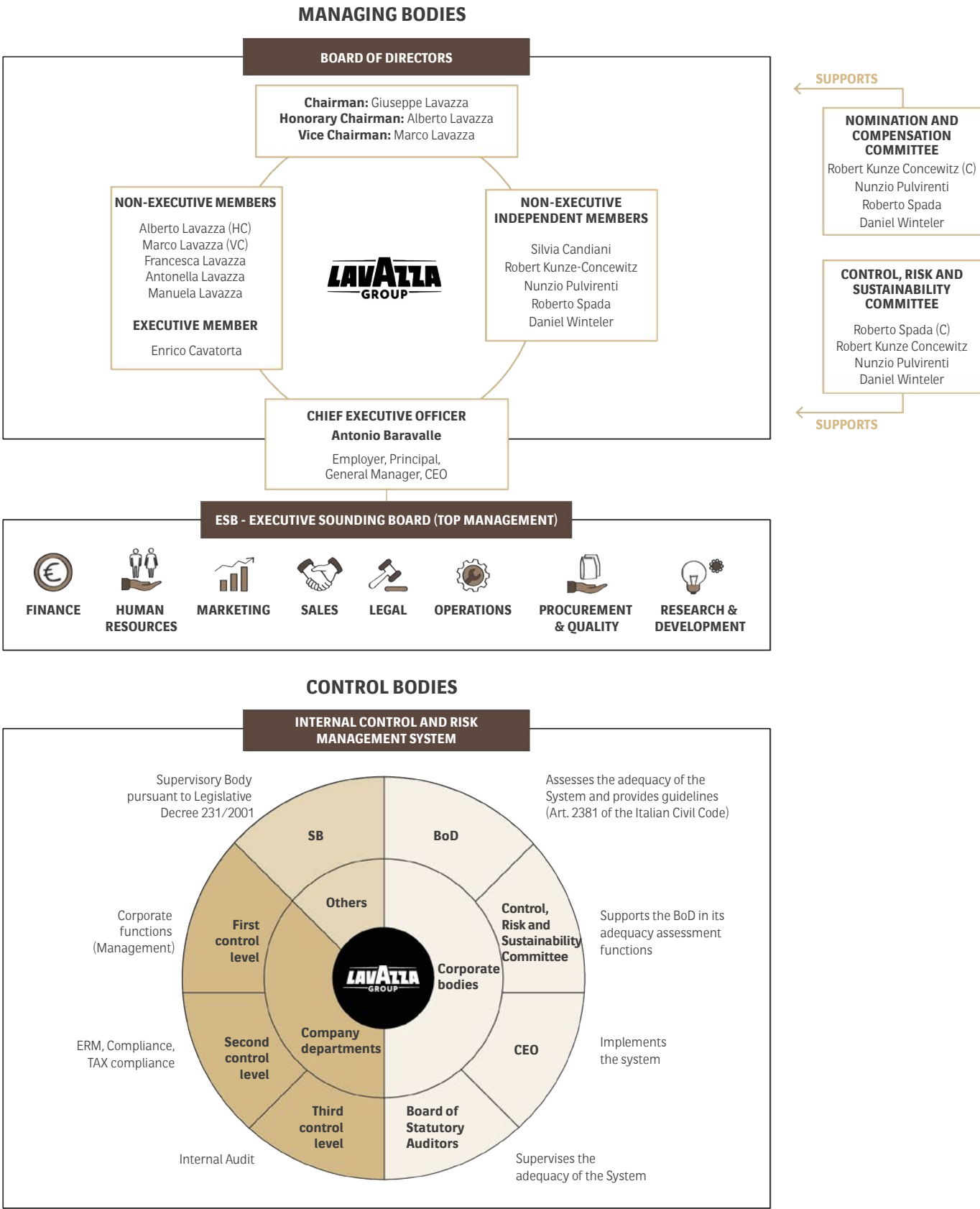
The Board of Directors tasked the **Chief Executive Officer** (CEO) and his management team with implementing the strategic guidelines and the necessary actions to enable the Group's ongoing growth, as a leading global player in the industry. Moreover, in accordance with the Articles of Association, the Board of Directors set up two committees, currently made up exclusively by Independent Directors:

- the **Nomination and Compensation Committee**¹⁷, with reporting, advisory, propositional and preliminary functions, supports the Board of Directors in its decisions with respect to the selection of the professional skills deemed appropriate within the Board, and the remuneration of Directors and Managers;
- the **Control, Risk and Sustainability Committee**, with reporting, advisory, propositional and preliminary functions, supports the Board of Directors in its assessments and decisions relating to the adequacy of the internal control system, the main company risks (including sustainability-related risks) and the process for approving the financial statements.

30% women in the BoD



17) The Committee formulates non-binding proposals for the Board of Directors concerning the professional competencies whose presence within the Board of Directors is deemed appropriate, the remuneration of the Chairman, the Vice Chairman, the Chief Executive Officer and the Executive Directors, the General Manager and Managers with strategic responsibilities, and the determination of the criteria for the fixed and variable remuneration of the Group's top managers, including the related performance targets linked to the variable component of such remuneration. It also monitors the course and application over time of the decisions taken by the Board of Directors. In particular, it checks that performance targets linked to the incentive plans approved are actually achieved and monitors their evolution over time, in addition to examining any incentive plans for the Company's employees and the HR strategic development policies. In addition, it formulates non-binding opinions and other assessments of certain specific aspects relating to remuneration that the Board of Directors has asked to be reviewed by the Committee.



In 2024, the **Control, Risk and Sustainability Committee** participated in an ad-hoc induction on sustainability matters to receive updates on the latest and most impactful topics for the Company.

The overall annual remuneration of Luigi Lavazza S.p.A.'s Directors, including those holding special offices, is set by the Shareholders' Meeting upon their appointment and is updated annually. The Board of Directors is responsible for allocating said remuneration among its individual members, having heard the opinion of the Board of Statutory Auditors.

The **Board of Statutory Auditors** monitors compliance with the law and the Articles of Association, compliance with the principles of proper administration and, to the extent of its remit, the adequacy of the internal control system and of the organisational, administrative and accounting structure, as well as its actual functioning. The members of the Board of Statutory Auditors currently in office were appointed by the General Shareholders' Meeting of 28 April 2022 and will remain in office for the 2022-2024 three-year period.

The corporate governance model adopted by the Group is also aimed at ensuring the existence and adequacy of the **Internal Control and Risk Management System** over time. This system consists of the set of policies, guidelines, procedures, functions, operating processes and information flows aimed at guaranteeing that the main company risks to which the Group is exposed (including operating, strategic, economic and financial risks) are adequately identified, assessed, measured, managed and monitored. The main bodies and functions involved in the system are:

- the **Supervisory Board**, vested with autonomous powers of initiative and control, tasked with overseeing the implementation of and compliance with Lavazza's Organisation, Management and Control Model as per the Legislative Decree No. 231/2001 (hereinafter also "Model 231"), as well as keeping it up to date;

- the **Internal Audit Function** (third-control level), which reports directly to the Chairman of the Board of Directors and is tasked with an assurance function with regard to the efficacy of the Internal Control and Risk Management System, including through first- and second-level control monitoring activity;
- the **Risk Management function** (second-control level), set up within the Finance Department. It is responsible for managing and assessing the risks associated with company activities that could impact on business, in order to ensure that the organisation is capable of minimising losses and maximising opportunities;
- the **Compliance Function** (second-control level), set up within the Legal and Corporate Affairs Department, ensures the existence of a control system capable of identifying, assessing, measuring, managing and monitoring regulatory non-compliance risk, by preparing, managing and monitoring a coordinated, consistent system of control measures and checks and an adequate flow of information to and from the main bodies and functions involved in the Internal Control and Risk Management System;
- the **Tax & Customs Compliance function** (second-level control), within the Finance Department, which has adopted a system for identifying, measuring, managing and controlling tax risk (Tax Control Framework - TCF) and oversees the Tax Risk Management process aimed at constantly monitoring the tax impacts arising from the ordinary and extraordinary transactions undertaken, not only to promptly report any potential tax risks and define appropriate remediations, but also to identify any opportunities for improvement and propose/agree upon ensuing action plans, in line with the principles of the Group's Tax Strategy;
- the **operational functions** (first-control level), consisting of the set of control activities that the individual functions perform on the processes within their purview in order to ensure the proper performance of business operations.

THE SUSTAINABILITY GOVERNANCE

The Group's sustainability governance is overseen by the Board of Directors of the parent company Luigi Lavazza S.p.A. that defines the Group's sustainable development strategies, policies and objectives. As of July 2023, the Board avails itself of the **Control, Risk and Sustainability Committee**. The Committee is made up of four independent members¹⁸ and meets on a quarterly basis and whenever it deems it appropriate.

To the Committee is duly and promptly informed by the **Chief Institutional Relations & Sustainability Officer**, who, together with the **Institutional Relations & Sustainability (IR&S) Department**, is delegated for managing, planning and programming sustainability initiatives, as well as promoting the integration of ESG principles in strategies and processes among the various Group functions. Sustainability performance reporting is coordinated by the IR&S Department and entails the involvement of the entire organisational structure and of the Group's subsidiaries. The Head of the function is appointed as Chief Institutional Relations & Sustainability Officer and regularly reports also to the **Executive Sound-ing Board (ESB)** managerial committee, whose members include the Chief Executive Officer and his first reporting line. At the meetings, these bodies also present, discuss and approve the organisation's impacts on an annual basis.

The IR&S Department reports to Lavazza Group's Chief Financial and Corporate Officer and is organised in two areas: the Sustainability Department, including the Project Management, Supply Chain, Environment and Community Care areas, and the Institutional Relations Department, tasked with managing the institutional relationships at national and international level, representing the Group within the different trade associations.

Moreover, with a view to international coordination, the **Institutional Relations & Sustain-**

ability Global Network was set up in 2019: a working group composed of the HQ IR&S Department and the subsidiaries' local market representatives, who act as a reference point for sustainability matters. Its structure was strengthened in 2024 to make coordination even more effective and integrated into individual markets. Thanks the Global Network, the Company is forging ahead with its process for disseminating a global culture of sustainability and for integrating its approaches at the Group's global level.

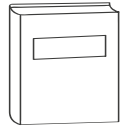
BUSINESS ETHICS AND COMPLIANCE

The Compliance Function promotes the spread of a culture of legality and proper conduct as factors essential to the proper functioning of the Group and respect for the principles of business ethics, including **anti-corruption**.

Lavazza Group rejects and combats all forms of corruption, taking a zero-tolerance approach and acting in accordance with the highest professional and ethical standards in the international environment within which it operates.

Lavazza has implemented a series of documents to better define the principles adopted in the fight against bribery and corruption and to clearly outline its ethical conduct expectations. These documents include: the **Employee Code of Conduct**; the **Group Code of Ethics**, reviewed in 2022 and supported by an Ethics Committee (consisting of the Chief Institutional Relations and Sustainability Officer, the Chief Legal, Corporate Affairs and Compliance Officer and the Chief Human Resources Officer) with advisory functions tasked with monitoring the compliance of the Code with ethical and behavioural standards; the **Supplier Code of Conduct updated in 2024**; and the **Anticorruption Policy**, which lays down specific rules of behaviour, along with responsibilities and obligations for employees,

Rejecting
and combating
all forms
of corruption



Further details
on the Group
governance are
available in the
dedicated section
of the website

¹⁸) As per its Regulation, the Control, Risk and Sustainability Committee must be made of a minimum of three and a maximum of five non-executive members, the majority of whom must be independent. They remain in office until the end of their term as Directors. The current Control, Risk and Sustainability Committee will remain in office for the 2023-2025 three-year period. With regard to the remuneration of the Committee's members, the Board of Directors may resolve to set an annual remuneration and/or an attendance token.

contractors and the third parties with which Lavazza Group has business dealings, in order to ensure compliance with anti-corruption laws. The Group has also adopted a **Crisis Policy** (Policy for Reporting and Management of Crisis Situations) to manage crisis situations that require a prompt, effective and appropriate response, and that could compromise — or, in some cases, significantly jeopardise — the business continuity, company assets or reputation of Lavazza and/or of its brands and products, as well as the relationship of trust between consumers and its brands.

In Italy, the parent company Luigi Lavazza S.p.A. has adopted, on a voluntary basis, an **Organisation, Management and Control Model as per Italian Legislative Decree No. 231/2001** defining principles and rules of conduct. Training sessions are annually organised and promoted by the Headquarters, also for the benefits of employees and collaborators of the different Italian subsidiaries.

In order to protect the principles expressed in the Code of Ethics, Lavazza Group supports and encourages anyone — whether inside or external to the Company — who wishes to report violations of laws and regulations, as well as of the 231 Organisation, Management and Control Model (where applicable), the Code of Ethics and the Group's policies and procedures in general. For this purpose, the Group makes available various channels that can be used to submit reports, including in anonymous form, of unlawful conduct or irregularities. In addition to ordinary post, e-mail, the dedicated telephone line and in-person meetings, a **whistleblowing system** has been implemented on a digital platform, as illustrated in the **Whistleblowing Policy**. During the phase of preliminary assessment of reports, Lavazza relies on an independent, autonomous external firm with specific expertise in managing reports and the related inquiries and that is capable of offering adequate guarantees of the confidentiality and protection of data. The HQ Compliance function manages the relevant reports and carries out a further procedural check in consultation, where necessary, with the Ethics Committee and the competent corporate

Whistleblowing system



functions. If the report relates to issues covered by Legislative Decree 231/2001, the Supervisory Board of the company involved is informed.

Through the internal channels provided by the Group for managing reports on unlawful conduct or irregularities, a total of **8** reports (of which 3 related reports) was received in **2024**: two were investigated and archived, duly informing the whistleblower, and six reports are still under investigation; five reports referred to Luigi Lavazza S.p.A. and the other three to foreign subsidiaries; six reports were made in anonymous form and two reports were made providing personal details. As regards the channels used, four reports were made through the online platform, one via e-mail to the Group Ethics Committee, and three via ordinary post.

Reports received in 2024 may be broken down as follows: five Ordinary reports, i.e., relating to non-compliance with the values expressed in the Code of Ethics, as well as with the Group's policies and procedures, and that do not fall within the scope of application of the whistleblowing regulations, but that the Lavazza Group nevertheless intends to acknowledge to protect the principles of integrity and ethical conduct expressed in its Code of Ethics; one complaint managed by the Customer Care service; one report relating to the application of the regulation on agile work.

In 2024, there were no significant instances of non-compliance with the laws and regulations to which the Group is subject with regard to anti-corruption, antitrust, business ethics, the environment and human rights.

DATA PROTECTION MANAGEMENT

The Group's Privacy function performs a key role in safeguarding and protecting the privacy of internal data and the data of third parties, while also ensuring compliance with Regulation (EU) No. 2016/679 (General Data Protection Regulation – GDPR). In line with the GDPR, the

Group has appointed a **Data Protection Officer (DPO)**, who is responsible for assessing the compliance of business processes with the GDPR, for defining guidelines on data protection obligations and for acting as a point of contact between data subjects and the relevant supervisory authority. In his or her oversight activity, the Group's DPO relies on **local DPOs** and/or personnel from various company functions, responsible for supervising the processes that involve the processing of personal data. Data protection training activities for employees continued in 2024 with a view to raising awareness of the matter among company population. The new activities developed by the DPO team included a new online course that offers user-friendly and innovative training. At the same time, ad-hoc videos on developments linked to data protection continued to be provided, along with ad-hoc training sessions. As every year, the DPO Office supervised personal data processing within the Company's sustainability-related projects, providing support on the various volunteering initiatives, social projects and events.

ANTITRUST MANAGEMENT

In recent years, Lavazza Group has developed a **Group Antitrust Compliance Programme** as part of a broader integrated compliance project, which complies with the Guidelines laid down by the Italian Competition Authority, with particular reference to the identification and assessment of a specific antitrust risk, in other words, non-compliance with competition law. In this regard, the Group appointed on a voluntary basis and at central level an autonomous and independent **Antitrust Compliance Officer (ACO)**, who is responsible for the definition and implementation of the Antitrust Compliance Programme, the regulatory monitoring activities, the related training, the definition of the management processes suitable to reduce the risk, and the provision of support to

the business functions. The ACO, who reports to the Parent Company's Board of Directors on an annual basis, is the point of reference for the regulatory compliance of initiatives or business activities and for the reporting of conduct deemed contrary to the antitrust manual. In addition, **Antitrust Local Coordinators** were appointed at local level; they work directly with the ACO to implement the Group's Antitrust Compliance Programme.

In collaboration with a law firm specialising in competition law, an activity was launched in 2024 entailing a **Risk Assessment and a Gap Analysis**, aimed at assessing the maturity of the Antitrust Compliance Programme: the activity focuses on analysing and evaluating the Company's market, the size and the measures undertaken with a view to defining an updated antitrust risk assessment.

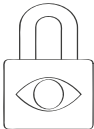
In addition, in 2024 training on antitrust law issues continued both face-to-face and through e-learning. Already completed at all subsidiaries in Europe, the United States, Canada and Australia in 2023, training was delivered at NIMS, a Padua-based Italian subsidiary specialising in door-to-door distribution. Further training sessions were organised to raise awareness of the potential antitrust risk within the most exposed functions.

NUMBER AND PERCENTAGE OF EMPLOYEES WHO RECEIVED TRAINING ON ANTI-CORRUPTION LEGISLATION AND PROCEDURES

	2024	
	n	%
Anti-corruption	565	9.7
of which Whistleblowing	295	5.1
Code of Ethics	247	4.3
Antitrust	295	5.1

Data Protection Officer (DPO)

Antitrust Compliance Officer (ACO)





In 2024, a total of 529 participants was provided training focused on anti-corruption, within a broader, long-term training path on topics relating to Data Protection, the 231/2001 Model, Antitrust, Whistleblowing and the Code of Ethics.

RISK MANAGEMENT

Lavazza Group integrates risk analysis into its business model so as to be able to expand the prospects of its business and assess its choices in pursuit of a sustainable, resilient development process, while also identifying and managing the related mitigating actions. Accordingly, the Group manages its risks through the adoption of the **Enterprise Risk Management (ERM) framework**, which since 2022 has also included ESG risks¹⁹. The ESG risks analysis allows to study and classify risks within macro-areas, each of which involves specific risks. **Six macro-areas** were identified in 2024:

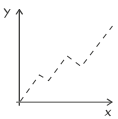
- **Sustainable supply chain:** throughout the supply chain, risks have different impacts and are linked to numerous vulnerabilities that are typical of coffee-producing communities. Among these, the increase in the average age of coffee growers and the lack of training on good agricultural practices pose a risk both to the Group and to the producing communities in terms, for example, of continuity of supplies or the environmental impact of coffee production;
- **People development, wellbeing and retention:** this area involves two interconnected dimensions. The first pertains to the ability to attract new candidates and to employees' turnover, especially among the younger generations and key staff, whose work-life balance requirements are increasingly demanding. The second concerns the reputational risk associated with a still limited number of women in managerial positions, which could give the perception of a

company not sufficiently open to diversity and inclusion. The latter risk contributes to increasing the probability of occurrence of the former: a less inclusive working environment hinders people retention;

- **Health and safety:** this area covers the risks with the greatest potential impact on the Group from an operational, economic and reputational standpoint. These risks originate from issues related to a healthy workplace and to the health and safety of employees, such as the occurrence of serious incidents, and from consumer protection and the safety of the products launched on the market;
- **Climate change:** climate change is a source of risk related to various types of impact, both generated by the Group on the environment, such as the consumption of energy and materials, and suffered by the Group; such as the occurrence of extreme climatic events that cause acute physical damage (e.g., hurricanes and frosts) and chronic physical damage (e.g., rising temperatures and their effects on the decrease in available arable land) also along the supply chain, and difficulties in finding certain raw materials for packaging;
- **Land use, deforestation and biodiversity:** deforestation includes physical-chronic risks, which depend on overexploitation of soil and poor training of suppliers upstream the supply chain. This leads to a risk of deforestation and threat to biodiversity — phenomena that are closely related to groundwater pollution and soil depletion;
- **Emerging legislation:** The risk linked to emerging regulations relates to the growing complexity of environmental and social regulations that the Company must comply with. This legislation includes the Deforestation-Free Regulation (EUDR), which requires supply-chain controls to prevent that commodities come from deforested areas, the Corporate Sustainability Reporting Directive (CSRD), which introduces new, increasingly

¹⁹ ESG risk mapping was performed in accordance with the guidelines of the World Business Council for Sustainable Development (WBCSD) and the Committee of Sponsoring Organizations (CoSO) framework, and in the footsteps of the international provisions, adopted in accordance with the industry and business model of reference.

ESG risk analysis



structured ESG reporting standards and requires companies to be transparent about their environmental and social targets and performance, and the Packaging and Packaging Waste Regulation (PPWR), which sets strict packaging waste reduction targets and the adoption of sustainable materials. In addition, the Corporate Sustainability Due Diligence Directive (CSDDD) requires companies to verify human rights compliance throughout the supply chain. Failure to comply with these directives and regulations entails legal and reputational risks, as well as potential sanctions.

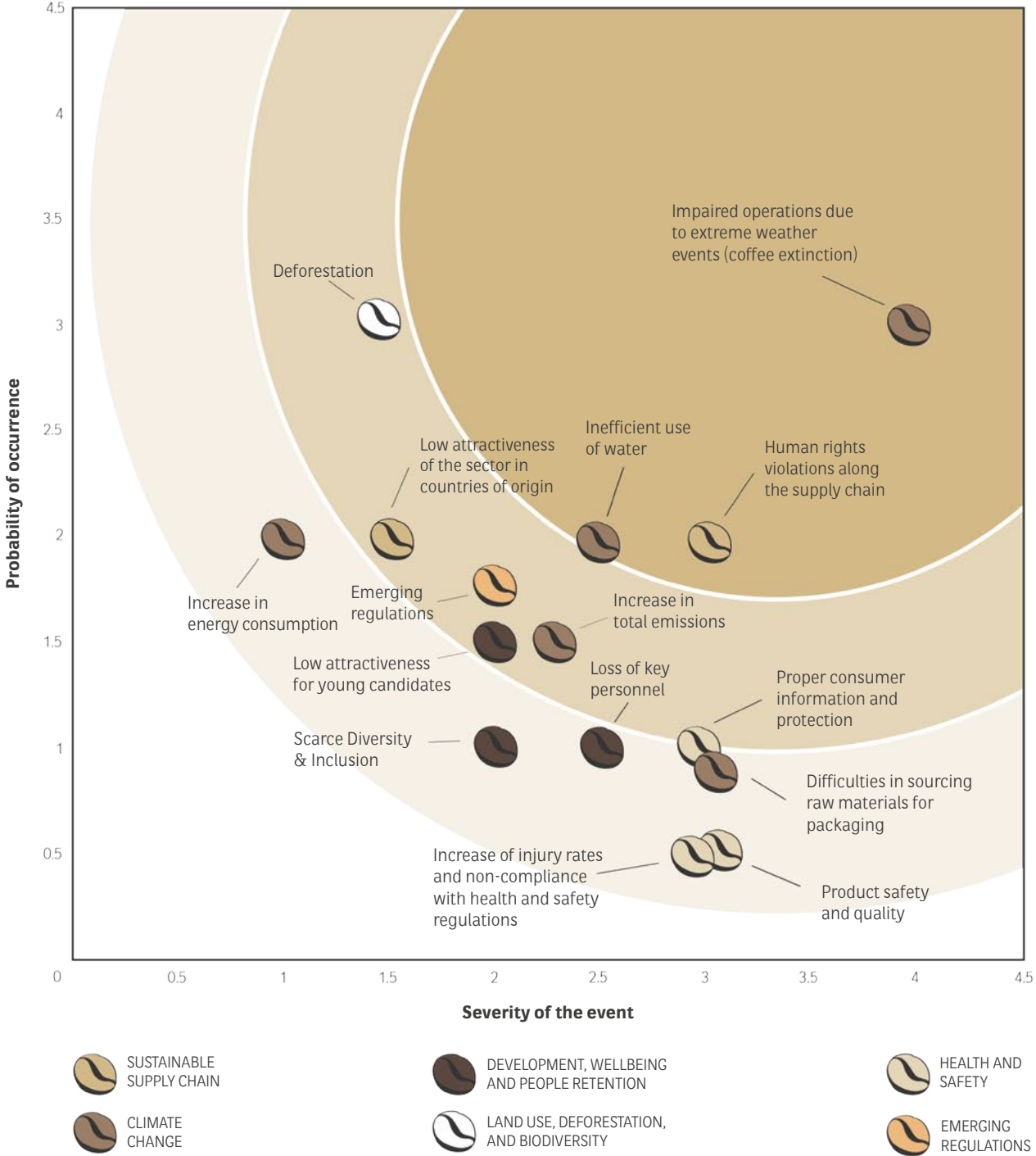
A new risk macro-area – “Emerging legislation” – was introduced in 2024 compared to 2023, with a view to including all risks related to compliance with new European regulations. The “Health and Safety” risk macro-area was

also integrated with new specific risks linked to proper disclosure, consumer protection and product safety and quality. Where not adequately addressed, these risks may lead to regulatory sanctions, reputational damages and loss of consumer confidence, jeopardising the integrity and sustainability of business operations.

The specific characteristics of risks has been assessed through desk analyses and dedicated interviews with the relevant functions. For each specific risk, the probability and severity of each event is assessed based on the intensity and extent of its impact on the environment, people, local communities, human rights and the Group itself, as well as by taking into account the mitigating actions in place. The results of the analyses are illustrated through the following **heatmap**, which associates the probability of occurrence of the event with its severity.



MACRO ESG HEATMAP



STAKEHOLDER ENGAGEMENT

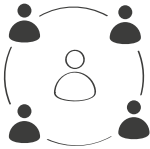
For Lavazza Group, stakeholder engagement is an essential process for business strategic planning and development, as well as for sustainability activities and programmes. This process makes it possible to assess stakeholders' perception of the Group's impacts on the environment, people and local communities; it also allows for the identification of any requests and needs in order to plan, implement and improve the approach adopted and the products offered, including through the launch of cooperation activities with the main stakeholders. Lavazza Group's relevant stakeholders, i.e., those who influence or are influenced by the Company's activities, have been classified into eight clusters identified as internal or external according to their relationship with the Group. Over the years, Lavazza has built communication channels and engagement methods dedicated to each of them.

For the 2024 engagement process, an anonymous questionnaire was prepared in 3 languages **for three stakeholder categories**, selected based on thematic relevance, representativeness, the extent of the impact on the Group and the ability to influence, and be influenced by, the Group's actions. Specific in-depth analyses

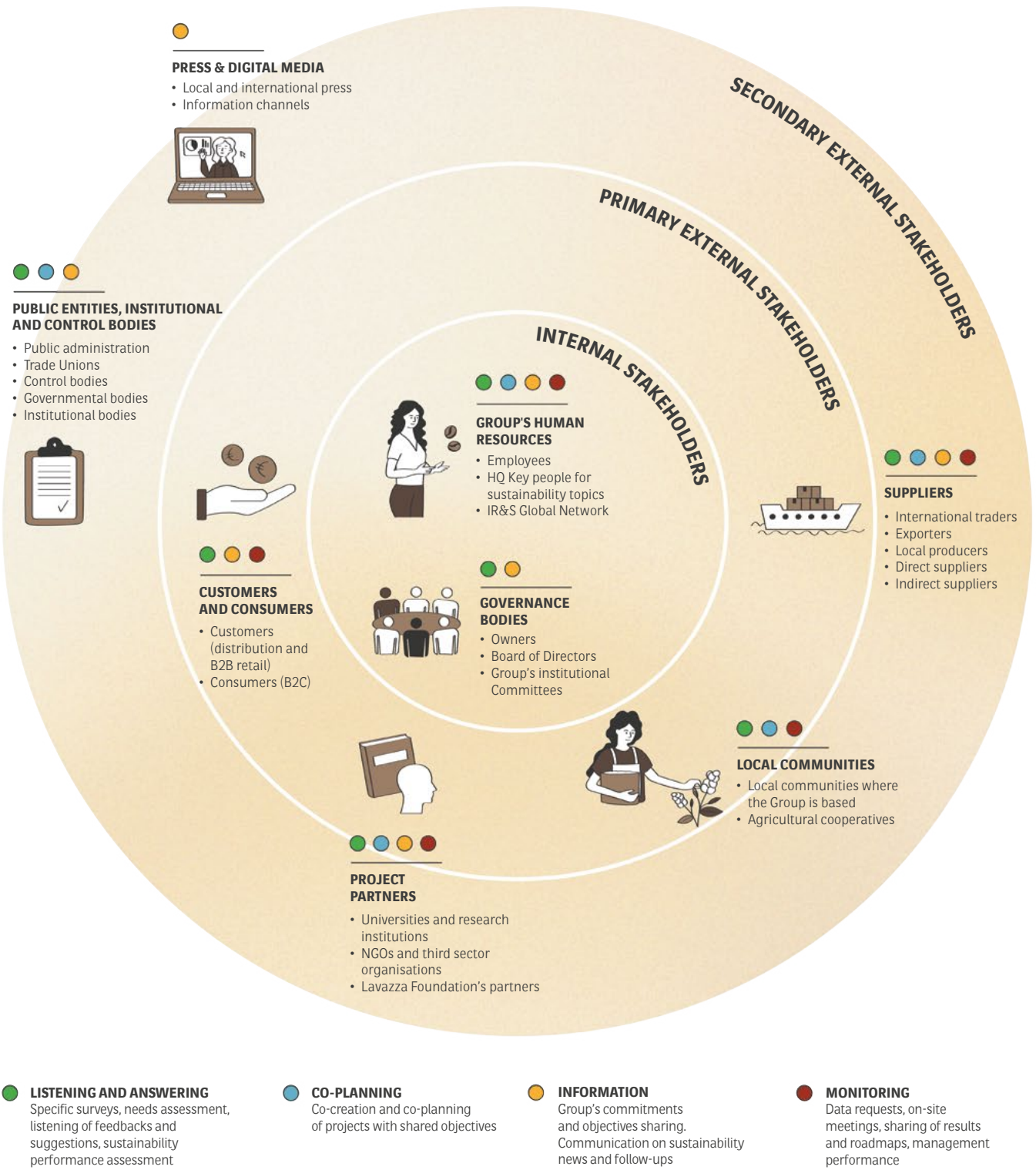
were also conducted on the engagement of the internal category of employees, considered key enablers of the Group's progress, and on the role of the Lavazza Museum, an experiential space that engages internal and external stakeholders in an immersive dialogue on coffee culture, celebrating innovation and sustainability. Through interviews and internal engagement, employees' engagement and main needs were fully mapped, identifying the areas they value most and the topics to be further developed. At the same time, the analyses also covered the ways in which the Lavazza Museum actively engages communities, employees and other key stakeholders of the Group, strengthening the sense of belonging and sharing of the Company's values, and promoting educational paths, cultural initiatives and awareness-raising projects that reinforce the bond with the local area.

The engagement level in the questionnaire and interviews proved to be significant, laying the basis for launching an analysis of the corporate value chain and for supplementing the risk and impact analysis. The results and development opportunities were shared with the functions of reference of each specific stakeholder category, so that the feedback received could be recorded and integrated into their assessments and decision-making processes.

8 clusters of stakeholders



STAKEHOLDER ENGAGEMENT: 2024 STAKEHOLDERS MAPPING



IMPACT ANALYSIS






















































































































In 2024, the Group updated its impact analysis, always in line with the GRI Standards published in 2021, which provide for the definition of the material topics for the organisation starting from the identification and assessment of the actual and potential, positive and negative impacts generated by the organisation and its business

relations on the economy, the environment and people, including the impacts on human rights.

The process started with an analysis of the context, both internal and external, carried out through the study of authoritative sources. With specific reference to the external context, documents related to global trends, sector studies and research issued by recognised institutional bodies were analysed, and a benchmark analysis of competitors and comparable companies was

carried out. With regard to the internal context, several interviews were conducted and the Group documentation was analysed, including the set of company procedures, the analyses carried out by the Group and its growth and development strategies. The results of the context analyses allowed the identification of the material impacts, achieving a higher level of detail than in previous years. New positive and negative impacts that emerged from the analysis were integrated, along with insights into the macro-phases of the

value chain where such impacts occur and their time horizon. Impacts were then assessed by the different stakeholders, both using the questionnaire provided and through the involvement of the Group Executive Sounding Board's members, which approved them based on their extent. The process of analysis ended with the approval of the list of impacts by the Control, Risk and Sustainability Committee.

SDG	MATERIAL TOPIC	IMPACT	POSITIVE/ NEGATIVE	ACTUAL/ POTENTIAL		UPSTREAM	OWN BUSINESS	DOWNSTREAM	SHORT TERM	MEDIUM TERM	LONG TERM	MATERIALITY
	Environmental sustainability and fight against climate change	Energy consumption and greenhouse gas (GHG) emissions	Negative	Actual								  
	Innovation and circular economy	Procurement and consumption of raw materials for packaging	Negative	Actual								  
	Environmental sustainability and fight against climate change	Water consumption, value chain upstream	Negative	Actual								  
	Environmental sustainability and fight against climate change	Biodiversity reduction	Negative	Actual								  
	Environmental sustainability and fight against climate change	Water consumption across own operations	Negative	Actual								  
 	Health, safety and quality	Occupational health and safety – employees	Negative	Potential								  
	Supply chain	Occupational health and safety – throughout the value chain	Negative	Potential								  
	Supply chain	Human rights violation	Negative	Potential								  
 	Health, safety and quality	Product quality and consumer protection	Negative	Potential								  
	Innovation and circular economy	Waste production and disposal	Negative	Actual								  
 	Group's People	Increased wellbeing and quality of employees' work	Positive	Actual								  
 	Economic growth	Economic value generated within the social fabric	Positive	Actual								  
 	Relationship with local communities	Development of the local communities where the Group is based	Positive	Actual								  
	Supply chain	Development of the local coffee-growing communities	Positive	Actual								  

The impacts represented provide an objective overview of the Group, considering its business model and the context in which it operates. Each negative impact corresponds to various mitigating actions, policies, procedures and medium-to-long-term roadmaps. At the same time, to each positive impact corresponds a series of activities undertaken by the Group to develop this impact and ensure that it can be further extended to more beneficiaries.

In accordance with the version of the GRI Standards updated as of 2021, impacts have been grouped into **7 sustainability-related material topics** relevant to the Group:

- **Environmental sustainability and fight against climate change:** since it performs a manufacturing activity, the Group contributes to greenhouse gas emissions, waste generation and resource consumption. Therefore, efficient management of natural capital, an adequate measurement strategy and the reduction and offsetting of greenhouse gas emissions can contribute to the fight against climate change. In addition, preserving biodiversity through innovative investments in R&D programmes can also contribute to protecting the natural resources that the Group needs in order to operate;
- **Group's People:** the growing attention to the professional development of employees and an inclusive and fair working environment increase the prospects of steady work, promote attraction and retention of talent and the recruitment of qualified employees. Nurturing people wellbeing and development means laying the foundations for a solid and inspired career, capable of creating value for both the Company and its workforce;
- **Health, safety and quality:** proper management of, and attention to, worker health and safety can foster a significant increase in efficiency and ensure business continuity. These efforts translate into a more peaceful and rewarding work environment, with a positive impact on the overall satisfaction of people, who feel valued and pro-

tected in every aspect of their professional experience. At the same time, the commitment to health and safety extends beyond the work context to include the quality and safety of products sold to customers and end users. Guaranteeing product quality means offering safe, reliable solutions, in full compliance with international regulations and standards. Product quality thus becomes a byword for trust, thanks to ongoing attention to consumer protection and the prevention of food safety risks;

- **Innovation and circular economy:** the implementation of a circular approach to product design, including the analysis of the life cycle, leads to a higher product competitiveness and reduced environmental impact. Conversely, the inability to increase the efficiency of processes may lead to an ineffective use of resources and, in turn, to higher operating costs;
- **Relations with local communities:** investments, business choices and the development of activities in the communities where the Group operates and develops its business relationships make it possible to build sound relations with local institutions and third sector organisations, leading to local development and social legitimacy to operate. Insufficient attention to local communities would reduce Lavazza's integration into the context in which it operates;
- **Economic growth:** in the long term, failure to include ESG criteria in company decisions can have a negative impact on both the Group's reputation and the economic context in which it operates. Choices, investments, acquisitions and financing that foster the growth of the business from a long-term perspective make it possible to generate and share wealth among the various stakeholders, thereby contributing to the country's development.
- **Supply chain:** working on monitoring the supply chain and choosing to purchase from suppliers who meet high sustainability standards entail a reduced environmental and social impact on the business. Supply of products and services not consistent

with the principles of sustainable development may result in environmental and social damages, as well as in an adverse impact on the Group's reputation.

Unlike 2023, in 2024 the "Health and safety" topic, already mapped in previous years, was separated from the "Group's People" topic under which it had been previously included, thus acquiring its own identity. In addition, it was integrated with the "Attention to the consumer" topic, which was no longer considered intrinsic to the Group's op-

erations, but was identified as a material topic. The new material topic was therefore defined "Health, safety and quality", aimed at fully and synergistically addressing all the matters from the perspective of both workers and consumers, according to an approach based on utmost attention. The topic relating to "Anti-corruption, stable and transparent governance" was instead considered intrinsic to the Group's *modus operandi*, and thus essential to its business activities. This area was found to be already widely monitored by the Group and its compliance strategy.



1.3 Sustainability strategy: “A Goal in Every Cup”

A focus on its people, the places and communities where it operates and the minimisation of the environmental impact of its activities have always been the pillars of Lavazza Group’s approach in doing business. Based on this approach, for nearly a decade, the Group has been organising a structured and practical programme of coordinated initiatives in Italy and in the countries in which it is present in order to promote the integration of sustainability into all its business areas.

In **2015**, the Group published its **first Sustainability Report** and subsequently subscribed to the United Nations **2030 Agenda** and joined the **UN Global Compact**. In 2024, it also became a **Founder Member of the UN Global Compact Network Italy**, with the aim of promoting the principles of the Global Compact for stronger global cooperation – a further commitment to generating a positive impact on communities and the environment, disseminating good practices and sharing expertise.

Within the 2030 Agenda, the Group has in fact identified **Goal 17** – Partnerships for the Goals as a fundamental means of achieving all the other goals. Participation in multi-stakeholder organisations focused on sustainability, such as World Coffee Research or International Coffee Partners, the launch of projects as part of public-private partnerships and the cooperation with other players, including from a pre-competitive standpoint, are seen as an essential way of achieving the Sustainable Development Goals.

The path developed over the last decade has led to gradually integrate sustainability in all business areas, focusing on **four priority goals of the 2030 Agenda** to which Lavazza Group is strategically committed: these four SDGs have been chosen to promote a balance

of both **social (8 and 5)** and **environmental (12 and 13)** goals, applicable to all the parts of the value chain.

The Group’s strategy evolves and is constantly updated through the periodic development of the analyses of stakeholder needs and of risks and impacts.



The **Sustainability Manifesto “A Goal in Every Cup”** formalises the Group’s commitment through a programmatic statement of its sustainability strategy, which states the responsibility undertaken by the Company’s with respect to the Global Goals and the priority targets that will steer its future initiatives.



Visit the Group website to discover our sustainability approach



SUSTAINABILITY MANIFESTO A Goal in Every Cup



The Lavazza family has been in the business of caring since 1895.

We care about the communities where our quality beans are grown, about our employees and about the people who enjoy our coffee.



We care about the future of our planet and society. That’s why we are committed to the

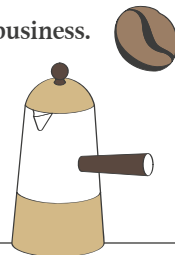
U.N. Sustainable Development Goals

they are a global business imperative and guide our work.



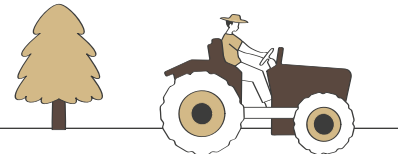
The **Global Goals** align with a Lavazza Group core value: **responsibility**.

At Lavazza, we commit to operating **responsibly** in all aspects of our business. We are staying true to our **values** and **family roots**.



We are staying true...

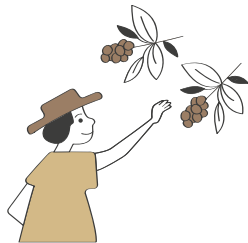
to the **farmers** who tend coffee beans under the shade of the forest canopy and the rays of tropical sun.



to our **employees** whose fundamental rights, wellbeing and economic security is our responsibility.



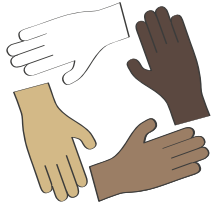
to the **customers** who share our concerns and commitment to creating a more fair and sustainable future.



The **authenticity** of our mission is demonstrated by our devotion to working on the ground and in the communities where our beans are grown and where our coffee is produced and enjoyed around the world.



We engage with people everywhere because we believe every person can play a mighty role in helping our climate, economy and society.



WE ARE COMMITTED TO ADVANCE THE GLOBAL GOALS

GOAL ZERO



In order to be able to make progress on the journey towards the Global Goals and on the integration of sustainability into the Group's activities, it is essential that everyone understands their value, why they are important and how to contribute to achieving them.

This is why in **2017** Lavazza developed **Goal Zero** to **spread awareness and engage** reference stakeholders regarding the Global Goals and the sustainability aspects that they promote. Goal Zero calls for the adoption of a different communication approach for each group of stakeholders, combining a series of targeted strategies and tools such as art, training and communications campaigns to inform and engage all those who come into contact with Lavazza in some way. In 2024, the Group continued to implement activities that set Goal Zero as an objective, focusing on the search for an ever-greater active stakeholder engagement.



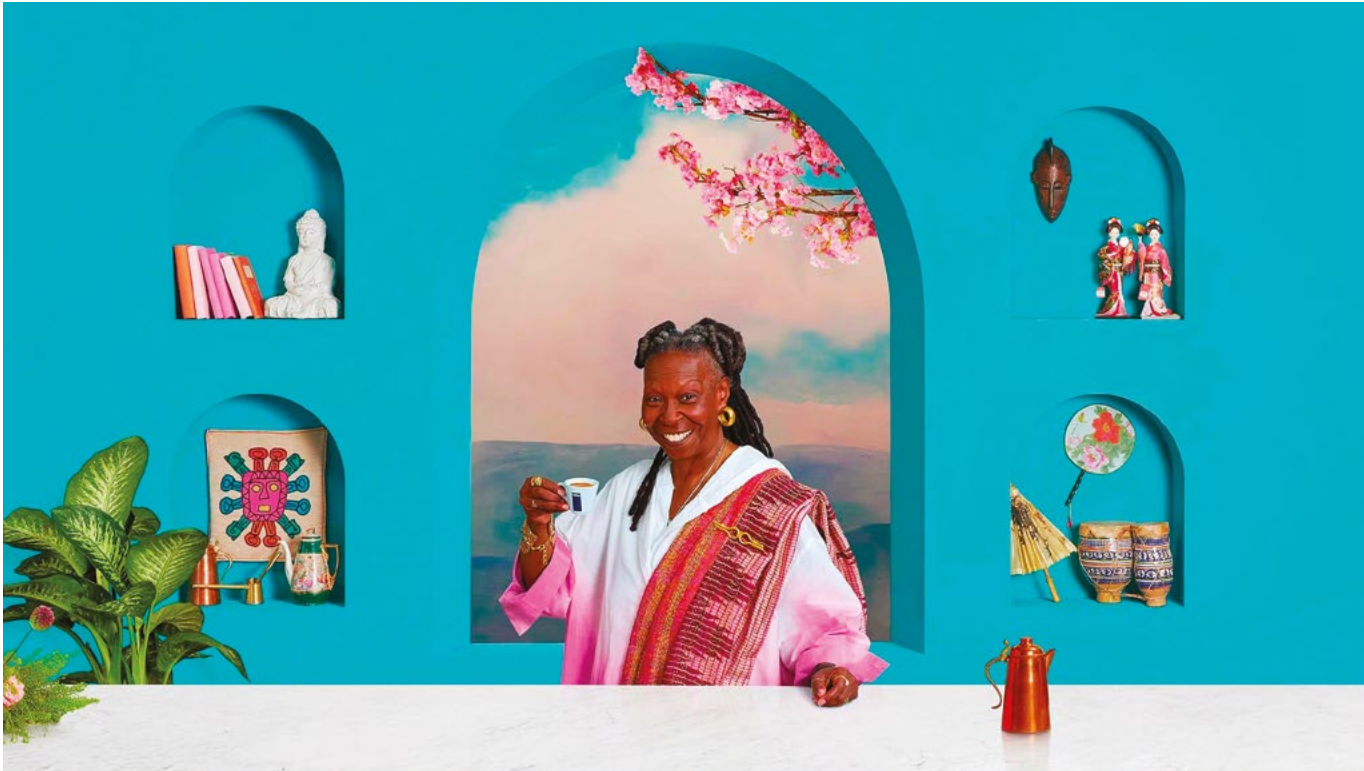
THE 2025 LAVAZZA CALENDAR



Continuing along the path taken by the last two editions of the Calendar, focused on the areas of collaboration and inclusion, Lavazza chose the **"blend"** as the core concept for the 2025 Lavazza Calendar, in the year in which the Company celebrates its **130th anniversary**. *"With this project we want on one hand to emphasise the importance of the art of blending as a source of inspiration since 1895, but also the importance of the people who have*

contributed to the Group's growth and success and are in the process of building its future," stated **Francesca Lavazza, Board Member, Lavazza Group**.

Let's Blend – 130 years forward is a choral calendar by new generation talent Omar Victor Diop, a French-Senegalese artist. The photographs are populated by 36 protagonists invited from the world of Lavazza to embody certain key moments in the Group's history, in a collective fresco made up of Lavazza's ambassadors, chefs, baristas, trainers, collaborators and long-standing partners.



LAVAZZA MUSEUM, TRAINING AND INCLUSION ON DISPLAY

The Lavazza Museum is a company museum located at Lavazza Nuvola, the Group's Headquarters in Turin that includes, in addition to the museum, its offices, a bistro, the Condividere restaurant, the Piazza and the La Centrale Events venue. It is conceived as a sensory journey into the global coffee culture, intertwined with nearly 130 years of history of a family business.

Opened in 2018, the Museum is evolving into a **hub for sharing, research and storytelling** on the topics of sustainability, communication and interculturality, in collaboration with numerous partners. Thanks to its strong focus on training and engagement of local communities,

the Museum contributes to strengthen the bond between the Group and its people, the Turin community and external visitors coming from all over the world. In addition to its commitment to education, the Museum is also involved in tangible environmental sustainability projects: most of the materials used in the training courses are recycled or derived from industrial scraps coming from the Company's plants.

In 2024, the Museum expanded its catalogue of courses on sustainability topics and based on the Group's four priority SDGs, opened also to high schools, secondary schools, primary schools and kindergartens.

Since its opening, the Lavazza Museum has pursued the goal of making its spaces inclusive, fostering a museum experience that respects each visitor's different needs and potential.



Be Sustainable

On 16 November, the Lavazza Museum brought together over 6,000 students from all over Italy and two classes of a city high school present in person to discuss together on the future of sustainability in an event entitled "Be sustainable". The Museum Director and some representatives of the Lavazza Group's Sustainability Department analysed together with the students, in a lively discussion, the link between social, environmental and economic sustainability from multiple perspectives and the future of professions, thus confirming how important it is to include young people in shaping a more conscious and sustainable future.

A Museum for All

On 3 December, International Day of Persons with Disabilities, the Lavazza Museum hosted "A Museum for All", a special event open to the community and offering a multi-sensory and inclusive experience. This event emphasises the Museum's commitment to promoting the value of diversity as a shared asset, offering a welcoming and accessible environment to all visitors, regardless of their conditions, as part of the Museum's ongoing evolution in terms of accessibility.

Each event activity was designed to ensure an immersive, sensory and inclusive experience, in the footsteps of the projects already underway, such as the Blind Coffee Experience and the IncluVisity project, which promotes inclusive exhibition paths in collaboration with Italian and international museums and cultural institutions.

IncluVisity

IncluVisity is a project launched in 2024 by Lavazza Group that places people and experiences at the core of museum displays, converging accessibility towards programmes designed for a broader and more diverse public, thus guaranteeing inclusivity, by promoting the value of diversity, equality, and acceptance. This project has involved several renowned exhibition institutions with which the Group collaborates on an ongoing basis and that have proposed inclusive exhibition itineraries conceived for people with different multicultural backgrounds, capabilities and skills: Peggy Guggenheim Collection in Venice; Guggenheim Museum in New York; Triennale Milano; the CAMERA Foundation (Italian Centre for Photography); Museo Egizio; Lavazza Museum in Turin; MUSE – Science Museum in Trento.

IncluVisity aims to involve an increasing number of new partners to disseminate knowledge in an inclusive manner, in line with the goals of the 2030 Agenda, and in particular with Goal 4 on quality education and Goal 9 on inclusive infrastructure.



Inclusivity
in museum
activities

What if coffee disappeared forever?

On the occasion of **World Earth Day 2024**, Lavazza brand launched an international communication campaign to raise awareness about the impact of climate change on coffee plantations. Starring comedian and digital creator **Adrian Bliss**, the project satirically recounts the risk of coffee's extinction as one of the effects of climate change, underlining Lavazza Foundation's commitment to supporting coffee growers through agricultural training programmes aimed at fighting these effects.



Basement Café by Lavazza

In 2024, the sixth edition of Basement Café by Lavazza went live: it is an online programme aimed at virtuously investigating the lived experience of younger generations, and more. This format, on air on YouTube and Spotify, features debates on the trending topics of the moment, from gender to sexual identity, generational conflict and differing visions of the future. The programme was revamped in 2024 with a live show and episodes recorded in two Italian cities, Naples and Rome: the values of young people's dignity and social justice — at the heart of the programme since its first edition — translated into a live dialogue that offered an opportunity to experience exciting moments with leading artists and the Basement community, counting over 140,000 followers.

This edition also provided a special workshop at the **CivicoZero's** recording studio **Basement Café Room**, the **Save the Children's** project supported by Lavazza since 2020.

CivicoZero is a day care centre that offers foreign minors and young adults an inclusion and socialisation workshop that provides support, guidance and protection, with particular attention to minors at risk of deviance, marginalisation and social exclusion.

Through the **Basement Café Room** organised by Lavazza in the CivicoZero centres in Turin and Rome, foreign girls and boys learn to use music as a sharing tool that fosters inclusion and brings cultures closer together. In the Turin centre, Italian singer **BigMama** met the young people in a special workshop, working with them to create a song about beauty.

Over its six editions, Basement Café gathered approximately **230 million** views across the various digital channels, with 80 episodes and 134 talented protagonists, standing out as a point of reference for girls, boys and young adults looking for moments of dialogue and new ideas.



+200 million views in 6 seasons



80 episodes and 134 talented protagonists



2. Our commitment to people



2.1 People first p. 68

2.2 Our path towards diversity and inclusion p. 73

2.3 Personal and professional development and people's wellbeing p. 81



Overview

Material topics	Impacts	Risk areas
GROUP'S PEOPLE	INCREASED WELLBEING AND QUALITY OF EMPLOYEES' WORK	DEVELOPMENT, WELLBEING AND PEOPLE RETENTION

Global context

The coffee industry is made up of women and men who contribute to its prosperity on a daily basis. Nonetheless, there are still considerable **inequalities** to be bridged: **70%** of the coffee grown in the world is harvested by women, but less than **30%** of coffee-producing land is owned by womenⁱ. Diversity and inclusion may be a catalyst for business growth and success: **more diverse managerial teams** report **19%** higher innovation revenueⁱⁱ.

Moreover, employee wellbeing within the company multiplies productivity, resilience and talent attraction: several studies showed a **10%-21%** correlation between employee **wellbeing** and improved productivityⁱⁱⁱ. It is an aspect that plays a crucial role in the professional choices of two thirds of new generations, along with **professional development** programmes^{iv}.

In addition, a company's sustainability approach may positively impact its attractiveness and the loyalty of potential and existing employees^v.

For notes (i), (ii), (iii), (iv), (v) see the Annex.

OUR COMMITMENT TO PEOPLE

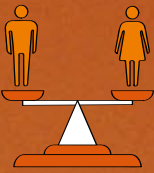
Diversity & Inclusion



Group **D&I Policy**
and **Manifesto**



First level
EDGE certification
and EDGE Plus



GAP FREE Program
extended at global level

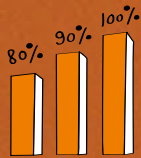
Training and professional development



Sustainability Academy



Ambassador Programme



Employee
performance
measurement



Incentive
Systems linked
to ESG targets

Wellbeing

Time To Care
welfare & wellbeing programme (Italy)

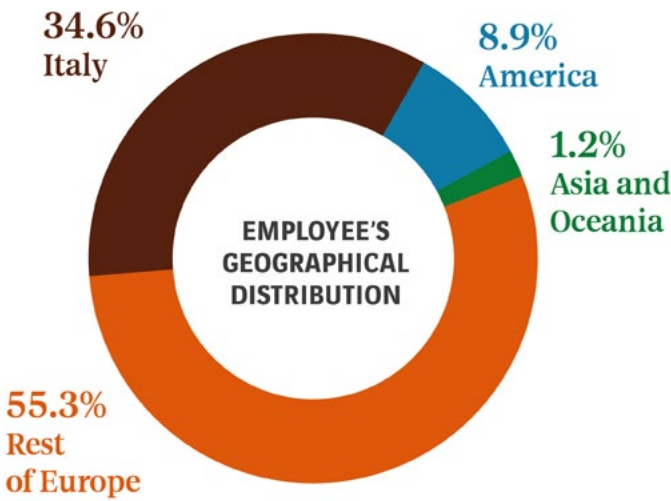


2.1 People first

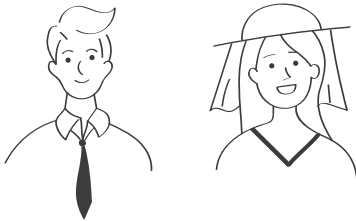
Lavazza Group recognises the key role played by its people in contributing to the Company’s long-term success. Similarly, the Group considers the inclusiveness of its work environment as an essential element for the wellbeing of its employees and is committed to ensuring that each person is offered equal opportunities for professional development and growth. In addition, **Goal 5** of the 2030 Agenda – Achieve gender equality and empower all women and girls – is one of the four priority SDGs of the Company’s sustainability strategy.

To this end, through dedicated long-term programmes, initiatives, practices and policies, the Group is committed to ensuring a **healthy, safe and inclusive work environment**, where the **uniqueness** of each person is enhanced and **diversity** is seen as a valuable resource for both personal and professional growth. The

Group’s four corporate values, its Code of Ethics, updated in 2022, and the set of company procedures dedicated to HR management ensure the soundness of this approach. At 31 December 2024, the Group’s workforce totalled **5,806**, up by 40% compared to 2023, chiefly due to the inclusion of MaxiCoffee in the reporting scope. The company population with permanent contracts accounted for **97.2%**, while people working on a part-time basis for 3.6%, three fourths of whom were women. Most of the employees (55.3%) were based in Europe, followed by Italy – where the Group has its Headquarters, its Innovation Center and four of its nine production plants – with 34.6%, America with 8.9% and Asia and Oceania with 1.2%. In managing its activities, the Group also availed itself of 668 contingent workers, such as casual employees, employees with zero-hour contracts, on-call employees, interns and agency workers.



97.2% employees with permanent contracts



EMPLOYEES BY CONTRACT TYPE AND GENDER AT 31 DECEMBER IN THE THREE-YEAR PERIOD

	UoM	2022			2023			2024				
		Men	Women	Total	Men	Women	Total	Men	Women	Other	Not disclosed	Total
Permanent	No.	2,539	1,518	4,057	2,441	1,592	4,033	3,464	2,178	0	2	5,644
Temporary	No.	70	59	129	34	66	100	72	90	0	0	162
Total	No.	2,609	1,577	4,186	2,475	1,658	4,133	3,536	2,268	0	2	5,806

Women accounted for **39.1%** of the company population, with a **29.7%** presence in Senior Manager roles. Most of the company population was aged between **30 and 50 years** (58.2%), followed by employees over 50 (27.6%) and under 30 (14.2%).

39.1% women in the Group

29.7% women in Senior Manager roles



EMPLOYEES BY PROFESSIONAL CATEGORY, GENDER AND AGE AT 31 DECEMBER

2024	UoM	Men				Women				Other				Not disclosed				Total
		<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total	
Senior Managers	No.	8	210	114	332	9	90	41	140	0	0	0	0	0	0	0	0	472
Middle Managers	No.	14	387	196	597	12	328	78	418	0	0	0	0	0	0	0	0	1,015
Specialized Workers	No.	187	782	404	1,373	222	595	216	1,033	0	0	0	0	0	0	0	0	2,406
Other Workers	No.	216	654	364	1,234	153	331	193	677	0	0	0	0	1	1	0	2	1,913
Total	No.	425	2,033	1,078	3,536	396	1,344	528	2,268	0	0	0	0	1	1	0	2	5,806

In accordance with the Code of Ethics, the freedom of association of individual workers is ensured throughout the Group. Over **70%** of employees was covered by national collective labour contracts. This figure is closely linked to the labour law in force in the country in which each Group subsidiary operates.

The hiring rate was 11.2% for men and 8.3% for women, with a total of **1,132** new hires. With regard to age brackets, the most significant turnover was among the under 30, followed by the 30-50 and over 50 age brackets.

During the year, the Group recorded **1,090** terminations (641 men and 449 women), with a termination rate of 11% for men and 7.7% for women. The prevalent age bracket was the 30-50 one, followed by the under 30 and the over 50. In 2024, the Group continued to invest in **young people** with an international perspective. Recruitment activities led to new hires in several countries, with **49.3%** under 30.

The hiring rate stood at **19.5%**, up by more than two percentage points compared to the previous year, against a termination rate of 18.8%.

NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER BY GENDER IN THE THREE-YEAR PERIOD

	UoM	2022			2023			2024				
		Men	Women	Total	Men	Women	Total	Men	Women	Other	Not disclosed	Total
New hires	No.	424	284	708	375	329	704	649	483	0	0	1,132
Terminations	No.	398	276	674	308	249	557	641	449	0	0	1,090

NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER BY AGE IN THE THREE-YEAR PERIOD

	UoM	2022				2023				2024			
		<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
New hires	No.	252	387	69	708	277	366	61	704	558	485	89	1,132
Terminations	No.	157	362	155	674	158	265	134	557	442	473	175	1,090

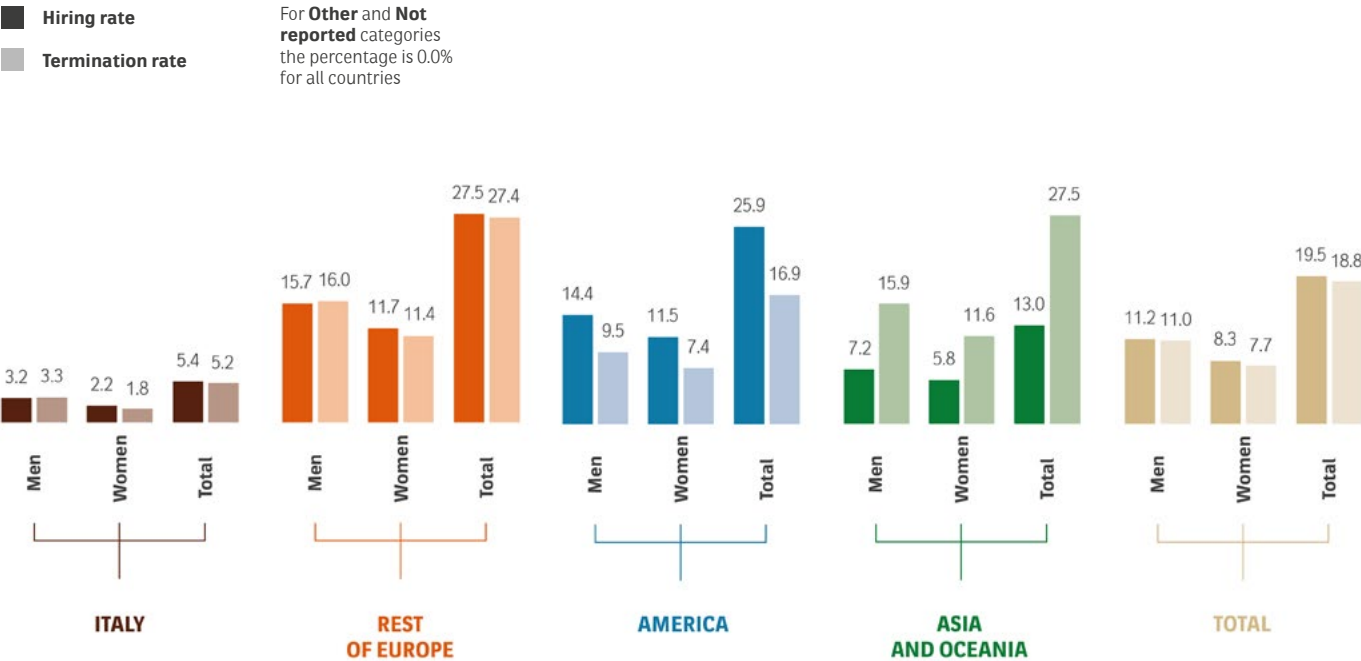
In 2024, as regards Italian collective bargaining, the Group reached an agreement in relation to the supplementary contract involving almost 400 employees of the Gattinara plant, approved with 97% of employees’ preferences and providing for: a new MBO model, caregiving leave, the extension of parental leave and corporate volunteering. The new supplementary contract especially focuses on a different organisation of working hours, combining organisational

and production flexibility needs with the need for a better work-life balance. It also introduces reduced working hours with the “short Fridays” trial upon satisfaction of certain production requirements.

Moreover, the benefits acquired based on the 2023-2025 new company supplementary contract for Turin headquarters’ employees continued to apply.



2024 HIRING AND TERMINATION RATE BY GENDER (%)



2024 HIRING AND TERMINATION RATE BY AGE (%)



Top Employer certification

In 2024, the Group received Top Employer certification in **Italy** for the sixth consecutive year, and again also in the **United Kingdom**, in light of a working environment that protects people and their quality of life through constant search for excellence in HR procedures.

This recognition testifies the commitment to employees' wellbeing, rewarding all Lavazza People who work every day for an increasingly inclusive Group.



Great Place to Work in Canada and Denmark

Once again in 2024, **Kicking Horse Coffee** was named one of Canada's best workplaces according to Great Place to Work, a company specialising in business climate analysis, improvement, and employer branding – a milestone the company achieved for the ninth consecutive year.

The same recognition was obtained by **Lavazza Denmark** as one of the 25 best workplaces of the country, testifying to the Group's tangible commitment to creating a work environment culture that promotes growth, collaboration and a positive attitude.



2.2 Our path towards diversity and inclusion

By the term “inclusion”, Lavazza means the ability to make each person feel not only welcomed, but also respected and given the opportunity to participate fully in the life of the Company, thus contributing to the best of their ability and unique skills to the success of the Group. With this in mind, the Group published its **Diversity & Inclusion Manifesto** in 2022 and the first **Lavazza Group D&I Policy** in 2024. Both documents set the course for a formal commitment to adopting practices and strategies that promote and enhance diversity and inclusion in all business activities.

One of the first goals of the D&I strategy was achieved in 2022 for Italy and in 2024 for the United Kingdom by reaching the first level of certification of **EDGE – Economic Dividends for Gender Equality (Level I ASSESS)**.

This assessment process is targeted to companies that have demonstrated a serious and verifiable commitment towards zero-gender gaps in the workplace. Moreover, in 2024 the companies **Lavazza North America Inc. and Luigi Lavazza S.p.A.** obtained **EDGE Plus (Assess)** certification which, in addition to gender, also analyses further identity dimensions. The EDGE certification process was also extended to other Group companies, including Carte Noire Sas, Lavazza France Sas. and Lavazza Deutschland GmbH, with EDGE (Level I ASSESS) obtained in early 2025.

In 2024 as well, Italy¹ obtained **UNI/PdR 125:2022 certification for gender equality**, advancing further on the path of building a rewarding, inclusive and flexible work environment in the Group.



*EDGE (Economic Dividends for Gender Equality) is a standardized methodology and global certification system to assess Gender Equality within companies



1) Certification obtained by Luigi Lavazza S.p.A.

OUR DIVERSITY & INCLUSION

MANIFESTO

WE BLEND FOR BETTER

We are a community of single origins united into a perfect blend.
That's what we are: humans enriching one another by our mutual diversities.

INCLUSION NOT ACCEPTANCE

Everyone should feel unique and part of the amazing blend we form together.

FREE AND SAFE

We want to build a place where each one of us is safe and free to express thoughts and feelings. We treasure uniqueness; openness is our endeavour.

EQUITY IS MORE THAN EQUALITY

Each person should have the resources and opportunities they need to fulfil their purpose.

SKILLS ARE VALUES

Everybody should be granted access to opportunities to grow, based exclusively on skills and capabilities.

ALLIANCE

We believe that allyship is the way to fight underrepresentation and underprivilege. We will support our colleagues, allowing them to shine through respect, care, and heed.

GAP FREE

We are committed to shaping and nurturing a gap free organisation that aims to end any form of discrimination based on stereotypes and unconscious bias. Our coffee is the driver that helps **awaken a better world every morning**. We root our conduct in Authenticity, Passion for Excellence, Inventiveness, and Responsibility in order to have a positive impact on a thriving society.

WE ARE OPEN, AND YOU ARE WELCOME!

Lavazza Group's D&I Policy

In 2024, the **first Lavazza Group D&I Policy** was published, co-developed by the Group's different HR Departments worldwide, in line with the values of the Code of Ethics and the goals of the D&I Manifesto. The Policy was published on the Group's website and disseminated to all company employees, both in the offices via the Intranet and at production plants through ad-hoc leaflets. During the year, a Policy-related course was provided in four languages.

In addition to a brief introduction illustrating its objectives, the D&I Policy is made up of four sections: **General Principles**, consistent with the Company's values, the D&I Manifesto and the Code of Ethics; **Global Regulatory Context**, which illustrates the international principles underpinning human rights and D&I policies; **Governance**, which describes the Group's D&I governance model; **Guidelines**, governing the Group's working methods, HR processes, business relations and inclusive language. The policy deals with various aspects, beginning with everyday behaviours within the Company so that each Group employee acts as a catalyst for change through responsible actions and decisions consistent with Lavazza's commitment in this area.

The integration of the commitment towards diversity and inclusion into all processes relating to the Lavazza People's professional life is key: it enhances diversity at all levels — from candidate selection to the composition of event panels, remuneration and professional development — so that each voice can be heard and all people have the possibility to express their own qualities. In addition, a further whistleblowing channel was introduced for reporting non-inclusive behaviours.



2024 GAP FREE

Launched in 2020, GAP FREE is a medium-to-long-term cultural transformation programme that aims to promote equity and the enhancement of diversity, starting with gender.

The ultimate goal is to promote responsible growth able to generate a positive impact on society through the creation and dissemination of an **increasingly inclusive culture** within the Group, aimed at fostering innovation and competitiveness, and through the implementation of **gender equality programmes** extended to the whole Company.

GAP FREE was created thanks to the collaboration of the Human Resources and Institutional Relations & Sustainability Departments. It involves the application of a specific methodology² called **Engagement & Commitment**, now in its third phase: applied at global level, it is increasingly widespread and focuses on the work areas of Governance&Measurement, Inclusive Leadership and Gap Free Culture.

Governance & Measurement

In 2024, the GAP FREE activities were consolidated and increasingly extended from Italy to the Group's subsidiaries, according to the project's goal of **international development of the GAP FREE culture**.

The publication of the **Group's D&I Policy** and the consolidation of the **D&I Council** — composed of the Chief Executive Officer with his first lines, the D&I Team and representatives of the ERGs (Employee Resource Groups) — enabled systematic monitoring of the Group's progress towards D&I objectives and identification of tangible tools and actions to facilitate their achievement. Moreover, the first **local D&I Council** was set up in 2024 in the United Kingdom.

Inclusive Leadership

The year 2024 saw **2** new editions of the Ashland Institute's **CIYO (Come Into Your Own)** programme for the promotion of female leadership, with the involvement of **27** female managers in top management positions from different countries, during working days dedicated to establishing alliances, professional networking and full recognition of their potential role model within the organisation.

Moreover, the **Sponsorship Programme for Gender Balance**, launched in 2023, continued in 2024. This programme is dedicated to **women**, as they are the less represented gender within the Company, and was created to address the need to offer women employees who already serve in managerial roles, but are less exposed to the top management of the organisation, more opportunities to make themselves known, thus allowing them to create new networks and increasing opportunities for professional growth. The programme also aims to contribute to greater enhancement and promotion of the different leadership and working styles at all company levels, in addition to challenging biases. In 2024, it involved **17** employees from different geographies and company areas.

Gap Free Culture

In 2024, the international expansion of the **Employee Resource Groups (ERGs)**, now existing in most of the countries in which the Company operates, continued. ERGs are groups of employees committed on a voluntary basis to promoting a fair and inclusive work environment. ERG members liaise with local communities and promote occasions for meeting and training on D&I topics. Represented also within the Global D&I Council, ERGs collect inputs for improvement in order to foster change.

Currently, they are active in various countries, with different focuses, according to local priorities and peculiarities.

In 2024, the **“The key role of men towards gender equality”** programme was developed in Italy, dedicated to male top managers: structured into 4 phases, it involved **18** top managers and the Chief Executive Officer in an open dialogue aimed at providing tools for tangible action in their role as allies in D&I promotion.

In addition, the **GAP FREE Day** was held in **nine** countries: a working day dedicated to the culture of diversity that aimed to engage the

company population and raise its awareness through initiatives, workshops, games and cognitive tests. Starting from Italy, the GAP FREE Days were held in Australia, the United Kingdom, Denmark, Sweden, Austria, Germany, France and the United States. In each country, a common D&I cultural framework was enriched by specific elements that took account of the various cultural aspects present at the local level.

People Manager Workshops, moderated by internal facilitators, were also organised to engage People Managers in the GAP FREE programme.

Lavazza's Milan Flagship Store, a point of reference for women in difficulty

Lavazza's Milan Flagship Store joined the **“Punti Viola”** network, dedicated places throughout Italy where people in difficulty are welcomed with sensitivity, competence and appropriate tools, thanks to training and support from the DONNEXSTRADA network.

It is a project intended to increase awareness and provide training to people working in food and beverage points of sale: in this way, Lavazza's Milan Flagship Store has become a protected place where each woman who does not feel safe outside or is a victim of gender-based violence can ask for help.

This is a further tangible step towards the objective of combating gender violence and contributing to generating a positive social impact.



2) The U-theory213, created by Professor Otto Scharmer of the Boston-based MIT and used effectively for over twenty years.

2024 GAP FREE Culture initiatives in Italy

The commitment of the three **ERGs (Employee Resource Groups)** working groups continued in 2024. They were organised into three teams focusing on an equal number of topics: “Gender Blender” on gender-related topics, “Gener-Action” dedicated to discussion among generations, and “WeBlendFamily” for caregivers and parents. Several initiatives were organised, such as meetings on inclusion for children. A series of **webinars** were also held, open to all to discuss biases and stereotypes at the workplace regarding topics identified as priorities and proposed on special dates such as Mother’s Day, Father’s Day, Day for the Elimination of Gender Violence, Pride Day.

An important new activity in 2024 was the inclusion in the **Libellula Foundation** network, which brings together businesses to fight violence against women with the aim of promoting a culture against gender-based discrimination. Thanks to this collaboration, 4 Lavazza people took part in the Libellula Ambassador Programme, a series of intercompany training meetings focused on how to raise awareness among businesses on gender-based violence and how to support victims. On International Day for the Elimination of Gender Violence, these ambassadors and internal ambassadors personally delivered a webinar at the Company on the role that each person may have in fighting violence.

The ratio of basic salary of women to men was 96.6%, down compared to the previous years, especially for the categories of Senior Managers and Other Workers. This is attributable to the inclusion in 2024 of MaxiCoffee Group, whose workforce consists mainly of men.

Year-on-year deviations reflected the normal seniority and turnover changes. With regard to total remuneration, which includes both fixed and variable components, the ratio of total remuneration of women to men was 93.9%.

RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN³

	UoM	2022 BASIC SALARY RATIO ⁴	2023 BASIC SALARY RATIO	2023 TOTAL REMUNERATION RATIO	2024 BASIC SALARY RATIO	2024 TOTAL REMUNERATION RATIO
Senior Managers	%	93.6%	95.2%	91.8%	87.9%	87.1%
Middle Managers	%	98.3%	93.7%	89.8%	97.6%	95.0%
Specialized Workers	%	100.7%	97.2%	95.9%	99.4%	96.4%
Other Workers	%	118.2%	103.4%	104.7%	99.2%	97.2%

3) The calculation used for the ratio of basic salary of women to men in 2024 includes all subsidiaries, even if there is no presence of both genders within them. It should be noted that the GRI approach was used to report the basic salary and total remuneration ratios.
4) In 2023, the calculation methodology for GRI Indicator 405-2 – Ratio of basic salary and remuneration of women to men has been revised and also applied to the year 2022 for methodological consistency. It should be noted that the value of the 2022 basic salary gender ratio includes the salaries of employees of the Indian company Fresh & Honest, whose salaries and purchasing power are difficult to compare with those of other countries, as is especially evident for the Other Workers category.

Best Workplaces for Women

In 2024, **Lavazza UK** was recognised as one of the best workplaces for women in the **United Kingdom**, awarded by Great Place to Work UK – a further recognition of the commitment towards Goal 5 of the UN 2030 Agenda.



Disability Management

The Group has set up a **Disability Management Team** that is responsible for structuring job placement paths for people with disabilities and promoting job inclusion by creating a culture on this topic. **Four job placement projects** are active in Italy that match benefits for both people and the Group, creating stories of inclusion and success.

In these programmes, Lavazza is always supported by local organisations and associations that, through close collaboration with company tutors and the Disability Team, accompany people during the process of integration in the Company, providing support both in the initial induction into the work context and in the progressive development of autonomy in their tasks. Two examples of this multi-year process are the **WIDE project**, active in the Turin Production Plant since 2023, and the **Job Stations project**, active in the Management Center since 2022. The WIDE (Work Intellectual Disability Environment) project, in collaboration with the Time2 Foundation and Turin University, promotes in-

clusion in the workplace of people with intellectual and relational disability. Lavazza launched an initiative which led to the recruitment of two workers at the Turin plant, supported by the Foundation’s tutors, with the aim of developing their skills and raising awareness within the Company on workplace inclusion.

In parallel, the Job Stations project, implemented in collaboration with Progetto Itaca Torino and Fondazione Italiana Accenture, supports people with mental health disorders. Lavazza joined the project making it possible for the workers to work remotely at assisted remote work centres, with the support of tutors. Two people, employed in the IT and Customer Service areas, alternate remote work at Job Stations and work in presence at Nuvola headquarters.

The projects had a positive impact both on people’s private lives, contributing to the development of greater economic and relational independence, and on the Company, creating a strong synergy with colleagues and added value for the activities carried out.

Accessibility as a principle for sharing

Increased product digital and physical accessibility is part of a path of improvement and increased openness to diversity. With this in mind, the Group embarked on a broader process aimed at increasing the accessibility of all digital and physical Lavazza touchpoints, starting in 2023, from all the websites of the main brands and of Lavazza Group, to then also include apps, coffee machines and products.

In 2024, the analysis and search for gaps to be filled in improvement perspective continued, through the involvement of industry experts and associations. Moreover, a digital accessibility course structured into 8 modules was organised to illustrate the related requirements, provide tools for proper application of applicable regulations and support content creation and the development of digital touchpoints in line with accessibility standards. The course involved a broad number of company functions: Digital Marketing, IT, Content, Legal, Digital PR, Media Relations. Moreover, as of the 2023 edition, the Sustainability Report is available in an accessible audio format, thus providing accessibility to people with visual impairments.



First accessible Report in 2023



2.3 Personal and professional development and people’s wellbeing

The Group is committed to constantly providing its employees with opportunities and tools for supporting their personal and professional development, through the implementation of a continuously evolving training system a performance evaluation and a talent review process consistent with the Group’s system of values and skills. In addition, Lavazza considers mental and physical wellbeing to be fundamental to the achievement of its success: with this in mind, it provides its employees with a comprehensive welfare system.

Of this total number of hours, more than 4,000 were on D&I and sustainability.

The training catalogue continued to be extended with the inclusion of both online and in-presence learning resources for ongoing training on corporate citizenship topics (ethics, compliance, values, behaviour, policies, processes and procedures) and for an increasing integration of Diversity & Inclusion topics into all training programmes. People involved in at least one D&I training activity in 2024 were **2,400**. For the new recruits, this training catalogue contributes to ensuring that they enjoy an increasingly inclusive welcome, at the local and global level, and that fundamental information is provided to ensure that they are immediately effective within the organisation. All Group people, regardless of their role, can find within the Company responses to their individual development needs on transversal skills, thanks to freely accessible catalogues of in-classroom training activities and online content libraries. The Group’s managers can rely on a dedicated training offer, which they can access based on their growth areas.

11.9 hours per capita



+4,000 hours on D&I and sustainability



TRAINING

In an increasingly dynamic and international business context, marked by the growing impact of digital transformation, the Group’s commitment to promoting growth paths by providing people with the necessary skills to address changes underway has consolidated and strengthened. In 2024, the number of training hours provided at Group level amounted to almost **69,000**, equal to **11.9** training hours per person.

TRAINING HOURS PER CAPITA OVER THE THREE-YEAR PERIOD

	UoM	2022			2023			2024				
		Men	Women	Total	Men	Women	Total	Men	Women	Other	Not disclosed	Total
Senior Managers	H/No.	24.7	28.2	25.7	17.0	28.1	20.1	11.9	15.9	0	0	13.1
Middle Managers	H/No.	16.5	21.1	18.4	20.1	21.2	20.6	15.3	20.3	0	0	17.4
Specialized Workers	H/No.	12.9	16.5	14.4	14.4	15.6	14.9	10.9	13.2	0	0	11.9
Other Workers	H/No.	16.7	19.9	17.6	17.1	13.6	15.9	9.2	7.6	0	1	8.6
Total	H/No.	15.3	18.5	16.5	16.4	16.8	16.6	11.2	13.0	0	1	11.9

Moreover, a dedicated programme was launched for those who took on the new role of **People Manager** in 2024, with a focus on the development of an increasingly inclusive leadership, in line with company values. The project involved more than **70** people from **6** countries and will continue in 2025.

The voluntary and increasingly active engagement in personal and professional self-development initiatives, through participation in courses in the catalogue and the use of the LinkedIn Learning platform (an average of approximately **35,000** videos viewed each year) confirmed the growing consolidation of a training culture within the Group. Needs for upskilling or reskilling to support working teams undergoing specific periods of transformation are met through personalised individual or group paths.

In 2024, approximately **350** people were involved in **team building** activities and **workshops** for approximately 4,000 training hours provided. For the acquisition of specialised technical skills or achievement of certifications, the Company still avails of external providers with specific know-how. For example, partnerships continued with universities, Business Schools and technology partners, often through collaboration with outstanding local partners.

To increasingly support the internal dissemination of know-how on both transversal core topics (Sustainability Academy, PDP Learning Environment) and on more technical competencies (Artificial Intelligence Initiatives, Procurement Learning Hub, etc.), the Company leveraged on employees' engagement to design and provide internal courses. The role of **Champions** — refer-



ence points for an increasingly informal learning, more integrated into working flows — was defined in relation to different training programmes, including those in support of change management.

SUSTAINABILITY ACADEMY

In addition, in order to support the acquisition of **digital skills**, the introduction of technological platforms, such as the CRM, or the support of Artificial Intelligence were accompanied by training on the developments, opportunities and impacts of the new technologies. In 2025, these training opportunities will be extended to subsidiaries' employees with the aim of leveraging internal skills to spread the use of technologies and the adoption of increasingly automated and AI-based processes.

As of 2024, AI began to be used on a large scale, with the implementation of a pilot training programme for **150** people, subsequently extended to all Group employees.

In 2024, the Sustainability Academy continued to provide its courses. The Academy is a digital environment entirely dedicated to training on sustainability topics, enriched by new content and resources, including an engagement game instrumental to the process of selection of the candidates for the 2024 Ambassador Programme. In this game, each participant accompanies a coffee bean throughout its life cycle, taking on the role of a responsible guide along the coffee supply chain: in this way, participants test their knowledge of both the Group's engagement in improving its impacts on the economy, the environment and people, and of one's individual contribution along this path.

To date, over **300** people have taken active part in the Sustainability Academy.

New contents



Ambassador Programme

Following the previous edition’s success, in 2024 the Lavazza Group Ambassador Programme continued, allowing **18** employees from all around the world to visit coffee-producing communities in order to deepen their understanding of production processes and see first-hand the sustainability challenges faced by the supply chain. In the selection process, the over **150** candidates were evaluated through interviews based on criteria such as their most recent volunteering experience, an aptitude for interacting with different cultures and the programme’s potential impact on their professional and personal development.

The Ambassadors visited producing communities, thus getting to know their history, and took actively part in plantation work to understand their challenges and appreciate the solutions provided by the sustainability programmes launched by the Group. It was an opportunity to connect with worlds that are only apparently remote, forging connections and gaining transversal knowledge and awareness. The three destinations selected in 2024 included: Cuba, covering all the country from Havana to Maisi; Honduras, in the Copán region; Guatemala, in the Antigua region, from which the most refined coffee blends originate.



“The Lavazza Ambassador program was an incredibly experience! Witnessing firsthand the process of coffee production left me with a profound respect for the coffee farmers and seeing how our support impacts local communities was truly heartwarming.”

Camilla Bitsch
Nordic HR Director, Lavazza Denmark

Honduras



Guatemala



“It helped me truly understand everything that goes into a cup of coffee, as we often forget how it ends up in our cup. Now, my perspective has changed, and I am much more interested in the history of the coffee I drink.”

Clement Rehault
Customer Care Manager,
Lavazza & Carte Noire, France

Cuba

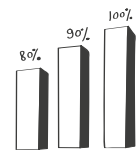


“A journey of learning, wonder, and emotion through coffee and Cuban community to fully understand and infinitely appreciate their value. An unforgettable professional and personal growth experience!”

Valeria Nicola
Trade Marketing Home Channel Specialist,
Lavazza, Italy

THE GROUP'S
PERFORMANCE
MANAGEMENT
SYSTEM

68.7% of Group's employees subject to performance evaluation



The professional development of the Group's people is managed through the **People Development Process (PDP)**, revised and applied uniformly throughout the Company in 2022 with the integration of the four company values which people development must be aligned with. The resulting evaluation process was based 60% on performance objectives and 40% on compliance of one's behaviour with the company values.

Following the PDP revision, constantly increased attention was devoted to the managerial culture, spreading awareness of the four values, stimulating a culture of feedback and promoting personal self-development.

The PDP encourages managers to engage in constant exchanges with members of their teams to support them in achieving goals, while

also identifying the actions best suited to their professional growth path. All this was in addition to promoting an environment that fosters individual wellbeing, motivation and growth. A dedicated **PDP learning environment** is also available allowing all employees to access content that can be useful in managing the process as effectively as possible. Overall, **68.7%** of Group's employees are subject to performance evaluation.

The ongoing improvement of the Group's performance is ensured by the Corporate **Management By Objectives (MBO)** mechanism. The incentive structure of a company focused on efficiency and constant growth must be based on the achievement of the Group's strategic objectives⁵. For this reason, **43%** of managers is subject to the MBO.

At the same time, the Group has integrated an ESG parameter into its **Long Term Incentive (LTI)** system. Each incentive cycle calls for a three-year payout and as of 2023, in addition to EBITDA and free cash flow, the achievement of a sustainability target — an environmental target for the first cycle — has been included as multiplier.

PERCENTAGE OF EMPLOYEES INVOLVED IN THE CORPORATE MBO PROGRAMME BY PROFESSIONAL CATEGORY AND GENDER IN THE THREE-YEAR PERIOD

	UoM	2022			2023			2024				
		Men	Women	Total	Men	Women	Total	Men	Women	Other	Not disclosed	Total
Senior Managers	%	91.5%	79.3%	87.9%	89.3%	89.7%	89.4%	75.0%	69.3%	0.0%	0.0%	73.3%
Middle Managers	%	84.7%	84.5%	84.6%	93.9%	93.2%	93.6%	97.0%	91.4%	0.0%	0.0%	94.7%
Specialized Workers	%	74.6%	72.1%	73.6%	83.0%	75.1%	79.6%	81.0%	79.3%	0.0%	0.0%	80.3%
Other Workers	%	19.6%	35.9%	24.4%	20.4%	32.9%	24.5%	35.9%	45.1%	0.0%	0.0%	39.1%

5) The indicators taken into account in the MBO process relate to EBITDA and free cash flow.

PERCENTAGE OF EMPLOYEES INVOLVED IN THE CORPORATE MBO PROGRAMME BY PROFESSIONAL CATEGORY AND GENDER IN THE THREE-YEAR PERIOD

	UoM	2022			2023			2024				
		Men	Women	Total	Men	Women	Total	Men	Women	Other	Not disclosed	Total
Senior Managers	%	90.8%	79.3%	87.4%	92.6%	89.7%	91.8%	42.8%	43.6%	0.0%	0.0%	43.0%
Middle Managers	%	34.1%	35.4%	34.6%	39.4%	42.2%	40.6%	31.8%	37.1%	0.0%	0.0%	34.0%

TALENT REVIEW

In 2024, in line with the **Talent Review** process carried out in 2023, an **assessment/development** activity was promoted in all geographies that involved **53** people, equally divided among men and women: 6 explorers, i.e., people with low company and professional seniority as analysts and specialists, and 47 growers, i.e., people serving in managerial positions. Assessments are aimed at both defining succession or growth plans consistent with the organisation's needs, and supporting people development based on attitudes, aspirations and motivation. This activity is part of the Company's feedback culture development plan, since it entails the active involvement of HR Business Partners, People

Managers and the heads of Divisions in outlining people's profiles and in identifying individual development plans, the latter often being accompanied by customised **coaching** paths.

The year 2024 also saw the promotion in various markets of an **international mobility** initiative (short assignments) reserved to explorers (chiefly people under 33) with the aim of developing a greater understanding of the organisation and the skills necessary to work within a global company, develop the capacity to integrate diversity and to manage an increased complexity.

It is a programme supported by language courses, short coaching paths and onboarding sessions.

International mobility initiative



PEOPLE'S WELFARE AND WELLBEING

The Group's commitment to offering a secure, healthy workplace is also put into practice by providing a company plan designed to meet employees' needs and ensure that they experience a sound work-life balance respectful of themselves.

Time to Care is the **Welfare & Wellbeing plan** launched in 2023 in Italy and inspired by the Group's value of "responsibility".

In 2024, the plan continued and also included initiatives developed based on the outcome of a programme aimed at listening employees'

needs, starting from Italian employees: early in the year, a survey was carried out that highlighted the areas employees feel more akin to, such as mindfulness and the importance of an in-depth communication of the welfare offer. With this in mind, new themed initiatives were created, such as the Mental Health Day, a day of initiatives aimed at increasing awareness on issues relating to mental health, and other were extended, such as the corporate volunteering programme, which was extended to plants' employees.

The Time to Care offer was thus enhanced and enriched through the creation of full-fledged paths within its **four wellbeing pillars**: physical, emotional, social and financial; as part of the financial path a financial education course was provided.

Mental Health Day



Time to Care



Physical wellbeing: helping people find and maintain the ability to act energetically and make the best decisions for their lives, careers and health, now and in the future.



Emotional wellbeing: supporting people with tools that promote flexibility, awareness and management of emotions, to face each day's challenges optimally.



Social wellbeing: contributing to creating a sense of belonging and recognising oneself as an active part of a social network.



Financial wellbeing: improving and increasing the purchasing power of people and their families.



3. Responsible growth



- 3.1 Supply chain p. 94
- 3.2 Value creation p. 102
- 3.3 Occupational Health and Safety p. 106



Overview

Material topics	Impacts	Risk areas
ECONOMIC GROWTH GROUP'S PEOPLE SUPPLY CHAIN	CREATION OF SHARED VALUE AMONG STAKEHOLDERS HUMAN RIGHTS VIOLATIONS DEVELOPMENT OF LOCAL COMMUNITIES - COFFEE PRODUCING COUNTRIES INCREASED WELLBEING AND QUALITY OF EMPLOYEES' WORK OCCUPATIONAL HEALTH AND SAFETY - EMPLOYEES OCCUPATIONAL HEALTH AND SAFETY - IN THE VALUE CHAIN	HEALTH AND SAFETY SUPPLY CHAIN EMERGING LEGISLATION



Global context

According to the **International Labour Organization's** estimates, every 15 seconds 153 workers have a work-related injury⁽ⁱ⁾: workers' health and safety are a priority that businesses must address with adequate and continuously improving systems.

In some regions of coffee-producing countries, the risk of human rights abuses and child labour is high, but very difficult to detect due to a long, varied and complex supply chain, consisting of **25 million** small coffee growers, around **12.5** million family-run farms on lands of under 5 hectares. According to ILO's data, for instance, approximately **70%** of child labour worldwide occurs within the agricultural supply chain⁽ⁱⁱ⁾, but there are no specific figures relating to the coffee sector.

This complexity requires constant efforts by all players in the supply chain to ensure decent working conditions and respect for the fundamental rights of all.

For notes (i) and (ii) see the Annex.

RESPONSIBLE GROWTH

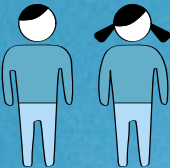


Responsible supply chain

Partnership and field projects



Protection of human and children's rights



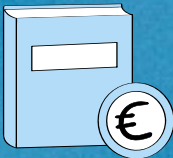
Vendor integrated EcoVadis rating



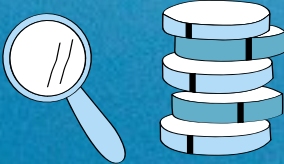
Ethical-social audits of suppliers



Value creation

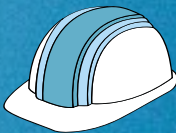


Spreading ethical and responsible tax culture

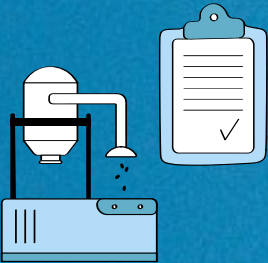


Tax Control Framework

Health and safety

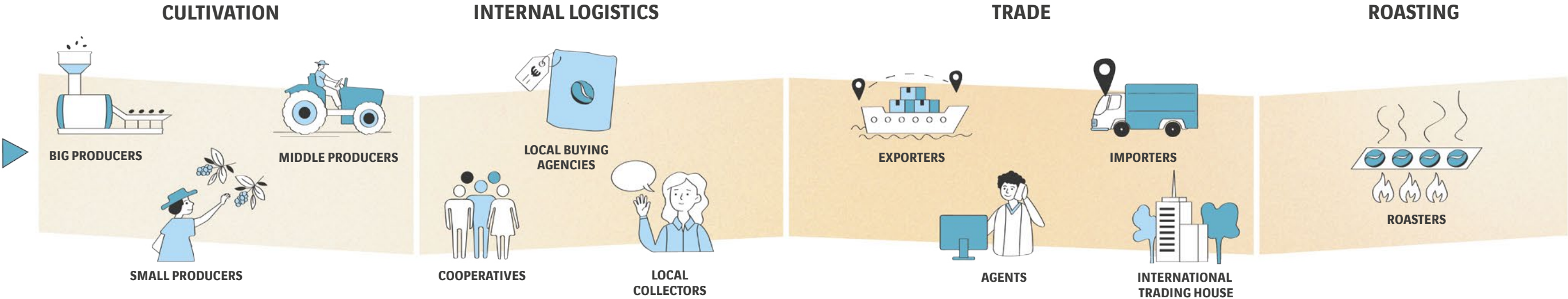


ISO 45001-certified multi-site management system



Launch of ethical and social audits in Group plants

3.1 Supply chain



The coffee supply chain is one of the most complex and fragmented of the agricultural sector. The **production process** begins with growing plants on plantations, which are managed by coffee growers with plots of land of various sizes, ranging from the smallest (managing around a hectare of crops) to larger and more structured ones.

Smaller growers are often grouped in cooperatives or associations and work with local intermediaries which, in some countries, not only handle the logistics chain, made complex by insufficient infrastructure, but also finance the production and/or even purchase the raw material.

The agricultural phase begins with the sowing of coffee seeds, which germinate in a few

months following careful irrigation, regular alternation of sun and shade, and constant protection against common coffee diseases and pests. After about three years, coffee plants produce their first coffee cherries, which can be harvested by hand (picking or stripping), mechanically or by using a mixed method.

Once harvested, the cherries undergo a process that may take different forms: “natural processing”, when cherries are laid out in the sun to dry and then pulped, or “washed processing”, when cherries are pulped by stripping off some of the mucilage, left to ferment in water and then dried in the sun. A third process, called “honey processing”, involves partial mechanical removal of the pulp, leaving the mucilage intact until complete sun-drying.

This process allows the beans to absorb the natural sugars from the pulp. Drying the beans is a critical step that influences the flavour and final quality of the product.

After processing, the beans are sorted and graded according to size, colour and quality, and the coffee is then taken to local collection centres from where it is shipped to the port of departure.

Most of the **25 million** growers are small- and medium-sized agricultural entrepreneurs with limited hectares of land, mostly located in remote and hard-to-reach areas, given the peculiarity of the ecosystem in which the *coffee* (coffee plant) grows. Accordingly, from the

field to the port of origin, logistics involves the participation of a series of players in various forms, such as cooperatives — typical of Central America and Latin America — and local mediators (also known as “bulk traders”), which are fundamental to connect growers to exporters, where the latter prepare coffee containers at their production facilities along with all the documentation required to ship the coffee beans. Once at the port of entry, green coffee is brought to the facility of the importer (often the roaster itself), where coffee is roasted. Roasters use various methods of procuring green coffee, depending on their business size.

The largest among them, including Lavazza Group, buy directly from international trading

houses, which often have facilities in the main countries of origin, where green coffee blends are prepared according to the quality standards required. Other smaller roasters use importers in the destination country that handle all phases of customs clearance on the roaster's behalf. In some cases, when the local exporter is unfamiliar with the structure and peculiarities of roasters in an importing country, it relies on agents who are charged with promoting the exporter's coffee.

In this complex scenario, Lavazza Group is committed to spreading, throughout its supply chain, the fundamental principles of promotion and protection of human rights, environment safeguarding and business ethics that have always guided the Company's procurement policy. The goal of promoting a **sustainable supply chain** is pursued through a strategy based on ongoing risk monitoring and on active supplier engagement with regard to social and environmental sustainability, as well as on an international and local multi-stakeholder collaboration model.

COMMITMENT TO PROTECTING HUMAN RIGHTS

For Lavazza Group, respect for human rights, and in particular the protection of children's rights, is an essential principle that cannot be compromised and must be safeguarded with the greatest commitment and the best forces in the field.

Considering that in some areas in which coffee growers operate there is a high risk of violation of human rights, the Company adopts a zero-tol-

erance policy towards all forms of threat to such rights throughout the supply chain, and in particular in relation to the wellbeing of children.

The Group has included the **United Nations Guiding Principles on Business and Human Rights** in its sustainability strategy and promotes and supports the **International Labour Organization (ILO)**¹ with regard to the fundamental principles and rights at work. For instance, in 2023, the Group joined the **ILO Child Labour Platform (CLP)**, aimed at fighting child labour within the supply chains, with projects such as "Ending Child Labour in Supply Chains", developed in Honduras, Uganda and Vietnam.

Moreover, since 2016 all green coffee suppliers of the Group have been asked to recognise and confirm that no coffee comes either from plantations on the **"Transparency List on Contemporary Slavery in Brazil"** published by the Brazilian Ministry of Labour and Employment and Repórter Brasil² or from plantations or suppliers that might not comply with laws and regulations. In 2017, the Company integrated into its activities the **Children's Rights and Business Principles (CRBP)**, the guidelines drawn up by Save the Children, the Global Compact and UNICEF to support companies in the protection and promotion of children's rights in running their business.

Over time, based on the foregoing, the Group's corpus of procedures has been strengthened: from the **Code of Ethics** to the **Supplier Code of Conduct**³ — the updated version of which was published in 2024 — to the documents **Our Commitment to Human Rights** and **Our Commitment to Children's Rights**⁴. This commitment is shared by all the Group companies and made available internally and publicly on the corporate website.

Lavazza Group recognises the importance of monitoring risks related to its supplier base. Accordingly, accreditation of new suppliers requires first of all acceptance of the Code of

Ethics and Code of Conduct, as well as the suppliers' provision of numerous details, including topics related to sustainability.

The Supplier Code of Conduct

In **2024**, the Supplier Code of Conduct effective from 2013 was reviewed and approved by the Company's Board of Directors, in line with the values included in the Code of Ethics renewed the year before and taking into account the key topics and the new sustainability-related laws and regulations. Published on the Group's website, in the Compliance section, in **5** languages (Italian, English, French, German and Spanish), it strengthens the attention that the Company pays to its supply chain and explicitly illustrates the values and principles that its suppliers have to comply with and share: ethically proper behaviour, respect for human rights and labour, respect for the environment, passion for excellence and transparency.

In its renewed edition, a greater and more in-depth attention is devoted to topics such as Diversity, Equity & Inclusion, responsible communication, fight against deforestation and the 2030 Agenda SDGs, a priority for the Group's sustainability strategy. Moreover, two in-depth **focuses** — one relating to the **environment** and another to **human rights** — were added since these topics are particularly relevant and cutting across all the Group's values. In addition, a third focus is dedicated to **coffee** suppliers, as coffee is the Company's core business, drawing inspiration from the Coffee Sustainability Reference Code of the Global Coffee Platform⁵.

Suppliers are key partners for business success, and collaboration with them is essential. Accordingly, full sharing of and respect for the values that guide the Group's business are key for ongoing improvement and mutual growth. Lavazza thus asks its business partners to accept its Supplier Code of Conduct and commit to operating in compliance with the provisions set out therein.



3 new focuses



To read the Statements and Codes, visit the Compliance section of the Group's website

1) The International Labour Organization is the UN specialised agency devoted to promoting social justice and internationally recognised human and labour rights.
2) Repórter Brasil is a non-profit organisation founded by journalists, social scientists and educators with the aim of bringing attention and action to the violation of fundamental rights of people and workers in Brazil.
3) Signed by the Board of Directors.
4) Signed by the Chief Executive Officer.

5) Sustainability Reference Code — Global Coffee Platform.

SUPPLIER ESG ASSESSMENT

The oversight of the supply chain



The Group continued to extend the scope and consolidation of its **supplier rating** system in which suppliers' sustainability assessment is developed through the introduction of **EcoVadis**. This is an external platform, integrated into the procurement system, that makes it possible to monitor suppliers' sustainability performance, manage supply chain risks and propose improvement plans to suppliers. After filling in ad-hoc questionnaires, suppliers are assigned an overall score on the areas examined: Environment, Labour & Human rights, Ethics and Sustainable procurement. An additional score is awarded to coffee suppliers with which international cooperation and sustainable development projects are in progress, either as a company or through the Lavazza Foundation.

In 2024, this supplier ESG assessment system was extended to Kicking Horse Coffee and Lavazza North America Inc. Moreover, specific training courses on sustainability matters ded-

icated to the Purchasing Function also involved the personnel of the Group's various foreign companies, as well as HQ personnel, who also took part in an ad-hoc workshop on children's rights in the world of coffee, organised with Save the Children.

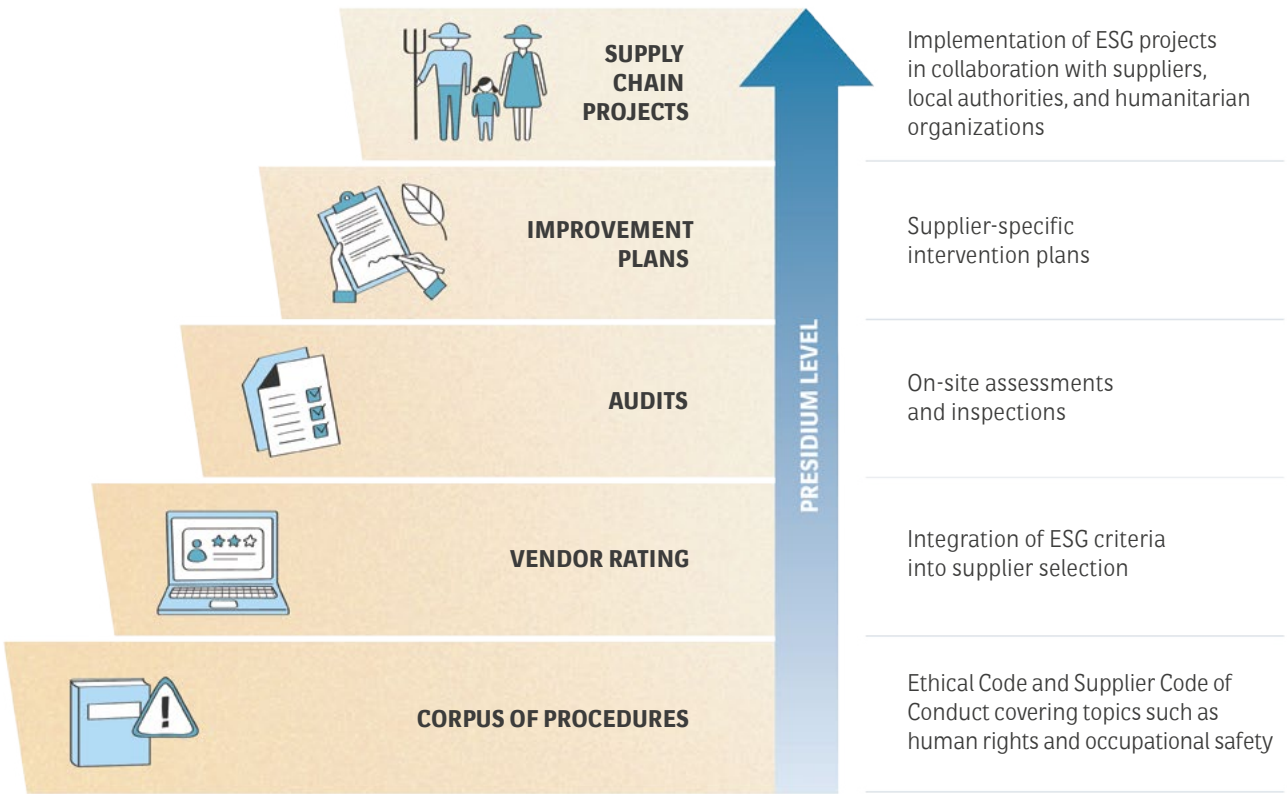
96% of the total amount billed to Lavazza for green coffee purchases in 2024 came from suppliers who participated in the EcoVadis assessment.

In addition, Lavazza's Sustainability Department is increasingly gaining expertise in the supply chain ESG assessment process, implementing second-party **audits** targeting suppliers identified as at high risk. **10** audits were performed in **5** different countries in 2024, involving various supply chain operators, according to socio-ethical criteria and based on specific checklists. The audits were followed by the preparation of improvement plans, to which suppliers responded by proposing the related remedial actions.

In 2024, Lavazza Group received for the second time the **EcoVadis Gold Medal** valid until May 2025, with a **74/100** score.



SUPPLIER ESG ASSESSMENT SYSTEM



2024 Supplier Coffee Links: rewarding D&I

"New Challenges, Together for Change" was the theme of the 2024 edition convention reserved for the Group's suppliers, which this year was strongly focused on the concept of combining visions, experiences and ideas to build together a path of growth and innovation. For the fifth time, the convention hosted the **Supplier Coffee Links Awards**, honouring the top 8 suppliers across five categories, including sustainability and D&I.



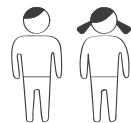
COOPERATION PROJECTS IN THE FIELD

Over the years, the Group has developed a series of projects in the field led by a specific unit within the Sustainability Function that collaborates with the Coffee Buying Department and the Quality and Procurement Division to promote all social and environmental matters relating to the production chain. The commitment starts with the coffee cultivation phase, engaging all the people and communities who take care of it. Thanks to the engagement of the Group's employees, collaborators and suppliers, on-field projects are implemented in **partnership** with:

- local institutions, for projects in the coffee-producing countries;
- at a pre-competitive level, other roasters and industry companies, also through participation in International Coffee Partners, an organisation that brings together players of the coffee world for sustainable development projects;
- international organisations, such as the International Labour Organization;
- Non-Governmental Organisations (NGOs), in particular Save the Children and Oxfam — with which Lavazza has partnered for over 20 and 10 years, respectively —and Rainforest Alliance.

Engaging selected local suppliers is the key to effectively generating direct effects on the supply chain: the Group invites its suppliers to collaborate in the field throughout the project development, coordinated and managed by the NGOs together with the local institutions and partners. These projects may involve both suppliers of coffee machines, such as the one developed with Save the Children in China and concluded in 2020, and coffee farmers, such as in the case of the 2 projects developed in **Vietnam**, the number-two country in the world by coffee exports and one of the main countries of

2 projects
developed
in Vietnam



origin of the coffee processed by Lavazza Group, as well as a country at risk of child labour.

The first project, called **“The Child Rights in the Coffee Sourcing Sector project”**, was launched in 2020 in collaboration with **Save the Children** in Vietnam's Dak Lak region. In light of the important results in the first three years, in which over **6,000 beneficiaries** were reached, in 2024 the Group confirmed its support to develop a second phase, again lasting three years, until 2026. This project is intended to create a replicable model of action to protect children's rights, with the aim of consolidating it in Vietnam and spreading it, thus developing good practices in the Company's main coffee-producing countries.

The second phase of the programme is underway and pursues the following objectives:

- raising awareness and strengthening the capacity to exercise the rights of boys and girls, involving the youngest (7-15 years old), young people (15-20 years old), social workers and families;
- improving children's access to education and childcare;
- increasing young people's knowledge of workers' rights and safety at work;
- integrating children's rights and gender equality criteria into the activities of businesses involved in the coffee sector.

The second project supported by the Group in Vietnam was successfully completed in **2024**: the four-year project directly engaged a major supplier and was financed by the **Dutch Ministry of Foreign Affairs** through the Fund Against Child Labour (FBK) managed by the Netherlands Enterprise Agency (RVO) in Vietnam. The implementing NGO was **Rainforest Alliance**, with which the Group has had commercial relations for many years. In collaboration with the government and local authorities, the project worked to increase the income of **1,500** farmers and combat child labour in the supply chain in Vietnam's Gia Lai and Dak Lak provinces, which are home to numerous indigenous ethnic minority groups.



3.2 Value creation

For Lavazza Group, doing business responsibly is an essential prerequisite: protecting and enhancing people and local communities makes it possible to generate **shared value** for all its stakeholders, thus contributing to economic and social development.

The Group's interest in people extends not only to its employees, their wellbeing and their occupational health and safety, but also to respect for the human rights and sustainable development of workers throughout the supply chain. In 2024, despite a complex context for the coffee sector, marked by higher commodity costs due to the climate change impact, a decline in Robusta production, geopolitical crises and emerging regulatory challenges, Lavazza Group showed strength and flexibility, improving gross margins and confirming significant revenues and EBITDA.

2024 was characterised by a further upsurge in coffee prices. Persistent commodity cost rises and inflation impacted consumer prices, which led to lower sales volumes and a coffee market downtrend due to the difficulties faced by the whole industry.

Lavazza Group's turnover grew both in the At Home and in the Away From Home channels. Geographical diversification allowed the Group to better absorb the negative impacts in Europe, confirming its resilience and ability to adapt in a difficult competitive context. The Group's strategy focused on preserving profitability so as to maintain investment capacity and protect its people. This enabled the company to focus efforts on growth in the United States and to maintain a significant footprint in the mature European markets, despite lower volumes in some key geographies such as Italy and France. In 2024, the Group's revenues totalled **€3,349 million**, up **9%** compared to 2023. The 12-month integration of MaxiCoffee – a French multi-channel coffee platform acquired by Lavazza Group in March 2023 – contributed to this result.

The Group's **EBITDA** was **€312 million**, up compared to €263 million for 2023, with a 9.3% EBITDA margin compared to 8.6% in 2023. EBIT amounted to €130 million, up compared to €97 million for 2023. Net profit was €82 million compared to €68 million in the previous year.

OPERATING RESULTS FOR THE THREE-YEAR PERIOD (€/000)

	2022	2023	2024
Net Revenues	2,715.5	3,068.9	3,349.1
EBIT	159.6	96.8	130.5
EBITDA	309.1	263	312.1
PROFIT	94.6	68	82.4
CAPEX	123.7	134.9	150.0
Net financial position	(135.7)	291.8	511.4
Equity	2,579	2,588	2,678

Net financial position was negative at €511 million at the end of 2024 as a result of M&As, in particular the acquisition of a 49% stake in IVSG as part of a tender offer promoted in 2024⁶.

2024 was the first full year from the acquisition of MaxiCoffee – which occurred in March 2023 – and the results were positive.

ECONOMIC VALUE GENERATED, DISTRIBUTED AND RETAINED FOR THE THREE-YEAR PERIOD (€/000)

	2022	2023	2024
a) Net revenues	2,715,466	3,068,901	3,349,133
b) Interest and dividends collected	9,909	20,205	23,944
A - ECONOMIC VALUE GENERATED (a+b)	2,725,375	3,089,106	3,373,077
c) Operating costs	2,542,550	2,958,937	3,203,507
c1) Cost of sales	1,794,767	2,163,576	2,287,645
c2) Promotional and advertising costs	212,071	177,257	204,858
c3) Selling costs	203,242	263,137	292,163
c4) Other structure costs	332,470	354,967	418,841
General and administrative expenses	287,855	325,662	374,900
Research and development costs	16,559	15,327	16,835
Other operating expense and income	28,056	13,978	27,106
d) Payments to providers of capital	53,937	72,675	61,172
d1) Dividends paid	43,138	39,269	27,156
d2) Interest expense paid	10,799	33,406	34,016
e) Income taxes paid	60,186	18,556	31,953
B - ECONOMIC VALUE DISTRIBUTED (c+d+e)	2,656,673	3,050,168	3,296,632
f) Extraordinary community investments	-	-	-
g) Amortisation, depreciation and write-downs	152,235	166,314	184,094
h) Provisions and use of funds	16,567	- 29,798	40,125
ECONOMIC VALUE RETAINED (A-B-f+g+h)	237,504	175,454	300,664
Included in operating costs			
Staff salaries and benefits	356,636	414,322	479,668
- of which in the cost of sales	66,154	69,894	75,708
- of which in selling costs	133,046	169,250	188,723
- of which in other structure costs	157,436	175,178	215,237
Donations and gifts	4,855	1,877	4,553
Indirect taxes paid to the Public Administration	6,222	8,368	7,988

6) For further details, reference should be made to the 2024 Director's Single Report on Operations of Lavazza Group.

The acquisition strengthened Lavazza Group's multi-brand strategy, further consolidating its market positioning.

In the 2022-2024 three-year period, Lavazza Group was able to generate value thanks to a business model and a forward-looking strategy oriented towards growth, innovation and sustainability. In that period, both economic value generated and economic value distributed constantly increased. In 2024, **97.7%** of the economic value generated was distributed to suppliers, employees, providers of capital, public administration and the communities.

The economic value retained was positive, increasing compared to the previous year. It represents the difference between the economic value generated and the economic value distributed, adjusted by the typically non-monetary items of amortisation, depreciation and write-downs, as well as by provisions and use of funds.

Over the three years, the Group made donations totalling, respectively, €4.9 million in 2022, €1.9 million in 2023 and **€4.6 million** in 2024, classified under recurring donations to associations and recognised bodies in support of social, health and cultural projects.

97,7% of the value generated distributed to stakeholders



APPROACH TO TAXATION

Lavazza Group's approach to taxation stems from a system of values shared by the entire Company that is based on the principles of **prudence, responsibility, consistency and transparency**, aimed at fostering a climate of trust towards all stakeholders, including in the fiscal area. Accordingly, the Group has defined its **Tax Strategy**, approved by the Board of Directors, that is inspired by the above-mentioned principles and integrates the control measures provided for in the Organisation, Management and Control Model adopted pursuant to Legislative Decree No. 231/2001, where applicable. This strategy is based on the **Tax Control Framework**, namely the Tax Risk Detection, Measurement and Management System managed by the **Group Tax Department**, synergistically integrated into the corporate governance and internal control structure, with the aim of monitoring the Group's tax risks.

Tax Control Framework

The Group thus promotes the spread of the **tax culture** and considers it of primary importance

to comply with all the laws and regulations of a tax nature applicable in the various jurisdictions in which it operates. For this purpose, it adopts a governance system aimed at containing the tax risk, in which all the corporate stakeholders involved in ordinary or extraordinary strategic or management decisions have the responsibility of involving in advance the **Group Tax Department**, competent in tax matters, for a prior assessment of the tax implications.

The business culture principles underlying Lavazza Group's tax approach refer to:

- responsible management of the tax variable based on trust, transparency and collaboration with the institutions and inspired by the principles set out in the Code of Ethics;
- containment of the tax risk;
- dissemination of the tax culture and compliance with all legal provisions and tax regulations applicable in the various jurisdictions in which the Group operates;
- dissemination across the Group of the general principles of conduct in tax matters, based on values of responsibility;

- compliance of the organisation and related processes (tax governance) in accordance with the goals defined;
- constant, fruitful and collaborative dialogue with the Tax Authorities managed in a professional, transparent and timely manner.

Lavazza Group states that it does not carry out transactions with the sole or main purpose of reducing the tax burden and does not invest in countries that adopt a privileged tax regime, if not directly functional to the business purposes of the Group. In this regard, the Group is constantly committed to training the whole corporate population on tax matters, as part of its compliance training activities. The parent company Luigi Lavazza S.p.A. continues to participate in the **Cooperative Compliance** regime established by Italian Legislative Decree No. 128/2015: a fundamental tool to interface and collaborate with the Italian Revenue Agency to prevent and fix tax disputes. This represents a milestone in a broader path aimed at adopting systems of international cooperation with Tax Authorities in all the countries around the world where Lavazza Group's subsidiaries operate.

Blend for Finance

In 2024 as well, Lavazza Group continued to offer to all companies within its value chain the “**Blend for Finance**” financial service through its financial company Cofincaf S.p.A. Various companies appreciated this service and sealing an agreement with one of them.

The **ESG financing** includes an interest rate discount upon achievement of two sustainability targets, ranging from energy efficiency and emission reduction to the implementation of projects against food waste, social inclusion projects and projects targeting young people looking for a job. This is a way to engage supply chain companies in the common path towards sustainable transition, through their tangible commitment to medium-term sustainability objectives.



ESG supply chain financing

TAX CONTROL FRAMEWORK

1) TAX STRATEGY

it defines the **global policy** and the approach to adopt in managing Lavazza Group's taxes and tax risks

2) TAX POLICY

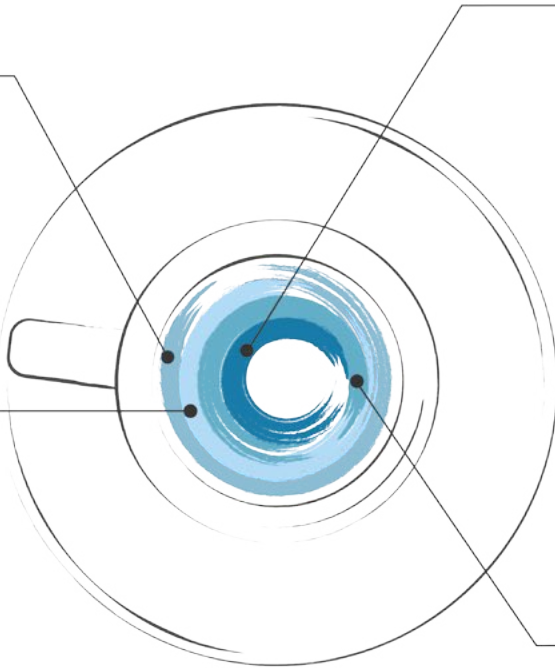
it describes the set of rules, structures, organisational roles and control measures aimed at enabling the **tax risk detection, measurement, management and control**

3) RISK AND CONTROL MATRIX

map of corporate processes relevant for tax purposes and the related **tax risks**. For each risk, it identifies the appropriate **control measures**

4) POLICIES, GUIDELINES AND PROCEDURES

they complement the control system already formalised by Lavazza Group's **internal processes and procedures**



3.3 Occupational Health and Safety

Supported by the shared values that set it apart, Lavazza Group is committed to constantly improving its health and safety performance to ensure a safe work environment.

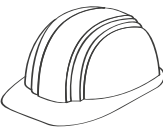
The **Corporate Policy for Occupational Health, Safety, Energy and Environment** became effective in 2015 and was subsequently updated in 2023, with the integration of the values of the new Code of Ethics and the main impacts generated by the organisation. The Policy promotes the values of health and safety and the adoption of virtuous behaviour and active engagement of personnel through an approach based on assessing risks associated with workplaces to eliminate or minimise them, in compliance with applicable laws and regulations in force in all the countries in which it operates, as well as with the Health, Safety, Energy and Environment Guidelines set by the parent company. The local policies, signed by the individual production and non-production Organisational Units, enabled a widespread dissemination of the Group's commitment to HSE (Health, Safety & Environment) topics, through the development of a responsible business model focusing on environmental protection, conscious use of natural and energy resources, and attention to the health and safety of all collaborators and firstly of all people.

As of 2021 — when the first ISO 45001 certification was obtained — the number of the Group's sites⁷ gradually included in the **Occupational Health and Safety Management System** increased. The management system also aims to involve all employees and external workers operating in workplaces controlled by Lavazza.

The adoption of this management system, in which environmental and multi-site aspects are integrated, allows the harmonisation of the management of HSE topics for all Group companies. It represents the tool for constantly improving safety, with the ensuing reduction of risks in the work environment and a better protection of the health of workers, in full compliance with local regulatory requirements. In addition, the cross-functional team of HSE internal auditors⁸ was expanded so as to strengthen the control system overseeing the management system. This allowed the company to further increase the number of internal **audits** to 21 in 2024.

With specific reference to Italian companies, the applicable safety requirements are set out in Italian Legislative Decree No. 81/2008. The Group's Integrated Management System for Health, Safety, Energy and the Environment, which undergoes yearly third-party audits, is the corporate tool chosen for ongoing performance improvement in this area. The **HSE** Function monitors progress and performance according to a clearly defined set of roles and responsibilities, as well as on the basis of planned periodic internal audits to test the adequacy and functioning of the Management System and to reinforce its coverage of the hotspots identified in the risk analysis, which is kept constantly up to date. Based on the risk assessment, protective measures are identified — including the Personal Protective Equipment (PPE) required to safeguard worker health and safety, in addition to health monitoring and first aid services —, ensuring confidentiality of information in line with the law and the Group's privacy policies.

ISO 45001
multi-site
certification



7) Luigi Lavazza S.p.A. (Lavazza Nuvola HQ, Cofincaf S.p.A., Innovation Center, Milan Flagship Store, and the Turin, 1895, Gattinara and Pozzilli plants), Lavazza North America Inc., Lavazza Professional (UK) Ltd and Carte Noire Operations S.a.s.
8) Qualified for ISO 19011, ISO 14001 and ISO 45001.

With regard to production plants, the most significant health and safety risk factors are those associated with manufacturing, such as physical, biological and chemical risks, whereas in offices they essentially relate to video terminal use. When a work-related injury occurs, in accordance with company protocols the information is sent to the competent authorities within the legal timescales and a report is drafted with a description of the circumstances, the causes of the event and the remedial measures to be taken.

The entire company population receives information, adequate **training** (both mandatory and voluntary) and, where necessary, specific competencies on occupational health and safety issues, with the updates required by local leg-

islation and adapted to each employee's duties. In 2024, a training course on Lavazza Group's Integrated Management System for Health, Safety, Energy and the Environment was launched and is accessible online to all Group geographies and company divisions.

The company population is involved in the Management System, in particular through exchanges with the Workers' Safety Representatives both at the Italian level and with personnel with similar duties at the international level. It also has the possibility to report opportunities for improvement or near-misses⁹ through the internal communication process and the application of the appropriate operational and management processes for the role in question.

HSE Experience in Pozzilli

In 2024 at the Pozzilli plant in Italy, the HSE Experience was organised: a one-day event that combined **environmental and health and safety matters**, with meetings and exercises which involved the plant's personnel, as well as external guests, including local authorities and company representatives. The numerous simulations included that dedicated to a possible earthquake, since the plant is located in a seismic zone: through a virtual reality device, participants delved into a production environment hit by an earthquake and had to follow the proper safety paths and try to adopt the behaviour to be followed during this kind of emergency.



9) A near miss is an event caused by unplanned and unexpected circumstances that did not lead to an incident with adverse consequences.

Safety Day in Lavérune

Among the initiatives promoted in 2024 to raise workers' awareness on the issue of occupational safety, mention should be made of Safety Day held at the **Carte Noire Operations** plant in Lavérune, France.

In addition to involving all of the facility's workers and some of the Group's representatives, the initiative was also extended to local authorities and nearby businesses. The whole day was devoted to workshops, moments for reflection, and direct experiences relating to workers' health and safety matters, including fire safety procedures, first aid, manual handling good practices, also in an office work setting, and the risks and control measures of new individual electrical vehicles.



The work-related injuries that occurred in 2024 were generally attributable to causes of a behavioural nature resulting from tripping and falling, lifting or improper handling of materials. The higher total number of recordable work-related injuries compared to previous years was chiefly due to the integration of Max-iCoffee, a company featuring significant operating activities in the installation and logistics sectors. Plans to harmonise the health and

safety practices are currently in place so as to spread the company culture with the objective of ensuring uniform health and safety standards on a global scale and a stronger prevention culture. As regards the Group's **external workers** who operate in workplaces controlled by Lavazza, four injuries were recorded attributable to behavioural causes, bringing the rate of recordable work-related injuries involving external workers¹⁰ to **1.72**.

WORK-RELATED INJURIES IN THE THREE-YEAR PERIOD

	2022 ¹¹	2023	2024
Number of recordable work-related injuries	16	15 ¹²	52 ¹³
of which high-consequence work-related injuries ¹⁴	0	0	1
Number of fatalities as a result of work-related injury	0	0	0
Hours worked	7,069,979	7,316,349	10,195,992
Rate of recordable work-related injuries ¹⁵	2.26	2.05	5.10
Rate of high-consequence work-related injuries ¹⁶	0	0	0.10
Rate of fatalities as a result of work-related injury ¹⁷	0	0	0

10) Rate of recordable work-related injuries regarding external workers = No. of recordable work-related injuries regarding external worker / No. of hours worked by external workers * 200,000. Temporary workers and interns are excluded from calculation.

11) 2022 data has been reviewed following an injury confirmed after the 2022 Sustainability Report has been published.

12) Work-related injuries occurred to Lavazza's employees in 2023, excluding 6 injuries as a result of commuting incidents where transport was not organised by the organisation. Data relating to the three-year period includes the work-related injuries that entailed the loss of at least one workday (excluding the day of the event), including any high-consequence work-related injuries and fatalities. In 2023, in addition to the 15 injuries entailing the loss of more than one day, another event had occurred that had been reported; this had not been included in this item as it had entailed less than one day away from work.

13) Work-related injuries occurred to Lavazza's employees, excluding 14 injuries as a result of commuting incidents where transport was not organised by the organisation. In 2024, in addition to the 52 injuries entailing the loss of more than one day, two additional events occurred that were not included in the total since they involved an absence of less than one day.

14) Injuries that resulted in absence from work for a period longer than 6 months.

15) Rate of recordable work-related injuries = No. of recordable work-related injuries / No. of hours worked * 1,000,000.

16) Rate of high-consequence work-related injuries = No. of high-consequence work-related injuries / No. of hours worked * 1,000,000.

17) Rate of fatalities as a result of recordable work-related injuries = No. of fatalities as a result of work-related injuries / No. of hours worked * 1,000,000.

4. Protection of the environment and natural resources

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

- 4.1 The path towards environmental sustainability p. 114
- 4.2 The environmental impact management p. 124
- 4.3 Fighting deforestation and protecting biodiversity p. 135



Overview

Material topics	Impacts	Risk areas
ENVIRONMENTAL SUSTAINABILITY AND FIGHT AGAINST CLIMATE CHANGE	ENERGY CONSUMPTION AND GREENHOUSE GAS (GHG) EMISSIONS	CLIMATE CHANGE
INNOVATION AND CIRCULAR ECONOMY	RAW MATERIAL WITHDRAWAL AND CONSUMPTION FOR PACKAGING	LAND USE, DEFORESTATION AND BIODIVERSITY
	WATER CONSUMPTION - UPSTREAM IN THE VALUE CHAIN	EMERGING LEGISLATION
	BIODIVERSITY REDUCTION	
	WATER CONSUMPTION - IN OWN OPERATIONS	
	WASTE GENERATION AND DISPOSAL	



Global context

The coffee sector is severely threatened by the climate change impact due to the vulnerability of the coffee plant: conditions endangering coffee production and reducing its yield have become increasingly frequent over the past forty years. According to the Intergovernmental Panel on Climate Change (IPCC), by 2050 **climate change** will reduce the average world yield and land suitable for coffee and increase the spread of pests and diseases.

Today's unprecedented rate of **nature and biodiversity** loss has been recognised as a source of systemic, substantial risk for both financial systems and for businesses and economiesⁱ. Environmental risks are becoming increasingly severe and frequent, with **deforestation** causing the loss of approximately 10 million hectares of forest per yearⁱⁱ due to its conversion into agricultural land for various crops.

In addition, coffee processing from bean to cup generates over 40 million tonnes of biomass waste every year, of which 72% in the countries where the plant is grownⁱⁱⁱ: the transition to an increasingly **circular** economy thus offers significant opportunities for transforming waste into value-added products to be used locally, for regenerative agriculture or for sectors that are very diverse from one another, such as cosmetics, mushroom cultivation, biochar and nutrient-rich food products.

For notes (i), (ii) and (iii) see the Annex.

PROTECTION OF THE ENVIRONMENT AND NATURAL RESOURCES

ISO 14001 multi-site



Decarbonisation



Measurement

GHG emissions inventory certified ISO 14064-1

Primary data from Green Coffee Project certified ISO 14040/14044



Reduction

Impact mitigation projects along the supply chain

Continuous efficiency plans



Compensation

Insetting projects

ISO 14067

Circularity

Sustainable Packaging Roadmap making the product portfolio packaging compostable, recyclable or reusable by end of 2025

Circular Economy Manifesto



Biodiversity

Blockchain-based traceability system

Production with sustainable practices



Regenerative agriculture projects



Research programmes on climate-change resilient coffee varieties



4.1 The path towards environmental sustainability

Coffee is a product of the earth and is therefore impacted by climate and environmental aspects, to which Lavazza Group expresses a tangible **commitment** that, since its foundation, has never ceased to influence the Group's industrial, commercial and product-related decisions.

From bean to cup strategy



Over time, Lavazza has defined a Group **strategy** in which environmental sustainability drives process and product innovation: on one hand, it has decided to focus its attention on two of the 17 Sustainable Development Goals, namely, **Goal 12** – Responsible Consumption and Production, and **Goal 13** – Climate Action; on the other hand, by adopting a structured methodological approach, it has outlined an **environmental sustainability strategy from bean to cup**, taking into account the impacts along the entire product's life cycle. This strategy influences the way of working of the whole Group, through an integrated and homogeneous approach at international level, with a view to constant engagement and collaboration with all the players in the supply chain, including at pre-competitive level.

The Group's strategy is based on an environmental impact **reduction** approach, which is applied to two areas: the processes under the Group's direct control and the initiatives implemented in the coffee cultivation stages, where emissions are more significant.

As regards production processes, the Group is committed to reducing and mitigating the impacts generated by the release into the atmosphere of greenhouse gases deriving from the combustion of coffee roasting and from energy consumption for its packaging, in addition to consumption of resources, such as energy, water and raw materials, and the use of packaging. The Group continues to implement a process of gradual impact mitigation: the **Roadmap to Zero**. Launched in 2020, this

roadmap defines the Group's commitment by prioritising the progressive reduction of emissions and the subsequent compensation of residual non-reducible emissions, aiming for continuous improvement and the constant engagement of key stakeholders.

In addition, the Group is committed to integrating circularity criteria through a sustainable-by-design approach, thanks to its **Sustainable Packaging Roadmap** launched in 2020, which aims to make the packaging of the main plants' product portfolios compostable, recyclable or reusable by the end of 2025.

As regards the cultivation phase, the **project dedicated to green coffee** continued with the goal of reducing emissions from the agricultural phase, accounting for half of Lavazza Group's carbon footprint. Launched in 2021, this project involves the main company functions that work every day on raw materials – Research and Development (R&D) and the Coffee Buying Department (CBD), coordinated by the Sustainability function – and operates directly in the field, in close collaboration with coffee suppliers, institutions and local entities. On the one hand, the project collects and analyses primary data relating to the main plantations from which Lavazza procures its supplies, with the aim of calculating their carbon footprint through Life Cycle Assessment studies; on the other, based on such primary data, it promotes environmental impact **mitigation projects** with several objectives, first and foremost the assessment of the effect of **regenerative agriculture** practices.

In addition, Lavazza Group recognises the importance of biodiversity in coffee-producing countries as a fundamental element for the prosperity of the ecosystem in which the coffee plant grows. For this reason, the close collaboration between

the Group, Lavazza Foundation, main coffee traders, local farmers and institutions is an essential element for **preserving biodiversity** of the ecosystems of the producing countries and for **promoting actions against deforestation**.

The Group's policies and management systems

The Group's environmental strategy is supported by the **Corporate Policy for Occupational Health & Safety, Energy and Environment**, updated in 2023. This Policy values the protection of the environment, energy savings, and workers' health and safety as key elements to pursue business development. The Group's organisational units manage their activities through the implementation of an **Integrated Management System**, which promotes the responsible use of resources in order to achieve sustainable growth that respects the environment and protects people and the rights of future generations. Proper management of environmental aspects is certified by the multisite¹ **ISO 14001** certification, which guarantees the constant

planning, execution, control and implementation of improvement actions, with a well-defined framework of roles and responsibilities.

How we address the environmental challenge: the scientific approach

The Group constantly monitors the resources used within its production processes, adopting a constant efficiency-building approach; however, operations are constrained by the consumption of raw materials for packaging, energy and water resources, and the generation of waste and production scraps. Each of these processes has an environmental impact and is linked to a certain amount of emissions directly or indirectly associated with the Group. Based on the quantification of climate-altering gas emissions, expressed in tCO_{2eq} (tonnes of CO₂ equivalent), a strategy has been defined as the basis for the Roadmap to Zero, scientifically divided in three phases: measurement, reduction and compensation of residual non-reducible emissions.



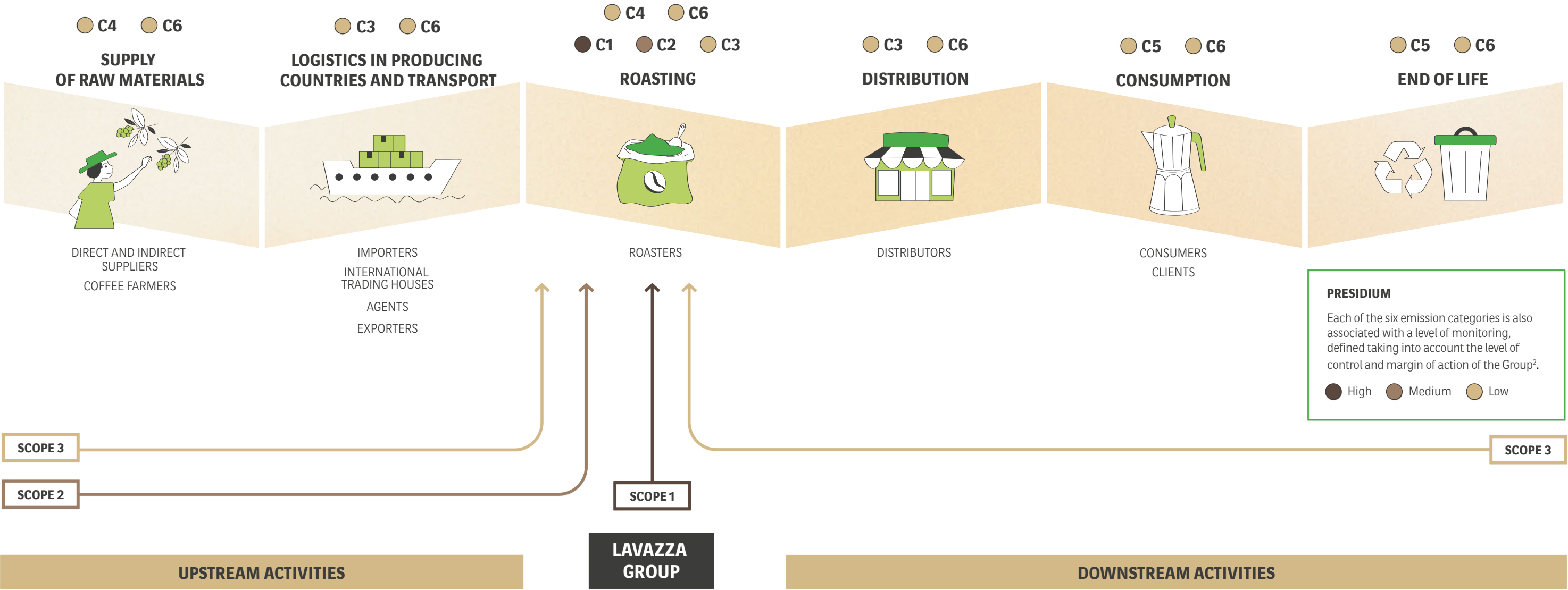
1) Luigi Lavazza S.p.A. (Headquarters, Cofincaf S.p.A., Innovation Center, Milan Flagship Store, and the Turin, 1895, Gattinara and Pozzilli plants), Lavazza North America Inc., Lavazza Professional (UK) Ltd and Carte Noire Operations S.a.s.

VALUE CHAIN
AND ENVIRONMENTAL
IMPACTS

LEGEND OF EMISSION CATEGORIES

- Category 1 (C1): Direct GHG emissions and removals
- Category 2 (C2): Indirect GHG emissions from imported energy
- Category 3 (C3): Indirect GHG emissions from transportation

- Category (C4): Indirect GHG emissions from products used by the organization
- Category (C5): Indirect GHG emissions associated with the use of products from the organisation
- Category 6 (C6): Indirect GHG emissions from other sources



² The margin of action represents the possibility of acting in relation to the impacts generated by the Group (e.g., changing supplier, replacing machinery and plants, etc.), while the level of control refers to the actual management of the emission source (direct or indirect).



MEASUREMENT

The impact measurement process is essential to guide the Group’s strategy since it activates the subsequent reduction and compensation steps, increasing the effectiveness of the actions undertaken for the most relevant processes and impacts. The environmental impacts generated by business activities, such as the use of water and energy resources (natural gas, electricity, fuels), and by waste, scraps of manufacturing processes and packaging materials are measured and monitored. This measurement is reflected in the annual monitoring of the greenhouse gas emissions inventory.

As of 2015, the Group has performed **Life Cycle Assessment (LCA)** analyses — a methodology aimed at assessing a product or a service by analyzing its environmental impact throughout its life cycle. Using the results obtained from the LCA analyses carried out and the emission inventory throughout its value chain, the Group identifies opportunities for improvement and develops dedicated impact mitigation projects. The emission inventory is drawn up according to the **UNI ISO 14064-1³** standard and is verified by an accredited third party, whereas LCA analyses are verified according to the UNI ISO 14040/44 or 14067 standards, depending on the impact indicator to be investigated.

In 2024, as part of the **Green Coffee Project**, the process of collecting and analysing primary data relating to the main plantations from which Lavazza procures its supplies continued, with the aim of calculating their carbon footprint through Life Cycle Assessment studies. The data collection activity was carried out directly in the field through the direct involvement of **9** of the Group’s most strategic and recurring traders and the indirect involvement of another **14**, through

pre-competitive projects. The coverage of the origins analysed was very widespread with over **20** collection campaigns launched for more than **10** origins, with the involvement of over **5,000** farmers. The analysis of this data made it possible to improve the baseline of the environmental impact of coffee, generally calculated through secondary data from scientific literature, and led to a revision of the emission factors of the Vietnamese and Indonesian coffee purchased by the Group.

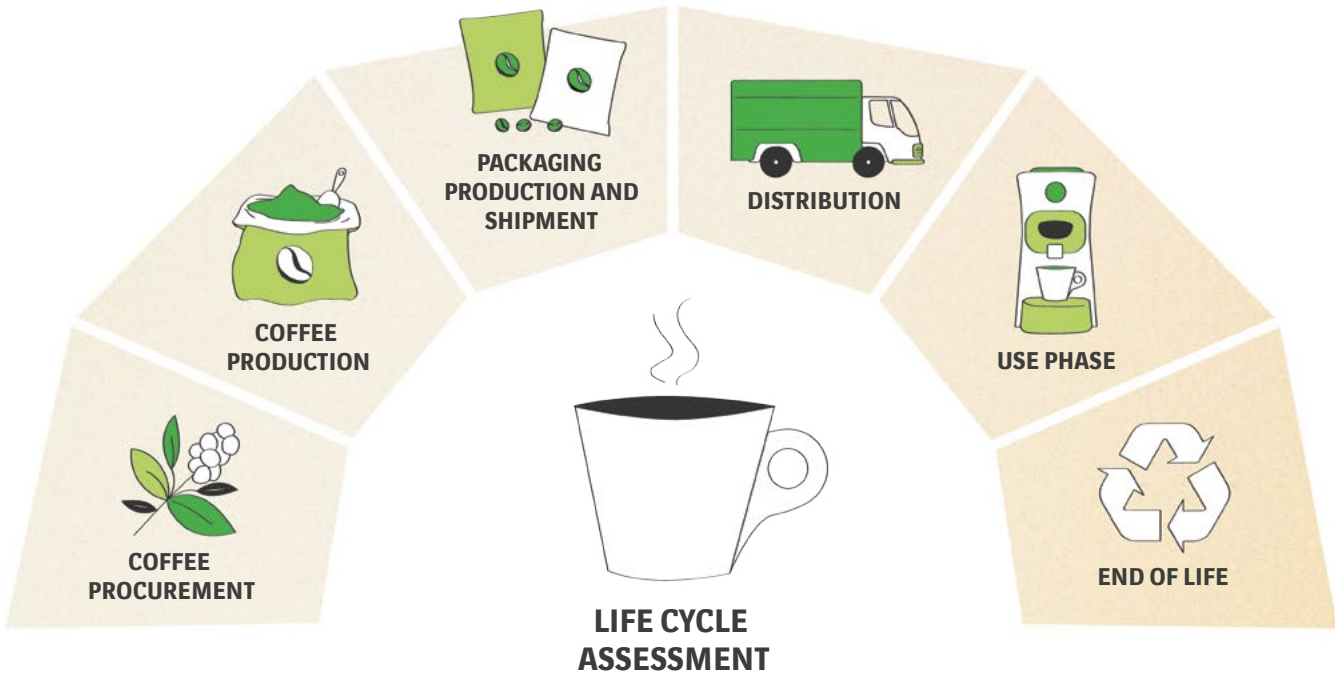
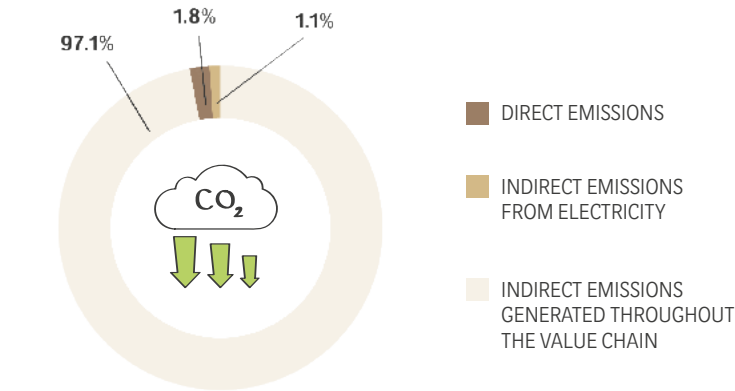
This data was certified according to the ISO 14040/14044 standard on Life Cycle Assessment, allowing to validate the use of the primary data collected in the field and the environmental analysis methodologies so as to define new emission factors per kilogram of green coffee.

These factors, compared with literature data from the World Food LCA Database on green coffee coming from the same geographical areas, led to refine the calculation baseline, which in turn allowed to reduce the emission factor by approximately **60%** (kg CO_{2eq}/kg of green coffee). Co-funded by Lavazza Group, USAID Green Invest Asia and other global roasters and traders, this project⁴ enabled to collect solid and comprehensive environmental information on significant samples of farmers in the main procurement areas in Vietnam and Indonesia, also thanks to the involvement of a significant number of technicians and agronomists operating in the field.

In 2024, the Group generated **2,145,073 tCO_{2eq}** emissions⁵, of which **1.8%** (equal to **38,534 tCO_{2eq}**) of **direct emissions (Scope 1)**, **1.1%** (equal to **24,188 tCO_{2eq}**⁶) of **indirect emissions from electricity (Scope 2)** and **97.1%** (equal to **2,082,351 tCO_{2eq}**) of **indirect emissions (Scope 3)**, decreasing by 23.7% compared to 2023.

For further details on the emission categories provided for by the UNI ISO 14064-1 in relation with the GHG Protocol and the detailed amount of emissions by category, reference should be made to the “Emissions generated by Lavazza Group in the three-year period” table contained in the Annex.

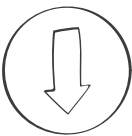
BREAKDOWN OF THE 2024 GHG INVENTORY BY EMISSION CATEGORY



3) Further details regarding the emission categories identified by ISO 14064-1 can be found in the Annex section under Chapter 4.
4) Establishing carbon footprint baselines for Robusta coffee production in two key origins in Southeast Asia.
5) Further details on the boundaries of the 2024 GHG emission inventory are given in the Annex section, under the paragraph referring to Chapter 4 of the Methodological Note.
6) Value calculated according to the market-based approach.

Partnership with the European Coffee Federation

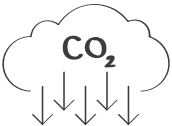
Lavazza Group has long been a member of the **European Coffee Federation (ECF)**. This Federation has represented the world of coffee trade and industry in Europe since the 1980s, with 16 national associations and 37 members, representing over 700 businesses, from SMEs to international companies. As a member of this Federation, the Group participates in several pre-competitive working groups, including the most recent one, set up to develop a common methodology aimed at measuring and sharing the sector's environmental impacts so as to efficiently lead the emission reduction. This work, which involves the main international roasters, is instrumental to the creation of common rules to ensure analysis replicability, results comparability and the reliability of the performance information disclosed about products, also considering the recent EU Directives that regulate clear and truthful communications on the product.



REDUCTION

Based on the results of the measurement and ongoing monitoring of the environmental impact, the Group outlines its reduction strategy along the entire value chain through improvement plans dedicated to green coffee, coffee machines, production, packaging and logistics. This strategy focuses on where the Group's business activities directly or indirectly produce the greatest impacts. Examples of this are: the **projects to reduce the environmental impacts of green coffee**, carried out in partnership with traders, which enable to identify possible actions to directly mitigate impacts in the agricultural phase; the **revision of blends** used in products according to selection criteria that also consider green coffee varieties with lower environmental impact; the gradual **reduction of energy consumption thanks to the energy efficiency-building projects of the Energy Manufacturing Team (EMT)** at the Group's main plants; or the use of **alternative energy sources and materials** at the plants.

-9% of CO_{2eq} emissions compared to 2023 thanks to reduction activities



7) In 2024, the 2020 inventory calculation was expanded to include four additional categories regarding (i) coffee brewing machines; (ii) usage phase for products sold; (iii) raw materials other than coffee, and (iv) commuting. In addition, the conference call category was eliminated. In order to ensure comparability with the 2020 figure, considering the same emission categories and the related reparameterisation of the offset emissions, the index is 6.17.

Energy Manufacturing Team

The gradual **energy consumption reduction** is the result of a thorough and structure efficiency-building activity and reflects a long-standing commitment to reducing impacts. In fact, in 2024 the Group's **Energy Manufacturing Team (EMT)** continued to carry out its activity. Since 2020, the EMT has been implementing an energy efficiency-building strategy at the Italian and French plants, then increasingly extended to other plants around the world. Over the years, the EMT's mandate has been expanded to also include a thorough analysis of production processes in order to rationalise and optimise energy utilisation. Some of the most significant initiatives in 2024 concerned: the continuation of the relamping of the plants' lighting systems, involving the replacement of traditional lamps with LED low-consumption lighting; the introduction of a new atmospheric emission abatement system; the launch of a campaign to detect compressed air leaks and increase the efficiency of compressed air distribution; and the reduction of roasting machines' energy consumption thanks to the optimisation of the roasting industrial process. In 2024, the energy efficiency activities allowed to save **1,373 MWh** of electricity, equal to the annual average consumption of **435** households of four people, and **39,000 m³** of natural gas, equal to the annual average consumption of **25** households of four people.

Green coffee: reduction projects in the field

The results obtained by analysing primary data on coffee plantations enabled the identification of the production processes that originally had the highest emission impact and the launch the first **three projects to mitigate the environ-**

mental impacts of coffee in collaboration with three large traders. These projects — one in China and two in Uganda — have a duration of 3 to 5 years and pursue several objectives, including assessing the effect of **regenerative agriculture practices** to protect biodiversity and support the resilience of coffee plants to the effects of climate change, and experimenting innovative solutions for improving soil quality and carbon sequestration through the use of biochar⁸.

In these projects, environmental benefits are accompanied by social benefits for communities and coffee farmers, who will be able to enjoy greater plantation productivity, diversification of earnings through integrated agroforestry systems and enhancement of skills regarding innovative practices, which improve the quality of the finished product.

China

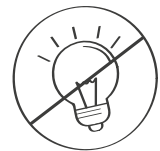
The five-year **Low Carbon Sustainable Coffee Community** project, in collaboration with one of Lavazza Group's key traders, aims to reduce greenhouse gas emissions by **30%** and to improve climate resilience in the Yunnan coffee-producing community through promotion of regenerative agriculture practices. The latter include soil testing, distribution of organic fertilisers, composting of crop residues, implementation of agroforestry systems with mushrooms, and distribution of new seeds for planting. In addition, the project was also conceived to improve coffee yield and quality by increasing young farmers' potential interest in the sector, with the objective of reducing the number of people leaving the countryside for urban areas.

Uganda

Harvesting Carbon: Pioneering a Pay-for-Impact Model for Carbon Mitigation and Adaptation in Coffee in Uganda is the first

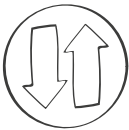
8) Biochar consists of vegetable charcoal that is obtained by pyrolysis of different types of plant biomass. Stored in the soil, it acts as a sponge allowing water and nutrients to be retained, returning carbon to the soil and allowing significant reductions in nitrous oxide (N₂O) emissions associated agricultural practice.

Direct emissions and indirect emissions from electricity neutralised since 2020 (Scope 1 and 2)



of the two projects launched in Uganda and involves **4,500** farmers over the period 2024-2027. It aims to develop a pay-for-impact model, where carbon impact units (verified scope 3 reductions) are generated and traded alongside agricultural products, in a scalable solution. *Caficultores* are trained in agroforestry and regenerative agriculture practices — two methods that are low-carbon and resilient to climate change impacts. This facilitates greater access to international markets and an improvement in farmers’ income and livelihoods. In addition, reducing deforestation and biodiversity loss is one of the objectives pursued through the preservation of the local area.

The second project in Uganda is **Responsible & Net Zero Coffee**, a three-year project aimed at improving coffee farmers’ livelihoods while reducing the environmental impact. It was launched in the Masaka district with an initial group of **1,000** farmers, but aims to involve another 1,000. It was designed to combine the application of the most effective agroforestry regenerative agriculture practices with innovative solutions for improving soil health, such as the use of biochar. The expected impact includes the definition of a long-term agroforestry model, in addition to distributing **25,000** shade tree seedlings of **15,000** coffee seedlings.



COMPENSATION

As part of the management of environmental impacts not directly generated by its business activities, the Group’s strategy is to **compensate residual and non-reducible emissions through the purchase of carbon credits**.

9) The Group’s single serve capsules are: NCC, A Modo Mio, BLUE, Firma and Soft Pods.
10) The Verified Carbon Standard (VCS) is the most widely used voluntary carbon credit purchase programme in the world: projects developed according to the VCS Programme must follow a rigorous assessment process to achieve certification and must cover a broad range of sectors, from renewable energy to reforestation and many others.
11) The Climate, Community & Biodiversity Standards (CCB) identify projects that simultaneously address climate change, support local communities and smallholders and conserve biodiversity.
12) The Clean Development Mechanism (CDM) allows emission-reduction projects in developing countries to earn certified emission reduction (CER) credits. These CER credits can be traded, sold and used by industrialised countries to achieve part of their emission reduction targets under the Kyoto Protocol.

These are the so-called “green credits”, generated by the financing of carbon insetting or offsetting projects (within or outside the Group supply chain) that avoid or absorb CO₂ inside (insetting) or outside (offsetting) the supply chain. Each carbon credit generated proves the actual reduction, or removal, of one tonne of CO_{2eq} emitted into the atmosphere in order to offset emissions that cannot be reduced, balancing those generated and their absorption. Among the projects chosen, buying carbon credits also means financing and supporting sustainable development projects that contribute to improving the living conditions of local communities, providing social, economic, and environmental benefits on a global scale.

The projects financed by Lavazza Group, mainly regarding reforestation, forest conservation and the development of renewable energy, are always certified according to the most authoritative international standards. In 2024, **352,050 tCO_{2eq}** were offset, neutralising **direct and indirect emissions from electricity** (Scope 1 and 2) and achieving carbon neutrality for **5 product families**, i.e., almost all the Single Serve products⁹, whose Carbon Footprint has been certified annually by a third party according to UNI EN ISO 14067 since 2021.

The reforestation, sustainable agriculture and renewable energy **offsetting** projects in developing countries, based on which the Group purchases carbon credits, are certified by internationally recognised standards: Verified Carbon Standard (VCS)¹⁰, Climate, Community & Biodiversity Standards (CCB)¹¹ and Clean Development Mechanism (CDM)¹².

In 2024, the Group continued to generate and purchase **Carbon Insetting**¹³ credits, choosing to avail itself of the Acorn methodology, a programme of the Dutch multinational banking and financial services institution Rabobank and Network Solidaridad, within a Lavazza Foundation project in the Meta region of Colombia. Specifically, the **Acorn**¹⁴ programme helps small farmers to implement agroforestry systems capable of capturing enough carbon from the atmos-

phere, which is sold as a Carbon Removal Unit (CRU). In this way, farmers gain access to a new source of income and, by making farms more resilient to the effects of climate change, **reduce the environmental impact within supply chains**. In 2024, the Group purchased a total of **717 Carbon Removal Units** from Colombia, an amount that represents an additional step in the Company’s virtuous path in reducing its carbon footprint in the agricultural phase.



Carbon insetting in Colombia

Supported by Lavazza Foundation since 2015, the “**Coffee as Megaphone of Peace**” is active in the Colombian region of Meta, an isolated rural department that enjoyed an ancient coffee tradition, but which over the years has suffered the violence of the civil war and the spread of illegal cultivation.

The project has promoted and implemented the production of high-quality coffee, allowing farmers in the region to find a way to be reborn. The objective is to support the development of good agricultural practices, by training local communities on new techniques, including addressing climate changes, and providing the opportunity to plant over **1 million** new coffee plants and 95,000 trees for shade. In this way, **900** beneficiaries have been reached, of which 300 women producers; in addition, 93% of coffee farms involved have been certified by Rainforest Alliance (i.e. produced according to certain social and environmental sustainability criteria).

Thanks to this project and the Acorn programme for the generation of carbon credits (Removals), calculated ex-post through the plants’ CO₂ absorption, certified agroforestry systems have been implemented.

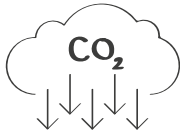


13)Carbon insetting consists of financing a project to reduce carbon emissions within a company’s supply chain or in the local communities where it operates or its suppliers operate.
14) <https://acorn.rabobank.com/en/>.

4.2 The environmental impact management

THE IMPACT GENERATED BY BUSINESS PROCESSES

-3.8% CO_{2eq} direct Scope 1 emissions



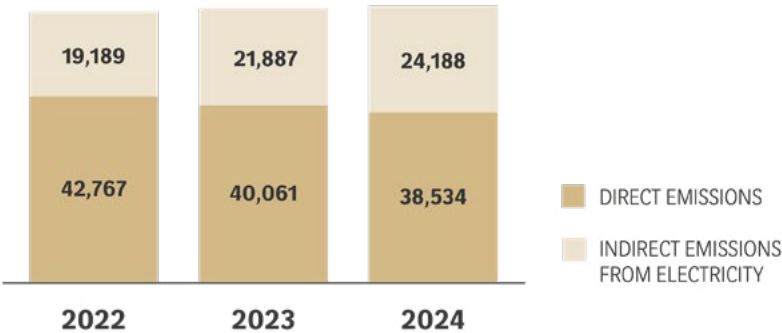
Direct emissions (ISO 14064-1 category 1 – Scope 1) are all emissions that are generated by production processes and business activities under the Group’s direct control. In 2024, these emissions amounted to **38,534 tCO_{2eq}**, decreasing by **3.8%** compared to 2023, thanks to the energy efficiency activities performed during the year.

Indirect emissions from electricity (ISO 14064-1 category 2 – Scope 2) are emissions related to the purchase and self-production of electricity, heat and steam required to power business activities.

Indirect emissions from electricity calculated according to the Market-based approach¹⁵ amounted to **24,188 tCO_{2eq}**, up by **10.5%** compared to the previous year, as the MaxiCoffee Group was included in the reporting scope and the energy consumption of its numerous buildings was taken into account.

The value calculated according to the Location-based approach¹⁶ was equal to **48,762 tCO_{2eq}**; this means that the Group, for the same consumption, would have emitted twice as many indirect emissions from electricity if it had not purchased energy with Guarantees of Origin¹⁷, certifying it was generated from renewable sources. This difference in terms of climate-changing impact is further evidence of the commitment to purchasing energy from certified renewable sources.

DIRECT AND INDIRECT EMISSIONS FROM ELECTRICITY (MARKET-BASED) IN tCO_{2eq} IN THE THREE-YEAR PERIOD



15) The market-based approach is a calculation methodology (source: GHG Protocol) that represents the amount of Scope 2 GHG emissions generated by the Group net of the portion covered by Guarantees of Origin, certifying the use of energy from renewable sources, and using a conversion factor that excludes renewables from the national energy mix.

16) The location-based approach is a methodology (source: GHG Protocol) to quantify Scope 2 GHG emissions that considers an average emission factor based on the national energy mix for each country.

17) Guarantee of Origin, i.e., a certification attesting the renewable origin of the energy used and coming from plants qualified by the Energy Services Manager (GSE in Italy).

Thermal consumption for the roasting process and for heating premises also remained highly performing in 2024. An example of this is the Turin plant, which in 2023 was connected to the Settimo Torinese biomass district heating network, powered by **100%** renewable sources, thus **avoiding the emission of 1,700 tCO_{2eq}/year**. As regards company fleet mobility, the four-year plan for the progressive conversion of company

cars to a hybrid fleet shows a **17.2%** increase in the consumption of petrol and electricity against a **21.2%** reduction in diesel consumption. The gradual process of **reducing energy consumption** reflects the Group’s long-standing commitment to reducing impacts, including through the Energy Manufacturing Team’s meticulous and structured efficiency-increasing work.

TOTAL ENERGY CONSUMPTION OF THE GROUP OVER THE THREE-YEAR PERIOD

ENERGY CONSUMPTION	UoM	2022	2023	2024
Consumption for production and workplace heating	GJ	563,288.8	525,653.8	503,430.8
Natural gas	GJ	530,019.7	498,142.1	471,584.8
Diesel	GJ	285.1	57.0	64.50
LPG	GJ	32,984.0	27,454.8	31,781.5
Consumption for the corporate vehicle fleet	GJ	120,172.0	99,347.7	91,934.7
Petrol	GJ	18,296.8	34,020.5	39,552.5
Diesel	GJ	101,871.7	65,228.3	51,368.2
LPG	GJ	0.8	11.0	606.2
Electricity for car fleet	GJ	2.8	87.9	407.9
Electricity consumption	GJ	367,939.9	350,605.1	345,166.9
Self-production and consumption of electricity from renewable sources	GJ	2,225.0	1,996.2	1,960.8
Electricity from renewable sources purchased from the grid	GJ	327,590.3	311,320.1	290,207.0
Electricity from non-renewable sources purchased from the grid	GJ	38,124.5	37,288.8	52,999.1
District heating	GJ	344.2	27,595.5	28,446.3
Total consumption	GJ	1,051,744.7	1,003,202.2	968,978.7

The Group sources **35.4%** of electricity from the grid, approximately 84% of which is covered by Guarantees of Origin.

Moreover, it produces and consumes energy thanks to the **photovoltaic system** installed at the Italian Gattinara plant and the Nuvo-la Headquarters in Turin, which allows the self-production of approximately **2,000 GJ** of renewable energy per year. Total energy consumption amounted to **968,978.7 GJ** in 2024, decreasing by **3.4%** compared to 2023.

Moreover, the emission reduction strategy also involves the **Single Serve portfolio** consisting of the BLUE, Firma, aluminium Lavazza A Modo Mio capsules compatible with Nespresso Original machines (NCC)¹⁸ and Soft Pods. These systems, which have been Carbon Neutral since 2021, are involved in annual emission reduction plans that focus on three areas: the optimisation of packaging materials, the impact of green coffee and energy efficiency.

In light of these and other actions, the **energy intensity indices** (on total tonnes of raw materials processed) increased slightly, with total energy intensity **3.1%** higher than in 2023, mainly as a result of the inclusion of MaxiCoffee in the reporting scope. which has a business model that differs from that of Lavazza Group, with a low volume of roasted coffee and a high consumption due to the numerous commercial and distribution sites dedicated to e-commerce.

ENERGY INTENSITY (GJ/t)	2022	2023	2024
Total energy intensity	3.88	3.72	3.84
Energy intensity – electricity	1.36	1.30	1.37
Energy intensity – fuels used in the process (excluding the corporate vehicle fleet)	2.08	1.95	1.99

18) Lavazza is not affiliated with, endorsed or sponsored by Nespresso.

THE IMPACT GENERATED THROUGHOUT THE VALUE CHAIN

Indirect emissions relating to the value chain are emissions generated indirectly both upstream and downstream the organisation (**ISO 14064-1 categories 3, 4, 5, 6 - Scope 3**). In 2024, they covered **97.1%** of the total GHG inventory of **2,082,351 tCO_{2eq}** and concerned different phases of the supply chain: from the production of green coffee (the most impacting category) to transport, distribution, consumption and disposal. Considering the complexity of the agricultural coffee supply chain and the challenges related to the control that the Group can have over these emission categories, the Company's action is based on an approach of **active and proactive multi-stakeholder collaboration** with the players in the supply chain.

The indirect impact generated by the Group's use of products in the production process (ISO 14064-1 category 4) is highly significant and is equal to **73.9%** of the GHG inventory: it firstly derives from the activities within the agricultural phase, from food commodities other than coffee, from the materials used for packaging and for coffee machine production, from water resources and from the generation and management of waste generated by business activities. In 2024, the value of indirect emissions from resources used for production stood at **1,585,213 tCO_{2eq}**, down by **27.1%** compared to the previous year, mainly due to the use of the primary data on Vietnam and Indonesia obtained from the green coffee project, in addition to the use of less impacting green coffee varieties in some blends. Within this category, the green coffee pre-processing phases alone accounted for **88.7%** (equal to 65.5% of the entire GHG inventory), which is why the Group is engaged in mitigation actions mainly in the agricultural phase.

Emissions generated from the use of products sold by the organisation (ISO 14064-1 category 5) accounted for **17.4%** of the GHG inventory and mainly depend on the type of preparation used by consumers to brew the coffee sold and the related energy consumption. In 2024, this figure amounted to **373,136 tCO_{2eq}**, decreasing by **17.8%**, thanks to a different country mix (and the related extraction methods) selected to model use-phase emissions.

Indirect emissions from transportation (ISO 14064-1 category 3), which accounted for **5.8%** of total emissions, concern logistics and distribution activities upstream and downstream the supply chain (including inbound and outbound logistics), as well as the business trips of the Group's employees. In 2024, emissions amounted to **123,943 tCO_{2eq}**, increasing by **1.5%** compared to the previous year.

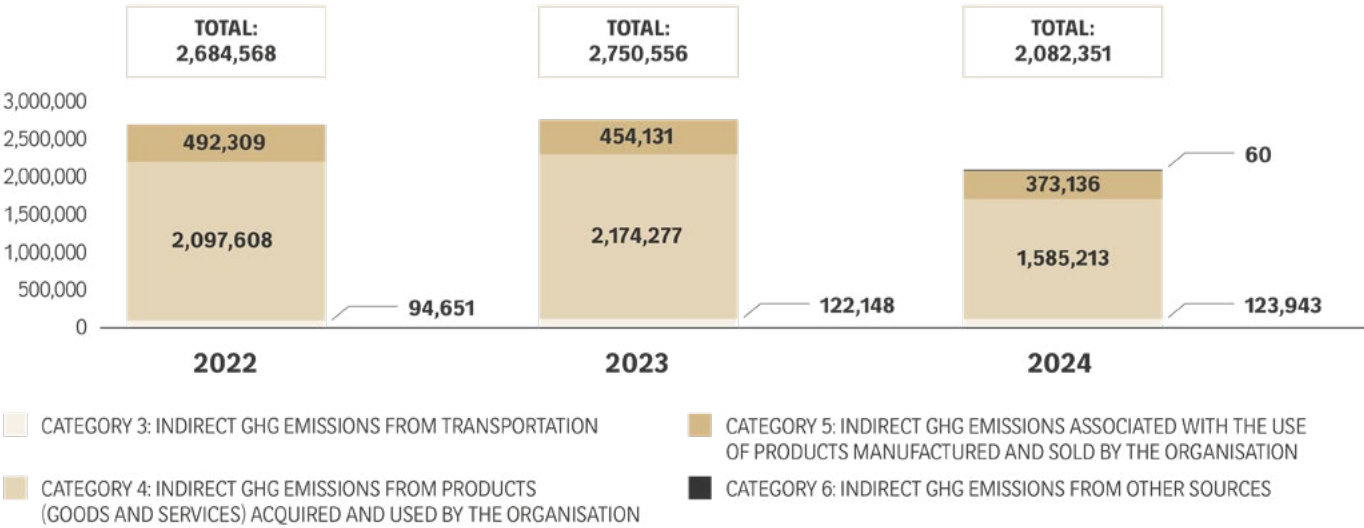
The commitment to reduction was reflected in the close collaboration with suppliers, aimed at further optimising logistics, for instance, by increasing from 21.6 tonnes to 22 tonnes the load

factor of the **containers** that transport coffee for the Group: the change reduced the number of containers required by approximately **100** units per year, with an ensuing decline in CO₂ emission throughout the logistics chain, both at sea and on land; this first project is expected to be extended to other Group suppliers in the coming years. Lavazza has also started to use biofuel in maritime transport, in particular for some containers and with some shipping carriers.

In addition, in 2024 **1,500** tonnes of green coffee were transported to the port of Naples, in southern Italy, instead of Vado Ligure in northern Italy, to be then moved to the Pozzilli plant, in the Molise region, specialised in decaffeination: this allowed to skip a step in the logistics chain – transport to the warehouse and by road – thus avoiding CO_{2eq} emissions.

Other indirect emissions (ISO 14064-1 category 6) totalled **60 tCO_{2eq}**, corresponding to the consumption of the Azure platforms and the Microsoft 365 applications and referring to emissions due to cloud usage and the various services offered (virtual machines, storage, etc.).

TOTAL INDIRECT EMISSIONS GENERATED ALONG THE VALUE CHAIN IN THE THREE-YEAR PERIOD IN tCO_{2eq}



THE APPROACH TO CIRCULAR ECONOMY

Lavazza Group continues with determination in the application of circularity criteria in its processes and products, through analyses, collaborations with third parties and certifications. 2024 saw full implementation of the **Material Circularity Index**, validated in 2023 by the Research & Development (R&D) Division, responsible for integrating circular economy principles into production processes, with the support of the certifying body Bureau Veritas: this is an index that measures whether the incoming and outgoing resources used to create a product are optimised according to the circularity principles throughout its life cycle.

It was complemented by the R&D area's **internal Sustainability Protocol**¹⁹, aimed at

managing the sustainability assessment of innovative packaging solutions and conceived to gather updates on guidelines and on recyclability and compostability certifications. It includes, for instance, the internal **Packaging Recyclability Guidelines** for sustainably designing packaging that are instrumental in achieving the goals of the Sustainable Packaging Roadmap. Updated in 2024, these guidelines aim to support the functions responsible for choosing supplies of materials that not only comply with mandatory legislation, but also exceed it with a view to continuous integration of circular economy and eco-design principles.

The Sustainable Packaging Roadmap

Packaging is essential to maintain the quality, taste and freshness of coffee, as well as to allow its safe storage, transport and use. While guaranteeing compliance with these standards, the principles set out in **Lavazza Group's Circular Economy Manifesto** support the **Sustainable Packaging Roadmap**, a specific and measurable path undertaken in 2020 that contributes to the reduction of the Group's environmental footprint in order to make portfolio packaging recyclable, reusable and compostable by the end of 2025.

In 2024, through its activities, the Roadmap enabled to make **81.2%** of the Group's product portfolio packaging **recyclable**. In detail, 83.1% of the packaging produced at the three main plants (Turin and Gattinara in Italy and Lavérune in France) — where 87.8% of the total coffee production is concentrated — is recyclable. It was precisely at these plants that an investment of €24 million for upgrading the 23 lines (11 new and 12 converted), dedicated to production with the new recyclable packaging, enabled to complete the **industrialisation** process of the main product formats, thanks to which it is possible to reduce the emissions related to the production and preparation of new packaging. In 2024, this process enabled the Group to reach an extremely significant re-

sult: the **flexible packaging of the Lavazza 250 g ground coffee range**, accounting for over half the volumes of Lavazza brand, was made **recyclable**.

In addition, new packaging further reduces the ratio between the weight of the pack-

aging and the product; examples are the 18% reduction in the weight of the packaging for the 1 kg beans format and the decrease in the weight of the **tin** packaging, with an ensuing **7%** saving in CO₂eq emissions.

Recyclable packaging for flexible formats

Recyclable as of 2024, the flexible packaging of the Lavazza 250 g ground coffee range has always guaranteed excellent performance in terms of preservation of freshness and coffee quality.

Thanks to the work of the Company's Research & Development Division, the traditional flexible film structure for coffee packaging was redefined, eliminating the aluminium layer and introducing a mono-material polypropylene film that makes it recyclable.

The introduction of these innovations enabled a significant **47%** reduction in the carbon footprint of the Lavazza 250 g ground coffee range compared to the traditional packaging. In addition, the new packaging is 16% lighter than its predecessor.

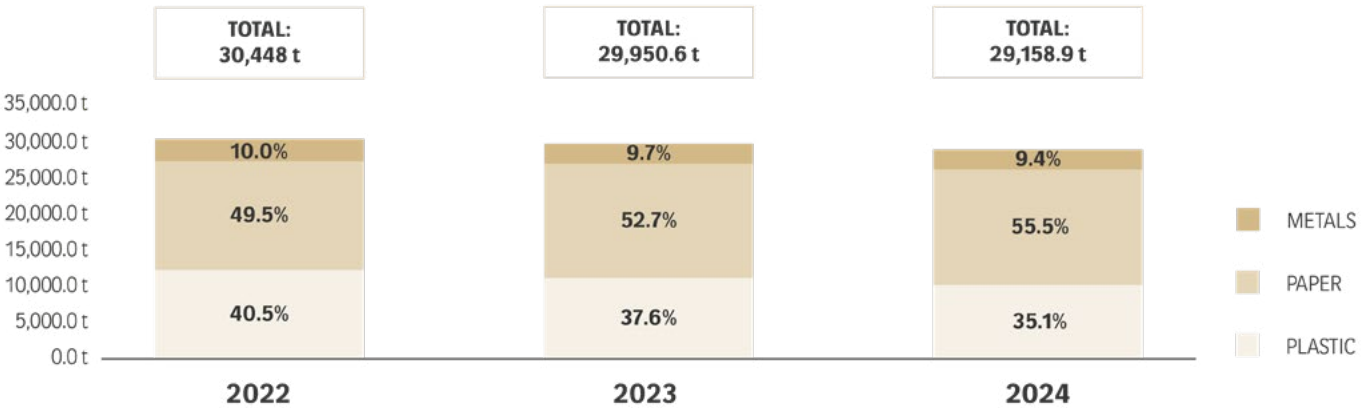


Concerning the Sustainable Packaging Roadmap, the Group monitors the total weight of the materials used, in order to identify alignment with the recyclability indicator of the packag-

ing portfolio. In 2024, the total amount of materials used was reduced by 2.6% compared to 2023, with **plastics declining by 9.1%**.



MATERIALS USED BY WEIGHT IN THE THREE-YEAR PERIOD



19) This Protocol is being certified.

Collaborations with companies from other sectors to work on the ecological transition and the establishment of targeted partnerships are at the heart of the Group's approach. As a result, the Company has joined some of the major European collaborative platforms that are developing new recyclability guidelines in a sector, such as packaging, that is key to the ecological transition and is undergoing a deep change towards greater standardisation between countries. Two examples are **RecyClass**, a multi-sector non-profit organisation that facilitates the transition to a future based on the circular economy of plastics, and **CEFLEX**, a non-profit organisation focused on promoting the circularity of flexible packaging. As part of these collaborations, launched several years ago, in 2024 internal training initiatives and opportunities for mutual sharing of projects and good practices were organised, including a workshop reserved for the points of contact of the HQ corporate divisions involved, where Recyclclass experts outlined the latest frontiers of sustainable materials; the results of a series of tests conducted on packaging by the Group's R&D Division to assess their recyclability (14 tests in 2024) and compostability (7 tests in 2024).

Coffee husk: turning waste into opportunity

The Research & Development Division has been working for several years on a project focused on the **valorisation of the coffee husk**, i.e., the skins of the coffee cherry and a residue of the drying and dehulling phases of the plant's fruit, carried out in the countries of origin.

In the project's initial phase, Lavazza contributed to the approval of coffee husk as a novel food within the European Union by drafting a paper proposed to the European Food Safety Authority (EFSA). Following this approval, Lavazza studied coffee husk with a view to developing a new product to be offered to consumers in the form of flavoured infusions; after an initial test phase, with tastings at several trade fair events, in 2024 the product was put on sale for the first time at Lavazza's Milan Flagship Store as an infusion in a cold recipe conceived for the summer season. This was another way to promote the values of innovation and circularity throughout the coffee value chain.



Center for Circular Economy in Coffee



Numerous initiatives were organised in 2024 by the **Center for Circular Economy in Coffee (C4CEC)**, a global pre-competitive platform set up on the initiative of Lavazza Foundation with three key objectives: supporting and promoting the principles of the circular economy, accelerating the sustainable transition of the coffee supply chain, and supporting innovation.

Founded in 2023 with the support of Italian and international partners²⁰, at the end of 2024 it counted a total of **49** members. The year saw the participation in 10 international conferences, a series of 4 training webinars with over 600 participants and the publication of two studies: "Beyond coffee: towards a circular coffee economy", the fourth edition of the Coffee Development Report, published by the International Coffee Organization (ICO) and a fundamental point of reference for the coffee sector, and "Making a case for a circular economy in the coffee sector", developed by a multi-stakeholder working group on coffee circular economy, part of the "Coffee Guide Network" of the International Trade Centre.

In addition, a **pilot project** was launched and implemented in **Kenya** thanks to the collaboration with UNIDO, the Italian Ministry of Foreign Affairs and International Cooperation and the Italian Agency for Development Cooperation: "Circular economy approach for the Kenyan coffee value chain" aims at promoting sustainable coffee production and the circular economy in line with the Kenyan government's coffee sector development strategy.

Sustainable innovation for coffee machines

The Group's commitment towards a progressive reduction of its environmental impact is also visible in machine design, with an approach that aims to use as few natural resources as possible and market coffee machines featuring high energy efficiency indices. None of the machines of the Group's various product families has an energy class lower than A, with 5 out of 17 falling with the A+ class.

In 2024, the new **Lavazza Firma Mini and Lavazza Firma Custom Milk** office coffee machine range was launched on the market in the **OCS** channel. They are made with up to **38% and 37%** of recycled plastic, respectively: this is the result of a sustainable-by-design process

made possible by choices such as the removal of chrome trims and the use of recycled plastics (where allowed by regulations prohibiting contact between recycled plastic and food and beverages); at the same time, the packaging of these machines was improved, exclusively using recycled paper and eliminating the use of plastic, minimising the amount of paper for instruction manuals, available in full format in digital form.

The development of **Tiny Eco** continued also in 2024. Conceived to gradually and progressively replace the coffee machine range of reference, Tiny Eco is the first espresso machine for the Lavazza A Modo Mio capsule system made from up to **61%** recycled plastic, provided with **100%** recycled cardboard packaging and low energy consumption (Energy Class A+), enabling CO_{2eq} savings of up to **20%** compared to previous machines.

²⁰) The non-profit Giuseppe and Pericle Lavazza Foundation, Turin Polytechnic, the University of Gastronomic Sciences in Pollenzo, the International Coffee Organization (ICO), the International Trade Centre (ITC) and the UN Industrial Development Organization (UNIDO).

In addition, the Group is constantly working on the **durability** of coffee machines for domestic consumption, consequently extending their useful life.

To the same purpose, it is continuing the process of global expansion of professional machine repair services for the Food Service channel, namely the Away From Home consumption.

Waste management

The production and treatment of industrial waste deriving from coffee processing are monitored and managed through the Integrated Management System for Health, Safety, Energy and the Environment, respecting the circular economy principles and working to minimise waste generation. During the production cycle, coffee waste and other types of waste are generated and are subsequently stored in dedicated areas, where they are collected to be reused by third parties. The main waste is mainly made up of: 34.7% of compostable material generated during production; 28.2% of paper and other packaging material (e.g., wood); 11.3% of plastic.



Compared to 2023, waste generation declined by **14.7%** mainly as a result of the revised management of production scraps that allowed to valorise them as a by-product instead of as waste. Of the total waste, the Group mainly generates non-hazardous waste, with a minimum amount of **3.7%** of hazardous one.

As part of the Integrated Management System, the quantity of waste generated and the related type of disposal method are constantly monitored. In this regard, a constant improvement of the waste amount diverted from disposal represents an improvement with respect to the goals set within the Group's Environmental Policy.

87.4% of total waste is recovered or recycled, while the remaining 12.6% is directed to energy recovery or the purification of washing water.

98.4% of the vegetable waste deriving from the coffee processing at the Italian plants, amounting to approximately 3,600 tonnes per year, is transferred partly to a company that produces organic fertiliser and partly to a company that generates biogases.

BREAKDOWN OF WASTE GENERATED IN THE THREE-YEAR PERIOD

		2022			2023			2024		
WASTE GENERATED	UoM	HAZARDOUS	NON-HAZARDOUS	TOTAL	HAZARDOUS	NON-HAZARDOUS	TOTAL	HAZARDOUS	NON-HAZARDOUS	TOTAL
Plastic	t	-	1,325.2	1,325.2	-	1,389.6	1,389.6	-	1,306.9	1,306.9
Paper	t	-	1,134.8	1,134.8	-	1,064.9	1,064.9	-	971.9	971.9
Metals	t	-	337.9	337.9	-	270.5	270.5	-	147.4	147.4
Compostable materials	t	-	5,089.1	5,089.1	-	5,041.6	5,041.6	-	4,008.9	4,008.9
Packaging materials other than the previous ones (e.g., wood)	t	-	2,914.8	2,914.8	-	2,826.0	2,826.0	-	2,284.4	2,284.4
Waste Electrical and Electronic Equipment (WEEE)	t	175.0	345.1	520.1	133.5	374.3	507.7	110.8	437.3	548.1
Other	t	231.6	2,026.6	2,258.2	207.1	2,224.8	2,431.8	311.4	1,967.4	2,278.8
Total	t	406.6	13,173.4	13,580.0	340.5	13,191.7	13,532.3	422.2	11,124.2	11,546.5

WASTE GENERATED IN THE THREE-YEAR PERIOD BROKEN DOWN BY DISPOSAL METHOD

		2022			2023			2024		
WASTE DISPOSAL	UoM	HAZARDOUS	NON-HAZARDOUS	TOTAL	HAZARDOUS	NON-HAZARDOUS	TOTAL	HAZARDOUS	NON-HAZARDOUS	TOTAL
Preparation for reuse	t	-	95.6	95.6	-	92.3	92.3	-	114.3	114.3
Recycling	t	147.1	5,779.7	5,926.8	118.4	4,704.7	4,823.1	48.4	1,729.4	1,777.7
Other recovery operations	t	39.9	6,045.0	6,084.9	26.2	7,164.4	7,190.6	73.5	8,125.3	8,198.8
Total waste diverted from disposal	t	186.9	11,920.3	12,107.2	144.6	11,961.5	12,106.1	121.9	9,968.9	10,090.8
Incineration with energy recovery	t	1.6	714.8	716.4	0.4	725.4	725.8	3.1	693.1	696.2
Incineration without energy recovery	t	-	7.8	7.8	-	7.3	7.3	-	7.5	7.5
Landfilling	t	0.2	26.6	26.8	-	24.4	24.4	-	25.9	25.9
Other disposal operations	t	217.9	503.9	721.8	195.5	473.2	668.7	297.2	428.9	726.1
Total waste directed to disposal	t	219.6	1,253.1	1,472.8	195.9	1,230.2	1,426.1	300.3	1,155.3	1,455.6
Total waste generated	t	406.6	13,173.4	13,580.0	340.5	13,191.7	13,532.3	422.2	11,124.2	11,546.5

Water resources

In the coffee industry, water is used in small amounts for the roasting and grinding process, especially when compared with consumption in the agricultural phase.

The management of direct water consumption, like waste management, is part of Lavazza Group's Integrated Management System, both for consumption and for withdrawals and discharges, and is monitored on a monthly basis, identifying opportunities for increasing efficiency and reducing losses.

Water withdrawals are related to civil hygienic-sanitary uses and production uses, in particular for the coffee roasting and decaffeination processes, as well as for the cooling of the machinery used for the production of compressed air. 51.8% of water withdrawn in 2024 came from the municipal water supply system, whereas the remaining 48% is made up of groundwater.

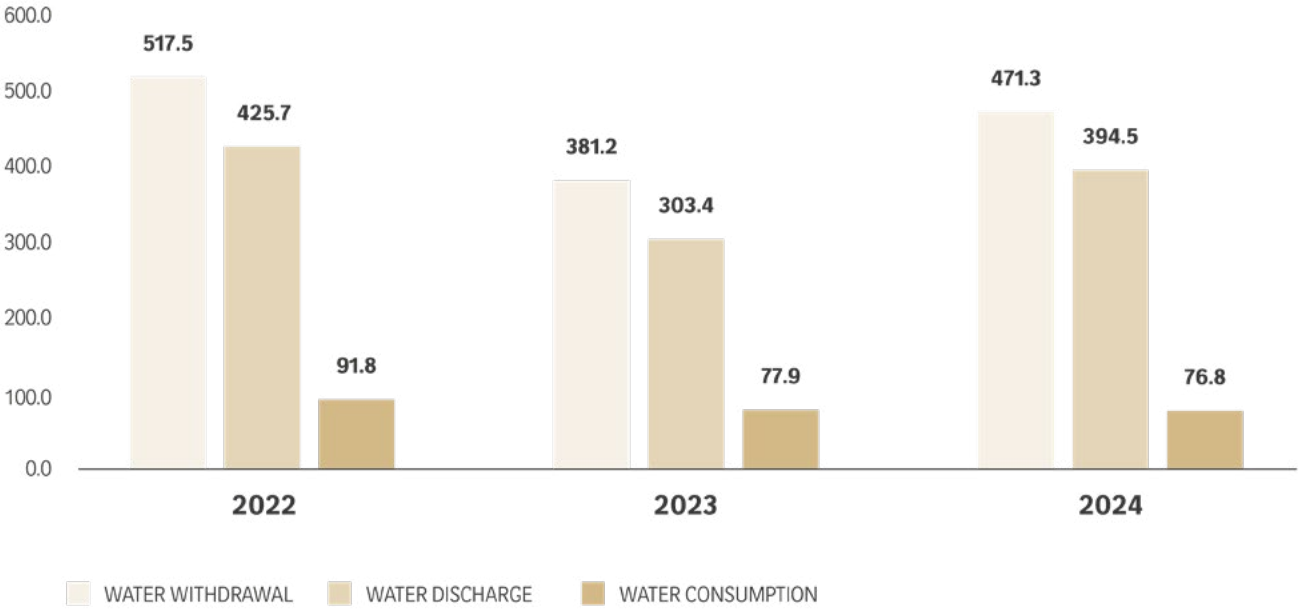
2024 saw an increase in water withdrawal from the aqueduct, as required following the reduced rainwater storage due to low rainfall, and in the withdrawal from well water, attributable to a technical plant problem that was difficult to detect.

To date, the technical problem has been resolved and improvement activities are underway to further enhance monitoring and control actions. The trend of water discharge is consistent with the trend of water withdrawals.

It should be noted that the Pozzilli plant (Italy) and the Basingstoke plant (UK) are located in water-stress areas.

Overall, water consumption decreased by **1.4%** compared to 2023, thanks to a continuous process of improving the efficiency of resource use, the continuation of the project for rainwater recovery at the Turin Nuvola Headquarters and water recovery at the Gattinara plant, which is conveyed to the cooling towers.

TOTAL WATER WITHDRAWALS, DISCHARGES AND CONSUMPTIONS IN ML



4.3 Fighting deforestation and protecting biodiversity

Lavazza Group recognises that the coffee production activity is directly linked to the biodiversity of the ecosystems in the producing countries and is particularly at risk, given coffee's major exposure to the effects of climate change and the extensive marketing of limited varieties. With this in mind, the close collaboration between the Group, Lavazza Foundation, local farmers and the main coffee traders is an essential element for preserving forests and the wide biodiversity of the ecosystems in producing countries.

FIGHT AGAINST DEFORESTATION

The Group, together with Lavazza Foundation, supports and develops reforestation strategies and policies in the coffee-producing areas.

The approach is based on **private-public collaborations** and **partnerships with local and international players** to implement programmes for sustainable development and international cooperation within the supply chain.

Through a cross-functional working table and close collaboration with green coffee suppliers, in 2024 the Company forged ahead with its work on compliance with the **European Regulation on Deforestation-free products** (EUDR), which entered into force on 29 June 2023 and prohibits the import into or export from the EU market of products that do not comply with legal and sustainability requirements. Moreover, in 2021 the Group joined the **New York Declaration on Forests (NYDF)**, a platform that offers a common, multi-stakeholder framework for the protection of forests, consolidating various initiatives and objectives that guide their protection, their restoration and their sustainable use.



A certified “deforestation-free” coffee in Ecuador

Since 2019, the year in which the partners signed the Memorandum of Understanding, **Lavazza Foundation** has been involved in the project promoted by the United Nations Development Programme (UNDP) together with Ecuador’s institutions, such as the Ministries for the Environment and Water (MAAE) and for Agriculture and Livestock (MAG).

In three years, the initiative has led Ecuador to have its first production of high-quality coffee certified as “deforestation-free”, coming from plantations in 23 provinces bordering the Amazon rainforest. The Ecuadorian Government, together with UNDP, has developed the **first national certification protocol dedicated to the monitoring of forest areas in coffee production**, which is now considered among the best practices globally, positioning Ecuador as a pioneer in sustainable agricultural practices. The “Deforestation-Free Coffee” certification provides a guarantee to consumers that no forest land has been cleared or degraded for the cultivation of coffee. This certificate is obtained following rigorous monitoring and enforcement through satellite imagery and third-party verification to confirm that coffee production adheres to strict environmental standards. Since 2019, Lavazza Foundation have been responsible for providing training and technical assistance to more than **50** coffee farmers to transfer knowledge on market dynamics, quality standards, and cupping and preparation techniques.

To extend this good practice to other coffee-producing countries, the Foundation is currently forging ahead with its partnership with both Ecuador, through several projects, and UNDP. After having purchased the first batches of certified coffee, in 2024 the Group launched on the market **¡Tierra! Special Edition** ²¹, celebrating Lavazza Foundation’s 20th anniversary.



21) The United Nations Development Programme does not endorse any entity, brand, product or service.

La Reserva de ¡Tierra! Cuba – biodiversity and traceability

2024 saw the international launch of La Reserva de ¡Tierra! Cuba, a product that stems from the Company’s long-standing commitment to environmental and social sustainability, particularly regarding the objectives of safeguarding biodiversity, fighting deforestation and pursuing traceability and transparency.

La Reserva de ¡Tierra! Cuba coffee comes from communities involved in the **BioCubaCafé** project, developed thanks to the collaboration between Lavazza Foundation, the Cuban Ministry of Agriculture and the AICEC group (Agency for Cultural and Social Interchange with Cuba).

It is a product containing coffee that is fully **traceable through an integrated block-chain system** that provides all the informa-

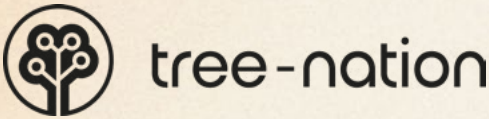
tion on the supply chain and product reliably in real-time, from the farmer to the cup. In addition, technologies have also been distributed to help farmers cope with the impact of climate change. Thanks to this project, which involves **170** farmers in the Santiago de Cuba and Granma areas, efforts are being made to improve the quality of Cuban coffee and to support local communities, helping safeguard biodiversity and protect forests.

In 2024, the BioCubaCafé project was further developed thanks to the collaboration of new companies, with the aim of building, in one of the production areas, a dedicated roasting and packaging plant for producing coffee for the Cuban domestic market.

This project is based on a strategic alliance that allows to develop sustainable and replicable models, synergistically combining the best expertise in the coffee sector.

A collaboration with Tree-Nation

Lavazza Group collaborates with **Tree-Nation**, a platform that coordinates reforestation projects worldwide to fight against climate change and support local communities. As part of several Group projects, approximately **52,000** trees were planted since registration on the platform, for a total of **47.85** hectares of new forest generated.



PROTECTION OF BIODIVERSITY AND REGENERATIVE AGRICULTURE

The Group's Research and Development Division, in collaboration with third-party scientific research institutions and coffee suppliers, is working on a long-term project related to coffee biodiversity, aimed at **identifying those varieties resilient** and able to adapt to climate change impacts, such as extreme climate events and diseases. The main criteria for selecting species of these coffee varieties include the use of agroforestry systems: their strong resilience to the impacts of climate change is linked to the economic and food security of farmers in the supply chain.

The studies to protect biodiversity and coffee species resilient to climate change are embodied in the French **Secrets de Nature range by Carte Noire**, with its Congusta Mundo Novo and Catuai Romex products, which contain and promote the use of coffee varieties that are less used, native and produced in ad-hoc agroforestry systems.

Studies to protect biodiversity



In addition to forging ahead with the long-term partnership with **World Coffee Research**, 2024 also saw the continuation of the project developed together with the French **CIRAD** (French Agricultural Research Centre for International Development) in **Nicaragua**. This project is dedicated to several Arabica and Robusta varieties and aims to identify those that are most productive even when cultivated in the shade and with low use of fertilisers with a view to developing an agriculture based on increasingly sustainable techniques.

As regards **regenerative agriculture**, the key projects described in Chapter 4 of this Report – one in China and one in Uganda – are being developed in collaboration with three leading coffee traders that supply the Group. With a duration of 3 to 5 years, these projects pursue several objectives, including assessing the effect of agricultural practices to increase biodiversity and support the resilience of coffee plants to the effects of climate change, and testing innovative solutions for improving soil quality and carbon sequestration.



5. Our pledge for local communities



5.1 Lavazza Group for the communities where it operates p. 144

5.2 Lavazza Group for the communities in the coffee-producing countries p. 154

Overview

Material topics	Impacts	Risk areas
RELATIONSHIP WITH LOCAL COMMUNITIES	CREATION OF SHARED VALUE AMONG STAKEHOLDERS	SUPPLY CHAIN
SUPPLY CHAIN	DEVELOPMENT OF LOCAL COMMUNITIES - WHERE THE GROUP HAS ITS OFFICES	CLIMATE CHANGE
ECONOMIC GROWTH	DEVELOPMENT OF LOCAL COMMUNITIES - COFFEE PRODUCING COUNTRIES	LAND USE, DEFORESTATION AND BIODIVERSITY



Global context

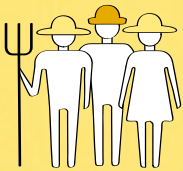
The entire coffee supply chain — upstream to downstream — involves countries, communities and people operating in very different social, economic and environmental contexts. However, the communities directly or indirectly involved in the coffee business frequently experience **inequalities** that share common roots, as it happens, for instance, to women, who too often hold subordinate roles and lack professional development opportunities.

Upstream the supply chain, coffee farmers worldwide face numerous geopolitical, economic and civil society issues that may limit the development and prosperity of local communities. They live in socio-economic conditions that vary based on the coffee industry's level of development and profitability in each country. Market access, insufficient or poor-quality yields, poor infrastructure and geopolitical tensions have an impact on all people. Moreover, although the agricultural coffee sector relies on countries with a high percentage of young people, there is a gradual abandonment by the latter of the countryside so that the average age of a coffee grower exceeds 50 years¹.

Downstream the supply chain, in areas where the main roasters operate, local communities also face economic inequalities and there is a constant risk of social marginalisation for certain fragile segments of the population, such as NEETs¹ and migrants.

For Note (i), see the Annex.
1) Not in Education, Employment or Training.

OUR PLEDGE FOR LOCAL COMMUNITIES



Community Care



Social inclusion program in the countries where the Group operates



Lavazza Volunteer Program

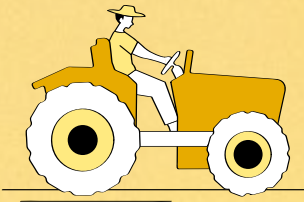
A Cup of Learning



Lavazza Foundation



Development of sustainable agriculture and social inclusion projects in coffee-producing countries



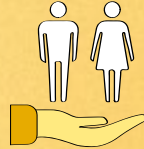
Increasing coffee yields and quality



Promoting entrepreneurship among coffee farmers



Improving their living conditions



5.1 Lavazza Group for the communities where it operates

Lavazza Group has followed its deep sense of responsibility and has focused on people since its foundation. Through its international expansion, over time the Group has expanded, and continues to expand, the scope of its activities in favour of local communities. This attention is reflected, on the one hand, in the **Community Care** programme dedicated to the communities in which the Group operates through its subsidiaries and plants and, on the other hand, in the projects that **Fondazione Giuseppe e Pericle Lavazza ETS²** has been developing in coffee-producing countries since 2004.

In the first area, the core objective is to ensure that business growth creates shared value and synergies with local communities. Support for equal and fair growth is based on a structured process that first listens to the needs of local communities and then translates them into medium/long-term projects with the aim of providing effective responses, always in collaboration with local entities and associations.

In coffee-growing areas, the Foundation's projects aim to assist small farmers and foster the autonomy of local communities by sharing good farming practices that enhance coffee quality and yields as part of a broad improvement process. This involves enhancing the role of women and engaging new generations in the fight against agricultural land abandonment.

2) *Fondazione Giuseppe e Pericle Lavazza* is a Third Sector Entity (TSE) that supports local communities by promoting socio-economic assistance, youth inclusion, and development programmes, pursuing exclusively social solidarity purposes. Lavazza Group and the Foundation are two separate entities operating for different purposes. The Foundation's aid activities in favour of local communities are financially supported by the Group's periodic donations.

THE COMMUNITY CARE PROGRAMME

The extensive programme of engagement and support activities for the local communities in which the Group operates is called "Community Care" — a name that underlines the Company's commitment. Its inspiring principle is the recognition of the key role of culture, education and inclusiveness in promoting the dignity of individuals and in strengthening communities. The Group manages the programme by constantly cooperating with local institutions and non-governmental organisations, adopting an approach based on **public-private partnerships** and **for-profit/non-profit collaboration**.

Support for local associations may take different forms: donations, direct financing of activities, co-design and collaboration from the initial phases of design to project implementation and monitoring.

In **2024**, Community Care's work in **Italy** leveraged collaboration with the associations in the areas in which the Group operates, through the promotion of cultural initiatives and the role of young people. **8 projects** relating to cultural promotion, local development and opportunities for youth were implemented, in collaboration with foundations, local associations and local promotion entities, with the **involvement of over 5,500 people**.

An example of this is the rich programme of initiatives organised during the year by the Lavazza Museum at the Turin Nuvola Headquarters: **10** associations involved in the Community Care

projects benefitted from museum exhibition itineraries and educational activities, engaging over **1,400** people.

World Earth Day at the Lavazza Museum

Among the many initiatives carried out in 2024, World Earth Day celebrations were very engaging, with a series of activities focused on nature, art, sharing and sustainability and dedicated to families with children. It was an immersive experience for all ages, with a multitude of engaging, fun activities promoting sustainability in a familiar, educational and playful context.



The corporate volunteering programme

As part of the Community Care activities, the **Lavazza Volunteer Program** continued in 2024. Launched in 2023, it aims at supporting the local areas and the associations that operate in the field, in addition to offering employees opportunities for personal growth, creating a bridge between the Group's people and local communities, and consolidating a culture of solidarity and commitment.

In addition to the Turin HQ employees, this second edition was extended to also include people working at the Torino and Gattinara plants.

Participants were over **160** (of which more than **25** plant workers), for a total of over **750** working hours dedicated for volunteering activities, of which more than 40% of the hours were donated to financially support the associations.

15 associations³, already partners of Lavazza Foundation, were involved and various activities were organised in the following areas of interest: food security, quality education, gender equality, inclusion, decent work and economic growth.

In the first two editions of the Lavazza Volunteer Program, over **1,370** working hours were donated to volunteering activities, with more than **250** participants overall.



3) Gruppo Abele, Save the Children – CivicoZero, UPM – Ufficio Pastorale Migranti, Sermig – Arsenale della Pace, UNHCR – Community Matching project, ADISCO, ABITO – Exchange and inclusion project, Fondazione Time2, Fondazione Paideia, Emporio Settimo T.se Solidale, Italian Network of Popular Culture, AVIS Gattinara, CRI Comitato di Gattinara, San Vincenzo Gattinara, Associazione Binario 93/4.

“

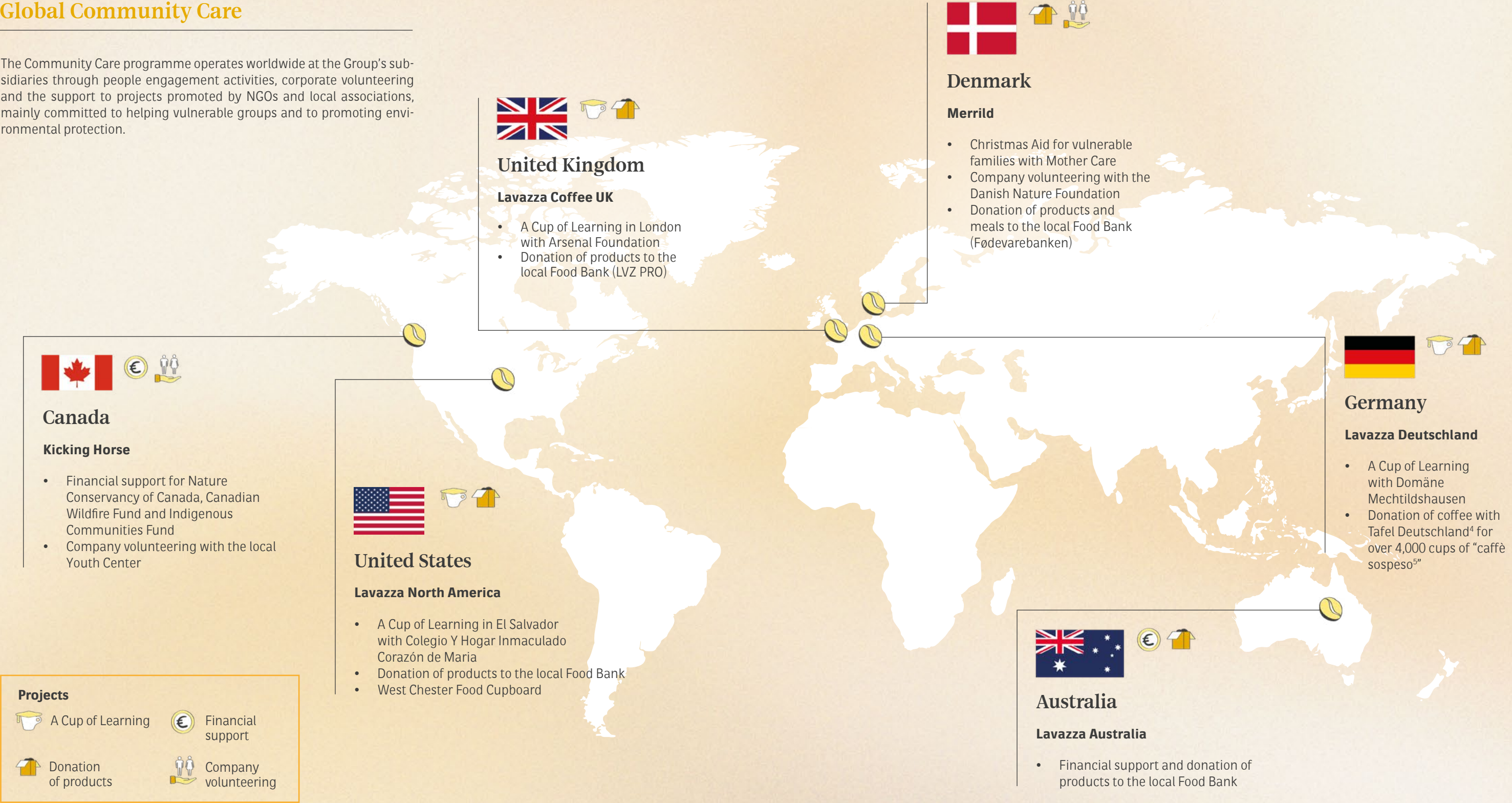
It has been extremely enriching to have the possibility to get to know situations so different from mine, meeting young refugees and accompanying them in their path of integration into our society. I have tried to provide my support, albeit modest, to their path, but I have also received so much in return: new perspectives, a greater sensitivity and a deeper vision of the challenges they face every day.

Civico Zero - Save the Children



Global Community Care

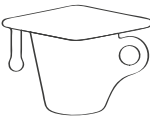
The Community Care programme operates worldwide at the Group's sub-sidiaries through people engagement activities, corporate volunteering and the support to projects promoted by NGOs and local associations, mainly committed to helping vulnerable groups and to promoting envi-ronmental protection.



4) Tafel Deutschland is a non-profit association bringing together over 970 food banks.
5) “Suspended coffee”, a paid extra coffee at a café which is then given to someone in need.

A Cup of Learning

More than 700 beneficiaries in 20 countries

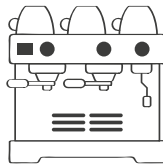


The commitment towards communities is also reflected in the A Cup of Learning international programme, a way of spreading coffee culture by offering an opportunity to turn this passion into a profession. The programme provides dedicated training to young people in vulnerable situations and in search of career opportunities in the coffee sector. Launched in **2017**, it has extended its geographical scope and the structure of its training catalogue, with a programme including two modules:

- a course dedicated to **green coffee**, with a specific focus on the sensory analysis of coffee, its processing techniques, cupping and evaluation of products according to their origin. The aim is to provide attendees with the methodological expertise to be able to evaluate coffee quality from different points of view. The main beneficiaries are people involved in the agricultural process of coffee growing;
- a training course on **coffee making**, dedicated to the espresso world and aimed at providing the best tools for “Being a Barista”: from grinding techniques to the functioning of espresso machines, from ground coffee tamping to the various brewing methods, and the Latte Art.

The Group’s professionals are directly involved in A Cup of Learning, providing the beneficiaries with their experience and competencies both in the coffee-producing countries where training takes place and at the Group’s Training Centers present worldwide.

2 training modules



Over the programme’s **8** years of activity, the **1,200 training hours** provided involved **28** employees from **5** different company departments: Marketing, Sales, Research and Development, Quality and Procurement, and Sustainability.

Moreover, in **Italy** two further modules have been added to the training programme: one aimed at promoting knowledge of the safety and hygiene of goods and services in the food sector, and the other dedicated to entering the world of work, focusing on how to face a job interview and write a CV.

In 2024, the project was extended to a new country, consolidating its format both in-person and online. Since its launch, A Cup of Learning has collaborated with over **35** organisations helping over **700** beneficiaries acquire the skills required to enter the job market in **20** countries: Albania, Australia, Brazil, Ivory Coast, Cuba, Ecuador, El Salvador, France, Germany, Guatemala, Haiti, Honduras, India, Italy, The Netherlands, Peru, the United Kingdom, the Dominican Republic, the United States, and Uganda.

Since 2020, A Cup of Learning has received for three consecutive years the **“Welcome. Working for refugee integration” award** from **UNHCR - United Nations High Commissioner for Refugees**. The award recognises the Group’s significant commitment to promoting specific initiatives to provide refugees with access to the labour market and promote an inclusive society.

On-the-job training, the AdAstra Project continued

As part of A Cup of Learning, for the fourth consecutive year, Lavazza Group actively supported and participated in the **AdAstra**⁶ free training and employment project, which in 2024 enabled **43** new young NEETs (Not in Education, Employment, or Training) residing in the Milan area, Italy, to access the job market. The Company joined the project in 2020, when the initiative was launched by Fondazione di Comunità Milano with the involvement of other companies, in addition to Lavazza, and with the coordination of A&I Società Cooperativa Sociale ONLUS.



Aimed at under-30 female and male youth

It is a **training path reserved for under-30 female and male youth**, composed of several modules. The first one is dedicated to soft skills, i.e., essential cross-functional attributes and relational skills that are key in the labour market including, for instance, punctuality, accuracy, commitment, collaboration, and teamwork. The second one, with reference to the beverage area, consists of **170 training hours** at the Academies of the partnering businesses, of which 40 hours at Lavazza Training Center in Torino. In the four editions of the AdAstra Project, about a hundred first-time job seekers and unemployed under 30, with poor job experience, a low level of education and a growing desire for autonomy, were trained for employment, with a 75% post-training hiring rate.

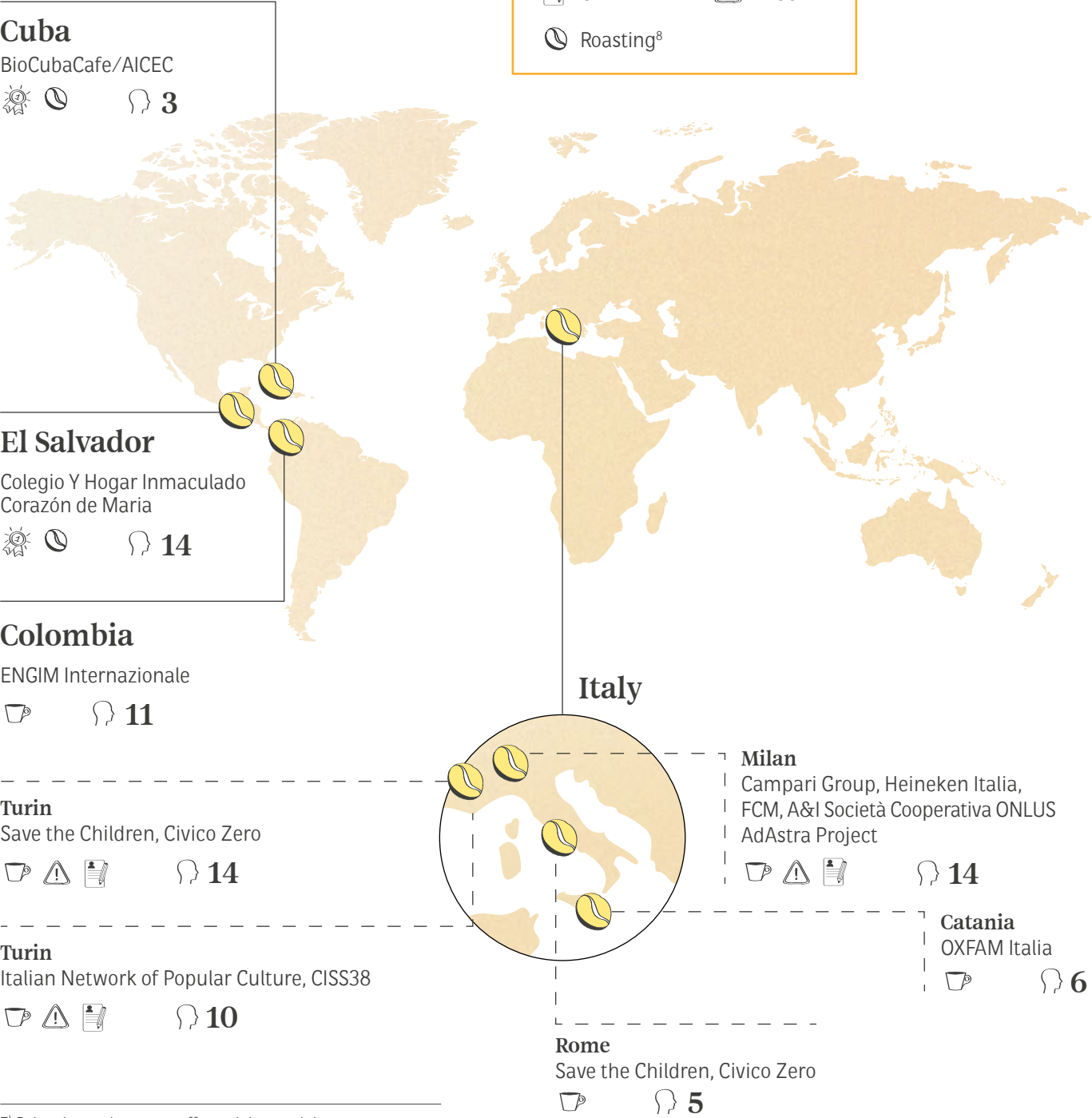


75% post-training hiring rate



6) Project’s website: <https://www.fondazionecomunitamilano.org/progetti/ad-astra-project/>.

A CUP OF LEARNING 2024



7) Belonging to the green coffee training module.
8) Belonging to the green coffee training module.
9) Hazard Analysis and Critical Control Points.



5.2 Lavazza Group for the communities in the coffee-producing countries

29 projects in 18 countries



Visit the website of the Fondazione Giuseppe e Pericle Lavazza ETS

In 2024, **Fondazione Giuseppe e Pericle Lavazza ETS**, founded to promote, finance, manage and effectively implement coffee-producing community care projects, celebrated its 20th anniversary.

Over these two decades, the Foundation has been promoting and financing over **50** projects of economic, social and environmental sustainability, working both on its own and through public and private partnerships. Today, as in the past, these initiatives are implemented thanks to the collaboration with NGOs, international agencies, local entities, traders and roasting companies that operate locally in the producing countries and work in close contact with the coffee-producing communities.

In 2024, the Foundation implemented **29 projects in 18 countries on 3 continents with over 137,000 people involved**. The projects, illustrated in the Foundation's Social Report, are primarily intended to increase coffee yields and quality, while also promoting entrepreneurship

among coffee farmers and improving their living conditions. Every year, including 2024, the Foundation's representatives visit some of the areas in which their projects are implemented. The projects aim at:

- promoting gender equality within communities;
- harnessing the work of young people through training programmes that encourage them not to abandon lands and to become coffee entrepreneurs instead;
- promoting crop diversification to reduce the related risks and economically support growers, thus favouring a greater mix of food resources to be sold;
- supporting reforestation;
- spreading farming techniques that enable farmers to mitigate and adapt to the effects of climate change;
- introducing technologies to support traditional coffee-farming techniques.



The Foundation aims to make coffee an opportunity in the coffee-producing countries: a quality product for prosperous communities that respect and protect the environment within the framework of long-term sustainable social and economic development. To this end, the projects are generally developed within coffee-producing communities that usually do not have any direct relationship with Lavazza Group as regards the purchase of raw materials for its brands and products. The Foundation is indeed committed to making communities autonomous, and mainly supports them in developing on the local market. However, the growth process ensured by the Foundation's projects was such that over the years it has allowed various farming cooper-

atives to become suppliers to Lavazza Group: the processes for increasing the efficiency of production and improving farming practices resulted in the development of a high-quality coffee and achievement of prestigious certifications, such as Rainforest Alliance and Bio Organic. Examples of this are the blends of the **La Reserva de ¡Tierra!** product range for baristas and professionals, which offers also coffee coming from some of the communities supported by the Foundation's projects, or the **¡Tierra! for Cuba** blend, launched in 2023 for the **retail channel** — the first coffee with a full **traceability system based on blockchain**, 100% produced by communities involved in the Foundation's projects.



The Coffeeprint of Tomorrow: the first 20 years of the Foundation

To celebrate the Foundation’s 20th anniversary, events were organised throughout 2024 to highlight the results achieved and think about the future, as underlined by the title chosen for the anniversary celebrations: “The Coffeeprint of Tomorrow”. All these events were an occasion to thank partners and reiterate the future commitment to generating shared, synergistic value together with local communities.



10 dedicated events both in presence and online

2023

Start of the celebrations for the Foundation’s 20th anniversary
19 October

Celebrations started at the end of 2023, with the launch of the **2024 Lavazza Calendar**. The project, entitled “**More than Us**”, is a visual and symbolic celebration of the values that inspire Lavazza Foundation: openness, dialogue and cooperation. Set in Africa, the continent considered the birthplace of the coffee plant, the Calendar recounts the principles inspiring the projects in the coffee-producing countries, through images with a strong emotional impact. The Foundation’s anniversary was also celebrated at the Italian Embassy in London, where the 2024 Lavazza Calendar exhibition was also put on display. The event focused on several initiatives supporting women’s and youth’s empowerment in the coffee sector, with the aim of inspiring change and driving significant progress through the inclusive language of art.

World Children’s Day
20 November

On this occasion, the Foundation renewed its commitment to protecting the rights of children and adolescents in a day of reflection in collaboration with **Save the Children**, its partner since 2001. A webinar dedicated to the Group’s people recounted all initiatives undertaken in the areas of maternal and child health and youth empowerment in Italy – with the CivicoZero initiative – and in countries such as Yemen, Indonesia, Nepal, India, Ivory Coast, Myanmar, China and Vietnam.

2024

International Day of Education
1 February

The event shed light on the role of the Foundation’s projects in educating for peace and sustainable development, providing the Group’s people with a webinar on the **A Cup of Learning** international training programme and on the educational and job access initiatives currently implemented with Save the Children.



Over 3,280 people



30 hours of storytelling

National Day Against Food Waste in Italy
24 February

The main initiatives included the **Pranzo dei Popoli**, hosted at the Group’s Headquarters in collaboration with the Sermig NGO to raise awareness of the economic and social dynamics underlying food waste. After assigning participants a random national identity, the event simulated the inequality in food resource availability worldwide, stimulating a reflection on waste, equity and the conscious consumption of resources.

International Women’s Day
8 March

“**This is (not) a girls’ job: how women shape the coffee industry**” is the title of the international webinar open to the public aimed at recognising the key role of women in the coffee supply chain. Female participants included a Honduran coffee grower, the director of a Brazilian coffee trader, some Lavazza Group professionals, entrepreneurs in the café industry and the country manager of the Ugandan Sawa World NGO, which is a partner of the Foundation.

The “**More than Us**” exhibition at the United Nations
11 March

The “**More than Us**” exhibition of the 2024 Lavazza Calendar, **dedicated to the Foundation’s 20th anniversary**, was inaugurated at the headquarters of the United Nations in New York on the occasion of the 68th session of the Commission on the Status of Women. The event offered the opportunity to discuss the role of women in the coffee sector and their contribution to improving communities, also thanks to the Foundation’s projects. Among those attending were UN representatives, Ambassadors, delegates and representatives of the Foundation and the Group.



20 partners involved

World Earth Day
22 April

To celebrate World Earth Day, **500 trees** were donated to the city of Turin, with the aim of regenerating and protecting the biodiversity of Parco Stura, in collaboration with Rete Clima and with the participation of **100 people** of Lavazza Group. The objective was to plant the “**BioBosco of Lavazza Foundation**”, a Bio-Forest to promote local biodiversity and improve the environmental quality of the area.



53 speakers

World Environment Day
5 June

On this occasion, the board game “**Coffree: free the coffee plantations from climate threats**” was launched involving over **80 Group’s people** in an interactive experience. Through challenges and tests, the game raised awareness of the impact of climate change on coffee supply chains, promoting a shared reflection on sustainable practices to protect the environment and coffee-producing communities.

World Refugee Day
20 June

The **Exodus** immersive experience, in collaboration with SOS Mediterranee Italia and Altera, involved over **80 Group’s people** in a storytelling activity on the difficulties of people forced to leave their countries. Moreover, there was the screening of the documentary “Real People”, filmed aboard the Ocean Viking ship, followed by a talk with the rescue mission coordinator. The day also highlighted two key initiatives for inclusion and social cohesion: **Fonderie Ozanam**, a space for cultural exchange and training for refugees and young people living in disadvantaged conditions, and **Generazione Ponte**, a project on intergenerational and intercultural dialogue for a more supportive community.

“The Coffeeprint of Tomorrow”
30 September



+600 people attending in presence



700 people connected online

Workshop on the Theory of Change
16 December

The workshop brought together Lavazza Group’s key professionals and representatives of Lavazza Foundation’s projects. Together, they explored and identified the activities that will contribute to shaping the **new Theory of Change** of Lavazza Foundation.



Annex

Methodological note

GRI content index

UN Global Compact -
communication
on progress

Independent
Auditors' report

p. 162

p. 178

p. 183

p. 188

p. 189



Annex

CHAPTER 1

NUMBER AND PERCENTAGE OF EMPLOYEES TRAINED BY TOPIC, BROKEN DOWN BY PROFESSIONAL CATEGORY AND GEOGRAPHICAL AREA IN THE TWO-YEAR PERIOD 2023-2024¹

2024	UoM	ITALY					REST OF EUROPE					AMERICA					ASIA AND OCEANIA				
		Managers	Middle Managers	Specialized Workers	Other Workers	Total	Managers	Middle Managers	Specialized Workers	Other Workers	Total	Managers	Middle Managers	Specialized Workers	Other Workers	Total	Managers	Middle Managers	Specialized Workers	Other Workers	Total
Anti-corruption	No.	15	66	173	5	259	5	27	129	62	223	6	13	25	3	47	3	4	11	18	36
of which Whistleblowing	No.	6	17	31	1	55	6	20	94	67	187	0	2	3	18	23	3	3	9	15	30
Code of Ethics	No.	0	1	3	0	4	2	24	101	61	188	0	4	17	3	24	3	4	9	15	31
Antitrust	No.	6	36	70	2	114	5	17	77	36	135	0	3	8	1	12	6	4	7	17	34

2024	UoM	ITALY					REST OF EUROPE					AMERICA					ASIA AND OCEANIA				
		Managers	Middle Managers	Specialized Workers	Other Workers	Total	Managers	Middle Managers	Specialized Workers	Other Workers	Total	Managers	Middle Managers	Specialized Workers	Other Workers	Total	Managers	Middle Managers	Specialized Workers	Other Workers	Total
Anti-corruption	%	12.2%	13.3%	18.2%	1.1%	12.9%	1.5%	7.1%	10.7%	4.7%	6.9%	31.6%	11.0%	11.8%	1.8%	9.1%	42.9%	22.2%	25.0%	0.0%	52.2%
of which Whistleblowing	%	4.9%	3.4%	3.3%	0.2%	2.7%	1.9%	5.2%	7.8%	5.1%	5.8%	0.0%	1.7%	1.4%	10.8%	4.5%	42.9%	16.7%	20.5%	0.0%	43.5%
Code of Ethics	%	0.0%	0.2%	0.3%	0.0%	0.2%	0.6%	6.3%	8.4%	4.7%	5.9%	0.0%	3.4%	8.1%	1.8%	4.7%	42.9%	22.2%	20.5%	0.0%	44.9%
Antitrust	%	4.9%	7.2%	7.4%	0.5%	5.7%	1.5%	4.5%	6.4%	2.8%	4.2%	0.0%	2.5%	3.8%	0.6%	2.3%	85.7%	22.2%	15.9%	0.0%	49.3%

2023	UoM	ITALY					REST OF EUROPE					AMERICA					ASIA AND OCEANIA				
		Managers	Middle Managers	Specialized Workers	Other Workers	Total	Managers	Middle Managers	Specialized Workers	Other Workers	Total	Managers	Middle Managers	Specialized Workers	Other Workers	Total	Managers	Middle Managers	Specialized Workers	Other Workers	Total
Anti-corruption	No.	39	199	496	9	743	50	192	601	142	985	6	56	86	14	162	5	10	45	-	60
of which Whistleblowing	No.	33	169	439	8	649	50	186	583	138	957	6	54	82	13	155	5	10	44	-	59
Code of Ethics	No.	36	191	488	8	723	50	208	648	145	1,051	5	59	89	15	168	5	10	48	-	63
Antitrust	No.	1	22	90	3	116	5	25	110	24	164	13	59	83	23	178	8	10	56	-	74

2023	UdM	ITALY					REST OF EUROPE					AMERICA					ASIA AND OCEANIA				
		Managers	Middle Managers	Specialized Workers	Other Workers	Total	Managers	Middle Managers	Specialized Workers	Other Workers	Total	Managers	Middle Managers	Specialized Workers	Other Workers	Total	Managers	Middle Managers	Specialized Workers	Other Workers	Total
Anti-corruption	%	33.3%	44.8%	49.7%	2.0%	37.0%	82.0%	75.3%	69.6%	36.5%	62.8%	30.0%	49.1%	45.3%	8.9%	33.6%	55.6%	66.7%	86.5%	0.0%	78.9%
of which Whistleblowing	%	28.2%	38.1%	44.0%	1.8%	32.3%	82.0%	72.9%	67.6%	35.5%	61.0%	30.0%	47.4%	43.2%	8.2%	32.2%	55.6%	66.7%	84.6%	0.0%	77.6%
Code of Ethics	%	30.8%	43.0%	48.9%	1.8%	36.0%	82.0%	81.6%	75.1%	37.3%	67.0%	25.0%	51.8%	46.8%	9.5%	34.9%	55.6%	66.7%	92.3%	0.0%	82.9%
Antitrust	%	0.9%	5.0%	9.0%	0.7%	5.8%	8.2%	9.8%	12.7%	6.2%	10.5%	65.0%	51.8%	43.7%	14.6%	36.9%	88.9%	66.7%	100%	0.0%	97.4%

1) The trend relating to the number and percentage of employees trained by topic, broken down by professional category and geographical area, is reported for the two-year period 2023-2024 alone since, having adopted the reporting approach in accordance with the GRI Standards, specific geographic detail for the year 2022 could not be obtained.

CHAPTER 2

SOURCES OF THE OVERVIEW SECTION

- i) International Coffee Organization – ICO (“Gender equality in the coffee sector”, 2018).
- ii) How Diverse Leadership Teams Boost Innovation (2018), Boston Consulting Group.
- iii) Thriving workplaces: How employers can improve productivity and change lives (2025), McKinsey Health Institute.
- iv) Millennial Survey, Winning over the next generation of leaders (2016), Deloitte.
- v) Sustainability and company attractiveness: A study of American college students entering the job market (2018), Sustainability Accounting, Management and Policy Journal; Employees Seek and Stay Loyal to Greener Companies (2019).

EMPLOYEES AT 31ST DECEMBER BY TYPE OF CONTRACT (TEMPORARY/PERMANENT), GENDER AND GEOGRAPHICAL AREA IN THE THREE-YEAR PERIOD

2024	UoM	ITALY					REST OF EUROPE					AMERICA ²					ASIA AND OCEANIA					TOTAL				
		Men	Women	Other	Not reported	Total	Men	Women	Other	Not reported	Total	Men	Women	Other	Not reported	Total	Men	Women	Other	Not reported	Total	Men	Women	Other	Not reported	Total
Permanent employees	No.	1,186	787	0	0	1,973	1,948	1,143	0	0	3,091	290	222	0	2	514	40	26	0	0	66	3,464	2,178	0	2	5,644
Temporary employees	No.	14	22	0	0	36	55	67	0	0	122	1	0	0	0	1	2	1	0	0	3	72	90	0	0	162
Total	No.	1,200	809	0	0	2,009	2,003	1,210	0	0	3,214	290	222	0	2	515	42	27	0	0	69	3,536	2,268	0	2	5,806

2023	UoM	ITALY			REST OF EUROPE			AMERICA			ASIA AND OCEANIA			TOTAL		
		Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent employees	No.	1,186	763	1,949	939	590	1,529	271	211	482	45	28	73	2,441	1,592	4,033
Temporary employees	No.	19	39	58	13	26	39	-	-	-	2	1	3	34	66	100
Total	No.	1,205	802	2,007	952	616	1,568	271	211	482	47	29	76	2,475	1,658	4,133

2022	UoM	ITALY			REST OF EUROPE			AMERICA			ASIA AND OCEANIA			TOTAL		
		Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent employees	No.	1,142	727	1,869	1,086	577	1,663	252	185	437	59	29	88	2,539	1,518	4,057
Temporary employees	No.	30	31	61	37	26	63	1	1	2	2	1	3	70	59	129
Total	No.	1,172	758	1,930	1,123	603	1,726	253	186	439	61	30	91	2,609	1,577	4,186

2) Data referring to America includes one male employee under permanent contract belonging to the LATAM region.

EMPLOYEES AT 31ST DECEMBER BY TYPE OF CONTRACT (FULL-TIME/PART-TIME), GENDER AND GEOGRAPHICAL AREA IN THE THREE-YEAR PERIOD

2024	UoM	ITALY					REST OF EUROPE					AMERICA ³					ASIA AND OCEANIA					TOTAL				
		Men	Women	Other	Not reported	Total	Men	Women	Other	Not reported	Total	Men	Women	Other	Not reported	Total	Men	Women	Other	Not reported	Total	Men	Women	Other	Not reported	Total
Full-time employees	No.	1,193	776	0	0	1,969	1,965	1,093	0	0	3,058	290	218	0	2	510	42	23	0	0	65	3,490	2,110	0	2	5,602
Part-time employees	No.	7	33	0	0	40	38	117	0	0	155	1	4	0	0	5	0	4	0	0	4	46	158	0	0	204
Total	No.	1,200	809	0	0	2,009	2,003	1,210	0	0	3,213	291	222	0	2	515	42	27	0	0	69	3,536	2,268	0	2	5,806

2023	UoM	ITALY			REST OF EUROPE			AMERICA			ASIA AND OCEANIA			TOTAL		
		Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full-time employees	No.	1,198	778	1,976	928	545	1,473	268	206	474	47	24	71	2,441	1,553	3,994
Part-time employees	No.	7	24	31	24	71	95	3	5	8	-	5	5	34	105	139
Total	No.	1,205	802	2,007	952	616	1,568	271	211	482	47	29	76	2,475	1,658	4,133

2022	UoM	ITALY			REST OF EUROPE			AMERICA			ASIA AND OCEANIA			TOTAL		
		Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full-time employees	No.	1,169	727	1,896	1,105	543	1,648	252	186	438	60	25	85	2,586	1,481	4,067
Part-time employees	No.	3	31	34	18	60	78	1	-	1	1	5	6	23	96	119
Total	No.	1,172	758	1,930	1,123	603	1,726	253	186	439	61	30	91	2,609	1,577	4,186

3) Data referring to America includes one male employee under full-time contract belonging to the LATAM region.

NUMBER AND PERCENTAGE OF EMPLOYEES BY PROFESSIONAL CATEGORY, GENDER AND AGE AT 31ST DECEMBER
IN THE THREE-YEAR PERIOD

	UoM	2024															
		Men				Women				Other				Not reported			
		<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Senior Managers	No.	8	210	114	332	9	90	41	140	0	0	0	0	0	0	0	0
Middle Managers	No.	14	387	196	597	12	328	78	418	0	0	0	0	0	0	0	0
Specialized Workers	No.	187	782	404	1,373	222	595	216	1,033	0	0	0	0	0	0	0	0
Other Workers	No.	216	654	364	1,234	153	331	193	677	0	0	0	0	1	1	0	2
Total	No.	425	2,033	1,078	3,536	396	1,344	528	2,268	0	0	0	0	1	1	0	2

	UoM	2022										2023							
		Men				Women				Total	Men				Women				Total
		<30	30-50	>50	Total	<30	30-50	>50	Total		<30	30-50	>50	Total	<30	30-50	>50	Total	
Senior Managers	No,	0	75	66	141	0	33	25	58	199	2	85	62	149	0	35	23	58	207
Middle Managers	No,	10	334	142	486	11	242	67	320	806	13	331	131	475	19	272	62	353	828
Specialized Workers	No.	157	712	387	1,256	195	494	205	894	2,150	151	666	367	1,184	198	528	193	919	2,103
Other Workers	No.	79	434	212	725	34	143	129	306	1,031	61	408	198	667	60	150	118	328	995
Total	No.	246	1,555	807	2,608	240	912	426	1,578	4,186	227	1,490	758	2,475	277	985	396	1,658	4,133

	UoM	2024																
		Men				Women				Other				Not reported				Total
		<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total	
Senior Managers	%	1.7%	44.5%	24.2%	70.3%	1.9%	19.1%	8.7%	29.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Middle Managers	%	1.4%	38.1%	19.3%	58.8%	1.2%	32.3%	7.7%	41.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Specialized Workers	%	7.8%	32.5%	16.8%	57.1%	9.2%	24.7%	9.0%	42.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Other Workers	%	11.3%	34.2%	19.0%	64.5%	8.0%	17.3%	10.1%	35.4%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.0%	0.1%	100.0%
Total	%	7.3%	35.0%	18.6%	60.9%	6.8%	23.1%	9.1%	39.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	100.0%

	UoM	2022									2023								
		Men				Women				Total	Men				Women				Total
		<30	30-50	>50	Total	<30	30-50	>50	Total		<30	30-50	>50	Total	<30	30-50	>50	Total	
Senior Managers	%	0.0%	37.7%	33.2%	70.9%	0.0%	16.6%	12.6%	29.1%	100.0%	1.0%	41.1%	30.0%	72.0%	0.0%	16.9%	11.1%	28.0%	100.0%
Middle Managers	%	1.2%	41.4%	17.6%	60.3%	1.4%	30.0%	8.3%	39.7%	100.0%	1.6%	40.0%	15.8%	57.4%	2.3%	32.9%	7.5%	42.6%	100.0%
Specialized Workers	%	7.3%	33.1%	18.0%	58.4%	9.1%	23.0%	9.5%	41.6%	100.0%	7.2%	31.7%	17.5%	56.3%	9.4%	25.1%	9.2%	43.7%	100.0%
Other Workers	%	7.7%	42.1%	20.6%	70.3%	3.3%	13.9%	12.5%	29.7%	100.0%	6.1%	41.0%	19.9%	67.0%	6.0%	15.1%	11.9%	33.0%	100.0%
Total	%	5.9%	37.1%	19.3%	62.3%	5.7%	21.8%	10.2%	37.7%	100.0%	5.5%	36.1%	18.3%	59.9%	6.7%	23.8%	9.6%	40.1%	100.0%

NUMBER OF HIRES AND TERMINATIONS BY GENDER AND GEOGRAPHICAL AREA IN THE THREE-YEAR PERIOD

2024	UoM	ITALY					REST OF EUROPE					AMERICA					ASIA AND OCEANIA					TOTAL				
		Men	Women	Other	Not reported	Total	Men	Women	Other	Not reported	Total	Men	Women	Other	Not reported	Total	Men	Women	Other	Not reported	Total	Men	Women	Other	Not reported	Total
Hires	No.	64	44	0	0	108	506	376	0	0	882	74	59	0	0	133	5	4	0	0	9	649	483	0	0	1,132
Terminations	No.	67	37	0	0	104	514	366	0	0	880	49	38	0	0	87	11	8	0	0	19	641	449	0	0	1,090

2023	UoM	ITALY			REST OF EUROPE			AMERICA			ASIA AND OCEANIA			TOTAL		
		Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Hires	No.	90	91	181	201	165	366	69	57	126	15	16	31	375	329	704
Terminations	No.	61	55	116	168	144	312	50	33	83	29	17	46	308	249	557

2022	UoM	ITALY			REST OF EUROPE			AMERICA			ASIA AND OCEANIA			TOTAL		
		Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Hires	No.	95	79	174	253	149	402	62	46	108	14	10	24	424	284	708
Terminations	No.	89	75	164	246	147	393	44	42	86	19	12	31	398	276	674

NUMBER OF HIRES AND TERMINATIONS BY AGE AND GEOGRAPHICAL AREA IN THE THREE-YEAR PERIOD

2024	UoM	ITALY				REST OF EUROPE				AMERICA				ASIA AND OCEANIA				TOTAL			
		<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Hires	No.	51	52	5	108	457	362	63	882	48	66	19	133	2	5	2	9	558	485	89	1.132
Terminations	No.	26	44	34	104	390	372	118	880	26	43	18	87	0	14	5	19	442	473	175	1.090

2023	UoM	ITALY				REST OF EUROPE				AMERICA				ASIA AND OCEANIA				TOTAL			
		<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Hires	No.	88	86	7	181	140	189	37	366	44	69	13	126	5	22	4	31	277	366	61	704
Terminations	No.	35	48	33	116	95	153	64	312	24	37	22	83	4	27	15	46	158	265	134	557

2022	UoM	ITALY				REST OF EUROPE				AMERICA				ASIA AND OCEANIA				TOTAL			
		<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Hires	No.	90	78	6	174	129	231	42	402	29	63	16	108	4	15	5	24	252	387	69	708
Terminations	No.	45	69	50	164	87	223	83	393	22	52	12	86	3	18	10	31	157	362	155	674

HIRING RATE AND TERMINATION RATE BY AGE AND GEOGRAPHICAL AREA IN THE TWO-YEAR PERIOD 2023-2022

2023	UoM	ITALY				REST OF EUROPE				AMERICA				ASIA AND OCEANIA				TOTAL			
		<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total	<30	30-50	>50	Total
Hiring rate	%	4.38%	4.29%	0.35%	9.02%	8.93%	12.05%	2.36%	23.34%	9.13%	14.32%	2.70%	26.14%	6.58%	28.95%	5.26%	40.79%	6.70%	8.86%	1.48%	17.03%
Termination rate	%	1.74%	2.39%	1.64%	5.78%	6.06%	9.76%	4.08%	19.90%	4.98%	7.68%	4.56%	17.22%	5.26%	35.53%	19.74%	60.53%	3.82%	6.41%	3.24%	13.48%

2022	UdM	ITALY				REST OF EUROPE				AMERICA				ASIA AND OCEANIA				TOTAL			
		<30	30-50	>50	Totale	<30	30-50	>50	Totale	<30	30-50	>50	Totale	<30	30-50	>50	Totale	<30	30-50	>50	Total
Hiring rate	%	4.66%	4.04%	0.31%	9.02%	7.47%	13.38%	2.43%	23.29%	6.61%	14.35%	3.64%	24.60%	4.40%	16.48%	5.49%	26.37%	6.02%	9.25%	1.65%	16.91%
Termination rate	%	2.33%	3.58%	2.59%	8.50%	5.04%	12.92%	4.81%	22.77%	5.01%	11.85%	2.73%	19.59%	3.30%	19.78%	10.99%	34.07%	3.75%	8.65%	3.70%	16.10%

HIRING RATE AND TERMINATION RATE BY GENDER AND GEOGRAPHICAL AREA IN THE TWO-YEAR PERIOD 2023-2022

2023	UoM	ITALY			REST OF EUROPE			AMERICA			ASIA AND OCEANIA			TOTAL		
		Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Hiring rate	%	4.48%	4.53%	9.02%	12.82%	10.52%	23.34%	14.32%	11.83%	26.14%	19.74%	21.05%	40.79%	9.1%	8.0%	17.03%
Termination rate	%	3.04%	2.74%	5.78%	10.71%	9.18%	19.90%	10.37%	6.85%	17.22%	38.16%	22.37%	60.53%	7.5%	6.0%	13.48%

2022	UoM	ITALY			REST OF EUROPE			AMERICA			ASIA AND OCEANIA			TOTAL		
		Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Hiring rate	%	4.92%	4.09%	9.02%	14.66%	8.63%	23.29%	14.12%	10.48%	24.60%	15.38%	10.99%	26.37%	10.1%	6.8%	16.91%
Termination rate	%	4.61%	3.89%	8.50%	14.25%	8.52%	22.77%	10.02%	9.57%	19.59%	20.88%	13.19%	34.07%	9.5%	6.6%	16.10%

CHAPTER 3

SOURCES OF THE OVERVIEW SECTION

- i) Safety and Health at Work – International Labour Organization (2024).
- ii) International Labour Organization – UNICEF Report “Child Labour: 2020 Global estimates, trends and the road forward”.

CHAPTER 4

SOURCES OF THE OVERVIEW SECTION

- i) World Economic Forum Global Risks Perception Survey 2023-2024.
- ii) International Coffee Organization – ICO, Beyond Coffee: Toward a Circular Coffee Economy (2024).
- iii) World Wildlife Fund, Report “Quanta foresta avete mangiato, usato o indossato oggi?” (2023).

EMISSIONS GENERATED BY LAVAZZA GROUP IN THE THREE-YEAR PERIOD IN tCO_{2e}

CONTROL BY LAVAZZA GROUP	SCOPE (GHG PROTOCOL)	GHG INVENTORY CATEGORY (ISO 14064-1)	ELEMENTS INCLUDED	2022	2023	2024
Direct emissions: emissions directly generated and controlled by the organisation, for which the Group has a high margin of action and direct control	Scope 1	Category 1 (C1): Direct GHG emissions and removals	<div><div></div><div><ul style="list-style-type: none">Thermal energy for heating and roasting processRefrigerant gas emissionsCO₂ emissions from the decaffeination processFuel from company vehicles</div></div>	42,767	40,062	38,534
	Scope 2 (Market-Based)	Category 2 (C2): Indirect GHG emissions from imported energy (Market-based)	<div><div></div><div><ul style="list-style-type: none">Electrical energyInfrastructure for thermal energy and fuels</div></div>	19,189	21,887	24,188
Indirect emissions from electricity: emissions indirectly generated from the use of energy, in relation to which the Group has a high margin of action and indirect control	Scope 2 (Location-Based)	Category 2 (C2): Indirect GHG emissions from imported energy (Location-based)		50,156	51,114	48,762

CONTROL BY LAVAZZA GROUP	SCOPE (GHG PROTOCOL)	GHG INVENTORY CATEGORY (ISO 14064-1)	ELEMENTS INCLUDED	2022	2023	2024
Indirect emissions generated along the value chain: emissions generated indirectly by the activities along the value chain, both upstream and downstream the business, in relation to which the Group has a limited margin of action and indirect control	Scope 3	Category 3 (C3): Indirect GHG emissions from transportation	<ul style="list-style-type: none">Inbound and outbound logisticsEmployee business travel and commuting	94,651	122,149	123,943
		Category 4 (C4): Indirect GHG emissions from products used by the organization	<ul style="list-style-type: none">Green coffeeFood raw materials (other than coffee)PackagingMachinesWater consumptionPlant wasteNitrogen as raw materialCO₂ as raw materialRefrigerants as raw material	2,097,608	2,174,277	1,585,213
		Category 5 (C5): Indirect GHG emissions associated with the use of products from the organisation	<ul style="list-style-type: none">Use phaseEnd-of-life packagingEnd-of-life coffeeEnd-of-life machines	492,309	454,131	373,136
		Category 6 (C6): Indirect GHG emissions from other sources	<ul style="list-style-type: none">Microsoft 365 consumptionAzure consumption	n.a.	n.a.	60
		Total emissions (Market-based)			2,746,525	2,812,503
Total emissions (Location-based)			2,777,491	2,841,730	2,169,648	

MATERIALS USED BY WEIGHT IN THE THREE-YEAR PERIOD

	UoM	2022					2023				2024			
		Renewable	Non-renewable	Total	Percentage on total (%)		Renewable	Non-renewable	Total	Percentage on total (%)	Renewable	Non-renewable	Total	Percentage on total (%)
Plastic	t	-	12,315	12,315	40.5%		-	11,272	11,272	37.6%	81	10,166	10,247	35.1%
Paper	t	15,076	-	15,076	49.5%		15,778	-	15,778	52.7%	16,158	-	16,158	55.5%
Metals	t	-	3,057	3,057	10.0%		-	2,901	2,901	9.7%	-	2,754	2,754	9.4%
Total	t	15,076	15,372	30,448	100.0%		15,778	14,173	29,951	100.0%	16,239	12,920	29,159	100.0%

VOLUME OF WATER WITHDRAWAL BY SOURCE IN THE THREE-YEAR PERIOD

	UoM	2022	2023	2024
Third-party water ⁴ - Fresh water	ML	225.5	189.9	244.3
Third-party water - Other water	ML	-	-	0.0
Total third-party water	ML	225.5	189.9	244.3
Groundwater - Fresh water	ML	291.1	190.3	226.3
Groundwater - Other water	ML	-	-	0.0
Total groundwater	ML	291.1	190.3	226.3
Surface water - Fresh water	ML	-	-	0.0
Surface water – Other water	ML	0.8	1.1	0.8
Total surface water	ML	0.8	1.1	0.8
Total - Fresh water	ML	516.7	380.2	470.5
Total - Other water	ML	0.8	1.1	0.8
Water withdrawal	ML	517.5	381.2	471.3

VOLUME OF WATER WITHDRAWAL BY DESTINATION IN THE THREE-YEAR PERIOD

	UoM	2022	2023	2024
Water withdrawal for civil purposes	ML	375.7	255.9	342.8
Water withdrawal for industrial purposes	ML	141.8	125.4	126.5
Water withdrawal	ML	517.5	381.2	469.3

4) Municipal water supply.

VOLUME OF WATER DISCHARGE BY DESTINATION IN THE THREE-YEAR PERIOD

	UoM	2022	2023	2024
Third-party water - Urban sewage system	ML	83.7	66.2	114.6
Third-party water - Industrial sewage system	ML	52.2	49.3	55.6
Surface water	ML	289.8	187.8	224.3
Groundwater	ML	-	-	0.0
Seawater	ML	-	-	0.0
Water discharge	ML	425.7	303.4	394.5

WATER BALANCE IN WATER-STRESSED AREAS IN THE THREE-YEAR PERIOD

	UoM	2022	2023	2024
Water withdrawal	ML	87.0	75.6	71.6
	%	16.8%	19.8%	15.2%
Water discharge	ML	25.8	25.7	21.6
	%	6.0%	8.5%	5.5%
Water consumption	ML	61.3	49.9	49.9
	%	66.7%	61.8%	65.0%

CHAPTER 5

SOURCES OF THE OVERVIEW SECTION

i) Increasing Youth Involvement in Coffee, International Coffee Organization – ICO.

Methodological Note

The Sustainability Report, audited by a third-party auditor, is the tool that Lavazza uses for voluntarily disclosing the Group's annual sustainability results to its stakeholders. This Report illustrates Lavazza Group's results with respect to the 10 principles of the United Nations Global Compact, endorsed by Lavazza, and to the four Sustainable Development Goals that Lavazza Group has identified as a priority for its business: Goal 5 – Gender Equality, Goal 8 – Decent Work and Economic Growth, Goal 12 – Responsible Consumption and Production, and Goal 13 – Climate Action.

The information presented in the Sustainability Report was selected following a thorough analysis of the external and internal context. Thanks to the cross-referencing of data with a study on the Group's business model and the application of an authoritative stakeholder engagement process, the Group identified its main impacts on the environment, people and local communities and grouped them into material topics for reporting purposes, under the “in accordance with” approach of the GRI Standards, issued by the Global Reporting Initiative (GRI), in the 2021 updated version. Reference should be made to Chapter 1.2 Governance for a description of the approach adopted to define impacts.

Unless otherwise specified, the sustainability performance is presented over a three-year trend. This approach takes into account both methodological changes that have occurred over the years and the gradual alignment with the Directors' Single Report on Operations of the Group. This alignment falls within the path undertaken by the Group to comply with the new European regulations on sustainability reporting. More specifically, the Group has long been preparing to meet the requirements of the Corporate Sustainability Reporting Directive through cross-functional working tables. Within this context, there is an ongoing commitment to maintain alignment with its financial reporting scope, gradually including the newly acquired companies.

The Group's Institutional Relations & Sustainability (IR&S) Function has coordinated the preparation of this Report covering the period 1 January 2024 - 31 December 2024, gathering contributions from the entire organisational structure of the Group's companies included in the reporting scope.

The Sustainability Report has been approved approved by the Board of Directors on 29 April 2025. Lavazza has gradually extended the reporting scope of its Sustainability Report, aiming to provide accurate data and information on the Group's most relevant environmental and social impacts. The perimeter now includes the following companies consolidated using the line-by-line method:

- Luigi Lavazza S.p.A., parent company headquartered in Turin (data collected refers to the Headquarters, the Innovation Center, the Commercial Areas under its control and the Italian production plants in Turin – Settimo Torinese and 1895 –, Gattinara and Pozzilli, as well as Conficaf S.p.A. and E-Coffee Solutions S.r.l.);
- Carte Noire Sas, a Paris-based French commercial subsidiary, part of Lavazza Group since 2016;
- Carte Noire Operations Sas, a Lavérune-based French manufacturing subsidiary, part of Lavazza Group since 2016;
- Kicking Horse Coffee Co. Ltd, an Invermere-based Canadian manufacturing subsidiary, part of Lavazza Group since 2018;
- Lavazza Australia Pty Ltd, a Melbourne-based Australian commercial subsidiary, part of Lavazza Group since 2015, which includes its subsidiary Lavazza Australia OCS Pty Ltd;
- Lavazza Baltics SIA, a Riga-based Latvian commercial subsidiary, part of Lavazza Group since 2015;
- Lavazza Coffee UK Ltd, a London-based UK commercial subsidiary, part of Lavazza Group since 1990;
- Lavazza Denmark ApS, a Fredericia-based

- Danish commercial subsidiary, part of Lavazza Group since 2015;
- Lavazza do Brasil Ltda, a Rio de Janeiro-based Brazilian subsidiary, part of Lavazza Group since 2008;
- Lavazza France Sas, a Paris-based French commercial subsidiary, part of Lavazza Group since 1982;
- Lavazza Japan GK, a Tokyo-based Japanese commercial subsidiary, part of Lavazza Group since 2018;
- Lavazza Kaffee GmbH, a Vienna-based Austrian commercial subsidiary, part of Lavazza Group since 1988;
- Lavazza Maroc S.a.r.l., a Casablanca-based Moroccan subsidiary, part of Lavazza Group since 2010;
- Lavazza Netherlands B.V., an Amsterdam-based Dutch commercial subsidiary, part of Lavazza Group since 2007;
- Lavazza Professional France Sas, a Roissy-en-France-based French commercial subsidiary, part of Lavazza Group since 2019;
- Lavazza Professional Germany GmbH, a Verden-based German commercial subsidiary, part of Lavazza Group since 2019;
- Lavazza North America Inc., a US commercial and manufacturing subsidiary founded in 2023 and including the West Chester plant (Pennsylvania), part of Lavazza Group since 2019, and a New York-based commercial site, part of Lavazza Group since 1989;
- Lavazza Professional UK Ltd, a Basingstoke-based UK manufacturing subsidiary, part of Lavazza Group since 2019;
- Lavazza Professional UK Operating Services Ltd, a Swindon-based UK commercial subsidiary, part of Lavazza Group since 2020;
- Lavazza Spagna S.L., a Barcelona-based Spanish commercial subsidiary, part of Lavazza Group since 1998;
- Lavazza Sweden AB, a Stockholm-based Swedish commercial subsidiary, part of Lavazza Group since 2009;

- Luigi Lavazza Deutschland GmbH, a Frankfurt-based German commercial subsidiary, part of Lavazza Group since 1987;
- Lavazza Trading Shenzhen Co LTD, a Shenzhen-based Chinese subsidiary, part of Lavazza Group since 2012;
- MaxiCoffee Group SaS, a Mios-based French commercial and manufacturing subsidiary, part of Lavazza Group since 2023;
- Nims S.p.A., a Padua-based Italian commercial subsidiary, part of Lavazza Group since 2017;
- LAVAZZA ARGENTINA SA and LAVAZZA CAPITAL S.r.l. were added to the reporting scope although they do not contribute to the impacts generated and the calculation of indicators.

In addition, in November 2024 Lavazza Professional Germany GmbH acquired Phoenix GmbH, which is excluded from the perimeter of this report since the companies acquired during the year are not included in the Sustainability Report for that year, and will be accounted for in the subsequent one. However, it should be noted that all companies controlled by MaxiCoffee Group were recognised in the reporting scope, including those acquired in 2024.

Three foreign subsidiaries were included in the 2024 reporting scope: Lavazza Trading Shenzhen Co LTD, Lavazza Maroc S.a.r.l. and Lavazza do Brasil Ltda. They have been part of the Group for several years, but were previously excluded because they were not material in terms of sustainability impacts. Their inclusion⁵ for the reporting year was limited to social indicators, as these companies do not own physical assets that can influence environmental data, and satisfy the principle of greater completeness of information related to workforce data, despite the fact that no relevant social impact emerges in relation to them.

5) Lavazza Trading Shenzhen Co LTD and Lavazza Maroc S.a.r.l. were included in the scope of the 2024 Sustainability Report, but excluded from that of the 2024 Directors' Single Report on Operations, reason why there is a discrepancy of 4 employees.

In order to collect data, for the fifth consecutive year, the Group availed itself of a specific software, which is used both by the PMO (Program Management Office) unit in charge of drafting the Sustainability Report, and by the data owners of the several legal entities included in the reporting scope. Each legal entity identifies one or more people tasked with providing data required by the standard, in line with the related area of reference. The accuracy and reliability of data provided is ensured by numerous levels of monitoring. All data provided by local owners is in fact analysed by their manager, and subsequently validated at HQ level and by an independent third-party auditor. Data relating to the whole Group is then consolidated, audited and validated for the purposes of its publication.

ECONOMIC DATA

With reference to the GRI 201-1 indicator relating to economic value generated, distributed and retained, the reporting perimeter refers to the one of the 2024 Directors' Single Report on Operations, whose companies are fully included in the 2024 Sustainability Report perimeter.

SOCIAL DATA

As of 2024, gender diversity reporting was expanded to add two further categories to "men" and "women", namely "other" and "not reported". This addition ensures a more accurate overview and reflects the Group's commitment to greater inclusion and recognition of all gender identities within the organisation. There will be therefore a mismatch between the 2023 gender categories and those for 2024.

For the reporting of the indicator GRI 2-7, non-guaranteed hours employees are construed as workers who are not employees and chiefly include sales agents, interns and agency workers. Concerning the GRI 403-9 indicator, workers who are not employees are all workers

who are not direct Group employees, but whose work and/or workplace is controlled by the organisation (e.g., contractors, sub-contractors, agency workers, interns, etc.).

As regards the GRI 405-2 indicator, data on the ratio of basic salary of women to men is disclosed for the entire 2022-2024 three-year period. It should be noted that the amount relating to the ratio of basic salary for 2022 for the category "Other Workers" includes salaries of Indian employees, whose wages and purchasing power can hardly be compared with those of other countries.

With regard to the GRI 404-1 indicator, in the event of intra-company transfer of employees, the employee's training hours are only recognised under the ultimate destination legal entity.

Data on total remuneration is disclosed exclusively for the 2023-2024 two-year period. It should be noted that 2024 data trend has a non-uniform or non-physiological delta compared to the previous year due to the integration of MaxiCoffee, which adopts a different business model, is still in its integration phase and is undergoing a standardisation of its practices with respect to the entire Lavazza Group.

ENVIRONMENTAL DATA

With specific regard to environmental data, it should be noted that total energy consumption was reported for both manufacturing and commercial companies. Data relating to emissions is calculated using SimaPro, an LCA software to evaluate the environmental impact. Emission factor sources come from Ecoinvent (version 3.10). Any specifications are adequately indicated in the text and the Annex.

With a view to gradually and synergistically aligning the publication timing with that of the Directors' Single Report on Operations of the Group, as required by the CSRD, the approval and publication of the 2024 Sustainability Report was brought forward so as to be better

prepared for the mandatory application of the Directive. Therefore, in order to allow third-party certification of the emission inventory pursuant to the ISO 14064-1 standard, the collection of environmental data was brought forward to the fourth quarter of 2024, thus requiring to estimate Q4 data for all indicators and for all companies, except for some indicators of MaxiCoffee, which provided the 2024 full data. It should be noted that ISO 14064-1 certification does not cover emissions related to MaxiCoffee, included in the 2024 GHG inventory of this Report. In detail, as regards MaxiCoffee Group, the following emission categories are included: electrical energy of all assets, thermal energy for roasting, green coffee purchased for the Mios plant, production and end-of-life of average packaging for roasted coffee in the Mios plant, water for all assets, use based on a medium-term scenario and end-of-life of packaged coffee in the Mios plant. MaxiCoffee's data are mainly estimated, starting from a limited primary evidence base, considering, for example, for each building type a relative electricity and water consumption bill, then adjusted for building area. The companies Lavazza do Brasil Ltda, Lavazza Maroc S.a.r.l. and Lavazza Trading Shenzhen Co LTD are excluded from the environmental data reporting as they do not own any company assets such as offices or machinery. Estimates made are specified here below.

As regards the consumption of natural gas, electrical energy, GPL and diesel for generator sets:

- production plants' consumption for the fourth quarter of 2024 was estimated by considering the individual fuel consumption for the period October 2023-September 2024 and dividing it by the total amount of coffee and food raw materials other than coffee processed in the plant (meaning the finished and packaged product) in the same period, so as to obtain the energy consumption in relation to the tonnes produced. This factor was then multiplied by the expected production of coffee and food raw materials other than coffee for the remaining 3 months of 2024

(using forecast data). In particular, diesel consumption for the backup system was estimated based on the monthly data of the past 3 years. With specific reference to self-generated electricity and district heating for the fourth quarter of 2024, 2023 data for the same period (October-December) was taken into account;

- estimates regarding commercial sites were made considering the average monthly consumption on the last available bill and multiplying it by 3. Where this data was not available, total consumption in the period October 2023 - September 2024 was considered and divided by 12 months to obtain the monthly consumption. This factor was then multiplied by 3 to obtain the estimated consumption for the last three months (October, November and December 2024). Exceptions to this methodology were made for Lavazza Deutschland GmbH, Lavazza Kaffee GmbH and Lavazza Netherlands B.V., whose consumption was estimated on the basis of their square metres and the number of employees, as their bills were not timely available or were included in rent fees.

Consumption of the corporate vehicle fleet, for both commercial and production plants, was estimated based on the total fuel consumption for the period October 2023 - September 2024 and dividing it by 12 months to obtain the monthly consumption. This value was then multiplied by 3 to obtain the estimated consumption for the last three months (October, November and December 2024). "Company cars" included in the scope refer only to cars owned by the Company or under a long-term rental agreement, including benefit cars and excluding from the calculation kilometres travelled for personal use, where possible. Fuel consumption data for MaxiCoffee's corporate vehicle fleet is excluded from this calculation.

Production plants' water consumption and waste generated in the fourth quarter of 2024 were estimated by considering the figure for the period October 2023 - September 2024 and dividing it by the total amount of coffee and food raw materials other than coffee pro-

cessed in the plant (meaning the finished and packaged product) in the same period, so as to obtain the respective value in relation to the tonnes produced. This factor was then multiplied by the expected production of coffee and food raw materials other than coffee for the remaining 3 months (using forecast data). Data on waste generated by MaxiCoffee is excluded from this calculation.

As regards refrigerant gases, given the nature of the data, which is not suitable for estimates, it was assumed that no recharges were made in the fourth quarter of 2024. The actual absence of recharges in the last quarter of 2024 will be verified when preparing the 2025 budget and adjusted if necessary. With specific reference to CO₂ used at the Pozzilli plant for decaffeination, forecast production data was used to estimate the fourth quarter.

Inbound and outbound logistics data were calculated based on the values for the period October - December 2023. MaxiCoffee's data was excluded from this calculation.

With regard to packaging, values referring to the period January - September 2024 were considered, divided by the total amount of coffee and processed food raw materials other than coffee. This factor was then multiplied by the expected production for the remaining 3 months (forecast data from October to December 2024). MaxiCoffee's packaging tonnes were estimated based on the amount of roasted coffee, divided by the weight of the best-selling format. This value was then used to estimate total tonnes, based on the weight of a single piece.



GRI content index

STATEMENT OF USE	Lavazza Group has presented a report in accordance with the GRI Standards for the period 01/01/2024 - 31/12/2024		
REPORTING STANDARDS	GRI 1: Foundation 2021		
GRI STANDARD TITLE	INDICATOR	IN-TEXT REFERENCE	OMISSIONS AND NOTES
GRI 2: General Disclosures (2021)	2-1 Organisational details	1.1 Who we are, P. 20 Methodological note, PP. 178 - 182	
	2-2 Entities included in the organisation's sustainability reporting	Methodological note, PP. 178 - 182	
	2-3 Reporting period, frequency and contact point	Methodological note, PP. 178 - 182	
	2-4 Restatements of information	Methodological note, PP. 178 - 182 3.3 Occupational Health and Safety, PP. 106 - 109	
	2-5 External assurance	Independent Auditors' Report, PP. 189 - 191	
	2-6 Activities, value chain and other business relationships	The world of coffee, PP. 12 - 15 1.1 Who we are, PP. 22 - 25 3.1 Supply chain, PP. 94-101	
	2-7 Employees	2.1 People first, PP. 68 - 69 Annex, PP. 164 - 167	
	2-8 Workers who are not employees	2.1 People first, P. 68	
	2-9 Governance structure and composition	1.2 Governance, PP. 40 - 43	
	2-10 Nomination and selection of the highest governance body	1.2 Governance, PP. 40 - 41	
	2-11 Chair of the highest governance body	1.2 Governance, PP. 40 - 43	
	2-12 Role of the highest governance body in overseeing the management of impacts	1.2 Governance, PP. 40 - 43	
	2-13 Delegation of responsibility for managing impacts	1.2 Governance, PP. 40 - 43	
	2-14 Role of the highest governance body in sustainability reporting	1.2 Governance, PP. 40 - 43 Methodological note, PP. 178 - 179	
	2-15 Conflicts of interest	n.a.	Not applicable – Such a request for information is not applicable for Lavazza Group as it is primarily a family-run business.
	2-16 Communication of critical concerns	1.2 Governance, PP. 43 - 44	

GRI STANDARD TITLE	INDICATOR	IN-TEXT REFERENCE	OMISSIONS AND NOTES
GRI 2: General Disclosures (2021)	2-17 Collective knowledge of the highest governance body	1.2 Governance, PP. 40 - 43	
	2-18 Evaluation of the performance of the highest governance body	1.2 Governance, PP. 40 - 43	
	2-19 Remuneration policies	1.2 Governance, PP. 40 - 42	
	2-20 Process to determine remuneration	1.2 Governance, PP. 40 - 42	
	2-21 Annual total compensation ratio	n.a	Information not reported due to confidentiality reasons. The Group is committed to investigating and reporting the indicator by the 2025 sustainability report.
	2-22 Statement on sustainable development strategy	1.1 Who we are, PP. 36 - 39 1.3 Sustainability strategy: "A Goal in Every Cup", PP. 56 - 57	
	2-23 Policy commitments	1.2 Governance, PP. 43 - 44 2.2 Our path towards diversity and inclusion, PP. 73 - 75 3.3 Occupational Health and Safety, P. 106 3.1 Supply chain, PP. 96 - 97 4.1 The path towards environmental sustainability, P. 115	
	2-24 Embedding policy commitments	1.2 Governance, PP. 43 - 44 2.2 Our path towards diversity and inclusion, PP. 73 - 75 3.3 Occupational Health and Safety, P. 106 3.1 Supply chain, PP. 96 - 97 4.1 The path towards environmental sustainability, P. 115	
	2-25 Processes to remediate negative impacts	1.2 Governance, P. 44 1.2 Governance, PP. 50 - 53	
	2-26 Mechanisms for seeking advice and raising concerns	1.2 Governance, PP. 43 - 44	
	2-27 Compliance with laws and regulations	1.2 Governance, P. 44	
	2-28 Membership associations	1.2 Governance, P. 38 UN Global Compact – communication on progress, P. 188	
	2-29 Approach to stakeholder engagement	1.2 Governance, PP. 50 - 51	
	2-30 Collective bargaining agreements	2.1 People first, P. 69	

GRI STANDARD TITLE	INDICATOR	IN-TEXT REFERENCE	OMISSIONS AND NOTES
GRI 3: Material Topics (2021)	3-1 Process to determine material topics	1.2 Governance, PP. 50 - 55	
	3-2 List of material topics	1.2 Governance, PP. 54 - 55	
	3-3 Management of material topics	1.2 Governance, PP. 54 - 55	
Economic growth			
GRI 201: Economic Performance (2016)	201-1 Direct economic value generated and distributed	3.2 Value creation, PP. 102 - 104	
Group's People			
GRI 205: Anti-corruption (2016)	205-2 Communication and training about anti-corruption policies and procedures	1.2 Governance, PP. 44 - 45 Annex, PP. 162 - 163	
Economic growth			
GRI 207: Tax (2019)	207-1 Approach to tax	3.2 Value creation, PP. 104 - 105	
	207-2 Tax governance, control, and risk management	3.2 Value creation, PP. 104 - 105	
	207-3 Stakeholder engagement and management of concerns related to tax	3.2 Value creation, PP. 104 - 105	
Innovation and circular economy			
GRI 301: Materials (2016)	301-1 Materials used by weight or volume	4.2 The environmental impact management, PP. 128 - 129 Annex, P. 176 - 177	
Environmental sustainability and fight against climate change			
GRI 302: Energy (2016)	302-1 Energy consumption within the organisation	4.2 The environmental impact management, PP. 124 - 125	
	302-3 Energy intensity	4.2 The environmental impact management, P. 126	
	302-4 Reduction of energy consumption	4.2 The environmental impact management, PP. 124 - 126	


GRI STANDARD TITLE	INDICATOR	IN-TEXT REFERENCE	OMISSIONS AND NOTES
GRI 303: Water and Effluents (2018)	303-1 Interactions with water as a shared resource	4.2 The environmental impact management, P. 134	
	303-2 Management of water discharge-related impacts	4.2 The environmental impact management, P. 134	
	303-3 Water withdrawal	4.2 The environmental impact management, P. 134 Annex, PP. 176 - 177	
	303-4 Water discharge	4.2 The environmental impact management, P. 134 Annex, PP. 176 - 177	
	303-5 Water consumption	4.2 The environmental impact management, P. 134 Annex, PP. 176 - 177	
GRI 305: Emissions (2016)	305-1 Direct (Scope 1) GHG emissions	4.2 The environmental impact management, P. 124 Annex, PP. 174 - 175	
	305-2 Energy indirect (Scope 2) GHG emissions	4.2 The environmental impact management, P. 124 Annex, PP. 174 - 175	
	305-3 Other indirect (Scope 3) GHG emissions	4.2 The environmental impact management, PP. 126 - 127 Annex, PP. 174 - 175	
Innovation and circular economy			
GRI 306: Waste (2020)	306-1 Waste generation and significant waste-related impacts	4.2 The environmental impact management, PP. 132 - 133	
	306-2 Management of significant waste-related impacts	4.2 The environmental impact management, PP. 132 - 133	
	306-3 Waste generated	4.2 The environmental impact management, PP. 132 - 133	
	306-4 Waste diverted from disposal	4.2 The environmental impact management, PP. 132 - 133	
	306-5 Waste directed to disposal	4.2 The environmental impact management, PP. 132 - 133	
Supply chain			
GRI 308: Supplier Environmental Assessment (2016)	308-2 Negative environmental impacts in the supply chain and actions taken	3.1 Supply chain, PP. 94 - 100	
Group's People			
GRI 401: Employment (2016)	401-1 New employee hires and employee turnover	2.1 People first, PP. 69 - 71 Annex, PP. 172 - 173	

GRI STANDARD TITLE	INDICATOR	IN-TEXT REFERENCE	OMISSIONS AND NOTES
Health, safety and quality			
GRI 403: Occupational Health and Safety (2018)	403-1 Occupational health and safety management system	3.3 Occupational Health and Safety, PP. 106 - 109	
	403-2 Hazard identification, risk assessment, and incident investigation	3.3 Occupational Health and Safety, PP. 106 - 109	
	403-3 Occupational health services	3.3 Occupational Health and Safety, PP. 106 - 109	
	403-4 Worker participation, consultation, and communication on occupational health and safety	3.3 Occupational Health and Safety, PP. 106 - 109	
	403-5 Worker training on occupational health and safety	3.3 Occupational Health and Safety, PP. 106 - 109	
	403-6 Promotion of worker health	3.3 Occupational Health and Safety, PP. 106 - 109 2.3 People professional development and wellbeing, P. 88	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.3 Occupational Health and Safety, PP. 106 - 109	
	403-8 Workers covered by an occupational health and safety management system	3.3 Occupational Health and Safety, PP. 106 - 109	
	403-9 Work-related injuries	3.3 Occupational Health and Safety, PP. 106 - 109	
Group's People			
GRI 404: Training and Education (2016)	404-1 Average hours of training per year per employee	2.3 People professional development and wellbeing, P. 81	
	404-3 Percentage of employees receiving regular performance and career development reviews	2.3 People professional development and wellbeing, PP. 86 - 87	
GRI 405: Diversity and Equal Opportunity (2016)	405-1 Diversity of governance bodies and employees	1.2 Governance, P. 40 2.1 People first, P. 69 Annex, PP. 168 - 171	
	405-2 Ratio of basic salary and remuneration of women to men	2.2 Our path towards diversity and inclusion, P. 78	
Supply chain, Relationship with local communities			
GRI 413: Local Communities (2016)	413-1 Operations with local community engagement, impact assessments, and development programmes	3.1 Supply chain, P. 100 4.2 The environmental impact management, PP. 121 - 122 5. Our pledge for local communities, PP. 142 - 158	
GRI 414: Supplier Social Assessment (2016)	414-2 Negative social impacts in the supply chain and actions taken	3.1 Supply chain, PP. 98 - 99	

UN Global Compact – communication on progress

The United Nations Global Compact is the world’s largest voluntary corporate citizenship initiative, which requires participating companies to adhere to a number of principles that promote the integration of sustainability in business. It was established as a result of the wish to promote a sustainable global economy that respects human and labour rights, safeguards the environment and fights corruption. The idea was first put forward in 1999 at the World Economic Forum in Davos by Kofi Annan, former Secretary-General of the United Nations. He invited world economic leaders to sign a “Global Compact” with the United Nations in order to work together to tackle the most critical aspects of globalisation. In July 2000, the United Nations Global Compact was launched.

It requires the companies and organisations that adhered to it to share, sustain and apply, within their remittance, a set of fundamental, universally shared principles in the areas of human rights, labour, the environment and anti-corruption. Lavazza became a signatory to the ten principles in 2017, undertaking to renew its commitment on a yearly basis.



COMMUNICATION ON PROGRESS

This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Independent Auditors’ Report



Limited assurance report on the Sustainability Report 2024

To the Board of Directors of Luigi Lavazza SpA

We have undertaken a limited assurance engagement on the Sustainability Report of Lavazza for the year ended 31 December 2024. Lavazza identifies, only for Sustainability Report 2024 purposes, the aggregation of the companies indicated in the “Methodological Note” section of the Sustainability Report.

Responsibilities of the Directors

The Directors of Luigi Lavazza SpA are responsible for the preparation of the Sustainability Report in accordance with the “Global Reporting Initiative Sustainability Reporting Standards” issued by GRI - Global Reporting Initiative (the “GRI Standards”), as illustrated in the “Methodological Note” section of the Sustainability Report.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Sustainability Report that is free from material misstatement, whether due to fraud or error.

The Directors are also responsible for defining the sustainability performance targets of Lavazza, as well as for identifying its stakeholders and material topics to be reported on.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management 1 (ISQM Italia 1) , which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

PricewaterhouseCoopers Business Services Srl

Società a responsabilità limitata a socio unico
Sede legale: Milano 20145 Piazza Tre Torri 2 Tel. 02 725091 Cap. Soc. Euro 100.000,00 i.v. - C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 06234620968 - Altri Uffici: **Bari** 70122 Via Abate Ginna 72 Tel. 080 5640311 Fax 080 5640349 - **Bologna** 40124 Via Luigi Carlo Farini 12 Tel. 051 6186211 - **Bolzano** 39100 Via Alessandro Volta 13A Tel. 0471 066650 - **Brescia** 25121 Viale Duca d'Aosta 28 Tel. 030 3697501 - **Cagliari** 09125 Viale Diaz 29 Tel. 070 6848771 - **Firenze** 50121 Viale Gramsci 15 Tel. 055 2482811 Fax 055 2482899 - **Genova** 16121 Piazza Piccolpietra 9 Tel. 010 29041 - **Napoli** 80121 Via dei Mille 16 Tel. 081 36181 - **Padova** 35138 Via Vicenza 4 Tel. 049 873431 Fax 049 8734399 | **Rubano** 35030 Via Belle Putte 36 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091 6256313 Fax 091 7829221 | **Roma** 457 Tel. 06 6752111 - **Parma** 43121 Viale Tanara 20/A Tel. 0521 275911 Fax 0521 781844 - **Pescara** 65127 Piazza Ettore Troilo 8 - **Roma** 00154 Largo Fochetti 29 Tel. 06 6920731 - **Torino** 10122 Corso Palestro 10 Tel. 011 5773211 Fax 011 5773299 - **Trento** 38121 Viale della Costituzione 33 Tel. 0461 237004 Fax 0461 239077 | **Trieste** 34121 Via Adalberto Libera 13 - **Treviso** 31100 Viale Fellissent 90 Tel. 0422 315711 Fax 0422 315798 - **Trieste** 34125 Via Cesare Battisti 18 Tel. 040 3480781 Fax 040 364737 - **Verona** 37135 Via Francia 21/C Tel. 045 8263001

Società soggetta all'attività di direzione e coordinamento della PricewaterhouseCoopers Italia Srl
www.pwc.com/it



HUMAN RIGHTS

- PRINCIPLE 1**
Businesses should support and respect the protection of internationally proclaimed human rights within their remittance.
- PRINCIPLE 2**
Businesses should make sure that they are not complicit in human rights abuses, not even indirectly.



ENVIRONMENT

- PRINCIPLE 7**
Businesses should support a precautionary approach to environmental challenges.
- PRINCIPLE 8**
Businesses should undertake initiatives to promote greater environmental responsibility.
- PRINCIPLE 9**
Businesses should encourage the development and diffusion of environmentally friendly technologies.



LABOUR

- PRINCIPLE 3**
Businesses should uphold the freedom of association of workers and the effective recognition of the right to collective bargaining.
- PRINCIPLE 4**
Businesses should uphold the elimination of all forms of forced and compulsory labour.

- PRINCIPLE 5**
Businesses should uphold the effective abolition of child labour.
- PRINCIPLE 6**
Businesses should uphold the elimination of discrimination in respect of employment and occupation.



ANTI-CORRUPTION

- PRINCIPLE 10**
Businesses should work against corruption in all its forms, including extortion and bribery.



Our Responsibilities

Our responsibility is to express a limited assurance conclusion, based on the procedures we have performed, regarding the compliance of the Sustainability Report with the requirements of the GRI Standards. We conducted our work in accordance with “International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information” (hereinafter also “ISAE 3000 Revised”) issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. That standard requires that we plan and perform procedures to obtain limited assurance about whether the Sustainability Report is free from material misstatement.

Therefore, the procedures performed were less in extent than those performed in a reasonable assurance engagement conducted in accordance with ISAE 3000 Revised and, consequently, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures we performed on the Sustainability Report were based on our professional judgement and included inquiries, mainly of personnel of the Company responsible for the preparation of the information presented in the Sustainability Report, inspection of documents, recalculations, agreeing and reconciling with underlying records and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

1. Analysis of the process of definition of the material topics reported on in the Sustainability Report, with reference to the method applied in the analysis and understanding of the Company's environment, the identification and prioritisation of the actual and potential impacts, and the internal validation of the results of the process;
2. Comparison of the financial information reported in the “3.2 Value creation” section of the Sustainability Report with the information included in the Lavazza Group's consolidated financial statements as of 31 December 2024 on which other auditors issued an audit opinion, in accordance with article 14 of legislative decree n° 39 of 27 January 2010, on 11 April 2025;
3. Understanding of the processes underlying the generation, collection and management of significant qualitative and quantitative information included in the Sustainability Report.

In detail, we held meetings and interviews with the management personnel of Luigi Lavazza SpA and we performed limited analyses of documentary evidence, to gather information about the processes and procedures for the collection, aggregation, processing and submission of non-financial data and information to the corporate function responsible for the preparation of the Sustainability Report.

Moreover, for material information, considering the activities and characteristics of Lavazza:

- at a holding level:
 - a) with reference to the qualitative information presented in the Sustainability Report, we carried out interviews and obtained supporting documents to verify its consistency with available evidence;
 - b) with reference to quantitative information, we performed both analytical procedures and limited tests to verify, on a sample basis, the accuracy of data aggregation.
- for the companies Luigi Lavazza SpA, Carte Noire Operations Sas, Kicking Horse Coffee Co. Ltd, Lavazza North America Inc, Lavazza Professional UK Ltd, MaxiCoffee Group Sas, Lavazza Professional France Sas, Luigi Lavazza Deutschland GmbH e Lavazza Coffee UK Ltd, which we selected based on their activities and contribution to performance indicators at a consolidated



level, we met the persons in charge and obtained documentary evidence, on a sample basis, regarding the correct application of the procedures and calculation methods applied for the indicators.

Inherent limitations in the preparation of the Sustainability Report

The disclosure about Scope 3 emissions is subject to greater inherent limitations compared with Scope 1 and 2 emissions, because of the poor availability and relative accuracy of the information used to define both qualitative and quantitative information on Scope 3 emissions related to the value chain.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Lavazza for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with the requirements of the GRI Standards as illustrated in the “Methodological Note” section of the Sustainability Report.

Turin, 8 May 2025

PricewaterhouseCoopers Business Services Srl

Signed by

Paolo Bersani
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers. We have not performed any controls on the Sustainability Report 2024 translation.



Luigi Lavazza S.p.A.

Registered and administrative offices: Via Bologna 32 - 10152 Turin, Italy

Ph. +39 011.2398.1

Fax +39 011.2398.324

Fully paid-up share capital €25,090,000

Turin Register of Companies No.: 00470550013

Turin Economic and Administrative Index (REA): 257143

Tax Code and VAT number 00470550013

sustainability@lavazza.com

EDITORIAL SUPERVISION:

Institutional Relations & Sustainability Department,

Laura Poggio

GRAPHIC CONCEPT AND DESIGN:

Visualmade, Milano



WWW.LAVAZZAGROUP.COM