

Thank you for answering Danwatch's survey regarding conditions analogous to slavery in the Brazilian coffee sector.

Illy's answers have led to some follow-up questions.

Answers/non answers will be quoted in the articles published by Danwatch. Please return your answers to the follow-up questions no later than Friday the 30th of October 2015.

Feel free to contact us if you have questions or comments of any kind.

Supply chain findings:

In the survey, Illy confirms that Illy buys coffee from Cooperativa Regional Dos Cafeicultores do Vale do Rio Verde Ltda (Cocarive), and that Illy has bought coffee from Cocarive all years between 2008 and 2015.

In 2015 the Brazilian Labor Ministry's inspectors freed workers from the two plantations, Fazenda Lagoa and Fazenda da Pedra – both located in Carmo de Minas, Minas Gerais. On both plantations the inspectors found conditions, which violated the Brazilian penal code, article 149 regarding conditions analogous to slavery. Danwatch's research shows that the owners of both plantations are members of the coffee coop Cocarive and has sold coffee through Cocarive up until 2015, which Cocarive confirms.

What is Illy's overall comment to these findings?

Comments:

Illycaffè works intensely in order to avoid these problems, respecting law and regulations. The company monitors its supplies to ensure the compliance with national labour regulations with the Responsible Supply Chain Process Certification. The RSCP calls for the monitoring and active management of issues such as child labour, forced labour, union rights, overtime, health and safety, diversity and equal opportunities, and adequate retribution for men and women. In the on-site monitoring, auditors may access the farm registers, visit the premises where the staff work and the equipment they are using, with a view to assessing compliance with national labour regulations. This is a minimum requirement for supplying coffee to illycaffè. For information about the certification, please address to DNV GL .

Has Illy bought coffee from Fazenda Lagoa Yes No (if yes, please check off the years, when you have bought coffee from this plantation 2008 2009 2010 2011 2012 2013 2014 2015)

Comments:

Has Illy bought coffee from Fazenda da Pedra Yes No (if yes, please check off the years, when you have bought coffee from this plantation 2008 2009 2010 2011 2012 2013 2014 2015)

Comments:

If Illy has bought coffee from Fazenda Lagoa and/or Fazenda da Pedra did Illy then inspect the coffee plantations? Yes No (if yes, please check off the years, when you have inspected Fazenda da Pedra 2008 2009 2010 2011 2012 2013 2014 2015, if yes, please check off the years, when you have inspected Fazenda Lagoa 2008 2009 2010 2011 2012 2013 2014 2015)

If Illy has inspected Fazenda Lagoa and/or Fazenda da Pedra why did Illy not find any problems at the plantations, when the labour Ministry found very grave violations and conditions analogous to slavery?

Comments:

Illy has not bought from Fazenda Lagoa and/or Fazenda da Pedra.

Can Illy guarantee that coffee from the plantations Fazenda da Pedra and Fazenda Lagoa where inspectors in 2015 have found conditions, which violates the Brazilian penal code, article 149 regarding conditions analogous to slavery, has not ended up in coffee sold by Illy or any of its coffee labels? (Please check off one) Yes No.

Comments:

In your answers, you write that “Illycaffè has not signed The national pact for the eradication of slave labor in Brazil, but the company could consider to sign it.” Has Illy decided to become a signatory of The National Pact for the eradication of slave labor in Brazil? Yes No

Comments:

We are taking into account this possibility.

In your answers you write that Illy monitors the findings of the inspectors from the Brazilian Ministry of Labor regarding conditions “analogous to slavery”. How does Illy monitor these findings?

Comments:

Locally through the media and the web but also communicating with the agronomists, technicians and coffee growers with the ones we develop long-term relationship.

Kind regards,

Julie Hjerl Hansen

Journalist, Danwatch