



ILLY AND SUSTAINABILITY

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live
happily

THE COMPANY



Trieste

1933, Italy
Run by the Illy family



Distributed in more
than **140** countries



Gruppo illy S.p.A.

Ownership



100,000

Clients among the best
bars, hotels,
restaurants and shops



1050

Employees worldwide



6,000,000

Coffees per day, at
home, out of home, in
the office, and *on the go*



WHY SUSTAINABILITY MATTERS



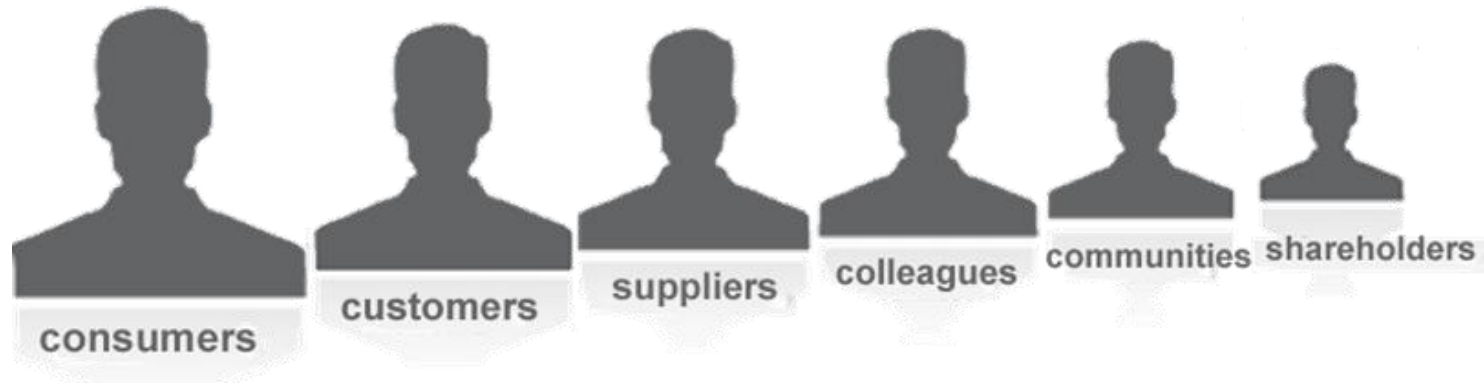
50 PRODUCING COUNTRIES



25 + MILLION FAMILIES



ILLY IS A STAKEHOLDER COMPANY



We are driven by our **passion** for everything
we do
and we wish to **improve our stakeholder's
quality of life** through our commitment to
economic value creation, social growth and
respect for the environment

QUALITY AND SUSTAINABILITY: AN UNBREAKABLE BOND



An excellent product, in order to be so, must
be **sustainable**

•

A **commitment to quality** generates a virtuous
cycle
that **creates value for all stakeholders**

•

**Sustainability is economic, social, and
environmental**



THE INTEGRATED SUPPLY CHAIN: A UNIQUE APPROACH IN FOUR STEPS



1 **Select and motivate the growers** by rewarding their endeavors to produce excellent and sustainable quality coffee

2 **Knowledge transfer** via the Università del Caffè and regular visits to the coffee plantations

3 **Direct purchase** in order to pay a higher-than-market price and build a long-lasting relationship

4 **Build the illy community**



A CERTIFIED APPROACH



The first company to be certified by **DNV "Responsible Supply Chain Process"**, certifying the sustainability of the organization at 360 in all its practices, strategies, relationships

Valid for any type of supply chain and open to companies from all sectors

It is the company to be certified, not the farmers; they are an integral part of the process and are asked to share principles and values



RESPONSIBLE SUPPLY CHAIN PROCESS CERTIFICATION



DET NORSKE VERITAS new protocol recognizing a company's role in creating and sharing value with stakeholders



From certifying growers



to certifying companies

From solidarity



to sustainability in scope

RESPONSIBLE SUPPLY CHAIN PROCESS CERTIFICATION

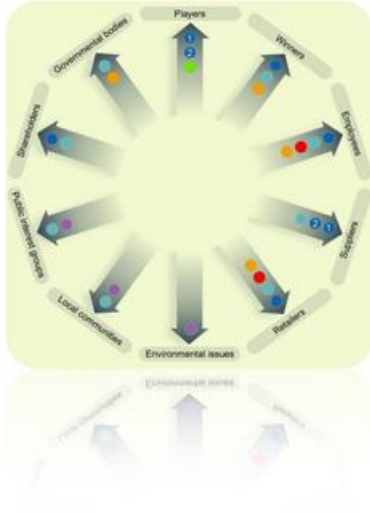


Acknowledges a company's long-term ability to create and share value for stakeholders through quality

Extensive KPIs measure economic, social and environmental factors from farm through entire supply chain

Roaster is responsible for assuring compliance of supply chain partners

Transparent and trust building
Certifies company and entire product line not select products



GOVERNANCE:
sustainability committee,
corporate sustainability director.
Sustainability Manifesto



STAKEHOLDER ENGAGEMENT:
seamless dialogue to ensure strong bonds between company's strategies and the stakeholder interests



ROAD MAP:
next steps and objectives



VALUE REPORT
a web site to communicate the value created by the company

SUSTAINABILITY IN ACTION



**GLOBAL
COMPACT**
the company
adhered to the ten
principles



**USING
ELECTRICITY
FROM
RENEWABLE
SOURCES**



**WORLD'S MOST
ETHICAL
COMPANIES**
by Ethisphere Institute



PLANET 20
the project to reduce the
carbon foot print of the illy's
products



The Ernesto Illy Foundation, an aspiration of the Illy family, has the mission to **cultivate** and **develop knowledge, ethics** and **sustainability** as absolute values as well as research as the method to obtaining truth and progress of humankind, as Ernesto Illy taught us

Beekeeping and honey production in coffee plantations



The purpose of this project is to **promote beekeeping as an additional support to coffee cultivation** activities of the most adverse communities in order to create better plantation management as well as obtaining a sustainable economy

With this project, the Ernesto Illy Foundation seeks to create a **supplementary source of income to support the communities of green coffee cultivators**, along with constituting an environmental friendly "basic model" to employ in other zones and countries initially not involved in the project

Reforestation in water source areas



The project consists in the **reforestation** of the region of Tamara (Colombia) with **native trees near natural water springs**. This is an area suitable for the production of coffee, but with serious environmental issues

Currently, there has been a **positive awareness**, thanks to **training and education**, with the collaboration of other producers who are not direct beneficiaries of the project

The community has already expressed an interest in an extension of the project



THANK YOU

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