

IN EVERY DETAIL

**Sustainability as an evolution in
business conduct**

SUSTAINABILITY REPORT **2025**

A ROADMAP UNDER CONSTRUCTION



This document marks the first step in a structured sustainability reporting process for the Rancilio Group.

Throughout 2025, the Rancilio Group has consolidated practices, systems, and initiatives that, whilst having long been part of its way of doing business, are today more fully integrated into its overall structure.

The report for the 2025 financial year therefore provides a snapshot of the foundations already in place: a culture of quality, focus on people, environmental safeguards, and governance systems.

The most recent strategic initiatives—including double materiality analysis and the drawing up of an ESG Plan—will be further developed and explored in the next reporting cycle.

This initial document is therefore intended as a starting point: to highlight what is already in place and, on this foundation, to build a more structured and informed approach.

This Sustainability Report has been prepared voluntarily by Rancilio Group S.p.A., a sole-shareholder company, and covers the period from 1 September 2024 to 31 August 2025

MESSAGE FROM THE CEO



The strength of the Rancilio Group stems from a simple principle: the creation of products built to last, designed to perform well over time and in a wide variety of situations. It is a way of doing business that we have developed over the years, navigating technological evolutions, market shifts, and generational transitions, whilst maintaining a sense of continuity built on industrial expertise, a focus on quality, and the ability to adapt.

Today, this approach is being tested in an increasingly complex environment, as the professional coffee machine market undergoes rapid change driven by technological innovation, evolving customer expectations and dynamics affecting the entire supply chain, starting with raw materials. The impact of climate change on coffee production, combined with the growing focus of key industry players on ESG issues, is reshaping the environment in which we operate.

Against this backdrop, how we manage this approach within our company is also changing.


What was once driven primarily by skills, experience, and industrial culture is now gradually being integrated into systems, tools and processes that enable more structured management and greater measurability.

The Rancilio Group is approaching this phase from a position of strength. ISO 9001, ISO

14001, and ISO 45001 certifications are evidence of a well-established management system that integrates quality, the environment and safety into our day-to-day operations. This is complemented by a comprehensive product compliance programme on international markets and the use of external assessment tools, such as the EcoVadis rating, which enables us to objectively measure our environmental, social, and ethical performance and pinpoint areas for improvement.


In recent months, we have stepped up our investment in product development for both our traditional and fully automatic machines, as well as in technology, software and connectivity. At the same time, we are making changes to our production processes, infrastructure, and work organisation, with the aim of improving quality, safety, and operational efficiency.

This Sustainability Report documents this roadmap, highlighting a series of practices and responsibilities that are already an integral part of the way we operate. Building on these foundations, during FY26 we embarked on a more structured development phase through a double materiality analysis and the formulation of a strategic plan supported by clear objectives, targets, and performance indicators. A project that involves our entire organisation and

 **GRI 2-22** Statement on the sustainable development strategy
VSME B2

aims to integrate this approach into decision-making processes in an increasingly systematic manner.

We know that this will take time, discipline, and the ability to question certain decisions. That is why we are taking a pragmatic approach, building on existing strengths and progressively enhancing what is already delivering results.

 *Because it is precisely the ability to do things well, consistently, and attentively that builds a business capable of standing the test of time.*

Antonio Massimo Giussani
Chief Executive Officer
Rancilio Group & Crem International

HOW TO READ THE REPORT

This report is designed to help both internal and external stakeholders understand the identity and activities of the Rancilio Group, as well as the initial progress made in implementing its sustainability roadmap.

It follows a chronological progression from the company's industrial roots, through the systems that underpin its operations, to the initiatives developed during 2025.



Section 1 – At the Source of Value

About us: the Rancilio Group identity, the values that guide our decisions, and our business model.



Section 2 – Responsible Governance

How we operate: governance frameworks, management systems, and policies that guide the running of our company.



Section 3 – Commitment in Practice

Actions put in place: key environmental and social initiatives during FY2025.



Section 4 – Methodological Framework and Data

Data and reporting criteria: methodological notes, in-depth analysis, GRI VSME indicators.

2025 IN FIGURES

OUR BUSINESS

96,4 ML €

Total revenue
as at 31/08/25

4

Brands

2

Technology hubs

18,8 ML €

EBITDA
as at 31/08/25

+49 K

Coffee machines sold
as at 31/08/25 (89% exports)

107

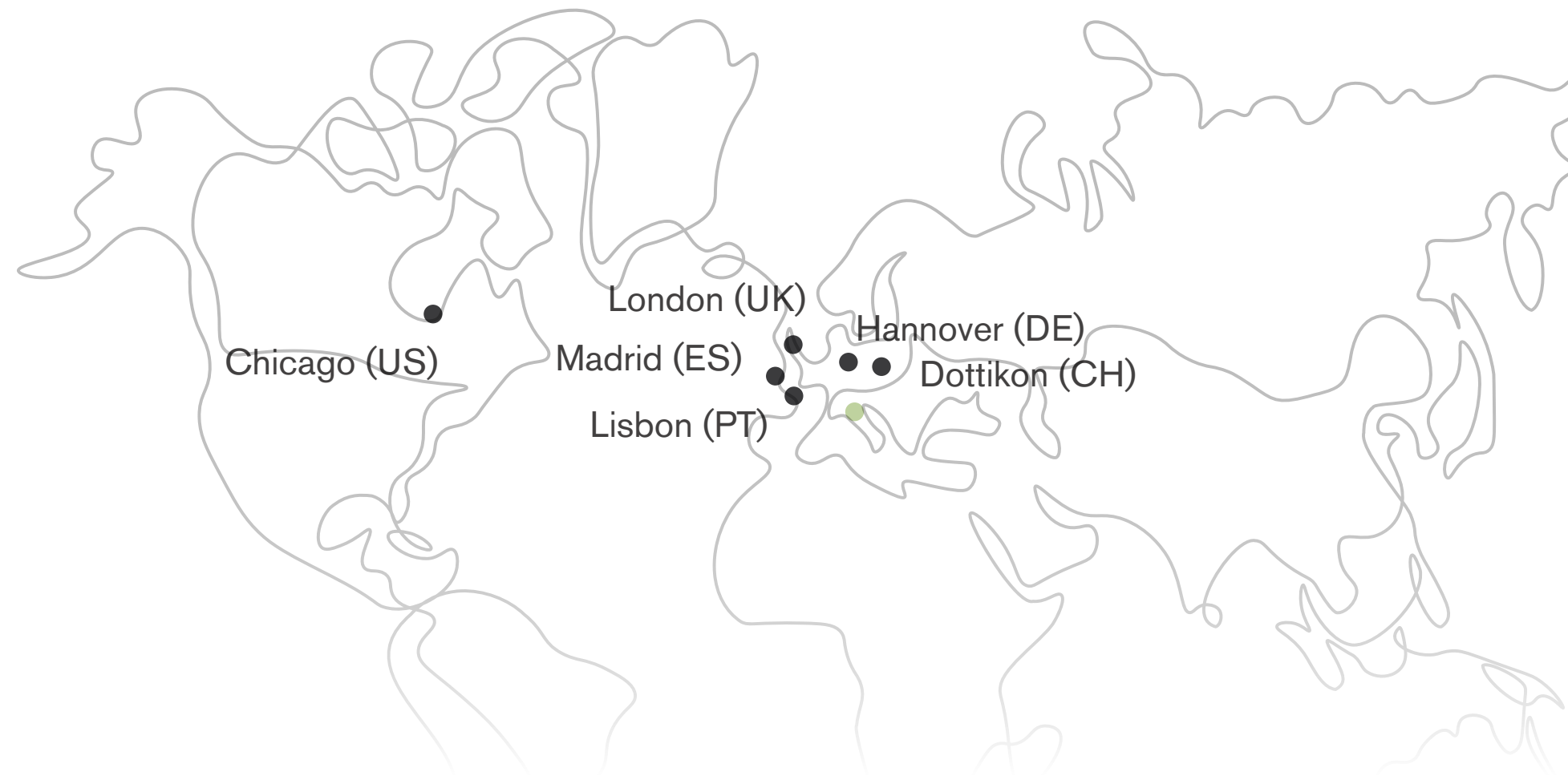
Markets served worldwide

1

Headquarters in Italy

6

Branches worldwide*



OUR PEOPLE

199

Employees
(21% female)

11

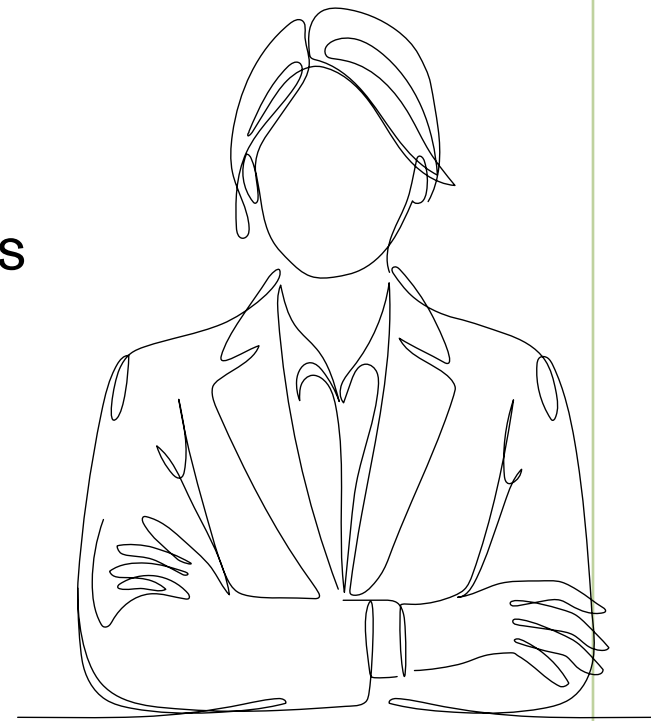
Average
training hours

96,5%

Permanent
contracts

2

Training
Centres



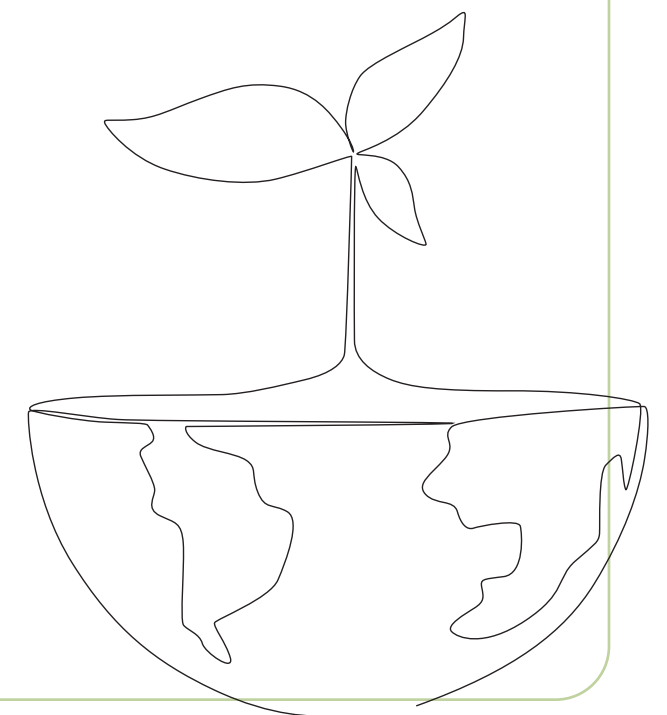
ENVIRONMENT

98%

Renewable electricity

682 tCO₂eq

Emissions
(scope 1 and 2 market based)



*The branches and representative offices shown on the map are for illustrative purposes only and are not included in the scope of this report.

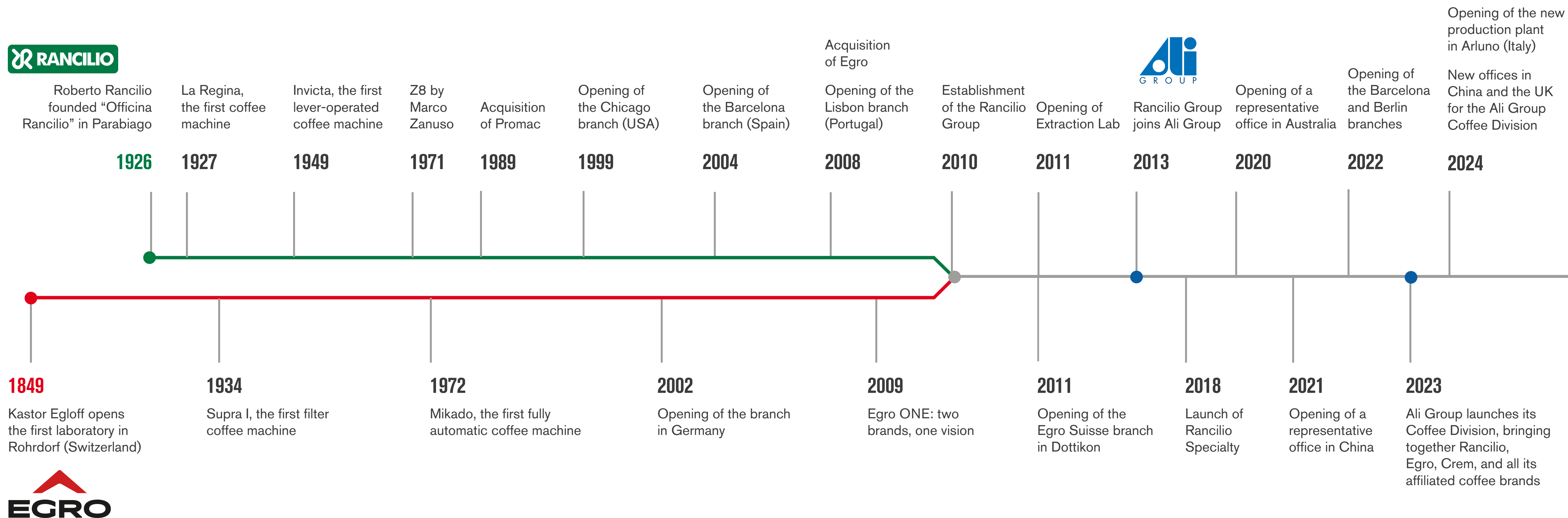
1 At the Source of Value

The Rancilio Group is rooted in an industrial culture built on quality, innovation, and attention to detail. It is this balance of tradition and an ability to evolve that defines how our company creates value, day in, day out, through our products and our global presence.

AN EVOLVING INDUSTRIAL HISTORY

The history of the Rancilio Group is rooted in an industrial tradition that has evolved over time, remaining true to its core values while gradually expanding into new markets and embracing new technologies.

Experience gained in the professional coffee machine sector has enabled the Rancilio Group to build up its signature expertise and establish its international presence, while maintaining a strong connection to its manufacturing know-how.



IDENTITY AND VALUES

The Rancilio Group has grown over time, while remaining faithful to itself and its people: a legacy that must be preserved, protected, and developed.

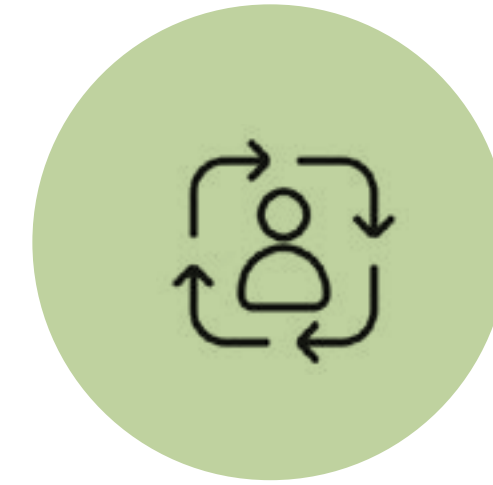
The Rancilio Group is embodied in a set of values that shape our decisions and guide how we operate: **a customer-centric focus, a passion for our work, integrity in all our dealings, and the ability to adapt to a constantly changing environment.**

These principles translate into a practical approach, whereby product quality and process reliability are key distinguishing features, alongside the attention we afford to relationships with customers, partners, and staff.



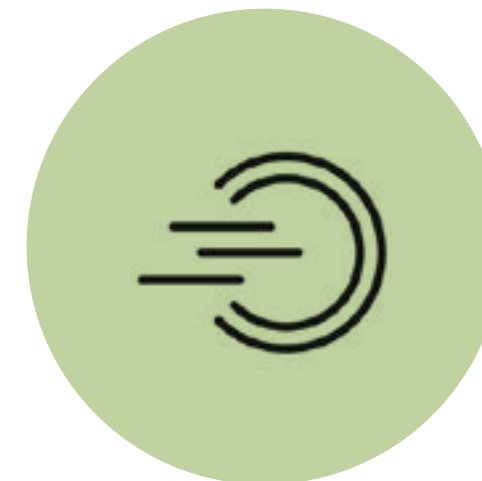
ETHICS

Our key representative value. We conduct our business with the utmost respect for our customers, people, and the local area.



FOCUS ON CUSTOMERS

Our approach. We are curious and open to dialogue with our customers and partners, working together to find the best answers to their needs, putting our distinctive skills at their service.



FLEXIBILITY

An essential value. We work in teams to provide quick, flexible, functional responses. We develop solutions rapidly while taking responsibility for our actions.



PASSION

What moves us. We are passionate about innovation that enhances the coffee experience, working closely with our customers to shape the future of products and solutions that combine cutting-edge design and functionality. We act as consultants, working with customers to find innovative solutions together.

WHAT WE DO: OUR PRODUCTS AND BUSINESS MODEL

GRI 2-6 Activities, value chain, and other business relationships
VSME B1

The Rancilio Group develops, manufactures, and distributes professional coffee machines and related solutions, catering to various market segments.

The business model is based on:

- industrial and design **expertise**
- the **integration** of technological innovation and design
- **quality** control throughout all stages of production
- focus on the **end customer experience**

The ability to combine reliability, performance, and innovation is a key factor in the company's competitiveness.

KEY FEATURES OF THE PRODUCTS AND SERVICES OFFERED

Rancilio, Rancilio Specialty, and Egro professional coffee machines are entirely designed and manufactured in Italy. They stand out for their iconic **design**, high build quality, and strong focus on technological innovation and the espresso culture.

The products are complemented by a **global distribution** network spanning over 107

countries, as well as a professional and ongoing **after-sales service** that provides technical support and close customer contact throughout the product's entire lifecycle.

This integrated approach combines design, manufacturing, distribution, and customer service to deliver reliable, high-performance solutions focused on an exceptional coffee experience.



HOW WE CREATE VALUE RIGHT ALONG THE SUPPLY CHAIN

GRI 2-6 Activities, value chain, and other business relationships
VSME B1

The Rancilio Group has generated value through a process that encompasses the entire supply chain, from the selection of raw materials right through to the product's use and end of life.

The main stages include:

Procurement and processing of raw materials and components. Rancilio Group procurement processes are structured to progressively integrate measurable and transparent ESG (environmental, social, governance) criteria, promoting a resilient, ethical, efficient supply chain. Every purchasing decision is made with a view to reducing environmental impacts, promoting social responsibility, and strengthening governance following a model of continuous improvement.

Transport and logistics management: transport and logistics management are organised with the aim of ensuring operational efficiency and continuity right along the supply chain, through coordination with qualified partners and optimised workflows.

Manufacturing and assembly: manufacturing and assembly are the core stages of the Rancilio Group's industrial model and are managed with structured processes based on quality, efficiency, and performance monitoring.

Packaging and distribution: The Rancilio Group selects packaging suppliers who comply with European environmental impact regulations, with the aim of facilitating the collection, reuse, recovery and recycling of materials throughout their entire life cycle.

Use of products. Rancilio Group customers have access to a dedicated spare parts portal, which allows them to quickly identify components needed for machine maintenance, helping to extend their machines' service life and avoid premature disposal.

Reuse, recycling and disposal: the Rancilio Group has developed end-of-life (EOL) guidelines to support customers in the responsible management of products at the end of their life cycle, promoting proper practices for disposal and material recovery.



This perspective allows us to see Rancilio Group activities as part of an integrated system, in which every stage of the supply chain contributes to the creation of value.

At the same time, each stage is an area requiring attention and development, which the company is progressively addressing in order to integrate sustainability principles in an increasingly structured manner throughout the entire lifecycle of each product.

GRI 2-6 Activities, value chain, and other business relationships
VSME B1

A RESPONSIBLE SUPPLY CHAIN

In 2025, the Rancilio Group launched a structured roadmap to integrate sustainability criteria into its procurement processes, with the aim of progressively strengthening supply chain management in line with ESG principles.

Our approach to sustainable procurement is based on four key principles that guide the selection and management of suppliers right along the value chain:

Environmental sustainability

The use of recycled materials and low-emission processes, with a focus on waste reduction and the circular economy wherever possible.

Social Responsibility

Respect for workers' rights, safe working

conditions, and the prevention of unethical practices right along the supply chain.

Transparency and Governance

Structured selection processes, traceability systems, and tools for monitoring ESG performance.

Innovation and Quality

Collaboration with suppliers focused on research and development of sustainable and durable technological solutions.

This approach is supported by operational tools such as regular audits, supplier assessment systems, and digital platforms for continuous ESG performance monitoring.

ASSOCIATION MEMBERSHIP

The Rancilio Group's commitment also includes membership of associations and consortia that promote dialogue with industry, the Responsible management of material flows, and the development of sustainable practices right along

the value chain. Among others, these include membership of Confindustria Alto Milanese, ANIMA Confindustria Meccanica Varia, ERION WEEE, Consorzio Esperienza Energia, and CONAI.



2

Responsible governance

The strength of the Rancilio Group is based on a structured governance system that incorporates quality, ethics, and process control. These measures—from corporate policies to management systems—lead to a Responsible approach, guiding decision-making and driving continuous improvement.

GOVERNANCE, RESPONSIBILITY, AND CONTROL SYSTEMS

- GRI 2-9** Governance structure and composition
- GRI 2-11** Chair of the highest governing body
- GRI 2-12** Role of the highest governance body in overseeing impact management
- GRI 2-13** Delegation of responsibility for impact management

The governance system that the Rancilio Group uses to structure its operations clearly defines roles, responsibilities, and decisionmaking levels, ensuring consistency between strategic direction and operational management.

The organisational structure brings together the main business functions—industrial, technical, commercial, and support departments—for facilitated coordination of the various activities and ensuring that key processes are managed effectively right along the value chain.

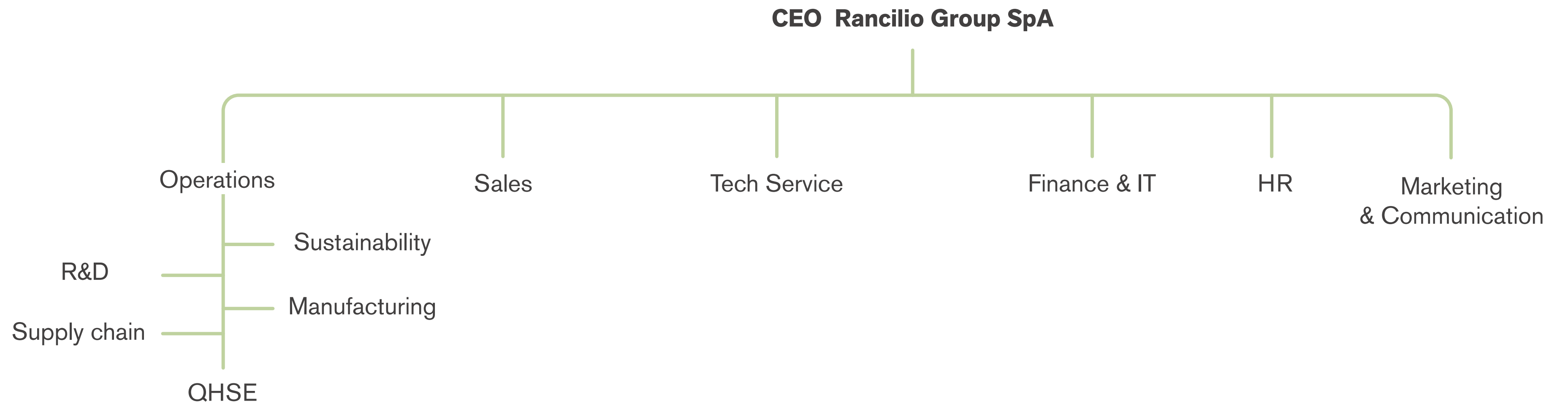
Within this structure, responsibilities are allocated in order to ensure::

- Monitoring of operational performance
- Risk and non-compliance management
- Implementation of company policies

- Continuous improvement of management systems

The governance model is underpinned by specific frameworks, including the Code of Ethics, the Whistleblowing Policy, and the Integrated Quality, Environment, Health and Safety Policy – tools that guide conduct, accountability, and operational standards at all levels of the organisation.

The departments involved in the quality, environmental, and safety systems operate across the organisation, helping to monitor performance and ensure the continuous improvement of processes.



QUALITY AND CONTINUOUS IMPROVEMENT

Quality is one of the cornerstones of the Rancilio Group business model and is ensured by structured management and control systems.

The Rancilio Group operates a system with **ISO 9001** certification, a standard that ensures performance monitoring, the management of non-conformities, and the implementation of corrective actions in line with a philosophy of continuous improvement.

In this context, tools such as internal audits, complaint analysis, and the monitoring of quality indicators permit us to maintain

high production standards and respond effectively to market demands.

ENVIRONMENTAL MANAGEMENT AND OPERATIONAL RESPONSIBILITY

In addition to quality, the Rancilio Group prioritises environmental aspects with a management system certified to the **ISO 14001** standard, which sets out procedures, controls, and targets for reducing environmental impact.


This approach entails monitoring environmental performance, managing waste, and focusing on the

efficiency of production processes, with the aim of progressively improving the company's performance.

HEALTH, SAFETY, AND A CULTURE OF PREVENTION

Protecting workers' health and safety is an operational priority for the Rancilio Group and is managed with a management system certified to the **ISO 45001** standard.

During 2025, the company ran a structured programme of training and awareness raising initiatives, involving a significant

-  **GRI 2-9** Governance structure and composition
- GRI 2-11** Chair of the highest governing body
- GRI 2-12** Role of the highest governance body in overseeing impact management
- GRI 2-13** Delegation of responsibility for impact management

number of employees and helping to promote safe practices in the workplace.

PRODUCT SAFETY CERTIFICATIONS AND SUSTAINABILITY CREDENTIALS

We ensure high safety standards for operators by testing and certifying our product ranges in compliance with recognised international standards and by engaging accredited third-party bodies (e.g. TÜV Rheinland, Intertek, Dekra, etc.).

During this financial year, the Rancilio Group also achieved an **EcoVadis Bronze** rating, attesting to the company's performance in environmental, social, and ethical areas and representing a first step in the process of monitoring and improving sustainability practices right along the value chain.



intertek

Organizzazione con Sistema di Gestione certificato
ISO 9001 - 14001 - 45001



AN APPROACH THAT PROVIDES ACCESS TO GLOBAL MARKETS

The Rancilio Group's international presence calls for compliance with specific regulations and standards in our various target markets.

For this reason, our company adopts a structured approach to product certification, based on the use of the CB Test Report for all product ranges, supplemented where necessary by additional certifications for certain countries.

In these markets, compliance with international standards (IEC) alone is not sufficient, as specific certifications are also required for the import and sale of products. These certifications are obtained either directly by the Group or through partners and importers.

REFERENCE STANDARDS

- » International electrical safety standards (IEC) to ensure product safety on a global scale.*
- » North American safety standards (UL/CSA) for compliance with US and Canadian market requisites.*
- » International standards for electromagnetic compatibility (IEC/CISPR) to ensure that devices function correctly and to minimise potential interference.**
- » Food safety standards (NSF) applied to our finished products and the company's integrated FCS management system.***



* IEC 60335-2-75 and relative part 1 + UL 197 + CSA C22.2#109 for professional coffee machines
 IEC 60335-2-64 and relative part 1 + UL 763 + CSA C22.2#195 for professional coffee grinder/dispensers
 IEC 60335-2-15 and relative part 1 + UL 1082 + CSA C22.2#60335-2-15 for home coffee machines
 IEC 60335-2-14 and relative part 1 + UL 982 + CSA C22.2#195 for home grinder/dispensers

** CISPR 14-1 & CISPR 14-2
 IEC 61000-3-2 & IEC 61000-3-3
 *** Regulation (EC) No. 1935/2004 + GMP no. 2023/2006
 NSF/ANSI 4 + NSF/ANSI/CAN 372 for coffee machines
 NSF/ANSI 8 for grinder/dispensers

- » **GRI 2-9** Governance structure and composition
- » **GRI 2-11** Chair of the highest governing body
- » **GRI 2-12** Role of the highest governance body in overseeing impact management
- » **GRI 2-13** Delegation of responsibility for impact management

INDEPENDENT AUDIT

Testing, verification, and certification activities are carried out with the support of independent accredited third-party bodies. This approach strengthens the transparency of compliance processes, contributes to the management of operational risks, and ensures a high level of protection for operators throughout the product lifecycle.

VALUE FOR STAKEHOLDERS

Through these practices, we promote:

- » Worker safety and protection;
- » Product quality and reliability;
- » Regulatory compliance in the relevant markets;
- » Trust with customers, partners, and other stakeholders.

This system helps to ensure high safety standards, while strengthening the Rancilio Group's ability to operate in a compliant and responsible manner in various international contexts.

3 Commitment in practice

Over the years, the Rancilio Group has developed initiatives and practices that reflect a genuine commitment to addressing environmental and social impacts. Today, these initiatives are starting to come together and form a more coherent vision, marking the transition towards an increasingly informed and structured approach to sustainability.

ANALYSING IMPACTS TO GUIDE DECISION-MAKING

GRI 3-2 List of material topics
GRI 3-3 Management of material topics

The Rancilio Group bases its environmental approach on the ability to analyse our environmental impact and to translate this into decision-making criteria and priorities for improvement.

With this in mind, our company has developed better structured tools for assessing our environmental profile, in line with our ISO 14001-certified management system, considering product life cycle as the key to understanding the most significant aspects.

Updated to February 2025, environmental analysis was started with the aim of identifying and assessing our organisation’s significant environmental aspects, defining priorities for action, and linking this analysis to the key environmental issues addressed by the European ESRS standards, adopted as a complementary framework to the VSME reporting framework used in this report.

Building on this work, in FY2025 the Rancilio Group also began reporting its greenhouse gas emissions in accordance with the **GHG Protocol Corporate Accounting and Reporting Standard**,

analysing direct and indirect emissions (Scopes 1, 2 and 3) across its sites in Parabiago and Arluno. The inventory, compiled with technical support from Rete Clima, reports **total FY2025 emissions of 15,781 tCO₂e, comprising 632 tCO₂e from Scope 1 emissions, 50 tCO₂e from Scope 2 emissions (market-based), and 15,098 tCO₂e from other indirect Scope 3 emissions.** The data clearly show that the emission profile mapped today is dominated by indirect Scope 3 emissions: Scope 1 emissions (direct emissions) account for just 4% of the total, whilst Scope 2 emissions linked to the purchase of electricity have been reduced to almost 0% with the purchase of Guarantees of Origin. The main source of the analysis is Scope 3 Category 1–Purchased goods and services—which, at 11,611 tCO₂e, accounts for 77% of the total; this refers specifically to emissions generated during the production of the raw materials used by our company. Another significant item is Scope 3 Category 9: outbound transport for products sold, in other words emissions generated by the transport of products to customers, amounting to 2,514 tCO₂e (17% of the total).

One particularly significant aspect concerns the decision to source electricity that is **98% covered by Guarantees of Origin from**

renewable sources. Using this methodology, Scope 2 emissions calculated using a market-based approach amount to **50.4 tCO₂e**; however, if the average grid mix were taken into account, the figure would rise to **177.9 tCO₂e**, representing an avoided emissions differential of **127.5 tCO₂e**. This figure is important because it shows how energy procurement decisions have had a tangible impact on the company’s carbon footprint from as early as FY2025.

FY2025 GHG INVENTORY

15,781 tCO₂e Scope 1, 2 and 3 emissions

632 tCO₂e Scope 1

50 tCO₂e Scope 2

15,098 tCO₂e Scope 3

77% 3 emissions from purchased goods and services account for 77% of total

127.5 tCO₂e tCO₂e tCO₂e emissions (marketbased) avoided through Guarantees of Origin from renewable sources



GRI 3-2 List of material topics
GRI 3-3 Management of material topics

The Rancilio Group’s environmental analysis extends beyond its organisational boundaries. The **product carbon footprint** study carried out on the coffee machine with **2 group heads**, in accordance with ISO 14040, 14044 and 14067, broadens the perspective with an overview of impacts throughout the entire life cycle, from production to end of life.

The overall figure is 73,312.71 kg CO2e per functional unit, but the most interesting aspect is the distribution of impacts: the downstream phase accounts for 98.49% of the total, while the upstream one accounts for 1.47% and the core phase for 0.04%. This means that, **for a professional coffee machine, most of the carbon footprint is attributable to the usage phase and related energy consumption rather than to manufacturing alone.**

The usage phase also reveals some very useful insights: the study shows that it accounts for **99.84%** of the impacts of the downstream phase

and that over 90% of emissions from the use phase stem from the consumption of products such as coffee, milk, sugar, and water. Specifically, **coffee** accounts for **73.14%** of emissions during the usage phase, **milk** for **15.64%**, and electricity for **7.20%**.

This type of analysis is proof of how the Rancilio Group is building a knowledge base that helps **guide product design, efficiency, the supply chain, and dialogue with customers and professional users.**

As a whole, the ISO 14001 environmental audit, Scope 1–2–3 inventory, and product carbon footprint are all tools highlighting that environmental issues are entering a phase of greater technical structuring for the Rancilio Group. It is precisely this transition that makes FY2025 a significant milestone: on the one hand, the consolidation of existing practices; on the other, the emergence of a more mature ability to analyse, measure, and manage impacts.

PRODUCT CARBON FOOTPRINT

73 tonnes of CO2e per functional unit

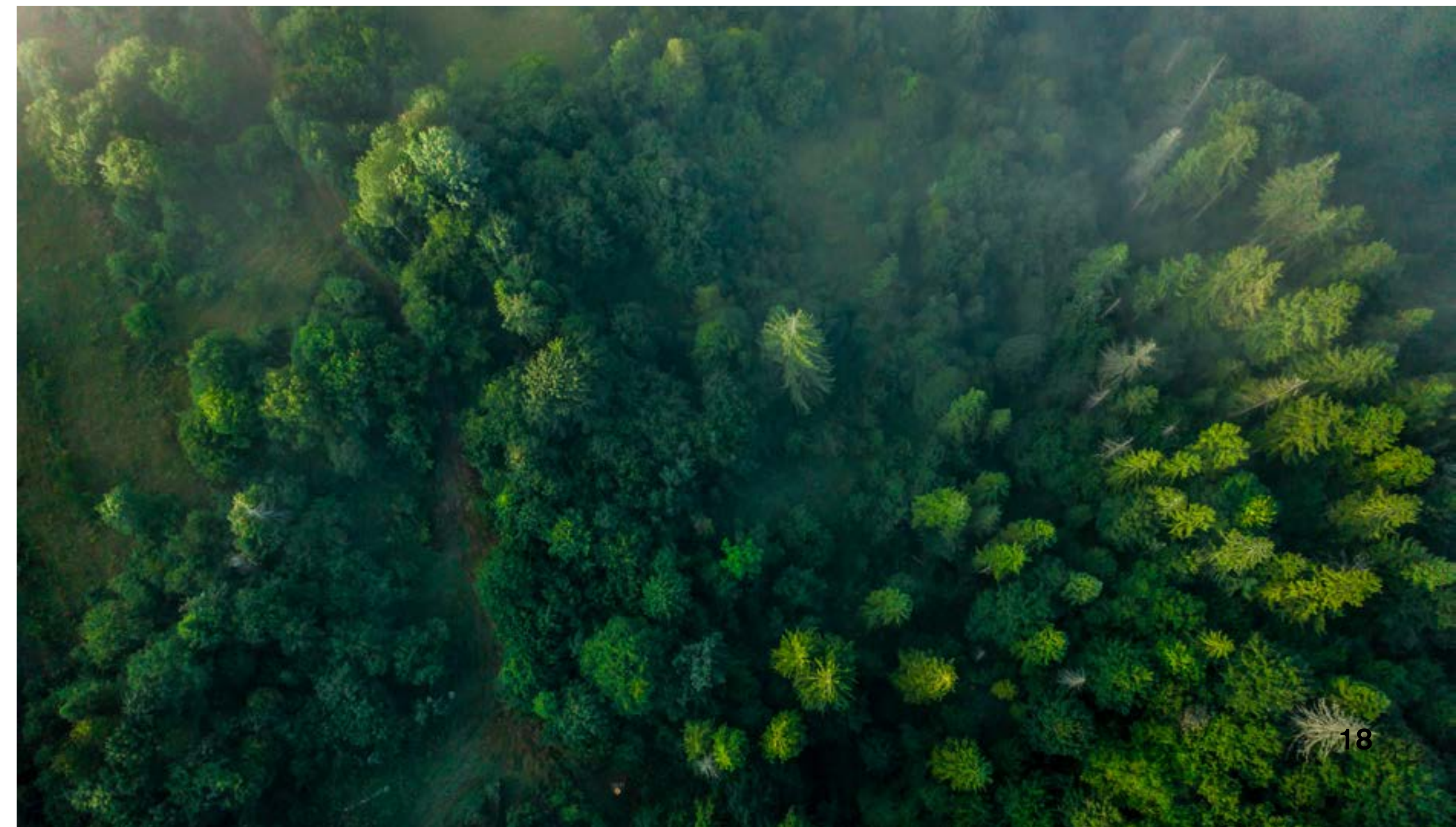
98,5% of impacts in the downstream phase

1,5% of impacts in the upstream phase

73% of emissions from the usage phase are attributable to coffee

16% attributable to milk

7% attributable to electricity



FROM MEASUREMENT TO ACTION



GRI 3-2 List of material topics
GRI 3-3 Management of material topics

The analysis and monitoring activities carried out in FY2025 provide a solid foundation for identifying priorities for environmental action.

Building on this work, the Rancilio Group is implementing initiatives aimed at improving energy efficiency, promoting responsible resource management, enhancing internal processes, and progressively transitioning its products and supply chain towards a more circular model.

One of the initial areas of focus concerns **energy and the reduction of emissions**. Since 2020, the company's headquarters have been powered by renewable energy. This initiative was subsequently complemented by the lighting upgrade project launched in 2023, which involved replacing the factory's lighting with high-efficiency LED technology, installing charging points for electric vehicles, and progressively renewing the company vehicle fleet.

98% of electricity from renewable sources covered by Guarantees of Origin



GRI 3-2 List of material topics
GRI 3-3 Management of material topics

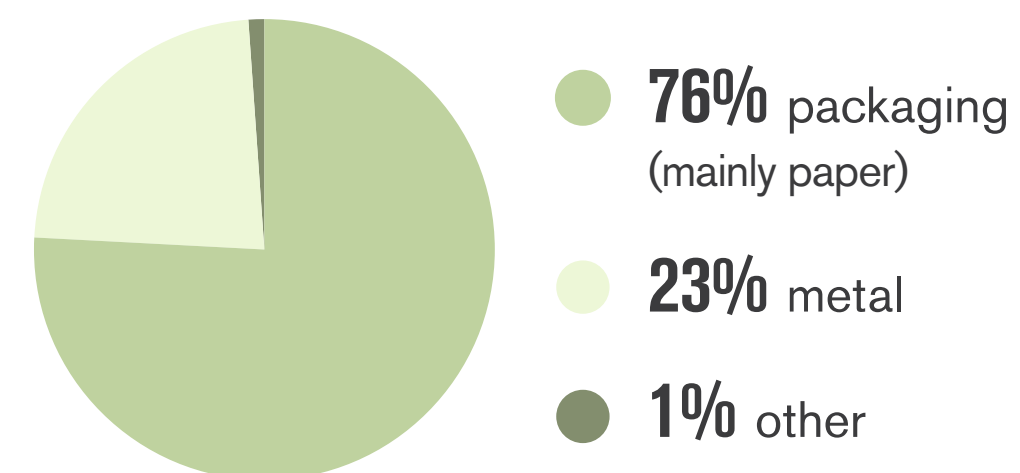
A second key area is the **management of materials and waste**. The company's environmental approach is guided by three principles—reduce, reuse, recycle—and this is reflected in practices already in place: the use of reusable cloths for cleaning finished products and the partial recovery of coffee grounds generated during machine testing for reuse as natural fertiliser in the company's vegetable garden.



over 98% of waste sent for recovery at the two operational sites in 2025

over 98% of waste sent for recycling at the Parabiago site

100% of waste sent for recovery at the Arluno site



FROM WASTE TO RESOURCE

One of the initiatives launched in FY2025 was the partnership with **Re-Cig**, an organisation specialising in the recovery and recycling of cigarette ends.

This initiative means that potentially high-pollution waste can be collected and transformed into new secondary raw materials for further use.

This is a tangible example of how sustainability can be put into practice through specific operational decisions that deliver measurable environmental benefits and foster greater awareness of the responsible management of materials in the workplace.

IMPACT OF THE PARTNERSHIP IN THE 2025 CALENDAR YEAR

18,02 kg of cigarette ends collected

60.061 cigarette equivalents removed from the environment

7,03 kg of new secondary raw material generated

41,99 kg CO₂e emissions avoided through material recovery

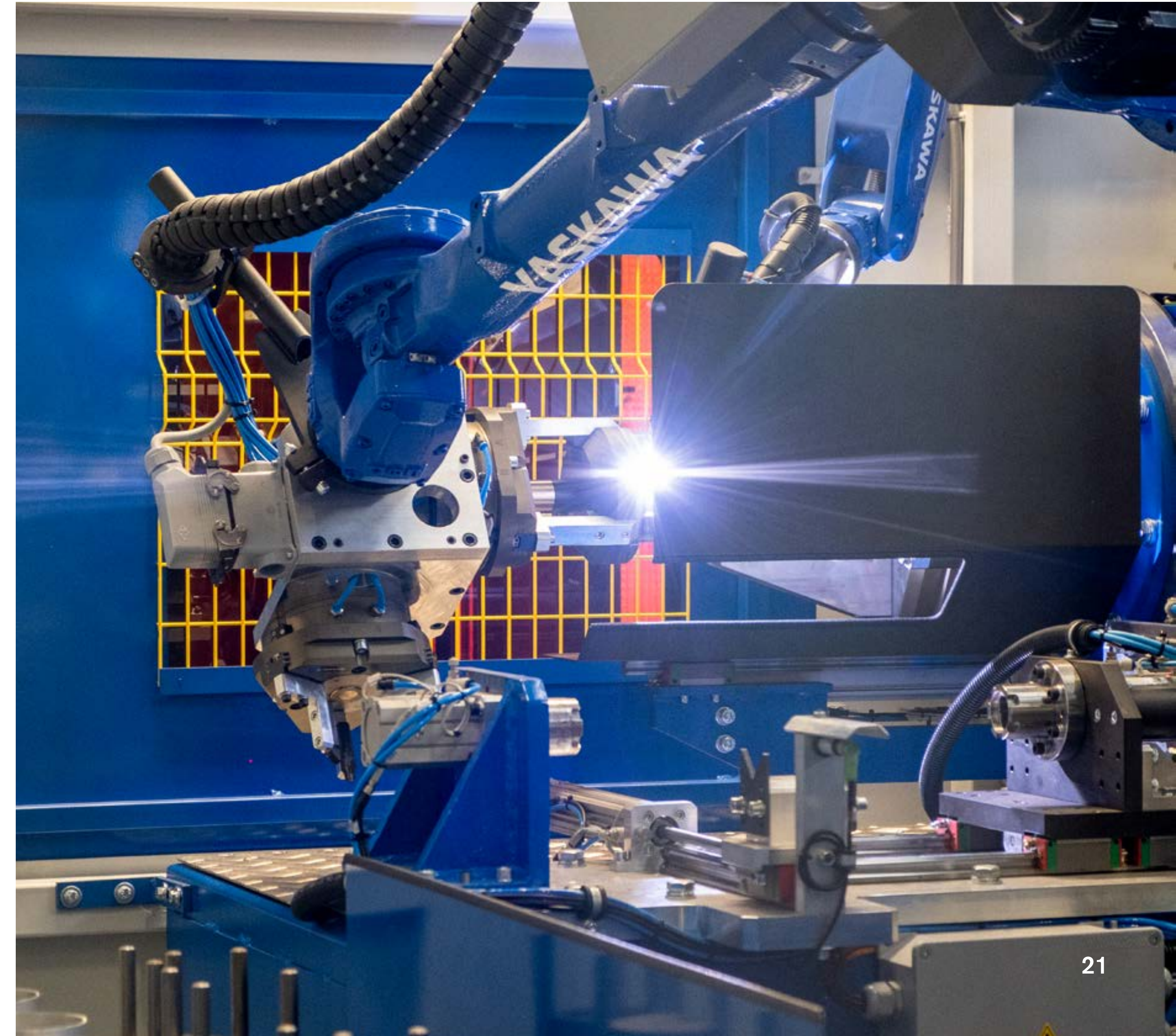


PLANNING VALUE THROUGHOUT THE LIFE CYCLE


The same circular economy logic also applies to the product lifecycle. The Rancilio Group has developed **End-of-Life guidelines** to help customers use their machines correctly, maintain them so as to extend their service life, and dispose of them properly.

In 2025, work carried out on the facilities helped to improve safety and operational

efficiency. This includes the installation of a new semi-automatic brazing cell, which has made it possible to reduce manual welding, bringing benefits in terms of both safety and the management of processes and environmental risks associated with manufacturing operations.



PEOPLE AND SAFETY: SKILLS, PREVENTION, AND RESPONSIBILITY

 **GRI 3-2** List of material topics
GRI 3-3 Management of material topics

The Rancilio Group follows a people-centric approach to work, reflected in a range of practices that combine training, health and safety, and skills development.

One key area is **health and safety** at work, managed through a structured system of prevention, monitoring, and continuous improvement. During FY25, the Rancilio Group stepped up its HSE training activities, delivering a total of 1,107 hours of training, involving 197 out of our 199 employees—approximately 99% of the workforce at our headquarters.

At the same time, monitoring of behaviour and safety conditions reveals a high level of attention and a steady improvement: the percentage of safe behaviour observed reached 97.75%, registering an increase on the previous year.

Our commitment to safety is also reflected in tangible measures taken in the workplace and in production processes. Initiatives in FY25

included, for example, ergonomic improvements to workstations, safety measures for systems and equipment, and technical interventions to reduce operational risks, thereby helping to improve overall working conditions.

Over 1000 hours of HSE training delivered in 2025

99% of the workforce involved

Over 97% of observed behaviours and conditions were safe

Alongside safety, the Rancilio Group invests in the **development of skills and the professional growth** of staff. Training is a key tool not only for ensuring regulatory compliance, but also for fostering awareness and individual accountability in relation to the work carried out.

This approach helps to foster an organisational culture based on active participation, in which people are not merely the recipients of procedures, but an integral part of a continuous process of improvement.

11 Training hours on average

2.181 Training hours in total

of which **1.107** of compulsory courses

435 Women*

1.746 Men*

**estimate*



PEOPLE, INCLUSION AND OPPORTUNITIES

GRI 3-2 List of material topics
GRI 3-3 Management of material topics

During 2025, the Rancilio Group introduced a range of initial initiatives designed to foster inclusion and empower people, combining internal awareness-raising programmes—including those focused on prevention—with external projects supporting training, education, and social welfare.



Inclusion in the workplace

In 2024, Rancilio Specialty supported a Vinitaly project promoting the workplace inclusion of young people with Down syndrome by supplying an RS1 machine for the press room bar.

AN EVOLVING CORPORATE CULTURE

INITIAL INITIATIVES FOCUSING ON DIVERSITY, EQUALITY, AND INCLUSION, TO FOSTER ACTIVE LISTENING, RESPECT, AND THE CELEBRATION OF DIFFERENCES.



Coffee and Inclusion: the Bollate Project

In 2025, the Rancilio Group supported a vocational training programme at Bollate Prison, providing professional equipment for a barista course organised for inmates in partnership with My Urby APS.

INCLUSION THROUGH WORK AND TRAINING

INITIATIVES THAT PROMOTE SKILLS DEVELOPMENT, ACCESS TO EMPLOYMENT AND CAREER PROGRESSION.



International scholarships

A partnership with the Berti Foundation and the Intercultura Foundation has made available five annual scholarships in Australia, Canada, and the United States for the children of employees at Italian companies and retailers in the ALI Group.

OPPORTUNITIES FOR YOUNGER GENERATIONS

PROJECTS FOR STUDENTS AND YOUNG PEOPLE WITH EDUCATIONAL AND TRAINING INITIATIVES.



HEALTH, RESEARCH, AND CARE

SUPPORT FOR INITIATIVES FOCUSED ON CANCER PREVENTION, MEDICAL RESEARCH, AND CARE FOR PATIENTS AND THEIR FAMILIES.

Cancer research and prevention

In 2024, the Rancilio Group supported the IEO-MONZINO Foundation's "Follow the Blue" campaign, contributing to research into and the prevention of male cancers. The initiative supports the Urology Department at the European Institute of Oncology, promoting early diagnosis and scientific progress.

Support for paediatric patients

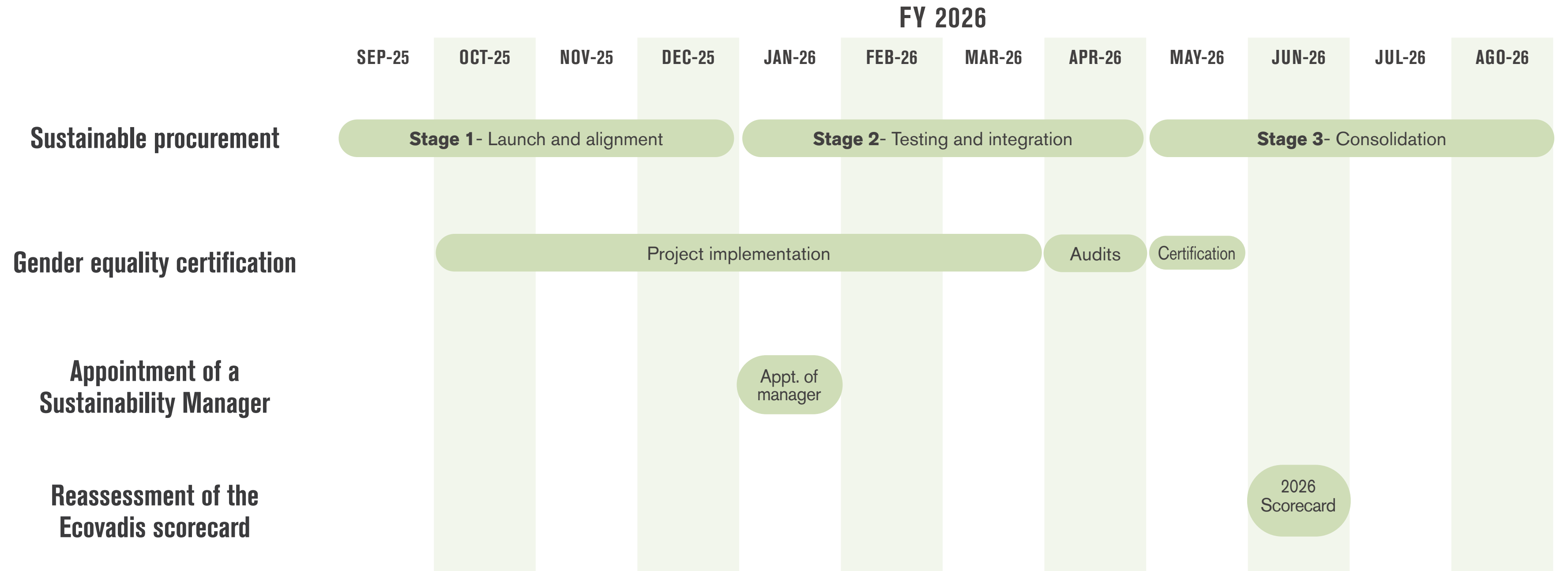
In 2025, the Rancilio Group partnered with LILT Milano Monza Brianza to support the Child Care programme at the National Cancer Institute of Milan, which assists young cancer patients and their families by providing care, and both educational and financial support throughout their treatment journey.

FY26: EVOLUTION OF OUR ROADMAP

The initiatives developed during FY25 represent a body of established practices that form the foundation upon which the Rancilio Group is building a more structured and integrated sustainability strategy.

Building on these foundations, FY26 marks the start of a more structured phase of development, organised around a progressive set of activities, tools, and objectives involving the various business areas.

The outlined approach translates into a concrete plan, which includes the development of monitoring systems, the strengthening of in-house expertise, and the introduction of new analytical and reporting tools, guiding the company towards an increasingly integrated approach to sustainability.



4 Methodological framework and data

Over the years, the Rancilio Group has developed initiatives and practices that reflect a genuine commitment to addressing environmental and social impacts. Today, these initiatives are starting to come together and form a more coherent vision, marking the transition towards an increasingly informed and structured approach to sustainability.

METHODOLOGICAL NOTES AND SCOPE OF REPORTING VSME B1

GRI 2-3 Reporting period, frequency, and contact point
VSME B1

This document is a flexible tool that supports the company over time in improving its approach to sustainability and in organising information in a progressive manner, taking strategic priorities and stakeholder expectations into account.

(EU) 2025/1710. Specifically, our company has adopted Option A (Basic Module) of the standard, providing the required disclosures to facilitate the management of sustainability-related Issues and meet the needs of our stakeholders.

COMPARABILITY AND INTERNATIONAL STANDARDS

In order to promote transparency and comparability at an international level, our company employs a VSME-based framework that offers a high degree of interoperability with GRI (Global Reporting Initiative) Standards. In accordance with the EFRAG-GRI interoperability agreement,

our company declares that it has prepared this report “with reference” to GRI Standards.

SCOPE AND REPORTING PERIOD

The reporting period for the information contained in this document is the financial year ending 31 August 2025. In line with the principle of reporting consistency, the reporting period and boundary correspond to those of the annual financial statements and encompass the same entities included within the scope of financial consolidation.

Any limitations, exclusions, or specific information relating to the reporting boundary are disclosed in the relevant sections in accordance with the principles of transparency and clarity.

VSME PROFILE

ITEM	DATA
NAME	Rancilio Group S.p.A. with sole shareholder
LEGAL FORM	Joint-Stock Company
TAX ID / VAT NUMBER	09784580152
REGISTERED OFFICE	Viale della repubblica 40, 20015 - Villastanza di Parabiago (MI)
ATECO CODE	28.93.00
NACE REV. 2 CODE	28.93
TOTAL ASSETS (2025)	€ 108,028,467
REVENUE FROM SALES AND SERVICES (2025)	€ 96,379,468
TOTAL NUMBER OF EMPLOYEES	199

GENERAL DRAFTING CRITERIA (BP-1)

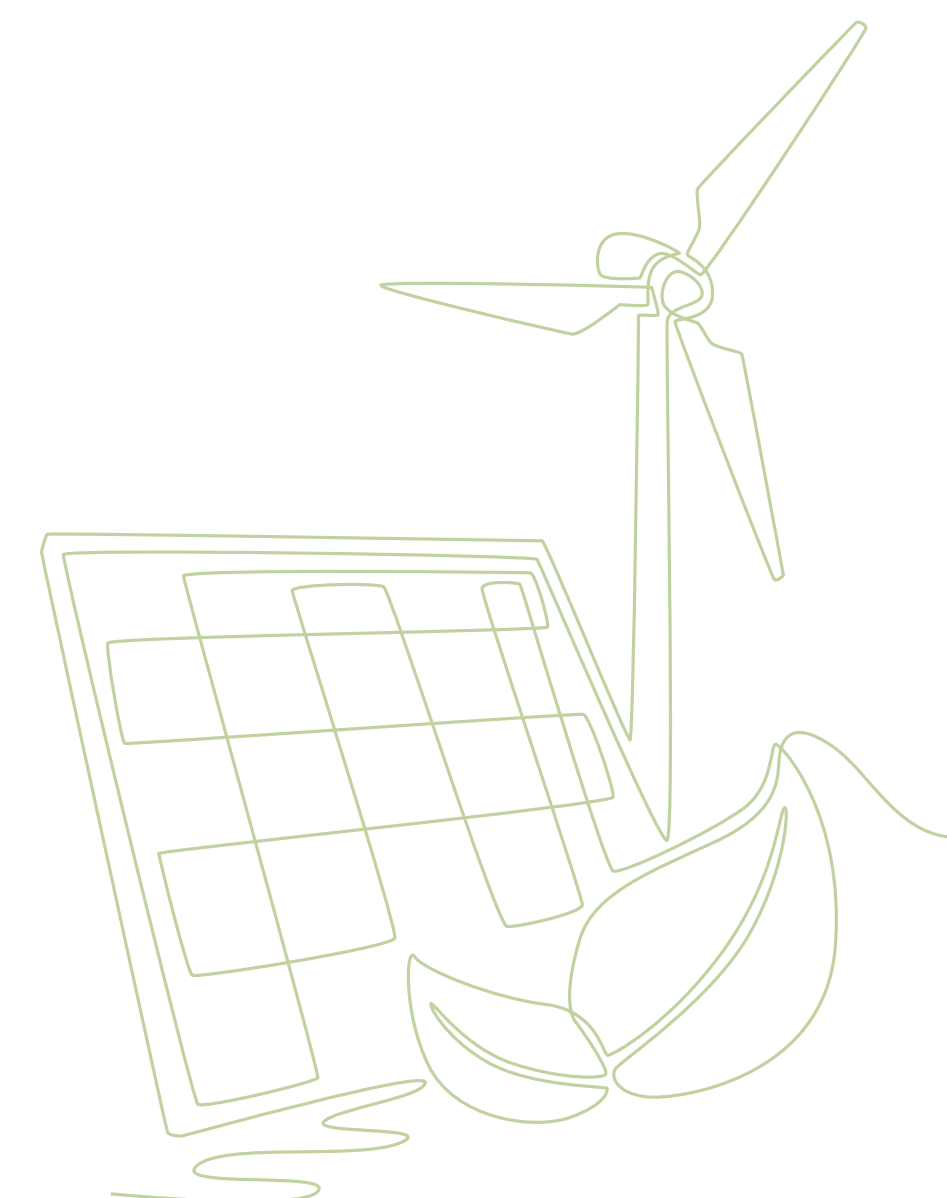
This Sustainability Report has been prepared on a voluntary basis in accordance with the VSME standard (Voluntary Sustainability Reporting Standard for non-listed SMEs), in compliance with European Commission Recommendation

2025 GRI INDICATORS

ENERGY

GRI 302-1 Energy consumption within the organisation VSME B3	Unit of measurement	FY2025		
METHANE	MWh	1,862.00		
PETROL	MWh	77.3		
DIESEL	MWh	245.6		
TOTAL ENERGY FROM FUELS CONSUMED	MWh	2,184.90		
ELECTRICITY PURCHASED (WITHOUT GUARANTEES OF ORIGIN)	MWh	12.6		
ELECTRICITY PURCHASED (WITH GUARANTEES OF ORIGIN)	MWh	685		
TOTAL ELECTRICITY CONSUMED	MWh	697.6		
TOTAL ENERGY CONSUMPTION	MWh	2,882.50		
TOTAL RENEWABLE ENERGY	MWh	685	23,8%	
TOTAL NON-RENEWABLE ENERGY	MWh	2,197.50	76,2%	

GRI 302-3 Energy consumption within the organisation VSME B3	Unit of measurement	FY2025
TOTAL ENERGY CONSUMPTION / NET REVENUE	MWh / MLN €	299.1



EMISSIONS

GRI 305-1 Direct greenhouse gas (GHG) emissions (Scope 1) VSME B3	Unit of measurement	FY2025
NATURAL GAS	tCO ₂ e	512.7
PETROL	tCO ₂ e	20.7
DIESEL	tCO ₂ e	98.9
SCOPE 1 EMISSIONS	tCO₂e	632.3

GRI 305-2 Indirect greenhouse gas (GHG) emissions from energy consumption (Scope 2) VSME B3	Unit of measurement	FY2025
LOCATION-BASED SCOPE 2 EMISSIONS	tCO ₂ e	177.9
MARKET-BASED SCOPE 2 EMISSIONS	tCO₂e	50.4

GRI 305-3 Other indirect greenhouse gas (GHG) emissions (Scope 3) VSME B3	Unit of measurement	FY2025
CAT. 1. PRODUCTS AND SERVICES PURCHASED	tCO ₂ e	11,611.70
CAT. 2. ASSETS PURCHASED	tCO ₂ e	261.1
CAT. 3: UPSTREAM FUELS AND ELECTRICITY (NOT INCLUDED IN SCOPE 1 OR 2)	tCO ₂ e	254.5
CAT. 4: UPSTREAM TRANSPORT OF PURCHASED PRODUCTS	tCO ₂ e	102.7
CAT. 5: WASTE MANAGEMENT	tCO ₂ e	15.3
CAT. 7: EMPLOYEE COMMUTES	tCO ₂ e	316.4
CAT. 9 OUTBOUND TRANSPORT OF SOLD PRODUCTS	tCO ₂ e	2,514.70
CAT. 10 EXTERNAL PROCESSES	tCO ₂ e	21.9
SCOPE 3 EMISSIONS	tCO₂e	15,098.30

EMISSIONS

GRI 305-4 Greenhouse gas (GHG) emissions intensity
VSME B3

Unit of measurement

FY2025

**TOTAL GROSS GHG EMISSIONS
(SCOPE 1+2+3) (MARKET-BASED)***

tCO₂e

15,781.00

**Greenhouse gas emissions were calculated using data from databases such as Ecoinvent, ISPRA and EPA, as well as data from the scientific literature.*

GRI 305-4 Greenhouse gas (GHG) emissions intensity
VSME B3

Unit of measurement

FY2025

**TOTAL GROSS GHG EMISSIONS
(SCOPE 1+2+3) (MARKET-
BASED)/ NET REVENUE**

tCO₂e/MLN €

1,637

BIODIVERSITY

GRI 304-1 Operational sites owned, leased, or managed in protected areas and in areas of high biodiversity value outside protected areas or adjacent to such areas

Name of site

Address

Total surface area

**In or near an area of biodiversity
significance**

SITE1

Viale della Repubblica,
40 - Villastanza di
Parabiago (MI)

55,977 m², of
which 10,084
m² is covered

1.5 km from the Vanzago
WWF Nature Reserve

SITE2

Via W. Tobagi, SNC -
20004 Arluno (MI)

2,000 m², of
which 1,500²
is covered

3.3 km from the Vanzago
WWF Nature Reserve

**Unit of
measurement**

FY2025

TOTAL WATERPROOFED AREA

m²

11,500

TOTAL NATURE-ORIENTED
AREA ON THE SITE

m²

0

TOTAL NATURE-ORIENTED AREA OFF-SITE

m²

0

TOTAL LAND USE

m²

57,977

POLLUTION

Pollutant	Unit of measurement	FY2025	The means by which the release takes place	Limit value
TOXIC DUST	mg/Nm ³ S	0.3	AIR	1
CHROMIUM	mg/Nm ³ S	<0.005	AIR	0,1
NICKEL	mg/Nm ³ S	<0.005	AIR	0,1
CADMIUM	mg/Nm ³ S	<0.005	AIR	0,1
COBALT	mg/Nm ³ S	<0.005	AIR	0,1
LEAD	mg/Nm ³ S	<0.005	AIR	0,1
TIN	mg/Nm ³ S	<0.005	AIR	0,1

WASTE

GRI 306-3 Waste generated VSME B7	Unit of measurement	FY2025	% FY2025
TOTAL WASTE GENERATED (ARLUNO + PARABIAGO)	kg	170,321.00	
PAPER AND CARDBOARD	kg	65,680.00	38.60%
WOOD	kg	27,320.00	16.00%
METAL	kg	30,080.00	17.70%
MIXED PACKAGING - EWC 150106	kg	35,710.00	21.00%
COMPONENTS REMOVED FROM COFFEE MACHINES INTENDED FOR SCRAP (MAINLY METAL) - EWC 160216	kg	5,780.00	3.40%
OTHER	kg	5,751.00	3.40%

GRI 306-4 Waste not sent to landfill GRI 306-5 Waste sent to landfill VSME B7	Unità di misura	FY2025	% FY2025	
WASTE SORTED BY HAZARD LEVEL	TOTAL HAZARDOUS WASTE	kg	578.00	0.3%
	TOTAL NON-HAZARDOUS WASTE	kg	169,743.00	99.7%
WASTE SORTED BY DESTINATION	WASTE DIVERTED FOR RECYCLING OR REUSE	kg	168,393.00	98.9%
	WASTE FOR DISPOSAL	kg	1,928.00	1.1%

WATER

GRI 303-3 Water withdrawal VSME B6	Unit of measurement	FY2025
VILLASTANZA DI PARABIAGO	m ³	4,144
ARLUNO	m ³	344
TOTAL WATER WITHDRAWAL	m³	4,488

EMPLOYEES

GRI 2-7 Employees VSME B1; VSME B8	Unit of measurement	FY2025
TOTAL NUMBER OF EMPLOYEES	Number at the end of the period	199
EMPLOYEES WITH PERMANENT CONTRACTS	Number at the end of the period	192
EMPLOYEES WITH FIXED-TERM CONTRACTS	Number at the end of the period	7
MEN	Number at the end of the period	157
WOMEN	Number at the end of the period	42

GRI 401-1 Recruitment of new employees and staff turnover VSME B8	Unit of measurement	FY2025
EMPLOYEES HIRED	Annual total	20
EMPLOYEES WHO HAVE LEFT THE COMPANY	Annual total	10
ANNUAL AVERAGE NUMBER OF EMPLOYEES	Annual average	189
EMPLOYEE TURNOVER RATE	%	5%

SELF-EMPLOYED WORKERS

GRI 2-8 Self-employed workers	Method	FY2025
TEMP AGENCY WORKERS	Average for the period	35

HEALTH AND SAFETY

GRI 403-9 Workplace injuries GRI 403-10 Occupational disease VSME B9	Method	FY2025
REPORTABLE WORK-RELATED INJURIES	Annual total	3*
TOTAL NUMBER OF HOURS WORKED IN A YEAR BY ALL EMPLOYEES	Annual total	285,886.00
PROPORTION OF REPORTABLE WORK-RELATED INJURIES	(Injuries/Hours worked)*200,000	2.1
NUMBER OF DEATHS DUE TO WORK-RELATED INJURIES AND ILLNESSES	Annual total	0

*One accident while commuting in May 2025 (not included in the three mentioned above as it was not work-related)

COLLECTIVE AGREEMENTS

GRI 2-30 Collective agreements VSME B10	Method	FY2025
COLLECTIVE AGREEMENTS (CCNL)	Text	100% Metalworking

REMUNERATION

GRI 405-2 Ratio of women's basic salary and remuneration to that of men VSME B10	Method	FY2025
TOTAL PERCENTAGE OF EMPLOYEES EARNING A WAGE EQUAL TO OR HIGHER THAN THE NATIONAL MINIMUM WAGE OR THE MINIMUM SET BY COLLECTIVE BARGAINING	%	100%
GENDER PAY GAP	$\frac{\text{(Average gross hourly pay for male employees - average gross hourly pay for female employees)}}{\text{Average gross hourly pay for male employees}} \times 100$	9.47

TRAINING

GRI 404-1 Average number of training hours per year per employee
GRI 404-3 Percentage of employees who receive regular performance and career development reviews
VSME B10

	Method	FY2025
AVERAGE TRAINING HOURS	Average hours	11.0
TRAINING HOURS IN TOTAL	Total hours	2,181
OF WHICH COMPULSORY COURSES	Total hours	1,107
TRAINING BY GENDER	MEN	Estimated total hours 1,746*
	WOMEN	Estimated total hours 435*
TRAINING BY TOPIC	HEALTH AND SAFETY, ENVIRONMENT AND SUSTAINABILITY TRAINING	Total hours 1,107

*estimate

COMPLIANCE WITH LAWS AND REGULATIONS

Over the past three years, there have been no significant instances of convictions or fines resulting from breaches of laws or regulations, particularly in relation to the following areas:

- VSME B11** Convictions and fines for active and passive corruption
- GRI 406-1** Incidents of discrimination and corrective measures taken
- GRI 417-2** Incidents of non-compliance relating to the provision of information and labelling of products and services
- GRI 417-3** Instances of non-compliance relating to marketing communications
- GRI 418-1** Substantiated complaints regarding breaches of customer privacy and loss of customer data
- GRI 2-27** Compliance with laws and regulations

GRI-VSME TABLE OF CONTENTS

DECLARATION OF USE

Rancilio Group S.p.A., a sole-shareholder company, has reported the information listed in this table of contents for the period from 1 September 2024 to 31 August 2025 in accordance with VSME and, where interoperable or consistent, with GRI Standards.

USE OF GRI 1

GRI 1 – Core Principles – 2021 version

GRI STANDARDS	GRI DISCLOSURE	VSME STANDARDS	PAGES
GRI 2 - General Disclosures – 2021 Version	2-3 Reporting period, frequency, and contact point	VSME B1	26
	2-6 Activities, value chain, and other business relationships	VSME B1	9, 10, 11
	2-7 Employees	VSME B1; VSME B8	32
	2-8 Self-employed workers		32
	2-9 Governance structure and composition		13, 14, 15
	2-11 Chair of the highest governing body		13, 14, 15
	2-12 Role of the highest governance body in overseeing impact management		13, 14, 15
	2-13 Delegation of responsibility for impact management		13, 14, 15
	2-22 Statement on the sustainable development strategy	VSME B2	3
	2-27 Compliance with laws and regulations		34
2-30 Collective agreements	VSME B10	33	
GRI 3 - Material topics – 2021 version	3-2 List of material topics		17, 18, 19, 20, 21, 22, 23
	3-3 Management of material topics		17, 18, 19, 20, 21, 22, 23
GRI 302: Energy – 2016 edition	302-1 Energy consumption within the organisation	VSME B3	27
	302-3 Energy intensity	VSME B3	27
GRI 303: Water and effluents 2018	303-3 Water withdrawal	VSME B6	31
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, or managed in protected areas and in areas of high biodiversity value outside protected areas or adjacent to such areas		29

GRI STANDARDS	GRI DISCLOSURE	VSME STANDARDS	PAGES
GRI 305: Emissions 2016	305-1 Direct greenhouse gas (GHG) emissions (Scope 1)	VSME B3	28
	305-2 Indirect greenhouse gas (GHG) emissions from energy consumption (Scope 2)	VSME B3	28
	305-3 Other indirect greenhouse gas (GHG) emissions (Scope 3)	VSME B3	28
	305-4 Greenhouse gas (GHG) emissions intensity	VSME B3	29
GRI 306: Waste 2020	306-3 Waste generated	VSME B7	31
	306-4 Waste not sent to landfill	VSME B7	31
	306-5 Waste sent to landfill	VSME B7	31
GRI 401: Employment 2016	401-1 Recruitment of new employees and staff turnover	VSME B8	32
GRI 403: Occupational health and safety 2018	403-9 Workplace injuries	VSME B9	33
	403-10 Occupational disease	VSME B9	33
GRI 404: Training and education 2016	404-1 Average number of training hours per year per employee	VSME B10	34
	404-3 Percentage of employees who receive regular performance and career development reviews	VSME B10	34
GRI 405: Diversity and equal opportunities 2016	405-2 Ratio of women's basic salary and remuneration to that of men	VSME B10	33
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective measures taken		34

GRI-VSME TABLE OF CONTENTS

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USE OF GRI 1

GRI 1 – Core Principles – 2021 version

GRI STANDARDS	GRI DISCLOSURE	VSME STANDARDS	PAGES
GRI 417: Marketing and labelling 2016	417-2 Incidents of non-compliance relating to the provision of information and labelling of products and services		34
	417-3 Instances of non-compliance relating to marketing communications		34
GRI 418: Customer Privacy – 2016 Version	418-1 Substantiated complaints regarding breaches of customer privacy and loss of customer data		34

GLOSSARY

Double Materiality Analysis: a process that identifies material topics by considering both the company's impacts on the environment and society, and the ESG risks and opportunities that affect its economic and financial performance.

ESG (Environmental, Social, Governance): refers to the sustainability criteria used to assess an organisation's activities, not only from an economic and governance perspective, but also from an environmental and social perspective.

Global Reporting Initiative (GRI): an international non-profit organisation established to set standards for reporting on organisations' sustainability performance.

Governance: The individuals or bodies (e.g. the board of directors or a corporate trustee) responsible for overseeing the strategic direction of an organisation and its accountability and governance obligations.

Greenwashing: the practice of fraudulently promoting one's sustainability credentials.

ESG Plan: a strategic tool that translates material topics and objectives of common benefit into targets, actions, and performance indicators.

Sustainability Report: a concise communication tool that outlines the company's commitment to sustainability issues and measures its performance in this area.

SDGs (Sustainable Development Goals): The 17 United Nations Sustainable Development Goals to be achieved by 2030. These objectives serve as guidelines for contributing to global development, promoting human wellbeing, and protecting the environment.

Stakeholder: bodies, organisations, or individuals who may be affected by the organisation's activities, products, and services, or who have the ability to influence the organisation's decisions.

Stakeholder engagement: a structured process of listening to and engaging with stakeholders, which helps to identify ESG priorities and improve business decisions.

Shared Value: a business model whereby a company's pursuit of financial success and competitive advantage incorporates environmental and social decisions and strategies.

VSME (Voluntary Sustainability Reporting Standard for SMEs): a voluntary European standard that guides SMEs in reporting ESG information in a simplified manner.

SUMMARY

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- 4 How to Read the Report
- 5 2025 in Figures

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- 8 Identity and Values
- 9 What We Do: Our Products and Business Model
- 10 How We Create Value Right Along the Supply Chain

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- 14 Quality And Continuous Improvement

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CONTACTS

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 **RANCILIO** GROUP

SUSTAINABILITY REPORT **2025**