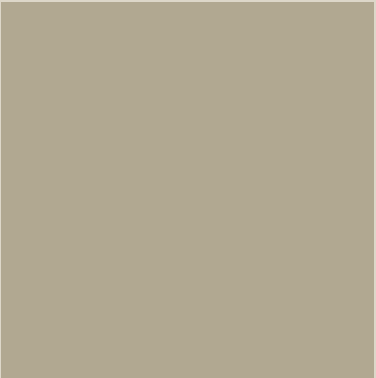


DēLonghi Group

ANNUAL
REPORT
2025



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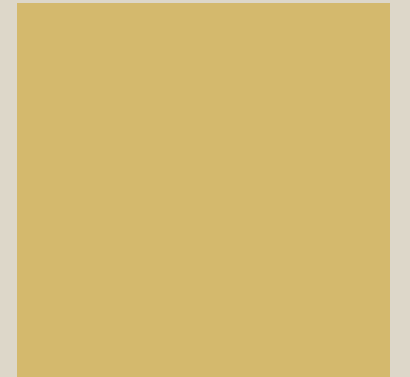
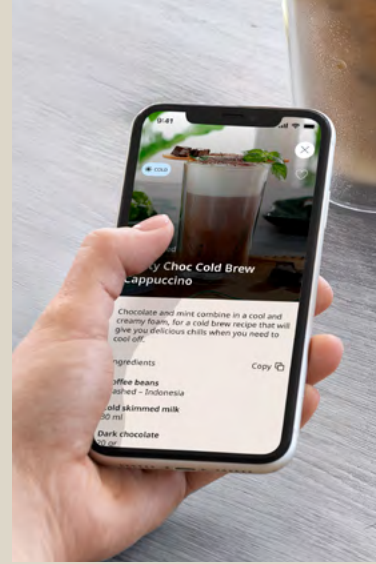
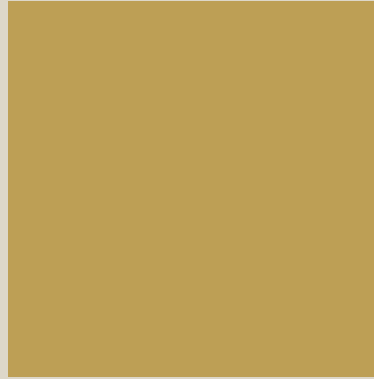
The Annual report at 31 December 2025 has been translated from the Italian original solely for the convenience of international readers. The Italian version shall always prevail in case of any discrepancy or inconsistency between Italian version and its English translation.

Courtesy copy. This version has been prepared for convenience of use and does not contain the ESEF information as specified in the ESEF regulatory technical standards (Delegated Regulation (EU) 2019/815).

The legally required ESEF-format is published and filed in Italian language in accordance to the Law.

01

DE' LONGHI
GROUP



Our vision,
our mission,
our values

**Worldwide, Every day,
By your side**

**A desirable object, An emotion,
An authentic experience**

To be lived, To be shared.



The De' Longhi Group aims to strengthen its global leadership, reaching consumers worldwide with superior solutions in design, quality, and technology.

The strong points that the Group can count on to achieve these goals include a portfolio comprised of strong, unique and diversified brands, the ability to see the new market trends, an extensive global reach, as well as the diversity and talent of its people.

The Group's values reflect who we are, our character, and our way of being and working. They are ideals that guide the Group's operations through the day-to-day work of its people and their projects.

**We believe
in shaping the world
with our hands.**



The business model



We design **products** and **experiences**

Each product is born out of research, development and engineering involving our technical units as well as the Marketing and Design divisions. After defining the solution, the Group purchases the required raw materials and components.



Reaching **customers** and **consumers**

The products are shipped from the sourcing centers and logistics hubs to the various warehouses and then distributed across the Group's entire sales network.



From **raw materials** to **products**

The purchased raw materials and components are shipped to the Group's production sites and to the partners that manufacture and assemble the products. The process is structured around specialized centers where a specific product is always manufactured inside the same plant.



Test after test, **quality** and **safety**

At the end of the manufacturing process all products, including the solutions made by the partners that supply finished products, are tested to guarantee the highest safety and quality standards.

The Group



7
iconic brands



50+
Commercial
branches and
local offices
worldwide



€3.8
billion

Total revenues
in 2025
+8.7% vs 2024
+10.4% vs 2024
at constant
exchange rates



+10,500
employees
Worldwide, on
average in 2025

The **De' Longhi** Group is among the leading global players in the small domestic appliance sector, dedicated to the world of coffee, nutrition, air conditioning and home care.

For more than **50 years**, the Group has designed and created unique products which are found in the homes of millions of people.

Initially known as a manufacturer of portable electric heaters and air conditioners, over the years, the Group has expanded its product range, establishing itself from the outset with the **De' Longhi** brand as a leader in the coffee machine segment, thanks to unique innovations in the industry.

Over the years, the offering has been further expanded through the acquisitions of **Kenwood** and **Ariete**, the perpetual license of the **Braun** brand and Capital Brands, a world leader in the personal blenders segment with the **Nutribullet** brand.

Starting in 2017, following the acquisition of **Eversys**, De' Longhi entered the professional espresso coffee machine sector, focusing on super-automatic models and technological product innovation.

With the acquisition in 2024 of **La Marzocco**, the world leader in semi-automatic professional coffee machines and an iconic brand in specialty coffee, the Group has significantly strengthened its presence in the reference sector and created a new hub for professional coffee with Eversys.

The Group, whose headquarters are located in Treviso (Italy), is present worldwide with over **50 direct commercial branches** and a distributor network serving numerous markets; furthermore, it owns research and development centers and several retail stores. On the industrial front, the Group has 6 manufacturing plants for the Household sector, located in Italy (1), Romania (3), and China (2), as well as 3 plants for the Professional division in Italy (2) and Switzerland (1).

On average, over **10,500 people** are part of a community present in all major countries.

The solid results achieved over the years, the strength of the brands and the commitment to sustained value creation have allowed the Group to consolidate significant recognition. In fact, as of December 2025, the De' Longhi Group entered the STOXX Europe 600 index, an important benchmark for the European stock market that includes 600 of the largest and most liquid stocks on the continent, thus gaining increasing international visibility among institutional and retail investors.

The Group passionately elevates the coffee experience and quality through a comprehensive product portfolio tailored to the needs of every customer.



The De' Longhi Group is a **global leader** in the **coffee** machine market, with a strong presence in both the **domestic** and **professional** sectors.

HOME COFFEE

Around **56%**
of total revenues

Global leader
in the coffee
machines market



PROFESSIONAL COFFEE

Around **13%**
of total revenues

Premium coffee
products



la marzocco



NUTRITIONS & OTHERS

Around **31%**
of total revenues

Premium products,
leading the
domestic market



KENWOOD

BRAUN

nutribullet

Ariete

De'Longhi is also one of the leading global players in the small domestic appliance sector for **nutrition**, **air conditioning**, and **home care**.

Household Division



€3.3 billion

Total revenues in 2025

+4.8% vs 2024



9,000+ employees

Worldwide, on average in 2025

Today, the Group offers a range of small domestic appliances for the preparation of coffee, food preparation and cooking, comfort (air conditioning and heating), as well as home care and operates mainly through the four brands, **De' Longhi**, **Kenwood**, **Braun** and **Ariete**.

More recently, the product range was increased thanks to the acquisition of Capital Brands Holding Inc., an American company active in the personal blenders segment with the **Nutribullet** and Magic Bullet brands.

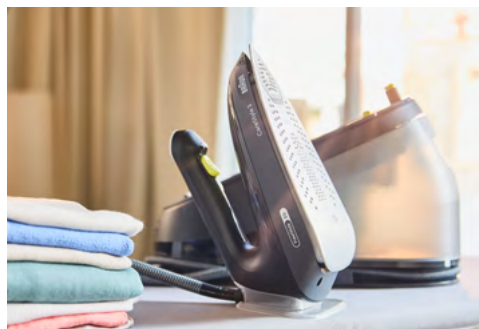


Global leader in the coffee machines market, comfort and selected categories of small appliances for food preparation



KENWOOD

The most loved & sought after food preparation brand



BRAUN

Leader in the premium brand segment "Everyday Home Essentials", characterized by high volumes



nutribullet®

Leader in the personal blender segment



Ariete®

Multispecialist providing smart solutions for daily needs with an appealing Italian design

Professional Division

The business combination between the subsidiary Eversys and La Marzocco, a leader in the production and distribution of semi-automatic coffee machines, has initiated the creation of a world-leading hub in the premium professional coffee segment, which intends to leverage the complementarity of products, technologies, and brands.

This combination represents a further acceleration of the De'Longhi Group's expansion and diversification strategy, which views the coffee products sector as one of the main drivers of growth and strategic development in the medium-to-long term.

Furthermore, the business combination makes it possible to exploit cross-selling strategies, share innovation and know-how, and identify synergies in procurement.



We empower people and business in the coffee industry by leading espresso automation and setting new benchmarks in technology and consistent premium quality.

Born from an entrepreneurial spirit, Eversys has grown from a fast-growing start-up into a structured, globally recognized company. It is a major player in the super-automatic espresso machine sector and a leader in the premium category.

Its DNA is rooted in innovation, a focus on coffee quality, ease of maintenance, and a commitment to developing effective telemetry solutions for the industry.

Throughout its evolution, Eversys has strengthened its reputation through the reliability and precision of its technologies, as well as strategic partnerships with large-scale commercial operators.

€0.5 billion
Total revenues in 2025
+45.8% vs 2024
+32.0% vs 2024 pro-forma

Approx. 1,200 employees
Worldwide, on average in 2025
La Marzocco: Great Place To Work
for the 6th consecutive year

3 manufacturing plants
100% in-house production

At the same time, Eversys has remained deeply connected to the specialty coffee sector, ensuring the highest standards for roasters and baristas. Eversys is chosen by industry operators because it allows them to preserve quality while maximizing efficiency.

Eversys is redefining the premium segment of super-automatic coffee machines by balancing automation, quality, and efficiency.

Eversys machines are designed to meet the highest quality standards, while guaranteeing industry operators high performance combined with reliability and ease of maintenance.

Eversys stands out for:

- **precision:** Eversys technology ensures that operators can consistently produce quality espresso, with automation that enhances their capabilities;
- **modularity:** thanks to a modular design and rapid maintenance protocols, Eversys machines guarantee the lowest maintenance time requirements in the super-automatic category, reducing costs and downtime;
- **data-driven:** Eversys machines minimize downtime, optimize performance, and provide customers with unparalleled operational insights through industry-leading telemetry and connectivity;
- **human-centric:** Eversys machines are designed to elevate the barista's skills, not replace them;
- **reliability:** Coffee professionals can count on the quality of Eversys products thanks to lean QA (Quality Assurance) processes applied during manufacturing.

By combining precision engineering, coffee sector expertise, and a constant focus on operational efficiency, Eversys has positioned itself as the reference brand for businesses requiring both premium quality and high volumes.





la marzocco

We persevere in the manufacturing of the finest in class specialty coffee equipment, while encompassing people, heritage, technology, design and a spirit of sustainability in business.

Founded in 1927 by Giuseppe and Bruno Bambi, La Marzocco takes its name from the lion, the iconic symbol of Florence. La Marzocco has achieved global recognition for manufacturing high-quality, beautifully designed espresso machines with meticulous attention to detail.

A pioneer in the coffee sector, La Marzocco revolutionized espresso machine design in 1939 by developing and patenting the first machine with a horizontal boiler, an innovation that set the standard for the industry. This breakthrough marked the beginning of a legacy of technological advancements, including the introduction of the dual-boiler system with saturated brew groups.

Today, La Marzocco is a global leader in espresso machine innovation and design, serving as a benchmark within the international coffee community. Its machines can be found in the best cafes, roasteries, and restaurants around the world, celebrated for their craftsmanship, reliability, and performance.

Rooted in tradition and driven by a relentless pursuit of quality, La Marzocco remains faithful to its artisanal heritage. Each machine is handmade to order, with skilled specialists overseeing every stage of production, carrying forward the passion and craftsmanship of Giuseppe Bambi nearly a century later.

With a global team of approximately 800 employees, La Marzocco manufactures and distributes its products worldwide through its own branches and a network of independent distributors. The product range includes traditional commercial espresso machines, high-end domestic machines, coffee grinders, and a selection of complementary products designed to elevate the coffee experience.

While paying homage to its rich history, La Marzocco continues to push the boundaries of espresso technology, combining artisanal craftsmanship with modern innovation to serve coffee professionals and enthusiasts worldwide. La Marzocco takes pride in a strong corporate culture that, while remaining rooted in its tradition, encourages the pursuit of quality, excellence, and innovation through a family-like atmosphere.

La Marzocco stands out for:

- cultivating corporate culture and empowering employees to become brand ambassadors and key drivers of company growth;
- being guided by a deep sense of connection, tradition, and innovation, persevering in the creation of world-class specialty coffee equipment while honoring people, heritage, technology, design, and a spirit of business sustainability;
- creating a significant impact on people while leaving a minimal impact on the environment. Promoting circular economy initiatives is more important today than ever, and La Marzocco is committed to managing its supply chain and product lifecycle responsibly and sustainably;
- achieving consistent year-over-year growth by developing a dynamic multi-year strategy that charts its future, integrating sustainable practices into corporate strategies. A portion of profits is actively reinvested in the research and development of new technologies and solutions, driving continuous innovation and long-term.



In 2025, the Group continued to pursue the progressive integration of environmental, social, and governance (ESG) themes within its corporate strategy, risk management, and remuneration processes. This was achieved by promoting a systemic and transparent approach—in compliance with the principles set out in the Code of Ethics—capable of ensuring respect for plurality, equal opportunity, equity, and non-discrimination of any kind.

The Sustainability Plan, approved during 2024, maintained its central focus on integrating sustainability into corporate processes. Specifically, it identified three macro-areas of commitment that continue to guide the Group's strategy:

- transforming the way business is conducted by decarbonizing every stage of the value chain;
- enhancing product sustainability through an eco-design approach, integrating low-carbon materials, and optimizing production phases;
- promoting awareness and responsible behavior by engaging employees, consumers, and external communities.

These three areas of commitment will be implemented through specific initiatives identified by benchmarking against competitors and by gathering requests from external stakeholders, particularly those operating within the Group's relevant value chain. This process contributed to the analysis and subsequent reformulation of existing goals or those from the previous plan, as well as the identification of new initiatives and the provision of further support through dedicated working groups and meetings.

The execution of the Sustainability Plan is based on the constant and widespread contribution of most corporate functions, which increasingly approach sustainability as an integral part of their departments' core operations.

To facilitate this process, the operational governance model was redefined during 2025, aiming to broaden the representation of internal stakeholders and maximize their impact. Specifically, with the expansion of the Group's scope, the need to extend representation to the Professional sector - characterized by a unique business model - led to the establishment of the "Group Sustainability Council".

During the 2025 Fiscal Year, the Group committed to the development of various projects aimed at achieving the targets defined in the Sustainability Plan. These include, for example:

- in the context of the UNGC (United Nations Global Compact) membership, two major initiatives were conducted to enhance the understanding and application of the fundamental principles promoted by the organization regarding human rights, labor standards, environmental protection, and anti-corruption. Specifically, the Group collaborated with other entities on the drafting of the document titled "Digital transition in support of business sustainability: risks and opportunities". A second initiative involved the voluntary participation of several employees in the six-month "UNGC Business & Human Rights Accelerator" program, which enabled them to acquire the skills necessary to disseminate human rights principles within the Group;
- the drafting of the Group Human Rights Policy;
- the drafting of the Group Environmental, Health, and Safety (EHS) Policy;

- following the voluntary commitment to the SBTi (Science Based Targets initiative) in December 2024, reduction targets resulting from an in-depth and rigorous feasibility analysis were approved during 2025. Specifically, the following objectives were approved:

- Overall Net-Zero Target: The Group commits to reaching net-zero greenhouse gas emissions across the entire value chain by 2050;
- Near-Term Targets: The Group commits to reducing absolute Scope 1 and 2 greenhouse gas (GHG) emissions by 58.8% by 2034, compared to the 2023 base year. Furthermore, the Group commits to reducing absolute Scope 3 GHG emissions by 35% within the same timeframe;
- Long-Term Targets: The Group commits to reducing absolute Scope 1 and 2 GHG emissions by 90% by 2050, compared to the 2023 base year. The Group also commits to reducing absolute Scope 3 GHG emissions by 90% within the same timeframe.

The Group has strengthened its supply chain due diligence process through the implementation of an advanced digital platform managed by an independent specialist partner. This initiative has enabled the automated collection and validation of complex data from an initial panel of 3,000 suppliers, ensuring their alignment with rigorous corporate ESG standards. A specific focus was placed on monitoring conflict minerals, integrating traceability procedures aimed at mitigating ethical risks throughout the value chain. Thanks to this technological infrastructure, the Group has launched a detailed mapping of the supply chain, ensuring that the commitment to environmental sustainability and social responsibility is shared and concretely implemented by all commercial partners.



The Group is continuing its activities related to a call for tenders from the Ministry of University and Research (MUR), within the framework of the National Recovery and Resilience Plan (NRRP/PNRR). This involves the creation of at least 12 extended partnerships, including “Models for Sustainable Nutrition” in collaboration with the University of Parma. Key targets include: waste prevention, supply chain sustainability and circularity, improved nutrition, and food sustainability in high-density urban environments.

Furthermore, De' Longhi has joined the Italian Green New Deal, a national program focused on ecological and circular transition projects.

Company Officers*

Board of Directors

Fabio de' Longhi — *Chairman and Chief Executive Officer*
Silvia de' Longhi — *Vice Chairman*
Massimiliano Benedetti** — *Director*
Ferruccio Borsani** — *Director*
Luisa Maria Virginia Collina — *Director*
Christophe Olivier Cornu ** — *Director*
Cristina Finocchi Mahne ** — *Director*
Carlo Garavaglia — *Director*
Carlo Grossi ** — *Director*
Micaela Le Divelec Lemmi ** — *Director*
Stefania Petruccioli — *Director*
Nicola Serafin — *Director*

Board of Statutory Auditors

Cecilia Andreoli — *Chairman*
Alessandra Dalmonte — *Standing auditor*
Marcello Francesco Priori — *Standing auditor*
Gianluca Bolelli — *Alternate auditor*
Daniela Travella — *Alternate auditor*

External Auditors

PricewaterhouseCoopers S.p.A. ***

Control, Risks, Corporate Governance and Sustainability Committee

Micaela Le Divelec Lemmi ** — *Chairman*
Cristina Finocchi Mahne **
Stefania Petruccioli

Remuneration and Appointments Committee

Carlo Grossi ** — *Chairman*
Ferruccio Borsani**
Carlo Garavaglia

Independent Committee

Ferruccio Borsani** — *Chairman and Lead Independent Director*
Carlo Grossi **
Micaela Le Divelec Lemmi **

* The current corporate bodies were appointed by the Shareholders' Meeting held on 30 April 2025 for the three-year period 2025-2027.

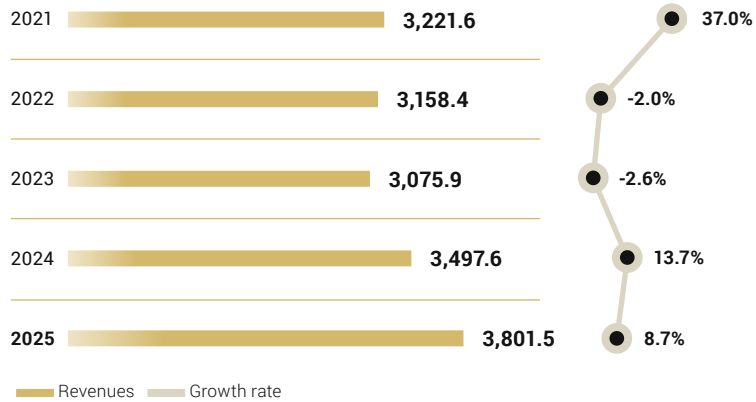
** Independent directors.

*** Assigned by the Shareholders' Meeting held on 24 April 2018 for the financial years 2019-2027.



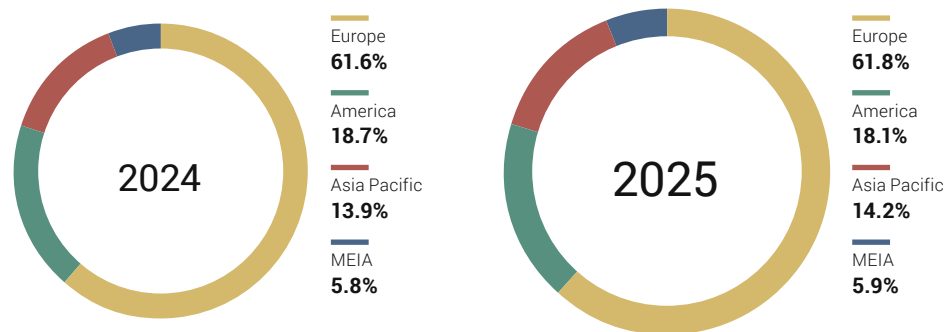
Key Performance Indicators

2025 Consolidated Revenues of **€3,801.5 million**, up 8.7%

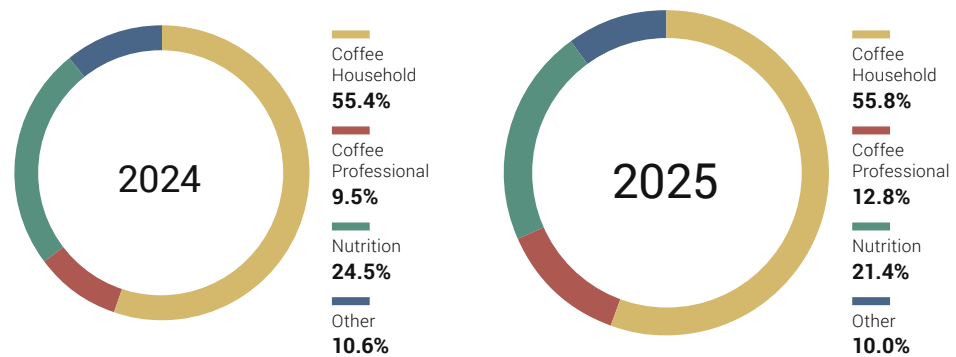


(€/million)

Consolidated revenues by geographical area

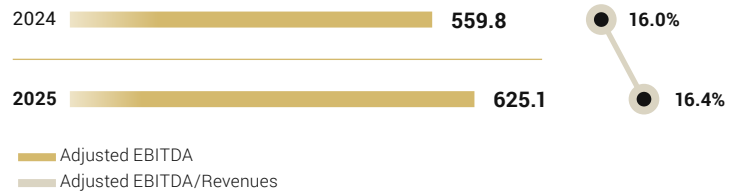


Consolidated revenues by product category



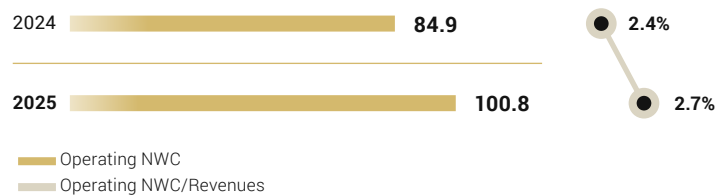
Adjusted EBITDA

of €625.1 million (16.4% of revenues).



Operating NWC

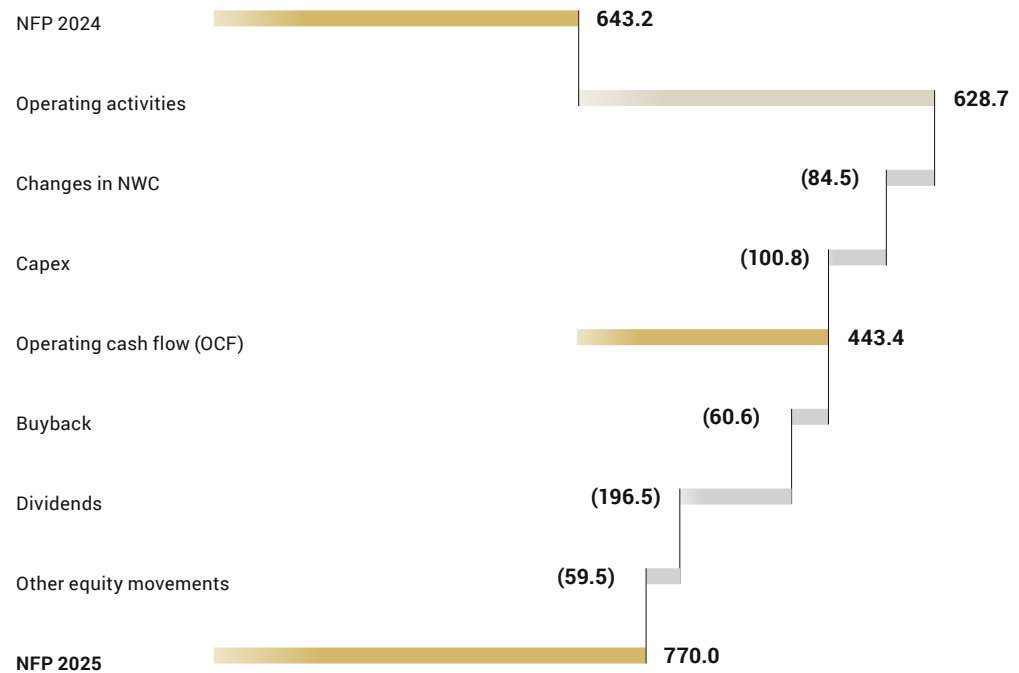
of €100.8 million (2.7% of revenues).



NFP

of €770.0 million (net cash).

Positive Net Operating Cash Flow (OCF) of €443.4 million.



Results

01

DE LONGHI
GROUP

REPORT ON
OPERATIONS

GROUP ANNUAL REPORT AND
FINANCIAL STATEMENTS

REPORT ON OPERATIONS ON
SEPARATE FINANCIAL STATEMENTS

SEPARATE ANNUAL REPORT
AND FINANCIAL STATEMENTS

(€/million)	4th Quarter 2025	%	4th Quarter 2024	%	Change	Change %
Revenues	1,340.0	100.0%	1,268.3	100.0%	71.7	5.7%
<i>Revenues at constant exchange rates</i>	<i>1,371.6</i>	<i>100.0%</i>	<i>1,267.5</i>	<i>100.0%</i>	<i>104.2</i>	<i>8.2%</i>
Net industrial margin	665.8	49.7%	626.5	49.4%	39.4	6.3%
EBITDA adjusted	235.6	17.6%	223.9	17.7%	11.7	5.2%
EBITDA	219.4	16.4%	222.7	17.6%	(3.3)	(1.5%)
EBIT	185.0	13.8%	190.0	15.0%	(5.1)	(2.7%)
Total adjusted net result	146.8	11.0%	140.4	11.1%	6.4	4.5%
Total net result	135.0	10.1%	139.7	11.0%	(4.7)	(3.4%)
Profit (loss) pertaining to the Group	128.7	9.6%	136.9	10.8%	(8.2)	(6.0%)

(€/million)	2025	%	2024	%	Change	Change %
Revenues	3,801.5	100.0%	3,497.6	100.0%	303.9	8.7%
<i>Revenues at constant exchange rates</i>	<i>3,858.6</i>	<i>100.0%</i>	<i>3,494.0</i>	<i>100.0%</i>	<i>364.6</i>	<i>10.4%</i>
Net industrial margin	1,964.7	51.7%	1,769.1	50.6%	195.6	11.1%
EBITDA adjusted	625.1	16.4%	559.8	16.0%	65.3	11.7%
EBITDA	589.2	15.5%	548.4	15.7%	40.8	7.4%
EBIT	458.1	12.1%	430.8	12.3%	27.3	6.3%
Total adjusted net result	368.0	9.7%	333.3	9.5%	34.7	10.4%
Total net result	341.4	9.0%	325.0	9.3%	16.5	5.1%
Profit (loss) pertaining to the Group	316.3	8.3%	310.7	8.9%	5.6	1.8%

HOUSEHOLD DIVISION

(€/million)	4th Quarter 2025	%	4th Quarter 2024	%	Change	Change %
Revenues	1,197.6	100.0%	1,165.4	100.0%	32.2	2.8%
EBITDA adjusted	193.9	16.2%	203.2	17.4%	(9.3)	(4.6%)

(€/million)	2025	%	2024	%	Change	Change %
Revenues	3,318.6	100.0%	3,166.1	100.0%	152.5	4.8%
EBITDA adjusted	491.8	14.8%	487.6	15.4%	4.2	0.9%

PROFESSIONAL DIVISION

(€/million)	4th Quarter 2025	%	4th Quarter 2024	%	Change	Change %
Revenues	144.7	100.0%	103.8	100.0%	40.9	39.4%
EBITDA adjusted	41.7	28.8%	20.8	20.0%	21.0	101.0%

(€/million)	2025	%	2024	%	Change	Change %
Revenues	488.2	100.0%	334.7	100.0%	153.5	45.8%
EBITDA adjusted	133.4	27.3%	72.2	21.6%	61.2	84.8%

Statement of financial position

(€/million)	31.12.2025	31.12.2024
Net operating working capital	100.8	84.9
Net operating working capital/Revenues	2.7%	2.4%
Net working capital	(149.4)	(96.9)
Net capital employed	1,454.3	1,621.2
Net financial assets	770.0	643.2
<i>of which:</i>		
- net bank financial position	861.5	746.1
- other financial receivables/(payables)	(91.5)	(102.9)
Net equity	2,224.3	2,264.4



Introduction and definitions

The forward-looking statements contained herein—particularly within the “Outlook” section—are by their nature subject to risk and uncertainty, as they depend on the occurrence of future events and developments. At the date of this Report, given the continuously evolving context, there is a high level of uncertainty that requires a cautious approach in preparing economic forecasts. Therefore, actual results may differ from those announced due to various factors.

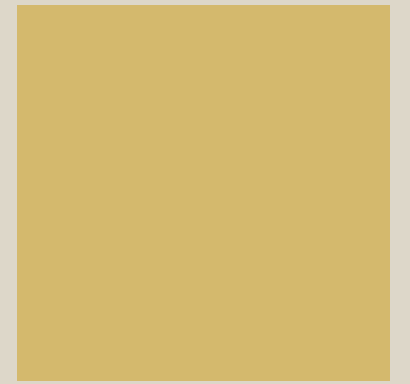
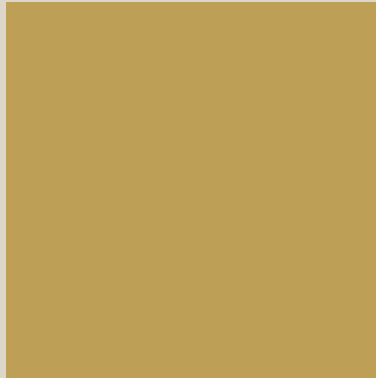
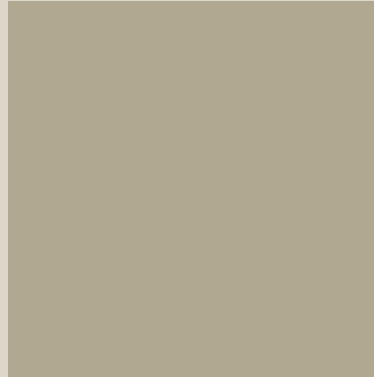
Unless otherwise specified, the values and comments in this document refer to the De' Longhi Group in its current configuration, which includes the La Marzocco Group following its business combination effective as of 1 March 2024. Certain analyses, particularly those in comparative terms, may be affected by changes in the scope of consolidation, which resulted in only a partial contribution from La Marzocco for the 2024 fiscal year.

Figures at constant exchange rates have been calculated by excluding the effects of the translation of foreign currency balances and the accounting of derivative transactions.



02

REPORT ON OPERATIONS



Introduction

In 2025 the De'Longhi Group recorded positive results in terms of revenues, margins and cash generation which made it possible to further strengthen the Group's financial position.

The solid revenue growth, which was consistent throughout the year, benefitted from the positive fourth quarter performance during which good results were recorded despite the complex market backdrop.

Revenues amounted to €1,340.0 million in the fourth quarter of 2025, 5.7% higher than in the same period of 2024 (€1,268.3 million) or +8.2% at constant exchange rates.

Full year revenues reached €3,801.5 million, 8.7% higher than the €3,497.6 million recorded in 2024 (+10.4% at constant exchange rates).

In the fourth quarter of 2025 revenues for Household rose 2.8% (+5.2% at constant exchange rates) against a challenging comparison base to €1,197.6 million, driven by recent growth. Revenues reached €3,318.6 million in FY 2025, an increase of 4.8% compared to 2024 (€3,166.1 million), or 6.5% at constant exchange rates.

This performance was supported by the market trend for coffee, amplified by strategic investments in communication like the third global "Perfetto" campaign, as well as additional changes in the Group's marketing strategy and product innovation.

In the fourth quarter of 2025 Professional posted revenues of €144.7 million, a substantial increase (+39.4%) against the comparison period.

Revenues reached €488.2 million in the twelve-month period, an increase of 45.8% against 2024 during which La Marzocco only made a partial contribution as it was consolidated as of 1 March 2024; proforma, or considering a full-year contribution of La Marzocco in 2024, revenues were up 32.0%.

Both brands, La Marzocco and Eversys, achieved stellar results thanks to the results of the Group's products in the premium segment and the ability to understand new trends in the specialty coffee sector, as well as the rapid expansion of the core markets.

Looking at geographies, the Group reported positive performances across the board in both the fourth quarter and the full year with solid trends in Europe and a return to growth in Asia-Pacific, supported by the good results recorded in the Chinese market.

Europe reported revenues of €868.6 million in the fourth quarter and €2,349.2 million in the full year, an increase of 8.0% and 9.1% against the comparison periods, respectively, thanks to the positive contribution made by the different divisions. More in detail, Household was driven by the continuous growth in coffee machines which benefitted, among other things, from the expansion of the Nespresso platform in a few markets. The international expansion of Nutribullet and the growth recorded by Braun ironing systems also contributed to the positive results. As for the Professional division, growth was recorded by both Eversys and La Marzocco.

Despite the impact of the tariffs introduced in Americas, the Group achieved positive results. In the fourth quarter of 2025, revenues amounted to €234.6 million, largely in line with the same period of 2024 (+0.2%) which reflects the negative exchange effect (+3.7% at constant exchange rates). In the twelve-month period revenues reached €687.0 million, an increase of 5.0% compared to 2024 (+8.5% at constant exchange rates). Household benefitted from the good performance of coffee machines which offset the drop in Nutribullet product sales attributable to the slowdown in the blender markets and a challenging comparison with the record results recorded in 2024. Professional recorded a positive performance thanks to the contribution of both brands.

Asia Pacific recorded revenues of €169.1 million in the fourth quarter (+2.6% compared to the same period of 2024) and €539.4 million in the full year (+10.8%), despite a particularly adverse exchange effect (at constant exchange rates growth reached 15.6% in the fourth quarter and 18.1% in the year). More in detail, Household posted positive results in Greater China and Australia/New Zealand; while Professional posted increased revenues in Greater China.

Lastly, MEIA closed the fourth quarter with revenues up 3.5% against the same period of 2024 at €67.7 million. The Group's revenues rose 11.2% increase in the year, coming in at €225.8 million. Both reporting periods were penalized by a negative exchange effect; at constant exchange rates growth reached 11.7% in the fourth quarter and 16.0% in the twelve-month period.



Looking at the business lines, both coffee divisions, which account for almost 70% of the Group's business, recorded positive results.

Nutrition, despite the positive performance of the Kenwood kitchen machines, was down due mainly to a drop in the US market, particularly in blenders, as well as the challenging comparison with the double-digit growth recorded in 2024.

Irons posted good results thanks to the solid performance of traditional irons and the Braun brand ironing systems.

Overall Comfort was down slightly due to unfavorable weather conditions and the pressure from non-EU markets which impacted heating products, above all; air conditioners reported positive results.

In 2025 margins benefitted from higher volumes and a positive mix effect which offset operating cost pressures, related mainly to transport and logistics, and the higher tariffs imposed by the United States, Investments in advertising and promotional initiatives to support the Group's main brands continued.

The adjusted EBITDA amounted to €625.1 million (16.4% of revenues) in 2025, higher both numerically and as a percentage of revenue compared to the same period of 2024 (€559.8 million or 16.0% of revenues).

In the full year Household reported an adjusted EBITDA of €491.8 million (14.8% of revenues), higher both numerically and as a percentage of revenue compared to the same period of 2024 (€487.6 million, 15.4% of revenues).

Professional reported an adjusted EBITDA of €133.4 million or 27.3% of revenues in 2025, showing decided improvement against 2024 (€72.2 million or 21.6% of revenues).

The net result came to €341.4 million, or 9.0% of revenues; net of non-recurring items, costs relating to stock option plans and estimated tax effect, the adjusted net result came to €68.0 million or 9.7% of revenues, higher both numerically and as a percentage of revenue compared to 2024 (€333.3 million, 9.5% of revenues).

Net of the €25.1 million in earnings paid to the minority shareholders, who became part of the shareholder base as a result of the Eversys/La Marzocco business combination, the Group's portion of net profit came to €316.3 million or 8.3% of revenues (€310.7 million, 8.9% of revenues in 2024).

Net operating working capital amounted to €100.8 million (2.7% of revenues) versus €84.9 million at 31 December 2024 (2.4% of revenues). This change reflects trade receivables and inventory dynamics, consistent with the growth recorded in the period, as well as the trend in trade payables which were impacted by a change in procurement dynamics.

The net financial position came to €770.0 million at 31 December 2025 (€643.2 million at 31 December 2024).

Net of a few, specific financial items, comprising mainly the IFRS 16 fair value measurement of derivatives and lease liabilities, the net financial position with banks came to a positive €861.5 million at December 2025 (€746.1 million at 31 December 2024).

Net operating cash flow amounted to €443.4 million in 2025 (€358.7 million in 2024) thanks to the good cash generated by current operations and working capital management.

Total cash flow was positive for €126.8 million in 2025, despite the payment of dividends for €196.5 million and the purchase of treasury shares for €60.6 million.

Group results

The reclassified De' Longhi Group consolidated income statement is summarized as follows:

(€/million)	2025	% revenues	2024	% revenues
Revenues	3,801.5	100.0%	3,497.6	100.0%
<i>Change</i>	303.9	8.7%		
Materials consumed & other production costs (production services and payroll costs)	(1,836.7)	(48.3%)	(1,728.4)	(49.4%)
Net industrial margin	1,964.7	51.7%	1,769.1	50.6%
Services and other operating expenses	(1,012.5)	(26.6%)	(898.4)	(25.7%)
Payroll (non-production)	(327.1)	(8.6%)	(311.0)	(8.9%)
EBITDA adjusted	625.1	16.4%	559.8	16.0%
<i>Change</i>	65.3	11.7%		
Non-recurring expenses/share-based plan	(35.9)	(0.9%)	(11.3)	(0.3%)
EBITDA	589.2	15.5%	548.4	15.7%
Amortization	(131.0)	(3.4%)	(117.6)	(3.4%)
EBIT	458.1	12.1%	430.8	12.3%
<i>Change</i>	27.3	6.3%		
Net financial income (expenses)	(8.1)	(0.2%)	(1.4)	(0.0%)
Profit (loss) before taxes	450.0	11.8%	429.4	12.3%
Taxes	(108.6)	(2.9%)	(104.4)	(3.0%)
Net Result	341.4	9.0%	325.0	9.3%
Minority interests	25.1	0.7%	14.2	0.4%
Profit (loss) pertaining to the Group	316.3	8.3%	310.7	8.9%
Total adjusted net result	368.0	9.7%	333.3	9.5%

The net industrial margin reported in the reclassified income statement differs by €297.2 million in 2025 (€285.4 million in 2024) from the consolidated income statement as, in order to better represent the period performance, production-related payroll and service costs have been reclassified from payroll and services, respectively, and non-recurring expenses have been separately reported.

Revenues

Revenues amounted to €1,340.0 million in the fourth quarter of 2025, an increase of 5.7% against the same period of the prior year.

The extreme currency volatility resulted in a strong adverse exchange effect with an impact on the reporting period of more than 2 percentage points; at constant exchange rates, revenue growth reaches 8.2%.

In the twelve-month period, revenues were 8.7% higher than in 2024 (10.4% higher at constant exchange rates), coming in at €3,801.5 million. The performance reflects higher sales volumes, a favorable margin mix, despite the very aggressive pricing policies of the competition in an unstable global market.

Markets

The performance of revenues in the different commercial regions is summarized below:

(€/million)	4th Quarter 2025	%	4th Quarter 2024	%	Change	Change %	Change at constant exchange rates %
Europe	868.6	64.8%	804.0	63.4%	64.7	8.0%	7.7%
Americas	234.6	17.5%	234.1	18.5%	0.5	0.2%	3.7%
Asia Pacific	169.1	12.6%	164.8	13.0%	4.3	2.6%	15.6%
MEIA (Middle East/India/Africa)	67.7	5.1%	65.4	5.1%	2.3	3.5%	11.7%
Total revenues	1,340.0	100.0%	1,268.3	100.0%	71.7	5.7%	8.2%

(€/million)	2025	%	2024	%	Change	Change %	Change at constant exchange rates %
Europe	2,349.2	61.8%	2,153.8	61.6%	195.5	9.1%	8.8%
Americas	687.0	18.1%	654.0	18.7%	33.0	5.0%	8.5%
Asia Pacific	539.4	14.2%	486.7	13.9%	52.8	10.8%	18.1%
MEIA (Middle East/India/Africa)	225.8	5.9%	203.1	5.8%	22.7	11.2%	16.0%
Total revenues	3,801.5	100.0%	3,497.6	100.0%	303.9	8.7%	10.4%

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Revenues in **Europe** reached €868.6 million in the fourth quarter (+8.0% on the same period 2024) and €2,349.2 million in the twelve-month period (+9.1%).

All the Household product lines posted a positive trend.

Coffee maintained a positive growth path attributable, above all, to the good performance of capsule machines, as well as increased distribution in a few European countries and the contribution of the most recent bean-to-cup models which benefitted from positive markets and greater consumer engagement.

Sales for fully automatic machines varied across the region in which a few markets were impacted by a slowdown in consumer spending. Looking at Nutrition, despite persistently weak demand, Kenwood reported good results, supported by the launch in a few countries through select channels, of a new version of the Cooking Chef and higher market share. Nutribullet personal blenders, launched in France, Italy, Spain and Germany, reported a good performance in these markets which are still developing and where consumer interest is increasing.

Revenues for irons, traditional and ironing systems, were higher in the region's core markets.

Comfort posted positive results thanks to the contribution of air conditioning in the context of a season which began largely in line with prior years, to then peak in June with good sell-in and sell-out levels.

More in detail, good results were posted in the United Kingdom, the Iberian Peninsula, the Netherlands and Italy.

As for the Professional division, Eversys closed 2025 higher in all the markets where it was already present, as well as in a few new countries which contributed to revenue growth; more in detail, good results were recorded in the United Kingdom thanks to the commercial relationships established with important sector players. Revenues were up in Germany and the Netherlands.

La Marzocco reported a positive performance across the entire region; more in detail, Germany become the leading European market with a good product mix and a focus on the home coffee segment. Despite being a mature market, the United Kingdom showed signs of good growth in the domestic coffee segment.

In the fourth quarter of 2025 **Americas** reported revenues of €234.6 million (+0.2% vs. 2024, or +3.7% at constant exchange rates) and €687.0 million for the full year, an increase of 5.0% (+8.5% at constant exchange rates) compared to the same period of 2024.

In the US market, Household was impacted by weakening demand linked to lackluster discretionary spending in the context of global market pressures. Consequently, even though Coffee posted a good performance, particularly fully automatic and Nespresso products, revenues were down. More specifically, personal blenders and other Nutribullet products, impacted by a challenging comparison with 2024, were down despite solid relationships with retailers and targeted commercial initiatives.

Professional posted a decided acceleration in revenues as a result of the positive impact of the changed scope of consolidation, as well as the increased sales of Eversys products in the United States and the decided increase in La Marzocco's turnover pro-forma.

Revenues in **Asia Pacific** came to €169.1 million in the fourth quarter of 2025 (+2.6% vs. 2024, or +15.6% at constant exchange rates), €539.4 million in the twelve-month period (+10.8% compared to the same period of 2024, or +18.1% at constant exchange rates).

In Greater China Household posted a solid performance, despite the adverse exchange effect, thanks to strong investments in communication initiatives and marketing, as well as the government's policy to boost consumer spending. The De'Longhi brand achieved a leadership position in the coffee machine segment and sales for both fully automatic and manual machines increased. The trend in Japan was, overall, positive thanks to the sale of fully automatic coffee machines. Comfort was, however, weak due to competitive market pressures. There was revenue growth in Australia thanks to the solid performance of De'Longhi coffee machines and the recovery of Kenwood kitchen machines. Sales in Korea were down slightly compared to 2024 due to reorganization of the product range, prices and advertising in order to guarantee better protection of margins.

Professional recorded a positive performance thanks, above all, to higher sales in Greater China attributable to La Marzocco's Home division, which was also supported by government incentives, and the strong growth posted by Eversys.

MEIA, despite the region's instability, recorded revenues of €67.7 million in the fourth quarter (+3.5% compared to 2024) and €225.8 million in the FY 2025 (+11.2%) which reflect a negative exchange effect (at constant exchange rates growth reached 11.7% in the quarter and 16.0% in FY 2025).

Household recorded a positive trend and Professional's higher revenues reflect the positive contribution of both brands.

Divisions and business lines

Both divisions achieved satisfying results in 2025.

Revenues for **Household** reached €3,318.6 million (+4.8% against the same period of 2024).

Similar to prior reporting periods, Coffee, which represents around 56% of the Group's revenues, remained one of the main growth drivers.

Thanks to the contribution of new products and investments in communication, the home coffee segment posted a significant increase driven, above all, by constant growth in the sale of new manual machines with grinders and the positive results of capsule machines.

The Group benefitted from favorable growth dynamics in the home coffee segment due to the expanded espresso coffee culture, the search for a growing variety of coffee drinks and greater satisfaction with a product that reflects the increased understanding of coffee's organoleptic qualities. This shift has caused many consumers to prefer products that provide a "beans to cup experience", which supported the increased penetration of fully and semi-automatic machines.

In this context, the Group focused on increasing its product range in order to cover different types of coffee (from espresso to drip coffee) and proposing a coffee bar experience at home, too.



In 2025, the family of fully automatic machines was expanded with the launch of the PrimaDonna Aromatic model which provides a vast range of choices for espresso, drip coffee and cold brew coffee, as well as milk-based drinks.

A new Touch model was added to the La Specialista family which provides a manual, but guided, coffee bar experience.

The ultra-compact Dedic Duo model, a versatile espresso, cappuccino and milk-based drink machine, was also launched.

Despite a weak market, Kenwood kitchen machines recorded positive results.

The new Kenwood Cooking Chef model was launched during the year in order to renew the main product line by introducing a versatile machine which can be used for sweet and savory recipes. It combines advanced technology and design (it was awarded the prestigious iF Design Award).

Despite what was still a soft market, the Group continued to invest in strengthening the range of Braun products; in 2025 two new air fryer models, MultiFry and TwinCook Airfryer, were launched along with a new contact grill, MultiGrill 5, and a new line of handblenders, MultiQuick 3.

The Nutribullet personal blenders benefitted from the internationalization plan and the launch in core European markets where the segment is still being developed; the results, however, were impacted by the challenging comparison with 2024, the softness of the American market which was impacted by unstable market conditions.

Comfort which was, overall, down compared to 2024, was impacted by unfavorable weather conditions and strong competitive pressure which affected heating products primarily; positive results were, however, achieved by air conditioners, above all in Europe.

Home products reported satisfying results, particularly irons thanks to the contribution of Braun products which combine high performance with accessibility, maneuverability, and ease-of-use.

In 2025 the Braun product range was expanded following the introduction of the CareStyle 3 and QuickStyle 3, an ultra-compact vaporizer, models.

Profitability

In 2025 margins benefitted from higher volumes and a favorable mix effect which offset the impact of strong pricing pressure from competitors and the increase in operating costs. Particularly for transport and logistics services.

The 2025 results were impacted by unstable global market conditions and, more specifically, the increased tariffs imposed by the United States; the Group, however, took steps to increase production flexibility, to adapt its structure to changing market needs (optimization of the logistic footprint), to differentiate the supplier portfolio and, consequently, to accelerate containment of purchasing costs.

Investments in advertising and promotional activities continued with a focus on targeted actions to support brands; more in detail collaborations with the brand ambassadors continued and investments were made in the development of new chapters of the "Perfetto" campaign.

In the fourth quarter of 2025 the net industrial margin came to €665.8 million, or 49.7% of revenues, higher than in the same period of 2024 (€626.5 million, 49.4% of revenues). A net industrial margin of €1,964.7 million or 51.7% of revenues was recorded in the twelve-month period (€1,769.1 million or 50.6% of revenues in 2024).

Adjusted EBITDA amounted to €235.6 million in the fourth quarter of 2025, an increase of €11.7 million (+5.2%) compared to the same period of 2024 and was largely unchanged as a percentage of revenues (17.6% in the fourth quarter of 2025 versus 17.7% in 2024).

Improvement was also recorded in FY 2025, with the adjusted EBITDA coming in at €625.1 million (16.4% of revenues) versus €559.8 million or 16.0% of revenues in 2024.

Professional posted growth across all geographies; in the twelve-month period revenues amounted to €488.2 million, an increase of 45.8% against the same period of 2024 during which La Marzocco only made a partial contribution as it was consolidated as of 1 March 2024. On a proforma basis, Professional's revenues were up 32.0%.

The consolidated leadership of the Group's products in premium segments and the ability to understand new trends in the specialty coffee sector made it possible for the division to post growth which outpaced the market.

These results were achieved thanks to a product portfolio, which includes fully automatic and semi-automatic models, that is capable of meeting a vast range of consumer needs and is well positioned in the high-end/premium domestic coffee market which helped to further diversify demand.

Toward that end, La Marzocco achieved positive results across all product lines with acceleration compared to 2024 in both the "Bar" and "Home" segments. Professional coffee recorded a good performance thanks to the contribution of the United States and Europe. The Home coffee sector, which represents about 30% of the total turnover, expanded markedly in the main markets. Sales benefitted from the launch of new models, a few of which were in collaboration with prestigious international brands.

The growth of Eversys products was driven by sales in Greater China, the United States and the United Kingdom. The remaining European countries all performed well and posted significant growth.

Looking at product lines, the Cameo line was the main growth driver thanks to significant increases in volumes across all the core markets.

Similarly, the Enigma and Shotmaster models posted a solid performance with an increase in both volumes and sales. The Legacy+ family also achieved good results thanks above all to new projects in important markets. The first synergistic collaboration with La Marzocco, involving the Modbar Automatic line to be used in high-end hotels and the specialty coffee sector, was also completed in the year.

In the twelve-month period Household posted an adjusted EBITDA of €491.8 million (14.8% of revenues), higher than in the same period of 2024 (€487.6 million, 15.4% of revenues).

In 2025 Professional reported an adjusted EBITDA of €133.4 million or 27.3% of revenues, showing decided improvement compared to 2024 (€72.2 million or 21.6% of revenues).

In 2025 a few non-recurring items were recognized for a total of €1.6 million in net expenses (vs. net expenses of €0.4 million in 2024) relating mainly to ongoing corporate reorganizations underway net of the tax effect of revised allocations.

The Group also recognized €34.3 million in stock option costs in the reporting period (versus €10.9 million in 2024).

Amortization and depreciation amounted to €131.0 million in 2025, higher overall than in 2024 (€117.6 million) which is attributable to the partial consolidation of La Marzocco in 2024 and the completion of a few investments mainly at production facilities.

EBIT amounted to €458.1 million or 12.1% of revenues in 2025 (€430.8 million, 12.3% of revenues in 2024).

The Group posted financial expenses of €8.1 million, higher than in 2024 (€1.4 million) despite good liquidity management due, above all, to lower interest rates.

Net of taxes of €108.6 million (€104.4 million in 2024) net profit came to €341.4 million (9.0% of revenues). Net of non-recurring items, the stock option and the estimated tax effect, the adjusted net profit amounted to €368.0 million (9.7%), an increase both numerically and as a percentage of revenues compared to 2024 (€333.3 million, 9.5% of revenues).

Net of the €25.1 million in profit paid to the minority shareholders, the Group's portion of net profit came to €316.3 million.

Operating segment disclosures

The operating segment disclosure can be found in the Explanatory Notes.



Review of the statement of financial position

The reclassified consolidated statement of financial position is presented below:

(€/million)	31.12.2025	31.12.2024
- Intangible assets	1,223.8	1,323.3
- Property, plant and equipment	523.1	560.6
- Financial assets	10.6	10.9
- Deferred tax assets	83.6	74.2
Non-current assets	1,841.1	1,969.1
- Inventories	606.0	621.9
- Trade receivables	351.6	336.1
- Trade payables	(856.7)	(873.1)
- Other payables (net of receivables)	(250.2)	(181.8)
Net working capital	(149.4)	(96.9)
Total non-current liabilities and provisions	(237.5)	(251.0)
Net capital employed	1,454.3	1,621.2
(Net financial assets)	(770.0)	(643.2)
Total net equity	2,224.3	2,264.4
Total net debt and equity	1,454.3	1,621.2

Net financial position as at 31 December 2025 includes €91.5 million (net financial liabilities for €102.9 million at 31 December 2024) mainly relating to the fair value of derivatives and the financial liabilities for leasing.

In 2025, the Group made net investments of €100.8 million (versus €127.7 million in 2024), €56.6 million of which relates mainly to improvements made at production facilities to increase capacity.

The net operating working capital amounted to €100.8 million (€84.9 million at 31 December 2024), or 2.7% of rolling revenues, largely in line with the 2.4% recorded at 31 December 2024. All line items were impacted significantly by the adverse exchange effect stemming from fluctuations in the main currencies.

Collection times for trade receivables, which were higher as a result of the growth recorded in the period, were largely in line with 2024. Inventory, net the exchange effect was higher in the context of the increased business. Trade payables were impacted by a change in procurement practices.

Net working capital reached a negative €149.4 million at 31 December 2025 (negative for €96.9 million at 31 December 2024).

Details of the net financial position are shown below:

(€/million)	31.12.2025	31.12.2024
Cash and cash equivalents	998.4	1,019.7
Other financial receivables	238.1	178.7
Current financial debt	(98.7)	(186.5)
Fair value of derivatives	2.4	5.9
Net current financial position	1,140.2	1,017.8
Non-current financial receivables and assets	60.3	131.3
Non-current financial debt	(430.6)	(505.8)
Non-current net financial debt	(370.2)	(374.5)
Total net financial position	770.0	643.2
<i>of which:</i>		
- positions with banks and other financial payables	861.5	746.1
- lease liabilities	(94.0)	(110.0)
- other financial non-bank assets/liabilities (mainly fair value of derivatives)	2.4	7.1

The net financial position came to a positive €770.0 million at 31 December 2025 (€643.2 million at 31 December 2024).

This includes a few, specific financial items, comprising mainly the fair value measurement of derivatives, for a net balance of €2.4 million at 31 December 2025 (net positive balance of €7.1 million at 31 December 2024).

The item also includes lease liabilities recognized in accordance with IFRS 16, which amounted to €94.0 million at 31 December 2025 (vs. €110.0 million at 31 December 2024).

Net these items, the net financial position with banks came to a positive €861.5 million (€746.1 million at 31 December 2024).

The statement of cash flows is presented on a condensed basis as follows:

(€/million)	2025	2024
Cash flow by current operations	628.7	542.6
Cash flow by changes in working capital	(84.5)	(56.2)
Cash flow by current operations and changes in NWC	544.2	486.4
Cash flow by investment activities	(100.8)	(127.7)
Cash flow by operating activities	443.4	358.7
Business combination La Marzocco	-	(326.8)
Dividends paid	(196.5)	(108.7)
Cash flow by treasury shares purchase	(60.6)	-
Stock options exercise	5.0	12.7
Cash flow by other changes in net equity	(64.5)	44.7
Cash flow generated (absorbed) by changes in net equity	(316.6)	(51.3)
Cash flow for the period	126.8	(19.4)
Opening net financial position	643.2	662.6
Closing net financial position	770.0	643.2

The operating cash flow, which amounted to €628.7 million in 2025, was higher than in 2024 (€542.6 million) as a result of the economic dynamics described above.

The cash flow generated by movements in working capital was negative for €84.5 million (versus negative €56.2 million in 2024) due to an increase in receivables and inventory as a result of the increased business, as well different procurement dynamics which impacted trade payables.

Investments absorbed €100.8 million (€127.7 million in 2024), explained mainly by investments in manufacturing.

As a result of the above, net operating cash flow amounted to €443.4 million (€358.7 million in 2024) thanks to the good cash generated by current operations.

Despite the payment of dividends for €196.5 million (including the dividends paid to minority shareholders) and the purchase of €60.6 million in treasury shares, total cash flow was positive for €126.8 million compared to net absorption of €19.4 million in 2024 (which, however, was impacted for €326.8 million by the La Marzocco business combination and for €108.7 million by the payment of dividends).

Research and Development

In 2025 the Group continued to work on the development of innovative and sustainable products, incorporating environmental criteria in the planning process in order to minimize the footprint associated with procurement, production, distribution, use and obsolescence. Projects focused on reducing the environmental impact of packaging used during the production processes and for products, to promoting a model based on the use of renewable materials and reducing consumption along the value chain, as well as contributing to the fight against climate change by using low carbon emitting and highly energy efficient products continued.

Looking at the fully automatic coffee machines, the Prima-Donna Aromatic line (launched in 2025) combines innovation and sustainability thanks to an intuitive interface, as well as advanced technology and connectivity, which are paired with reduced energy and water consumption, the use of recycled plastics, and EPS-free packaging.

Projects to reduce the environmental impact of the Rivelia family products also continued.

The developments in the cooking and food preparation products segment involved, above all, aspects related to durability, ease-of-use, size and the use of innovative, sustainable materials in products and packaging. With regard to kitchen machines, one of the key aspects of product innovation involves the remote features which make it possible to monitor and address any issues from a distance, as well as simplify repairs and maintenance.

As for comfort, production began of the new Gentle Jet range of portable air conditioners which, in addition to improving the already high Group energy efficiency ratings, introduced an innovative, patented StiWa certified cooling system.

As for heaters, the Dragon Connect project was completed which made it possible to complete the first connected heater

equipped with inverter-like technology that can be used for active power modulation.

In Home Care, the Group worked on a range of distinctive, high performing irons which are made out of sustainable materials, meet high ergonomic standards and require less energy and water.

Thanks to the investments in research and development, the Professional division is able to successfully maintain its technological leadership which has roots in the history of the two groups, Eversys and La Marzocco.

The team of engineers and professionals who are part of R&D work across a wide spectrum of specialties which include hardware, software, AI and UX. The solutions are built internally in the first phase of market prototype development. All the Eversys professionals receive training in the SCA Barista protocol, a group of standards, guidelines and techniques based on scientific research with a view to preparing high quality espresso and milk-based drinks which combine technological expertise with an understanding of coffee culture. The connectivity of the Eversys and La Marzocco machines makes it possible to reduce fixed and service costs; effective guidelines for proactive maintenance also make it possible to maintain the machines in perfect working order and in ideal mechanical condition.

Eversys possesses a vast portfolio of patents designed to improve daily routine operation and drink quality. These are patented innovations for the milk system, for the transmission of data in real time, as well as for cleaning the automatic coffee pressing and product scalability.



Communication activities

In 2025 the Group continued to invest considerably in advertising and communication, while also continuing with optimization and efficiencies which resulted in the rationalization of spending on the most interesting segments, a careful analysis of the return on investments and the extension of the campaign periods in order to benefit from the carry-over effect.

In order to increase effectiveness, the campaigns touched all the main touch points of the consumer journey and were disseminated on all communication channels.

With regard to the De' Longhi brand, the "Perfetto" campaign continued with a view to enhancing the strength of the brand and stimulate demand with a large scale, high-impact campaign.

The third chapter, entitled "The Perfetto Instruction for Use", once again featured Brad Pitt as the Group ambassador. Thanks to a 360-degree approach which covers all media (TV, online video, social media, local promotions in a few countries and store events), the "Perfetto 3.0" campaign made it possible for the Group to increase the reach and visibility of the brand on social media, as well as increase user intent.

As for the Kenwood brand, 2025 was characterized by the launch of a new advanced Kitchen Machine model: the new generation Cooking Chef. The global expansion of the "Make it Big" GO support campaign continued through full-funnel activities which were adapted locally to meet the needs of specific resellers and regional objectives.

Looking at Braun, in November 2025 the "Simplifying cooking, by design" campaign was launched. This campaign focuses on strengthening the brand recognition and engagement of the Nutrition division, specifically of the air fryers, immersion blenders, pitcher blenders and the grill pans. The campaign highlights how the distinctive ergonomic design and superior performance of Braun products improves consumers' daily lives. The main media channels used for the launch include

online video, connected TV, social and retail media, along with single market campaigns with specific influencers.

The Nutribullet brand products are conceived for consumers who view wellbeing as an integral part of a lifestyle choice. In 2025, the Group increased investments designed to strengthen Nutribullet's global brand awareness and increase international distribution, with a specific focus on the main personal blender categories, both corded and portable.

These initiatives support the brand's mission to foster a lifestyle grounded in healthy eating, based on fresh, natural foods, while highlighting the key benefit of being able to eat healthily with minimal effort, thanks to the functional, fast, simple, and intuitive products in the NutriBullet family. The brand communication strategy is developed around a distinctive and cohesive global design language characterized by bright colors, energetic visual storytelling and engaging music, in order to create a strong emotional connection with consumers. This approach was developed for international markets and is increasingly optimized for digital platforms and social media which play a key role in increasing brand visibility, sustaining international expansion and engaging new audiences worldwide.

In the last few months of 2025, the Group announced the opening in London of De'Longhi Global Social Officina, a hub where expertise in social media and emerging trends converge. L'Officina was designed and built to fuel creativity, cultural influence and global presence on social media. The hub, which will be up and running in 2026, will be key to the execution of De'Longhi Group's social media strategy, offering award-winning content, partnerships with world-class influencers, and large-scale performance-driven storytelling.

With regard to the Professional business, a number of communication and marketing initiatives were kicked off, with a particular focus on cultivating, through strategic social media interventions and practical experiences, a "Coffee

Community". Testimony to the importance of the Group's brands, in 2025 at the European Coffee Symposium the group received two important prizes, Best European Brand in Traditional Coffee Equipment and Best European Brand in Fully Automatic Coffee Equipment which were awarded to La Marzocco and Eversys, respectively, which is added to the Home Coffee Equipment Brand of the Year prize given to De'Longhi for the Household division.

Looking at La Marzocco, the brand's success was nurtured through impactful marketing activities focused on four strategic areas, namely the expansion of Home and the D2C sales, the strengthening of digital marketing, social media presence, as well as exclusive collaborations with prestigious international partners. The communication was focused on the product and its technological characteristics, as well as the narrative connected to the concept of lifestyle.

As for digital marketing, the presence on different platforms was strengthened and the development of the global e-commerce ecosystem continued with ongoing updates on the online shop and the introduction of new products, above all high-end home machines and merchandising, which had a positive impact on sales.

La Marzocco also participated in prestigious events which increased brand visibility.

Lastly, a look at the activities of the Accademia del Caffè Espresso. In the building which was home to the first La Marzocco plant, there is now a cultural center, an industrial museum and a training hub dedicated to the world of espresso coffee which today is an open, multi-disciplinary space where training, research and awareness meet to tell the story of and promote the world of coffee, a point of reference for the main sector players. In 2025 the Academy had a lot of visitors and continued with a few strategic initiatives.

In addition to the above, in 2025 La Marzocco was awarded other prestigious international prizes.

With regard to Eversys, in 2025 the Group redefined the brand visual in order to convey the brand's identity and values more clearly. A number of communication tools were created to support sales which was combined with the launch of the renewed website.

Eversys also participated in events held in a number of markets: including the participation in the biggest European Specialty Coffee trade fair, the World of Coffee Geneve 2025, and the most important trade fair for the Ho.Re.Ca world., HostMilano 2025. The latter was the perfect time to present the new Legacy+ line which includes, in addition to Legacy+, the Legacy+ Cold model, designed for the American market, above all, and Legacy+ Steam, dedicated mainly to Asian markets. In addition to the prizes mentioned above, Eversys also received the World Coffee Innovation Award, in the "Automatic coffee machine" category for the Legacy+ model. Lastly, at HostMilano 2025 the first product born out the Eversys/La Marzocco synergy, namely the Modbar Automatic line, was presented.



Human Resources

Here follows a detail of the average workforce in 2025:

	2025	2024
Blue collars	6,571	6,798
White collars	3,598	3,557
Managers	384	376
Total	10,553	10,731

The Group had an average of 10,553 employees in 2025, lower than in 2024 due to dynamic and targeted management of the resources, above all with respect to plant personnel. Flexible management strategies were, in fact, implemented in order to respond quickly to the volatility of global demand while also safeguarding employment and preserving qualitative excellence.

Initiatives relating to worker safety and health, talent attraction projects, training and development, continued, as did activities to support employee wellbeing, engagement and DE&I.

For more information on human resources and the Group employee initiatives refer to the Sustainability Report included in this document.



Report on corporate governance and ownership structure

De' Longhi S.p.A.'s Report on Corporate Governance and Ownership Structure drawn up in accordance with art.123 - bis of Legislative Decree n. 58/98 ("TUF") can be found in a report not included in the Report on Operations, published at the same time as the latter and available on the company's website www.delonghigroup.com (section Home > Governance > Corporate bodies > Shareholders' Meeting 2026).

Unless otherwise specified in this document, please refer to the aforementioned Report on Corporate Governance and Shareholding Structure.

Pursuant to art.16.4 of the Market Regulations please note that De' Longhi S.p.A. is not subject to the direction and control of the parent company De Longhi Industrial S.A., or of any other party, pursuant to and in accordance with articles 2497 et seq of the Italian Civil Code, insofar as (i) the Group's business, strategic and financial plans, as well as the budget, are approved independently by De' Longhi S.p.A.'s Board of Directors; (ii) the financial and funding policies are defined by De' Longhi S.p.A.; (iii) De' Longhi S.p.A. conducts its relationships with clients and suppliers in full autonomy; and (iv) in accordance with the principles of the Corporate Governance Code, important strategic, economic, equity and financial transactions are examined by the board and approved exclusively by the Board of Directors.

The coffee products segment has been one of the main growth drivers for the Group and continues to represent an important strategic development opportunity in the medium-to-long term, in both the professional and consumer segments.

Within this strategic context falls the Group's decision to strengthen the governance and organizational structure in the professional coffee hub, born from the business combination between La Marzocco and Eversys, in order to fully exploit the potential of the companies in the premium market segments.

Therefore, a Chief Executive Officer of the professional division has been appointed with the objective of strengthening the holding company's structure and ensuring a strategic vision in the main business areas, such as planning, finance and control, human resources, legal affairs, and internal audit activities, in coordination with the Group's corporate functions. Furthermore, an Operations Officer will be appointed to make the most of the potential synergies between the companies.

This organizational strengthening in the professional division will allow for further leveraging of the market leadership and the excellent technological innovation capabilities of both La Marzocco and Eversys, optimizing shared resources and exchanging knowledge and best practices to create greater value for the Groups.



Risk management and internal control system relating to the financial reporting process

Introduction

The Issuer's and the De' Longhi Group's Internal Control System consists in the set of rules, procedures and organizational structures set in place to ensure that company strategies are adhered to and, based on the corporate governance standards and model included in the COSO report (Committee of Sponsoring Organizations of the Treadway Commission), to guarantee:

- a) efficient and effective company operations (administration, production, distribution, etc.);
- b) reliable, accurate, trustworthy and timely economic and financial information;
- c) compliance with laws and regulations, as well as the corporate articles of associations, rules and company procedures;
- d) safeguarding of the company's assets and protection, to the extent possible, from losses;
- e) identification, assessment, management and monitoring of the main risks.

The controls involve, with different roles and within their respective competencies, the top administrative bodies of the Parent Company De' Longhi S.p.A. (Board of Directors, Control and Risks, Corporate Governance and Sustainability Committee, Director in charge of the internal control and risk management system), the Board of Statutory Auditors, the CFO/Manager in charge of preparing the company's financial reports, the Head of the Internal Audit function, the Supervisory Body, and all De' Longhi personnel, as well as the Directors and Statutory Auditors of the subsidiaries controlled by the Issuer: everyone complies with the indications and principles contained in the Guidelines.

The Internal Control System, which is subject to periodic examination and verification, taking into account the evolution of

corporate operations and the reference context, allows for addressing with reasonable timeliness the various types of risk to which the Issuer and the Group are exposed over time. It also allows for identifying, measuring, and controlling the degree of exposure of the Issuer and all other companies of the De' Longhi Group—and in particular, among others, companies of strategic importance—to various risk factors, and further allows for managing the overall exposure, taking into account:

- (i) the possible correlations between the different risk factors;
- (ii) the probability that the risk materializes;
- (iii) the impact of the risk on the company's operations;
- (iv) the overall impact of the risk.

An integral and essential part of the De' Longhi Group's Internal Control and Risk Management System is the risk management and internal control system existing in relation to the financial reporting process (administrative and accounting procedures for the preparation of the separate and consolidated financial statements and other reports and communications of an economic, equity, and/or financial nature prepared in accordance with the law and/or regulation, as well as for monitoring the effective application of the same), prepared with the coordination of the CFO/Manager in charge of preparing the company's financial reports.

The Head of the Internal Audit function—who is responsible for verifying that the internal control and risk management system operates efficiently and effectively—draws up an annual work plan that is presented to the Board of Directors, which approves it after receiving the opinion of the Control and Risks, Corporate Governance and Sustainability Committee and having consulted the Board of Statutory Auditors and the Director in charge of the internal control and risk management system, also based on the indications received from the CFO/Manager in charge of preparing the company's financial

reports and the provisions of Legislative Decree 262/05. Among other things, they report to the Control and Risks, Corporate Governance and Sustainability Committee on the results of the activities carried out with reference to the issues identified, the improvement actions agreed upon, and the results of the testing activities. They also provide a summary report to allow the CFO/Manager in charge of preparing the company's financial reports and the delegated administrative body to assess the adequacy and effective application of the administrative procedures for the preparation of the consolidated financial statements.

Description of main characteristics

The De' Longhi Group makes use of a risk management and internal control system relating to the financial reporting process pursuant to Art. 123-bis paragraph 2 letter b, TUF (Consolidated Law on Finance), which is part of the broader internal control system. The Group has adopted a system of administrative and accounting operating procedures to ensure an adequate and reliable financial reporting system; this system includes the update of regulatory news and accounting principles, consolidation rules, and periodic financial reporting, as well as the necessary coordination with its subsidiaries.

The Group's central Corporate functions are responsible for the management and dissemination of these procedures to the Group companies.

The activity of assessment, monitoring, and continuous updating of the internal control system on financial reporting is carried out in consistency with the COSO model as part of the activities carried out according to Law 262/2005. Within this framework, processes and sub-processes presenting critical

aspects were identified, primarily through the identification of relevant companies based on quantitative and qualitative parameters of the relevance of financial information (companies relevant from a size perspective and companies relevant only to specific processes and risks).

Based on this identification, mapping was then carried out, identifying the main manual and automatic controls and assigning a high-medium-low priority scale; these controls are then subject to testing activities.

The scope of the companies included within the aforementioned mapping for the purposes of Law 262/2005 has been modified over the years to adapt it to the Group's changes in both quantitative and qualitative terms, and this scope was also considered for the definition of companies considered strategic.

The general managers and administrative managers of each Group company are responsible for maintaining an adequate internal control system and, as managers, must issue a certification confirming the correct operation of the internal control system.

The Internal Audit Department additionally provides, within its audit plan, for checks through self-assessment checklists of internal controls.

Regarding the fulfillments pursuant to Consob Regulation 20249 of December 28, 2017, and subsequent amendments concerning market discipline ("Market Regulation"), it is specified that De' Longhi S.p.A. controls, directly or indirectly, seventeen companies incorporated and regulated by the laws of non-EU states, which hold significant importance pursuant to Art. 151 of the Issuers' Regulation.

Taking into account the fulfillments established by Art. 15 of the Market Regulation, it is specified that:

- the mentioned companies have, in the Issuer's opinion, an administrative-accounting and reporting system suitable for regularly providing the Management and the auditor of De' Longhi S.p.A. with the economic, equity, and financial data necessary respectively for the preparation of the consolidated financial statements and for auditing activities;
- they provide the auditor of De' Longhi S.p.A. with the information necessary for the auditor to conduct the control activity of the parent company's annual and interim accounts;
- the Issuer has the Articles of Association and the composition of the corporate bodies, with the related powers, of the

mentioned companies, and is constantly updated on any changes made to them;

- the accounting situations of the mentioned companies, prepared for the purpose of drafting the De' Longhi Group's consolidated financial statements, have been made available in the manner and terms established by the legislation in force. It is specified in this regard that the identification and analysis of risk factors contained in this report were also conducted in consideration of the variation of strategic companies as resolved by the Board of Directors.

In order to identify and manage the main corporate risks, with particular attention to areas of corporate governance and adjustment to regulatory and legislative standards (including, in particular, the recommendations dictated by the Corporate Governance Code for Listed Companies), the De' Longhi Group has provided for the development and monitoring of a structured Enterprise Risk Management (ERM) model.

The implementation of this ERM project is aimed at strengthening the control and risk management system by mapping the main corporate risks based on the Group's value chain, identifying the inherent risk and the relative residual risk, as well as identifying and implementing intervention proposals for their elimination and/or mitigation.

Furthermore, a list of risks related to the theme of sustainability has been integrated within the ERM. This activity is part of the process of progressive integration of environmental, social, and governance sustainability issues within the corporate strategy, risk management, and remuneration processes, aimed at promoting a systemic and transparent approach that respects the principles provided by the Group's Code of Ethics, which is also capable of ensuring respect for the principles of plurality, equal opportunity, equity, and non-discrimination of any kind. Among these risks, the one relating to "climate change" is particularly highlighted.

ERM activities include analyses of risk scenarios determined through comparison with the main markets and production plants. In addition, a large group of managers from the international network was involved to review and update the most imminent and significant risk elements. In parallel, the Management Team of the companies involved in the activity was engaged in reviewing risk exposures and collecting their perceived most critical risks.

The Group highlighted concerns regarding the macroeconomic and geopolitical context combined with protectionist

maneuvers in the USA (and the consequent imposition of tariffs), possible logistical and market discontinuities due to regional conflicts, as well as challenges posed by technological innovations. In this uncertain economic context, the Group has demonstrated strong resilience thanks to contingency plans and strategic reviews to support sales growth in key categories; product and promotional strategies have been adapted with the aim of strengthening the market position despite uncertainties.

Over the years, operational progress has generated significant advantages, facilitating timely decisions in response to global uncertainties; furthermore, the Group has been able to count on fundamental initiatives such as the digitalization of processes, its strong international presence, the strength of its brands, and its production and purchasing platform. The significant strengthening of the Group's operational resilience was highlighted by the prompt reaction to the challenges posed by the current macroeconomic and geopolitical situation and by the excellent economic and financial results of 2025.

To further strengthen risk monitoring, the Internal Audit Department constantly maintains close vigilance over risk factors, develops the ERM system, and periodically conducts a risk review. The improvement of specific tools and the launch of new initiatives intended to increase awareness of the risks themselves are fundamental to achieving these goals.

Risk factors for the De' Longhi Group

In relation to the risk factors to which the Group is exposed, a summary of the most relevant risk factors or uncertainties that may significantly affect the activity of the De' Longhi Group is highlighted below.

These risk factors also take into account the results of the aforementioned ERM project and the analyses conducted in the current and previous years, also through in-depth studies shared with, among others, the Control and Risks, Corporate Governance and Sustainability Committee and with the Board of Statutory Auditors of De' Longhi S.p.A.

In relation to the main risks highlighted below, the Group pays continuous attention and monitoring to the situations and evolutions of macroeconomic and geopolitical trends, the market, and demand to be able to implement any necessary and timely strategic actions.

It is also specified that in addition to the risk factors and uncertainties highlighted in this document, additional risks and uncertain events, currently unforeseeable or currently considered unlikely, could likewise influence the activity, economic and financial conditions, and prospects of the De' Longhi Group.

1 - Risks relating to macroeconomic/geopolitical trends and global crises.

The main risk factors relate to:

- consumer trends;
- the cost of raw materials;
- interest rates and the foreign exchange markets;
- any policy changes made in a few key markets (including the application of tariffs by the USA);
- supply chain interruptions attributable to regional conflicts;
- any disturbances, riots and strikes or other types of demonstrations;
- any epidemics and/or serious health related situations.

The Group operates in a context of general macroeconomic instability and geopolitical tensions, added to by the tariff maneuvers by the USA.

Macroeconomic uncertainty remains critical in some of the Group's key markets. In Romania, the high public deficit and persistent inflation have pushed for an increase in tax pressure and the gradual suppression of the energy price cap. In China, consumption is very sensitive to local support policies. Germany is facing a situation of stagnation. In the UK, despite growth in demand, consumption suffers from a reduction in disposable income due to recent legislative changes. Inflation remains very high in Russia.

In parallel, from a geopolitical point of view, tensions and conflicts in some key regions contribute to creating significant uncertainty in some markets.

The Group carries out periodic monitoring of these economic trends and the geopolitical scenario in order to implement any strategic actions promptly.

To mitigate these risks, the Group has adopted flexible strategies and an organizational model, as well as a structured and proactive approach to anticipate risks and seize opportunities by strengthening monitoring with dedicated task forces and optimizing internal processes, ensuring greater resilience.

Nevertheless, the continuation of such situations could lead to the limitation of the Group's activity with an impact on economic and financial results.

2 - Risks relating to strong competition/Risks relating to the high concentration of clients in the sectors in which the De' Longhi Group operates: the De' Longhi Group's business is highly competitive and there is a tendency for the business to be concentrated in a few important players.

The Group competes with other industrial groups of international importance. The target markets are highly competitive in terms of product quality, innovation, economic conditions, as well as reliability, safety, and assistance; they could also be affected by changes in consumer habits/preferences.

Some non-European competitors are disrupting the market through rapid launches of new products, competitive structures, and aggressive commercial investments.

Finally, the target sales channel (the trade) is increasingly concentrating on a few international players in some of the main markets, also due to the exponential growth of e-commerce.

The Group is therefore called upon to adopt effective strategies to counter these phenomena; among others, constant market monitoring, agile commercial tactics, and the acceleration of innovation and diversification. In this context, the strength of brands and the ability to propose an adequate commercial offer are fundamental.

Should the Group be unable to effectively deal with the external reference context, there could be a negative impact on economic results and/or the financial situation.



3 - Risks relating to a high concentration of the business in mature markets (the European market, in particular).

In recent years, the Group has expanded its global presence through an internationalization process aimed at mitigating business concentration in some markets (particularly European markets).

To seize growth opportunities, geographical diversification is crucial as it allows for avoiding excessive concentration on mature markets. In this regard, the Group thoroughly analyzes and monitors high-potential areas and carries out a targeted allocation of resources to support global competitive growth.

4 - Risks relating to IT systems / risk of increases in cyber fraud and cyber threats: The information systems of a complex international group are an important and delicate part of the company's processes.

Risks relate to events that may threaten the continuity of service delivery, data integrity, and the obsolescence of telecommunications and processing technologies.

Cyberattacks represent a threat to any sector, and in general, there is a progressive increase in so-called cyber crime; in this context, Cyber Risk assumes increasing importance, meaning any risk of financial loss, disruption, or damage to the reputation of an organization arising from accidental events (e.g., server shutdown) or malicious events (e.g., theft of sensitive data) against the information system.

The Group has put in place the necessary actions to limit the aforementioned risks, activating a multi-year Cyber risk management project supported by significant investments.

Furthermore, the usual security devices have been implemented to protect lines and applications, along with various levels of physical security (from equipment duplication to outsourcing to specialized companies). Continuous technological updating is also ensured by the prevalent use of the SAP platform. Although the Group has put in place all necessary actions to minimize these risks, the occurrence of catastrophic events with related problems to information systems cannot be excluded.

5 - Risks relating to the De' Longhi Group's ability to achieve continuous product innovation / acceleration in the time-to-market of innovations: the De' Longhi Group's ability to generate value also depends on the ability of its companies to offer technologically innovative products that respond to market trends.

To maintain competitiveness, it is essential to accelerate the development of new products in the face of some competitors who are very fast in innovation, gaining shares in key categories. The Group is studying solutions to reduce time-to-market in order to seize emerging trends and respond more effectively to market needs.

From an innovation perspective, the Group continues to demonstrate that it is a leader both in technological aspects and in the creation of trend and design products, also thanks to a policy of promoting resources dedicated to the development of its products.

In particular, should the Group be unable to develop and continue to offer innovative and competitive products compared to those of its main competitors in terms of, among other things, price, quality, functionality, sustainability, or should there be delays in the market release of strategic models for its business, the Group's market shares could suffer a negative impact on business prospects, as well as on economic results and/or the financial situation.

6 - Risks relating to organization and human resources / difficulties in talent acquisition and retention: The Group's success largely depends on the ability of its executive directors, the General Manager and the individual areas of business and on the professionalism of the human resources that it has been able to attract and develop.

The main risks relating to the human resources area are linked to the Group's ability to attract, develop, motivate, retain, and empower personnel with the necessary attitudes, values, specialized professional and/or managerial skills, in relation to the evolution of the Group's needs.

The loss of the services of these subjects or other key resources without adequate replacement, as well as the inability to attract and retain new and qualified resources, could therefore

have negative effects on the Group's business prospects, as well as on economic results and/or its financial situation.

Regarding the ability to attract valuable resources, it is noted that the Group's main companies plan initiatives aimed at improving both the professional life quality of their employees and collaborators and the Group's external image (communication, relations with schools and universities, testimonials, company internships, etc.), in some cases using specialized service companies with proven experience and professionalism.

On the front of human resources development and motivation, some of the actions taken include strengthening managerial as well as more specialized, business, and regulatory skills, with initiatives involving managers and collaborators from different business areas.

Reward systems for personnel at various organizational levels are also provided, from factory workers in production plants to top management and key figures, linked to the achievement of short-term and/or medium-long term results through a salary review process.

Regarding the personnel employed in production sectors, the Group operates in China, Italy, Switzerland, and Romania. Production in Romania has led to a diversification of the industrial platform, so as to rebalance, at least in part, the structure previously concentrated mainly in China.

Regarding the Chinese platform, there are some risks connected to macroeconomic trends and the high turnover of production personnel. More generally, there are many countries where a criticality in finding human resources with adequate professional skills is reported; in some cases, the progressive aging of the population and the consequent exit from the workforce upon reaching retirement requirements have aggravated the difficulties.

These risks are managed through the development of incentive systems aimed at personnel loyalty (production bonuses and retention bonuses deferred over time for factory personnel, salary adjustments linked to company seniority, incentive systems for management), production personnel research and management policies, investments in training and development of the most qualified internal resources, and an improvement of living and working conditions within the different plants (canteen service, recreational activities, dedicated spaces for leisure, internet access).



Regarding Romania, where the Group has increased its presence in recent years, three production plants are currently active, located in three areas to also maximize workforce availability.

7 - Risks relating to strategic partnerships and alliances: the Group also operates through agreements with strategic partners that foresee the development, production and marketing of products, particularly coffee makers sold in international markets.

Consequently, should the Group no longer be able to maintain or renew these agreements, there could be impacts on consolidated economic results and the equity situation. These agreements, which are nonetheless yielding very positive results in terms of growth and development and full satisfaction for both De' Longhi and its strategic partners, are carefully managed and monitored by top management.

8 - Risks relating to the need to update processes increasingly subject to change.

The Group has implemented its processes with the aim of supporting expansion and improving operational efficiency. However, in an increasingly dynamic and competitive context, continuous updating is essential to ensure agility, integration,

and scalability. In this regard, the Group intends to enhance some key projects, especially in the commercial, marketing, and logistical fields, also exploiting possible synergies with recently acquired companies.

In this context, the Group recognizes the adoption of Artificial Intelligence (AI) as a fundamental driver for innovation and process optimization. Although the integration of AI-based solutions offers significant opportunities in terms of decision-making efficiency and market response speed, it involves challenges related to the rapid technological evolution, data security, and compliance with new regulatory frameworks. The Group oversees these profiles through a specific governance aimed at ensuring the adoption of new digital technologies that are secure, ethical, and scalable, minimizing the risk of technological obsolescence compared to global competitors.

9 - Risks relating to patents and trademarks. Given the importance of developing products that are innovative in both technology and design (see point 5 above), the Group pursues a policy of protecting its research and development by registering patents for inventions, utility models and designs in the various markets concerned; similar protection must be assured for the Group's trademarks.

The legal activity of protecting industrial property rights (patents for inventions, utility models, and designs and models as well as trademarks) is assigned to the Group's legal offices, which handle constant monitoring and control worldwide, utilizing specific consultants in the various countries involved.

It is not possible to absolutely guarantee that the actions taken can prevent imitations of Group products by third parties and, above all, it must be noted that the legal systems of various foreign countries (including China, for example) do not protect industrial property rights with the same intensity as European legislation.

The Group's policy is nonetheless aimed at bearing the necessary costs in order to ensure the highest possible degree of protection for its industrial property rights worldwide, in the markets where the Group is present.

Furthermore, it is not possible to guarantee that industrial property rights still in the application stage (and, in particular, patents for invention and utility models) will actually be granted as filed, as a reduction—sometimes significant—of the relative scope of protection is possible both during technical examination by the competent office and following any oppositions to the registration and granting of rights that may be presented by third parties.

Finally, although the Group does not believe its products violate third-party property rights, it is not possible to exclude that third parties may successfully assert, including through legal action, the existence of such violations.

10 - Exchange rate fluctuation risks: The Group does business in many foreign markets and is exposed to the risk of fluctuations in currencies.

The unfavorable trend and the aforementioned exposure to currency risk, especially in some specific markets where the Group's subsidiaries operate, could generate unexpected margin losses.

In order to protect the income statement and balance sheet items from these fluctuations, the Group adopts an exchange rate risk hedging policy that uses procedures and tools suitable for this purpose and free of speculative connotations. Hedging activity is carried out centrally, based on information collected by a structured reporting system, by dedicated resources, and using tools and policies compliant with international accounting standards. The object of the hedging activity is defined annually at the time of the approval of the annual budget (or upon approval of the three-year plan) and updated periodically based on consolidated exposures and the definition of an efficient hedging frontier, with the aim of minimizing currency portfolio volatility and maximizing the hedging benefit; protection for commercial and financial credit/debit items is also put in place. Regarding the coverage of economic risk related to marginality, the determination of the hedging level is also defined based on market trends and cost/opportunity evaluations.

The Group's main net exposure currencies are the Chinese renminbi and the reference currencies in the main export markets (British pound, Japanese yen, Australian dollar, Polish zloty, Canadian dollar, etc.). The US dollar is a currency that enjoys a situation of substantial natural hedging as sales in USD have increased in recent years so as to allow offsetting the level of purchases in the same currency.

Significant fluctuations in major currencies could also determine an exchange rate risk caused by the conversion of financial statement items of the Group's foreign companies (so-called consolidation risk).

Despite the Group's efforts to minimize these risks, sudden exchange rate fluctuations could have a negative impact on the Group's financial situation and economic results.

11 - Risks relating to manufacturing, commodity prices and supplier relationships.

Production is carried out at production hubs in Italy, Romania, China, and Switzerland, which determine a balanced platform among different geographical areas with a consequent reduction in the risk of business interruption.

The Group's production costs are influenced by price trends and the availability of main raw materials, such as steel, plastic, and copper. Energy costs can also significantly affect production costs, as happened recently in the face of strong inflationary phenomena in the energy market.

A significant portion of purchases is made in China: risks are connected to productions carried out by Chinese subsidiaries acting as Group suppliers, by the network of key third-party suppliers, as well as by component suppliers of the Group's production subsidiaries themselves.

The Group manages these risks through:

- (a) a permanent evaluation system for the various suppliers, used for decision-making purposes and to identify the reliability of each recurrent supplier in terms of quality and price of the products supplied;
- (b) assessment of the risk of fluctuation by the Chinese currency against the US dollar, the Group's reference currency which is protected by the Group's hedging policies, as part of the above mentioned currency risk management;
- (c) review of the financial status of suppliers and hence of the allocation of appropriate production volumes to each supplier;
- (d) evaluation of the services provided by suppliers in terms of logistics and timeliness of deliveries and of the consequent decisions adopted each time;
- (e) a network of reliable and trustworthy key suppliers;
- (f) inspections, prior to product shipment by suppliers, intended to prevent any defects in the quality of products acquired;



- (g) periodic assessment of the buy/make strategies for the Group's main products taking into account any global market conditions that could result in the need to change the strategy.

In this context, the Group also pays particular attention to managing the growth of the Professional division. To support the development of this area, initiatives are underway to strengthen the operational structure and expand production capacity, with the goal of ensuring the necessary scalability and process resilience relative to the increase in market demand.

The price of raw materials and components can fluctuate significantly, depending on various factors, including the economic cyclicality of target markets, supply conditions, and other factors beyond the Group's control and difficult to predict.

The price trend of the aforementioned raw materials and components is constantly monitored to be able to undertake the necessary actions to keep the Group competitive. As of the date of this report, the Group does not have raw material price oscillation risk hedging contracts in place.

The price of finished products can also be influenced by the application of duties (referring primarily to products intended for the US market) on which the Group performs a critical analysis to evaluate the impacts.

The Group aims to integrate sustainable materials into its products; the potential increase in procurement costs could represent a risk that has been mitigated by the preparation of Eco Design guidelines allowing the Group to have a policy for evaluating and exploring alternative materials. Furthermore, circular economy practices have been planned since 2024.

The possible risk of dependence on a single supplier for certain types of components for strategic productions is also noted: facing this risk, the Group has moved to identify secondary suppliers and to define an alternative purchasing/production strategy.

Finally, the risk arising from market situations characterized by abnormal trends in the supply of raw materials and components and market conditions is noted, in response to which the Group takes timely actions to preserve supply chain continuity and marginality.

12 - Risks relating to product quality and product liability: The Group's products have to meet different quality standards according to the different jurisdictions in which they are marketed.

There is primarily the risk that products do not comply with the quality standards provided by the different regulations in force in the aforementioned jurisdictions. This could justify the return of such products, with an increase in production costs and impacts on the Group's image that could materialize in reputational damage.

Obviously, it should also be remembered that the activity of the De' Longhi Group involves assuming the typical responsibilities of a manufacturer for damages resulting from defective products: a portion of sales takes place in legal systems (such as the USA) where liability regimes for damages to property or persons caused by products are particularly rigorous.

In this regard, the Group applies strict control standards for its products: it has a quality risk management protocol that includes various activities and procedures to protect product quality; there is also a structure dedicated to quality control, carried out directly at the production units and at suppliers.

In addition, the Group has insurance coverage relating to product liability deemed adequate for the risks.

Nevertheless, the possibility, with reference to some Group products, of manufacturing defects or, in some circumstances, the inadequacy of the aforementioned insurance coverages cannot be excluded. The establishment of significant litigation in the field of product liability, or the finding of defects in Group products, could cause damage to the Group itself with negative consequences on economic results.

13 - Risks relating to inventory levels and delivery punctuality: In view of the importance of inventory and supply chain management within the Group's organization, certain risks can be hypothesized: in fact, the Group is exposed to a stock level risk, associated with correctly predicting product quantities and assortment for subsequent sale.

In particular, if the Group does not have an adequate quantity of products, it could incur the risk of not adequately and timely satisfying the relative demand from its customers; if, on the other hand, the quantity of such products is excessive compared to orders, the Group could face the relative risk of unsold goods or higher inventory than expected with consequent related charges and effects on the level of working capital and relative cash absorption.

A further risk is given by possible inefficiencies in supply chain management that could affect the adequacy of the service rendered to customers.

The Group currently has a supply chain department and advanced procedures for forecast and planning management integrated into information systems, which ensure programming and management of all phases along the supply chain; recently, a major program for improving supply chain procedures was launched and is currently being implemented.

As for the level of service to be guaranteed to customers, the Group's procedures provide for a service that takes into account the individual needs of each customer.

If the Group were unable to predict and/or deal with the aspects that could determine the aforementioned risks, negative effects could occur on the activity and on the economic, equity, and financial situation of the Group.

14 - Credit risk: The Group is exposed to credit risk on its trading activities.

It is believed that, even under this profile, the socio-political risks (or Country risks) already highlighted previously (see point 1 above) or market risks may assume relevance, in relation to the concentration taking place in retail and the strengthening of the e-commerce channel which can determine the crisis of some commercial operators.



Commercial credit risk is monitored based on formalized procedures for the selection and evaluation of the client portfolio, for the definition of credit limits, for monitoring expected collection flows, and for any recovery actions, and provides for the stipulation of insurance policies with primary counterparties as well as, in some cases, requesting further guarantees from customers, mainly in the form of bank guarantees.

Nevertheless, there is no certainty that these procedures can effectively limit the credit-related risk and avoid losses that could negatively impact the Group's results.

15 - Risks relating to changes in the regulatory framework, particularly concerning environmental protection/introduction of new legislation to mitigate climate change: The Group is subject, in the various jurisdictions in which it operates, to the national and international legal requirements and technical standards applicable to the type of products sold.

Regulations regarding safety and energy consumption of household electrical appliances and regulations on consumer contracts, defective products, minimum warranty period, recyclability, and environmental compatibility are particularly important.

Although the Group's organization and production are considered compliant with current regulations and the Group has demonstrated over time the ability to anticipate regulatory evolutions in the design phase of new products, the issuance of further regulatory provisions applicable to the Group or its products or modifications to current legislation in the sectors where the Group operates, including at an international level, could impose stricter standards on it or condition its freedom of action or strategic decisions in various areas of activity.

This could lead to adjustment costs for production facilities or product characteristics or, again, limit the Group's operations with a consequent negative effect on its activity and on its economic, equity, and financial situation.

The Group proactively addresses transition risks arising from climate change regulations through active participation in trade associations and constant monitoring of regulations by the Compliance and Regulatory Affairs team. GHG inventory results are reported and monitored annually. Circular economy and sustainability initiatives, including the use of recycled materials, energy efficiency, and waste reduction, contribute to adaptation to the regulatory framework. Furthermore, as a signatory of the UNGC, the Group adheres to its principles and aligns its strategy with global environmental commitments.

Any changes in standards or regulatory criteria currently in force regarding environmental matters and/or the introduction of new legislative measures aimed at mitigating climate change, as well as the occurrence of unforeseeable or exceptional circumstances, could oblige the Group to bear unforeseen costs. These costs could therefore have negative effects on the activity and on the economic, equity, and financial situation of the Group.

16 - Operating instability and supply chain interruptions caused by extreme weather conditions: climate change is a priority risk, as extreme weather that could interrupt operations is increasingly more frequent.

Supply chains could face challenges such as floods, droughts, etc. The increasing relevance of this risk requires a periodic review of local emergency plans and careful monitoring by the Group, particularly for areas subject to greater risk.

17 - Liquidity and financing risks – Interest rate risk: The liquidity risk possibly faced by the Group is the risk of not having the funds needed to fulfil payment obligations arising from operating and investment activities and from the maturity of financial instruments. The Group holds assets and liabilities that are sensitive to interest rate changes and that are necessary to manage its liquidity and financial needs.

In relation to fundraising activities and risk hedging, it is Group policy to maintain a portfolio of counterparties of international standing and in a sufficiently large number.

In order to monitor and manage this risk, the Group adopts specific policies and procedures, including centralized cash management (liquidity management, the activity of raising medium and long-term financing sources on the capital market, and the provision of short-term credit lines such as to broadly guarantee the room for maneuver required by the trend of working capital and financial flows). In relation to the risk connected to interest rate trends, as of December 31, 2025, the Group has a positive net financial position, significant liquidity, and exposure mainly to the medium-long term implemented to exploit financial market trends. It also has short-term bank credit lines (typically with annual renewal), potentially intended for covering working capital financing needs and other operational requirements.

Finally, a revolving non-recourse credit assignment operation is active, allowing for the optimization of collection flows.

The management of this risk related to interest rate changes is nonetheless carried out centrally and using the same structures employed for managing exchange rate risks.

Nevertheless, sudden interest rate fluctuations could have a limited negative impact on the Group's business prospects, as well as on its economic results and/or its financial situation.

18 - Compliance and corporate reporting risks:

A. Financial reporting: Risks associated with the reliability of financial reporting, particularly that the information contained in the annual and interim financial reports might not be correct, warrant particular attention, especially for a listed company.

In fiscal year 2025, monitoring of the effective application of the risk management system relating to financial reporting, as well as its periodic assessment, was carried out continuously with the coordination of the designated functions.

In order to ensure a reliable internal control system relative to financial reporting, the Group has adopted a system of administrative and accounting operating procedures that include instructions, principles, and updates of accounting policies, as well as other procedures for the preparation of consolidated financial statements and periodic financial reporting.

The Group's central corporate functions are responsible for the management and dissemination of these procedures to Group companies.

Control bodies (internal and external) carry out the relative verification activity within their areas of competence.

Any deficiencies in maintaining adequate administrative-accounting and management processes and controls could lead to errors in the Group's financial reporting.

In addition to financial reporting, the Group prepares Sustainability Reporting based on ESRS principles and sends, on an annual basis, appropriate instructions to subsidiaries and competent functions for the reporting of the required non-financial indicators.

B. Risks relating to the administrative liability of legal: In compliance with EU directives, Decree 231/2001 has introduced into Italian law special rules applying to the liability of entities for certain offences, where "entities" mean limited liability business enterprises, partnerships or associations, including those without legal status.

In application of this legislation and its amendments and integrations, the main Italian companies of the Group have adopted, according to the provisions of Art. 6 of Legislative Decree

231/2001, the "Organization, Management, and Control Model" suitable to avoid the onset of such liability against them and the relative "Code of Ethics," intended to be applied both regarding the Italian companies of the Group and, as far as applicable, with reference to foreign subsidiaries, as De' Longhi S.p.A. is called to answer, pursuant to Art. 4 of Legislative Decree 231/2001, also for crimes committed abroad, in order to avoid the onset of such liability against it.

Therefore, the company's administrative liability ex Legislative Decree 231/2001 could exist if it were effectively ascertained following a possible lawsuit brought against one of the Group companies, including foreign subsidiaries, and in such a hypothesis, besides the consequent application of relative sanctions, negative repercussions on the Group's operations and economic, equity, and financial situation cannot be excluded.

19 - Related parties: The Group has had and continues to have transactions of a commercial nature with related parties. Such transactions carry conditions that are in line with market ones.

A procedure aimed at governing the Group's operations with Related Parties has been adopted, in accordance with the principles established by the Supervisory Authority with Consob Regulation no. 17221 of March 12, 2010.

The procedure identifies transactions subject to specific rules for the investigation and approval of transactions with related parties, graduated according to their greater (or lesser) relevance. The procedure is characterized by a strong emphasis on the role of Independent Directors, who must always issue a prior opinion on the proposed transaction (if the transaction is of greater relevance, the opinion is binding on the Board); among other things, Independent Directors must be involved in the "investigative" phase preceding the approval of transactions of greater relevance.

It is believed that this procedure constitutes a further safeguard to guarantee the transparency of the De' Longhi Group's operations.

ESRS 2 – General disclosures

[BP-1] General criteria for sustainability reporting

The Sustainability Report of the De' Longhi Group (the "Company," the "Group," or "De' Longhi") has been prepared on a consolidated basis; the reporting scope, in line with the requirements of Legislative Decree no. 125/2024 (BP-1-5 a) (BP-1, 5b(ii)), coincides with that of the Consolidated Financial Statements and therefore includes the companies consolidated on a line-by-line basis for financial reporting, unless otherwise specified (BP-1, 5b(i)). In addition, this document incorporates the recommendations that are provided annually by the European Securities and Markets Authority (ESMA), which for the current reporting year were published on 14 October 2025.

The Sustainability Report considers the entire value chain of the Group, from procurement practices, including the social and environmental footprint of suppliers and the use of materials with sustainable characteristics, through end consumers, by way of logistics and production processes carried out at the Company's plants. For more information on the Group's business model, as well as its value chain, please refer to the section "SBM-1, Strategy, business model and value chain." In addition, section "SBM-3, Material impacts, risks and opportunities and their interaction with strategy and business model" examines the most significant impacts, risks and sustainability opportunities along the different phases of De' Longhi's value chain (BP-1-5c).

The Group has applied the transitional provisions for the following:

- Information on the anticipated financial effects included in the disclosure requirements [SBM-3] *Material impacts, risks and opportunities and their interaction with the strategy and business model*, [E1-9] *Anticipated financial effects from*

material physical and transition risks and potential climate-related opportunities, and [E5-6] Anticipated financial effects from material resource use and circular economy-related risks and opportunities;

- Information relating to disclosure requirements [S1-11] *Social protection*; [S1-12] *Persons with disabilities*; [S1-15] *Work-life balance metrics*.

Finally, the Company undertakes to ensure that, where there is information classified as sensitive, namely intellectual property, company know-how or business innovation results, this is clearly identifiable, specified in the points of interest, and accompanied by the appropriate reasons for non-reporting (BP-1-5d, e).

[BP-2] Disclosures in relation to specific circumstances

Time horizons

This Sustainability Report has been prepared by adopting the time intervals set out in ESRS Standard 1, section 6.4 (*Definition of short, medium and long term for reporting purposes*) and specified below (BP2-9a,b):

- short term:** one year, corresponding to the Group's reporting period in its financial statements;
- medium term:** one to five years;
- long term:** more than five years.

Value chain estimates

The disclosure regarding Scope 3 emissions is subject to greater intrinsic limitations than Scope 1 and 2 emissions, due to the lower availability/accuracy of both a quantitative and qualitative nature in relation to the value chain. For more information, see section E1-6 of ESRS E1 *Climate change* (BP2-10a,b,c,d).

Causes of uncertainty in estimates and results

With regard to forward-looking information on events that may occur in the future and potential future actions by the Group as reported in this document, such information is inherently uncertain as it is based on assumptions and estimates. Consequently, significant deviations from actual results may arise in future years. Any references to uncertainties and estimates in the results are explicitly stated within the individual chapters (BP2-11a,b and BP2-12).

Changes in the preparation and presentation of sustainability disclosures

As 2025 is the Group's second year of reporting under the European Sustainability Reporting Standards (ESRS), some data for 2023 is not available. Where data had been reported in the 2023 Non-Financial Statement prepared in accordance with the Global Reporting Initiative Framework, it has been included in this Sustainability Report to the extent deemed useful to readers. Data related to 2023 contained in this Sustainability Report should be considered as additional information under ESRS 1 (BP2-13a,b,c).

1 The country where De' Longhi is based does not fall within the exemption provided for in Articles 19a(3) and 29a(3) of Directive 2013/34/EU (BP1-5e).

Reporting errors in previous periods

In accordance with the ESRS, the Group is required to report any material errors in the data reported in previous periods. However, with respect to the 2023 Non-Financial Statement and the 2024 Sustainability Report, no material errors have been identified. If any future errors are detected, De Longhi will guarantee timely communication and correction (BP2-14 a,b,c).

Disclosures required by other regulations or generally accepted sustainability reporting requirements

With this Sustainability Report, the De Longhi Group meets the requirements of Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment, also called the European Taxonomy. For more information, see the section *"The European Taxonomy"* (BP2-15).

[GOV-1] Role of the administrative, management, and supervisory bodies

As a company listed on the Euronext Milan market starting on 24 July 2001, since 2021 the Company has complied with the Corporate Governance Code, which replaced the Code of Conduct for Listed Companies which De' Longhi followed from March 2007 to 2020. The De' Longhi Group's governance system, of the traditional type (the so-called "Latin" model), is designed to promote the creation of value while ensuring maximum transparency. Under this model, corporate management is entrusted to the Board of Directors (BoD), while supervisory functions are assigned to the Board of Statutory Auditors. The statutory audit of the accounts is performed by an external auditing firm. The Board of Directors is responsible for defining the company's objectives and developing the most effective strategy for achieving them. It plays a central role within the corporate organization and is the body that sets and bears responsibility for strategic and organizational guidelines, and makes sure controls are in place to monitor the performance of the Company and the Group. The Board guides the Company and the Group with a view to creating long-term value for the benefit of shareholders, taking into account the interests of other stakeholders relevant to the Company. In particular, the

Board plays a central role in defining sustainability strategies and identifying the annual and medium/long-term objectives pursued by the Group, and in the process of verifying the related results. Some medium-term objectives have a time horizon of less than five years, depending on the nature of the planned interventions. To support this process, the Board of Directors has set up three internal committees, each with investigative, propositional and advisory functions:

- **Control and Risk, Corporate Governance and Sustainability Committee (CCR):** Operational since 2019, it is an internal board committee that deals with, among other things, functions related to the internal control and risk management system and corporate governance, as well as supporting the Board of Directors, with specific investigative, propositional, and advisory functions, in evaluations and decisions regarding sustainability. This includes the analysis of relevant issues for long-term value generation for the benefit of shareholders, taking into account the interests of other stakeholders relevant to the Company, with a view to pursuing Sustainable Success for the Company and the Group. This support includes the analysis of the identification, approval, and monitoring of impacts, risks, and opportunities identified in the double materiality assessment carried out by the Group. Furthermore, the CCR evaluates the correctness of the preparation process of periodic financial and non-financial information, ensuring it is functional in correctly representing the business model, the Company's strategies, the impact of its activities, and the performance achieved. It also acknowledges the information provided by the delegated bodies and the Manager in charge of preparing the corporate accounting documents regarding the adequacy of the periodic financial and non-financial information to correctly represent the business model, the Company's strategies, the impact of its activities, and the performance achieved, considering the results of the analysis of relevant issues for long-term value generation for the benefit of shareholders, and taking into account the interests of other stakeholders relevant to the Company, with a view to pursuing Sustainable Success for the Company and the Group. (GOV1-22a); to date, the committee consists of three members, all of whom are female.
- **Remuneration and Appointments Committee (CRN):** Established by the Board of Directors from within its members, the CRN is called upon to perform investigative, propositional, and advisory functions regarding remuneration and appointments.

In exercising its responsibilities regarding remuneration, the CRN: (i) prepares and submits for the approval of the Board of Directors the "Annual Report on the Remuneration Policy and Compensation Paid" pursuant to Art. 123-ter of the TUF (Consolidated Law on Finance) and, in particular, the remuneration policy for Directors, the General Manager, Executives with Strategic Responsibilities, as well as, taking into account Art. 2042 of the Civil Code, the statutory auditors (the "Remuneration Policy"); the Board then submits the Report to the vote of the Shareholders' Meeting convened for the approval of the financial statements; (ii) periodically assesses its adequacy, overall compliance, and the concrete application of the Remuneration Policy, also utilizing information provided by the Chief Executive Officer through the Group Chief People Officer; (iii) presents proposals or expresses opinions to the Board regarding the remuneration of executive directors and other directors holding specific offices, as well as the setting of performance targets related to the variable component of such remuneration; (iv) formulates proposals or expresses opinions regarding the remuneration of the members of the internal committees established by the Board, monitors the implementation of the resolutions adopted by the Board, and verifies the achievement of performance targets; (v) assists the Board in preparing compensation plans based on shares and other financial instruments, as well as medium/long-term cash incentive plans; (vi) monitors the implementation of the decisions adopted by the Board, verifying the achievement of the performance targets upon which the accrual of variable remuneration is contingent; (vii) performs further additional tasks regarding remuneration required to implement the approved Remuneration Policy, or, in applying the recommendations of the Corporate Governance Code, it may avail itself of independent external consultants to support its activities; (viii) furthermore, it performs the tasks assigned to it by the Related Party Transactions Procedure.

Regarding appointments, the CRN has the following tasks: (i) it formulates opinions to the Board concerning its size and composition, as well as those of its Committees, and expresses recommendations regarding the professional figures whose presence on the Board is deemed appropriate, also taking into account the "Diversity Policies for the members of the corporate bodies" adopted by the Company (the "Diversity Policies"); (ii) expresses, where appropriate, recommendations to the Board regarding the maximum number of director or statutory auditor positions held in

other companies listed on regulated markets (including foreign ones) or of significant size, which can be considered compatible with an effective performance of the role of director of the Company, also taking into account the commitment required by the role held; (iii) expresses recommendations to the Board regarding the Board's general and prior authorization of derogations from the non-competition clause for directors envisaged by Art. 2390 of the Civil Code, and with respect to any problematic cases; (iv) proposes candidates for the office of director to the Board in cases of co-optation; (v) supports the Board in monitoring, defining, and updating the Diversity Policies; (vi) instructs and supervises, on behalf of the Board, the self-assessment process of the Board itself and of the committees, supporting the Chairman in ensuring the adequacy and transparency of this process (so-called board review or self-assessment); (vii) supports the Board in the potential preparation, as well as the subsequent updating and implementation, of the succession plan for the Chief Executive Officer and any other executive directors, which at least identifies the procedures to be followed in the event of early termination of office, by formulating its own opinion; (viii) examines and evaluates the procedures adopted for the succession of top management and expresses its opinion to the Board regarding their adequacy.

To date, the Committee consists of three members, all of whom are male.

- **Independent Committee:** It specifically performs the tasks assigned to it by the current Related Party Transactions Procedure regarding operations with related parties, and in particular those that the Consob RPT Regulation assigns to a committee composed exclusively of independent directors. To date, the committee consists of three members, of whom one is female (33%) and two are male (67%).

The members of the Board of Directors possess a profound knowledge of the sector, products, and markets in which the Group operates and hold diverse and complementary skills gained in industrial, financial, and strategic fields; this enables effective and informed management, supported by a plurality of perspectives and experiences.

Neither the Italian legal system nor the Articles of Association (which define the corporate bodies) provide for the representation of employees or other workers within said bodies; currently, the Board of Directors does not include representatives of employees or other workers (GOV1-21 b). Furthermore, the

Group has not adopted an employee share ownership scheme in which voting rights are exercised indirectly.

The Board of Directors:

- Is composed of 12 members, of which 3 (three) are Executive Directors and 9 (nine) are Non-Executive Directors, all possessing the professionalism and skills appropriate for the tasks assigned to them;
- The number and skills of the Non-Executive Directors (9) are such that they ensure a significant weight in the passing of board resolutions and guarantee effective monitoring of management; and
- A significant portion of the Non-Executive Directors (6 out of 9) possesses the independence requirements set forth by the Articles of Association and by law, as well as those established by the Corporate Governance Code. It should also be noted that another Non-Executive Director possesses the independence requirements set forth by the Articles of Association and by law, but not those established by the Corporate Governance Code, having held the position of director of the Issuer for more than 9 financial years within the last 12 years.

The members of the Board of Directors are appointed by the Shareholders' Meeting on the basis of the slate voting

mechanism (voto di lista). This voting system, which involves the use of competing lists of candidates, guarantees the appointment of representatives of minority shareholders.

The appointment process ensures compliance with gender balance in accordance with current regulations.

The Board of Directors has adopted a diversity policy regarding the composition of the administrative body and the control body concerning aspects such as age, gender composition, disabilities, or educational and professional backgrounds. This is entitled the "Diversity Policies for the members of the corporate bodies of De' Longhi S.p.A." (available on the website www.delonghigroup.com, in the "Governance" - "Corporate Documents" section).

The current composition of the Board is such that it guarantees the diversity of its members in relation to their age and their educational and professional backgrounds, in line with the provisions of the diversity policies regarding the composition of the administrative body. Furthermore, it is noted that this composition complies with the applicable legislation on gender quotas, as the Board is composed of more than two-fifths of directors of the less represented gender, which is female (of the 12 directors in office at the date of this Report, 5 belong to the female gender, while 7 to the male gender) (MDR-M 76,77).

TABLE 1 – COMPOSITION AND DIVERSITY OF THE ADMINISTRATIVE, MANAGEMENT AND CONTROL BODIES

(GOV1-21a,d, e) composition and diversity of the administrative, management and control bodies	2023	2024	2025
Board of Directors	11	11	12
Number of members with and without executive roles			
Executive members	3	3	3
Non-executive members	8	8	9
Gender split			
Female	45%	45%	42%
Male	55%	55%	58%
Undeclared	0%	0%	0%
% of independent board members	63%	63%	58%

TABLE 2 – BOARD OF STATUTORY AUDITORS

Board of Statutory Auditors	Unit of measurement	2025
Number of members of the Board of Statutory Auditors	Headcount	5 (including two alternates)
Gender split	Women	60%
	Men	40%

In 2024, the De' Longhi Group adopted the new regulatory obligations established by the Corporate Sustainability Reporting Directive (CSRD, EU-2022/2464). Currently, the bodies and figures entrusted with pursuing the Company's sustainability objectives, in addition to the Board of Directors and the aforementioned Control and Risk, Corporate Governance and Sustainability Committee, are:

- **Chief Executive Officer (CEO):** Submits the main corporate risks to the Board of Directors for review at least once a year and implements the Guidelines, overseeing the design, implementation, and management of the Internal Control and Risk Management System and constantly verifying its adequacy and effectiveness.
- **Group Sustainability Council:** Composed of the Chief Executive Officer, the General Manager, the Chief Executive Officer of the Professional division, the Chief Corporate Services Officer, and the Group Sustainability Director; it endorses and supports the Group's sustainability strategy.
- **Leadership Team:** Composed of the executive heads of the corporate departments and the General Manager, it guides action plans and ensures their effectiveness through executive review in relation to sustainability. The Leadership Team coordinates sustainability action plans, monitoring their progress and verifying their results through periodic executive reviews.
- **Group Sustainability Director:** Responsible for defining, implementing, and supervising sustainability strategies at the Group level. This figure collaborates synergistically with the heads of individual corporate departments to integrate sustainability practices and implement the initiatives outlined in the sustainability plan. The Group Sustainability Director guides the Group on its sustainability journey, combining strategic vision, management skills, and a deep commitment to social and environmental responsibility. Established in 2023, this figure reports directly to the Chief Executive Officer, ensuring an effective flow of information between management and the Board of Directors.
- **Commitments' Leading Teams:** Implement the initiatives of the sustainability plan through cross-functional teams.
- **Chief Financial Officer (CFO):** Responsible for sustainability reporting and the related certification of compliance with reference standards and regulations, in their capacity as the Manager in charge of preparing corporate accounting documents.

- **Internal Audit Director:** Oversees the Enterprise Risk Management (ERM) system, a management model developed and refined by the Group over the years that allows for the execution of corporate risk assessment and monitoring procedures (GOV1-22a). The function is not responsible for any operational area, reports hierarchically to the Board of Directors, and coordinates organizationally with the Chief Executive Officer, ensuring the necessary information is provided to the Control and Risk Committee, the Board of Directors, the Board of Statutory Auditors, and the Manager in charge of preparing corporate accounting documents. The Head of the function is guaranteed independence and operational autonomy from each head of the operational areas subjected to their monitoring activities, so as to guarantee absolute independence. They submit periodic reports at least semi-annually to the Control and Risk, Corporate Governance and Sustainability Committee and to the Board of Directors.

These figures play a key role in overseeing the impacts, risks, and opportunities related to Sustainability within the Group, and they foster a structured integration of Sustainability into corporate governance (GOV1-22b). The Internal Audit function plays an independent oversight role, contributing to the evaluation of the effectiveness of ESG risk management systems—also utilizing the support of external consultants—and of the monitoring procedures (GOV1-22c(i),(ii)). The Group manages impacts, risks, and opportunities through dedicated controls, based on ESG risk assessment, which are integrated into Financial Materiality and the ERM (Enterprise Risk Management) system (GOV1-22c(iii)).

The Control and Risk Committee (CCR) supports the Board of Directors (BoD) in actively monitoring the process of defining ESG objectives, ensuring the alignment of sustainability targets with the corporate strategy and relevant regulatory standards. In particular, the BoD approves the business plan of the Company and the Group, within which the Sustainability Plan is integrated; furthermore, it monitors its implementation by periodically comparing the achieved results with the planned ones (GOV1-22d).

The bodies entrusted with monitoring the correct management of sustainability-related issues have been selected based on their skills and the personal and professional experiences accumulated over their careers. However, considering the continuous regulatory evolution in the field of sustainability and the changing reference context, the Group is committed to enhancing the skills of these key figures.

All Directors and Statutory Auditors may participate, following their appointment and during their mandate, in initiatives aimed at providing them with adequate knowledge of the business sectors in which the Company operates, corporate dynamics and their evolution, also with a view to the sustainable success of the Company itself, as well as the principles of proper risk management and the relevant regulatory and self-regulatory framework (so-called induction).

To this end, training opportunities are offered, allowing the Company's actions to be effectively guided in addressing significant impacts, risks, and opportunities, thus ensuring strategic management of sustainability-related challenges (GOV1-21 c, GOV1-23 a,b).

[GOV-2] Information provided to the administrative, management and supervisory bodies of the undertaking and sustainability matters addressed by them

The organizational structure described in paragraph [GOV-1] is designed to ensure effective management of the Group's sustainability issues. It clearly defines roles and responsibilities, ensuring that planned policies and actions are implemented and monitored in a consistent and systematic manner. The year 2024 marked the company's first experience in conducting a double materiality assessment fully aligned with the requirements of the CSRD framework. The processes aimed at defining the frequency and methodologies for the supervision of material IROs (Impact and Risk Opportunities) by the Board and its respective Committees are still under development, also considering the renewal – which took place in 2025 – of the Control and Risk, Corporate Governance and Sustainability Committee, with the aim of identifying adequate and efficient solutions and integrating any new indications. Attention remains focused on building solid foundations for structured and effective supervision, an area in which the Board of Directors has already been actively involved.

Prior to the approval of the Sustainability Reporting, the Control and Risk, Corporate Governance and Sustainability



Committee, as part of its support functions regarding sustainability, and the Board of Directors, were informed of the confirmation of the double materiality assessment, including the identification of material IROs, and the Board approved them. In particular, the Committee's activities are planned and coordinated by its Chairman, who convenes, chairs, and directs its meetings. At the first available Board meeting, and in any case at least semi-annually, the Chairman informs the Board of Directors about the topics discussed, the observations and recommendations that emerged, as well as the opinions expressed by the Committee during individual meetings. Based on periodic meetings with the Control, Risk and Sustainability Committee, the Group Sustainability Director provides periodic updates on the company's strategic sustainability guidelines (GOV2-26a). Through the double materiality assessment, the Group identifies the most relevant issues, allowing the BoD and the responsible committees to make informed strategic decisions, integrating the evaluation of impacts, risks, and opportunities into the oversight process of the corporate strategy and managing any trade-offs. For more information regarding how the administrative bodies consider IROs in relation to the risk management process, please refer to paragraph [IRO-1] Description of the processes to identify and assess material impacts, risks and opportunities (GOV2-26b).

For more information regarding the Corporate Strategy, please refer to paragraph [SBM-1], while for further information regarding the material impacts, risks and opportunities resulting relevant to the Group, please refer to paragraph [SBM-3] (GOV2-26c).

[GOV-3] Integration of sustainability performance in incentive schemes

De' Longhi's 2025 Remuneration Policy, publicly available on the corporate website (MDR-P-65f), has been defined in accordance with the Company's governance model and the recommendations of the Corporate Governance Code. This policy, approved by the BoD upon the proposal of the CRN and subsequently submitted to the binding vote of the Shareholders' Meeting (GOV3-29, e), contributes to the corporate strategy, the pursuit of the shareholders' long-term interests, and the sustainability of the Company and the Group, as it allows to:

1. align the interests of top management with those of the shareholders, pursuing the primary objective of creating long-term value for their benefit, taking into account the interests of other stakeholders relevant to the Company, through the creation of a strong link between remuneration and performance;
2. focus management's actions on the pursuit of short, medium, and long-term objectives, concentrating their efforts on the Group's industrial performance;
3. attract, motivate, develop, and retain individuals possessing the individual and professional qualities required to pursue the corporate business development objectives, based on remuneration packages that are competitive with the external market and defined taking into account the working conditions of the Company's employees, thereby fostering their loyalty and retention within the Group;
4. recognize merit in order to adequately value the individual and collective contribution of managers (MDR-P-65a).

These objectives are crucial in defining the Company's remuneration policies. The Remuneration Policy ensures consistency among the corporate strategy expressed in the 2024-2026 Business Plan approved by the Board of Directors, the sustainability strategy and targets (identified to give concrete form to its commitment in this area) set out in the Sustainability Manifesto, the targets included in the new Sustainability Plan, and the performance objectives set by the Company with reference to the short and medium/long-term variable incentive systems adopted and applicable for the benefit of executive directors and Executives with Strategic Responsibilities.

The compensation of non-executive directors is determined by the Shareholders' Meeting upon the appointment of the Board of Directors, for the duration of their mandate; it is commensurate with the competence, professionalism, and commitment required by the tasks assigned to them, also in relation to their participation in the committees established within the Board. No variable component of compensation is provided for non-executive directors. For directors with delegated powers (including the Chief Executive Officer), the General Manager, and Executives with Strategic Responsibilities, the remuneration structure is adequately balanced in order to ensure consistency among strategic objectives, risk management policy, and the sustainability of long-term value creation for shareholders. This structure includes a fixed component, a short-term variable component, and a medium/long-term variable

component: these variable components are defined within maximum limits and are aimed at remunerating the expected performance. Starting from 2025, the committees established by the Board of Directors are granted exclusively attendance fees, without the payment of any fixed amount (MDR-P-65b, GOV3-29, a). Furthermore, the overall remuneration is - for each type of role - consistent with market benchmarks for similar positions, thanks to specific remuneration benchmarking analyses carried out with the support of leading consulting firms. The objectives to which the accrual of variable remuneration is linked are predetermined, measurable, and significantly tied to a long-term horizon, also including non-financial parameters - including ESG performance targets - to promote sustainable success. The balance between the annual fixed component and short-term variable remuneration varies based on the role and responsibilities, to ensure the sustainability of corporate results and long-term value creation for shareholders.

The 2025 Remuneration Policy provides for an annual variable component (MBO), attainable upon the achievement of predefined values for short-term corporate performance indicators; its function is to direct management's actions toward the pursuit of the financial and non-financial objectives defined for the financial year.

The variable portion paid in 2025 and linked to 2024 performance targets related to Sustainability stands at 15% (GOV3-29d). The ESG performance targets are as follows:

- reduction of the environmental impact of products: increase in the % of products with polystyrene-free packaging (target: 70%, result achieved: 72%);
- reduction of the environmental impact of products: increase in the % of products with digital user manuals (target: 25%, result achieved: 31%);
- "DE&I program": define common HR Guidelines for staff recruitment activities and employer branding to ensure balanced candidate shortlists and review of job descriptions used for search and selection processes (project completed in 2024);
- responsible supply chain: finalize at least 30 social audits of component suppliers during 2024 (result achieved: 36 social audits). (GOV3-29b, c)

The 2025 Remuneration Policy provides, as for 2024, a medium-to-long-term variable component, represented by the De' Longhi 2024-2026 Performance Share Plan – intended for the Chief Executive Officer, the General Manager, and a limited number of the Group's top managers.

This Plan, approved by the Board of Directors on March 12, 2024, and by the Shareholders' Meeting on April 19, 2024, was introduced to direct the actions and efforts of management toward the Group's industrial performance—with an expected positive effect also in terms of the appreciation of the De' Longhi share price—in order to pursue the corporate strategy, the long-term interests, and the sustainability of the Company and the Group, aligning top management remuneration with shareholder interests and increasing the motivation and loyalty of the beneficiaries of said incentive system.

The plan's targets include the achievement of specific financial results along with the improvement of ESG performance by 2026. The latter are summarized in the following performance objectives:

- safe working environment: ensuring high standards in terms of health and safety by implementing ISO 45001 management systems at the Group's production sites;
- submission of SBTi Targets and definition of an emissions reduction strategy;
- gender equality: increasing the number of women in senior management positions;
- energy efficiency projects for automatic and pump-driven coffee machines intended for European markets;
- percentage increase of products with polystyrene-free packaging;
- percentage increase of products with digital user instruction manuals.

(GOV3-29b, c)

[GOV-4] Statement on Due Diligence

The De' Longhi Group does not yet have a fully structured due diligence process in place; consequently, it is currently not possible to provide a comprehensive mapping of how the main aspects and phases of the process are integrated into the Sustainability Reporting. During 2025, however, the Group launched an initial assessment exercise along the value chain by administering a questionnaire to suppliers, aiming to identify impacts, risks, and opportunities and to devise any corrective actions (for further information, please refer to *paragraph [ESRS S2] S2-4 Actions on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions*). The formalization of the process and the related policy is scheduled for 2026. The implementation of this system will make it possible to strengthen the identification, assessment, and management of ESG impacts across business activities and throughout the entire value chain (GOV-4-32).

[GOV-5] Risk Management Internal Controls over Sustainability Reporting

During 2025, the Group launched the development of an internal control system over sustainability information, with the aim of mitigating the risks of data misstatement, while ensuring the accuracy, reliability, and transparency of the information reported in the Sustainability Reporting. This system, integrated with the existing framework for financial reporting, covers quantitative information relating to the Companies included in the Group's consolidation perimeter (GOV5-36a).

In compliance with ESRS reporting requirements, and starting from the outcomes of the **double materiality analysis**, the definition of the internal control system involved the selection of specific **quantitative datapoints** that were:

- aligned with the **Sustainability Plan**;
- linked to management incentive systems;
- characterized by the need to involve third parties for data collection and/or by the presence of estimates in the calculation processes.

The initial selection was subsequently integrated by assessments from corporate functions (so-called management consideration), in order to define and consolidate the actual testing scope of the internal control system over sustainability information (GOV5-36b). The analysis of the processes underlying the data collection for these datapoints allowed for the identification of specific control measures, defined at the process level, aimed at detecting any errors in reporting activities and ensuring consistency with the methodologies used in previous reporting periods (GOV5-36c). For further details regarding the risks and opportunities identified by the Group, please refer to paragraph [IRO-1] *Description of the process to identify and assess material impacts, risks, and opportunities*.

Starting from the current financial year (2026), the internal control system over sustainability information is subject to testing activities referring to 2025 annual data, with the objective of verifying the operating effectiveness of the defined controls. The results of the testing activities generate information flows to the relevant Operating Functions, aimed at reporting any deficiencies found in the control system.

Any identification of such anomalies leads to the definition and implementation of a remediation plan, allowing the Group to progressively integrate the findings of the risk assessment into the sustainability reporting processes. The mechanism, based on procedural adjustments and continuous monitoring, is intended to ensure the quality, completeness, and reliability of the reported data over time (GOV5-36d).

Furthermore, periodic reporting on the progress of remediation actions is provided to the administrative, management, and supervisory bodies, ensuring a structured and timely information flow. This supports the effective monitoring and management of risks and control measures related to sustainability reporting, in line with the requirements of the standard (GOV5-36e).

[SBM-1] Strategy, business model and value chain

De' Longhi S.p.A. is the holding company of a group of companies with 10,304 employees, active in the production and distribution of small domestic appliances in the coffee, food preparation and cooking, air conditioning, heating, and home care sectors. In 2024, the business combination between the subsidiary Eversys and La Marzocco—a leader in the production and

distribution of semi-automatic coffee machines—marked the creation of a world-leading hub in the premium professional coffee segment (SBM1-40a(i)). For further details on the breakdown of employees by geographical area, please refer to paragraph S1-6 of this document (SBM1-40a(iii)).

Listed on the Euronext Milan market managed by Borsa Italiana, the De' Longhi Group distributes its products in more than 120 markets worldwide and contributes annually to the launch of innovative items aligned with consumer needs. Despite having deep roots in Italy, and specifically in Treviso where the headquarters are located, the De' Longhi Group has long established itself as a major international player through numerous direct commercial subsidiaries and a vast network of distributors. To date, the Group supplies its products to international markets through a portfolio of strong brands: De' Longhi, Kenwood, Braun, Ariete, and Nutribullet. These were more recently joined by brands in the professional coffee machine segment—first Eversys and, in 2024, La Marzocco—which have consolidated the Group's presence in strategic markets while further expanding and diversifying the product range.

Products are distributed globally through a network of specialized distributors and retailers, including department stores, appliance stores, online shops, and consumer electronics chains. Furthermore, the Group operates its own e-commerce site, thus engaging in B2C distribution. Headquartered in Italy, the Group is present in over 30 countries; the main geographical areas of operation include key markets such as Europe, North America, China, Japan, the Middle East, and Australia. Since 2024, following the acquisition of La Marzocco, the market reach has been further expanded, consolidating the Group's position in the home appliance and coffee machine sector, with a growing presence in both emerging and established markets (SBM1-40a(ii)). None of the products offered by the Company are banned in the markets served (SBM1-40a(iv)).

In the first quarter of 2026, following a two-year preparation process, La Marzocco achieved B Corp™ certification, joining a growing global movement committed to the wellbeing of people and the planet. Certified B Corps are companies that meet B Lab's high standards of social and environmental performance, transparency, and accountability. B Lab and the B Corp movement aim to accelerate behavioral, cultural, and structural change by promoting an inclusive, equitable, and regenerative economic system.

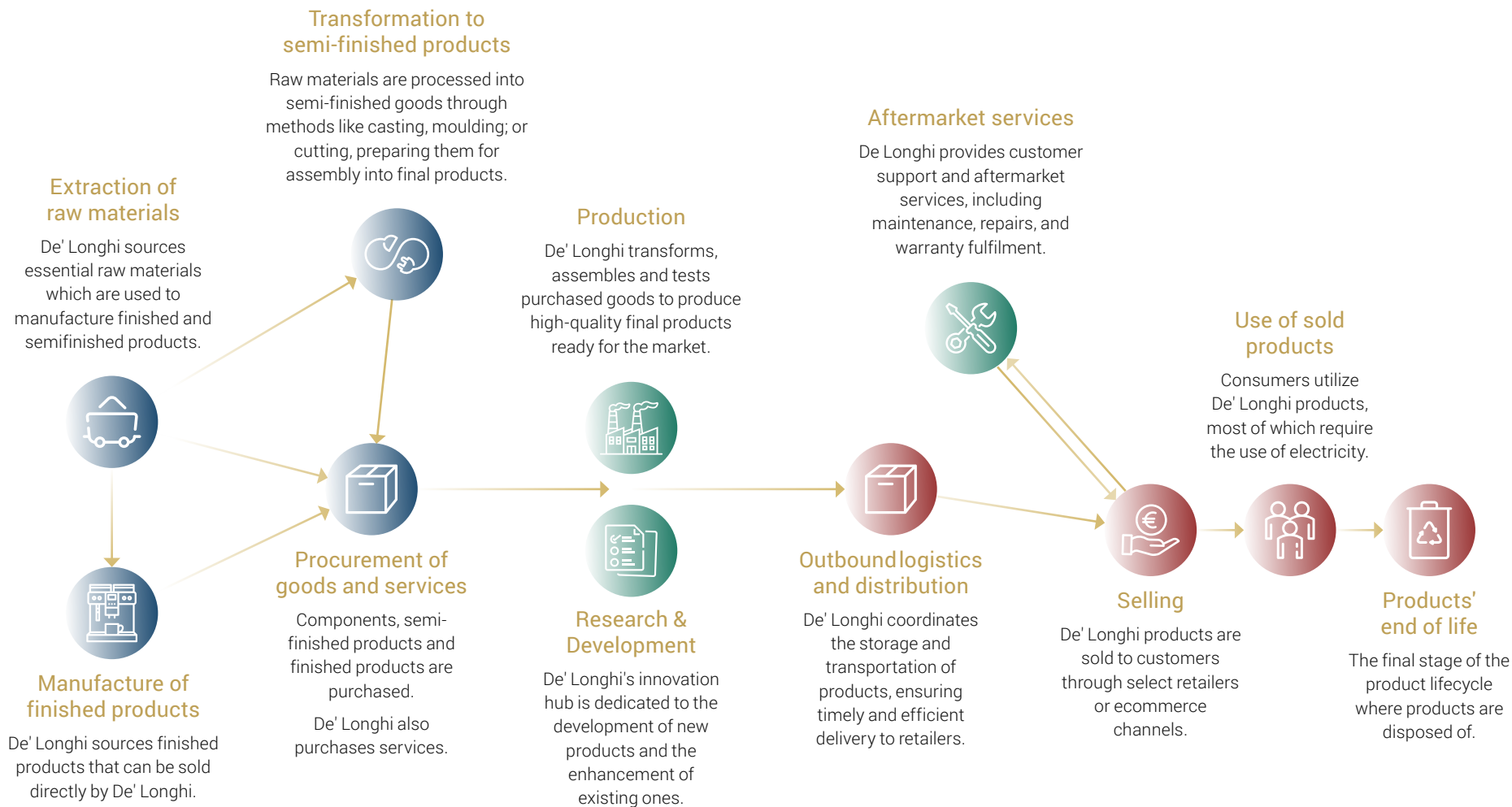
The B Corp certification is holistic, evaluating a company's entire range of activities and covering impact areas related to business practices and outcomes in governance, workers, community, environment, and customers. With this certification, business practices are verified according to environmental, social, and governance standards. La Marzocco Group is committed to being transparent and accountable regarding its impact, continuously adapting its practices to address evolving social and environmental challenges, while aligning with consumer values and expectations.

The Group's business model and value chain

The Value Chain, and the relationships De' Longhi builds within it, is crucial for maintaining high standards of excellence at every stage of the production process, from the selection of raw materials to after-sales services.

The Group adopts a structured approach to ensure the safety and resilience of its value chain, intervening in both the inputs and outputs of the production process. Through responsible sourcing strategies and consolidated partnerships, De' Longhi mitigates risks related to the procurement of raw materials, ensuring operational continuity and optimizing production efficiency. This business model is capable of generating significant benefits for the stakeholders involved. In particular, customers can rely on reliable and safe products made in compliance with rigorous quality and sustainability standards, while investors benefit from the effective management of operational and reputational risks. Business partners benefit from solid and long-lasting collaboration that promotes innovation and shared growth. Finally, the commitment to a more ethical and responsible value chain contributes to the wellbeing of society as a whole by reducing environmental impact and strengthening the transparency of production processes (SBM1-42 a,b).

A detailed description of the different stages of the Group's value chain, with the relevant corporate actors and outputs, is provided below (SBM1-42 c).



(SBM1-42 a,b).

[SBM-2] Interests and views of stakeholders

For the De' Longhi Group, maintaining a constant and constructive dialogue with its stakeholders, based on listening to mutual needs, is fundamental to successfully pursuing its business objectives. This interaction enables the establishment of a solid bond of trust, cultivated by specific corporate functions through communication consistent with the principles of transparency, fairness, clarity, and completeness of information.

As part of this process, periodic meetings take place between the relevant corporate functions and key stakeholders; for example, regarding consumers, any product issues identified through consumer reports are shared with the appropriate corporate functions and administrative bodies. This ensures alignment between corporate strategy and stakeholder expectations (SBM2 – 45d) (SBM2 – 45a(v)).

Key internal stakeholders, particularly from the Finance, Internal Audit, and Sustainability areas, were involved in the double materiality analysis. This analysis was discussed on several occasions during the Group Sustainability Council meetings, in the presence of the Chief Executive Officer and the General Manager. On these occasions, the main impacts, risks, and opportunities that emerged as material were discussed and defined. Engaging with key internal functions allowed for a detailed and profound understanding of the magnitude of impacts, risks, and opportunities specific to the Group's reality, particularly those related to its own industrial processes and the value chain (SBM 2 45 b).

The Group integrates sustainability goals into its corporate strategy through the Sustainability Plan, defining clear objectives in relation to its products and services, markets, customers, and stakeholders. This commitment translates into the development of solutions aimed at embedding sustainability into the business model by developing initiatives paired with specific targets to monitor progress over time. Three areas of sustainability commitment have been identified, as listed below, which guide the Group's strategy in the medium-to-long term (2024-2026) (SBM-3 48f):

1. Transforming the way business is conducted by decarbonizing the stages of its value chain;
2. Incorporate sustainability into designed and manufactured products;
3. Promoting awareness and responsible choices and behaviors by involving our employees, consumers, and external communities.

These three areas of commitment are operationalized through the implementation of specific initiatives, identified through the involvement of numerous corporate functions and taking into account the various categories of stakeholders and market segments addressed by the targets (for more information, see the paragraphs dedicated to objectives within each thematic chapter) (SBM1-40 f,g). In this regard, within the strategy oversight process, the Group's Administrative Bodies commit to considering material impacts and integrating them into strategic decisions and, consequently, into the Sustainability Plan (GOV2 - 26b).

Objectives are renewed and, if necessary, reformulated with each update of the Sustainability Plan (GOV2-26a). As evidence of this, in 2024 the Group approved and published a Sustainability Plan as part of the 2024-26 Three-Year Plan, which includes qualitative and quantitative targets that the Group intends to achieve to drive its commitment toward a more responsible business model.

For more information regarding the targets associated with the sustainability initiatives in the Plan, please refer to the respective paragraphs within the relevant topics. (SBM1-40 e).

The management of the Group's supply chain is entrusted to the *Supply Chain* Department, in collaboration with the *Quality* and *Procurement* functions, to ensure high *standards* of quality, *business* continuity, and compliance with environmental and social requirements, including human rights.

The Group's Business Model is based on two main elements: proprietary production hubs and a network of OEMs (Original Equipment Manufacturers), which are qualified partners responsible for specialized production. The production hubs include plants located in Italy, China, Switzerland, and Romania.

Relationships between the Group and OEMs are managed by the Procurement Offices located in Italy and Hong Kong, each responsible for specific product categories. Regarding the management of materials for components and finished products in Italy, Romania, and Switzerland, this is handled by the Supply Chain Department or by Local Managements for the Professional Coffee Division; in China, however, this responsibility is assigned to local plant managers, supported by the aforementioned Procurement Offices.

Once the assembly and production phase is completed, quality control tests regarding product safety are carried out by specific teams within the production sites, while the Corporate Quality Division is responsible for conducting specific internal audits. Subsequently, products are transported to dedicated warehouses at logistics hubs, from where they are distributed worldwide through the Group's commercial network.

To facilitate communication with its suppliers, De' Longhi created a dedicated portal several years ago that includes fundamental documents, such as the corporate Code of Ethics and the *Responsible Sourcing Guidelines*, available in Italian, English, and Chinese. These documents define risk assessment criteria and ensure adequate oversight of new suppliers. For further details regarding the tools available in this area, as well as the initiatives and actions implemented, please refer to the chapter on workers in the value chain, namely [ESRS S2] *Workers in the value chain*.

The main stakeholder categories identified are reported below (SBM2-45 a(i) (ii) (iv)):

TABLE 3 – STAKEHOLDERS AND THEIR ENGAGEMENT METHODS

Stakeholder	Role in the value chain	Means of stakeholder engagement (SBM2 – 45a (iii))	Type
Trade Associations	Trade associations represent and protect the interests and rights of workers within the business perimeter and consumers downstream in the value chain.	Periodic meetings with Associations.	Intended Users
Shareholders	Shareholders are crucial components for De' Longhi, as they provide capital and hold management accountable through voting rights and influence. They are individuals, companies, or institutions that play a steering role within the corporate perimeter and can influence decisions both upstream and downstream in the value chain.	Publication of Sustainability Reporting; Policy for management and dialogue with shareholders; Sustainability Plan and related targets; Other publicly available documentation on the Group's website.	Intended Users
Communities and NGOs	Local communities and NGOs support the De' Longhi Group by collaborating throughout the value chain, providing continuous consultancy and support to improve business practices. Specifically, these stakeholders can act as facilitators to enhance the Group's transparency and social responsibility.	Meetings with communities for local development.	Affected Stakeholders
Consumers	For De' Longhi, consumers are located in the downstream phase of the value chain; however, they influence the direct and upstream phases by determining demand, providing feedback for innovation, and affecting the Group's reputation. Furthermore, their environmental and social awareness drives the Group toward sustainable practices. For these reasons, consumer satisfaction is crucial for loyalty, while their price and value expectations guide corporate strategies.	Customer care service.	Intended Users Affected Stakeholders
Employees	Employees are crucial in De' Longhi's value chain, influencing productivity, quality, innovation, corporate culture, customer service, risk management, sustainability, and operational efficiency. Their contribution is fundamental to the company's long-term success and sustainability, and in directing virtuous actions within the corporate perimeter and the Group's role in the upstream and downstream phases.	Employee training activities; Dialogue with Trade Unions.	Affected Stakeholders
Suppliers	Suppliers are crucial in the Group's value chain, influencing product quality, production costs, innovation, operational flexibility, and sustainability. In the upstream phases, they provide essential raw materials and components, ensuring quality and reliability. In the direct phase, they collaborate closely with the company to optimize production processes and introduce innovations. Downstream, they support distribution and logistics, contributing to operational continuity and customer satisfaction.	Supplier audits; Periodic meetings with suppliers.	Affected Stakeholders
Future Generations	Future generations as stakeholders in the value chain push the Group to operate sustainably and responsibly, considering the environmental impact of operations to preserve the environment and communities. This ensures that De' Longhi's decisions account for the well-being of communities, securing economic and social opportunities for the future and guiding actions across all stages of the value chain.	Practical laboratory activities in schools; Meetings with university students and career guidance programs.	Affected Stakeholders

Stakeholder	Role in the value chain	Means of stakeholder engagement (SBM2 – 45a (iii))	Type
Financial Analysts and Media	Financial analysts and the media influence public perception, reputation, and the Group's strategic decisions across all stages of the value chain. Upstream, they evaluate sourcing and sustainability practices, influencing investor confidence and market credibility. In the direct phase, they provide analysis on financial performance and transparency, guiding strategic decisions and promoting corporate accountability and governance. Finally, downstream, they manage reputation through media coverage and highlight sustainability and social responsibility practices, influencing public and investor perception.	Publication of Sustainability Reporting and the Sustainability Plan with related targets; Other publicly available documentation on the Group's website; Participation in meetings.	Intended Users
Business Partners	Business partners are fundamental in the Group's value chain. They influence collaboration, synergy, market expansion, and supply chain efficiency. In the direct phase, they facilitate access to new markets and customer segments, optimize logistics, and reduce operational costs through efficient supply chain management. Downstream, they stimulate innovation through the joint development of new products and technologies, help diversify and mitigate operational and market risks, and support sustainability and social responsibility initiatives.	Involvement of partners in Group activities through periodic meetings.	Intended Users Affected Stakeholders
Universities and Research Centers	Universities and Research Centers are crucial in the Group's value chain, as they influence innovation, training, and technological development across all phases. In the direct phase, they collaborate with De' Longhi to innovate through the application of new technologies, products, and processes, improving competitiveness and efficiency. They train future professionals by providing specialized skills and advanced knowledge to solve complex problems and improve business processes. Downstream, they promote open innovation, sharing ideas and technologies to accelerate the development of new solutions.	Collaborations between universities (e.g., Politecnico di Milano) and the Group's product development teams; Presentation of company activities to students and career guidance programs.	Intended Users

[SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model

In light of the recent developments in the regulatory framework, the double materiality analysis not only considers the effects of corporate activities on the environment and society (*impact materiality*) but also examines how ESG issues influence the company's financial performance and resilience, both now and in the future (*financial materiality*). The Group has therefore assessed the impacts, risks, and opportunities related to Sustainability through a structured and defined process. Initially, a benchmark study was conducted on both industry documents and the non-financial reports of competitors; subsequently, the impacts identified by the Group in the previous reporting year were analyzed to intercept any changes in the assessment. The identification of material topics is based on the analysis of the main economic, environmental, and social impacts (including human rights) that may be caused by the Group's activities as well as its business relationships, including potential ones. Furthermore, risks—already mapped within the corporate ERM (Enterprise Risk Management) and integrated with those arising from the analysis of impacts and dependencies—and opportunities were considered.

Please note that paragraph [IRO-1] *Description of the process to identify and assess material impacts, risks and opportunities* provides the list of material impacts, risks, and opportunities, including the stages in which they occur along the value chain and the activities by which they are generated (SBM-3, 48 c i, ii, iv).

The material impacts, risks, and opportunities identified through the materiality analysis formed the basis for defining the priority themes addressed in the Group's Sustainability Plan². This assessment allowed for the identification of the most relevant areas of intervention and the alignment of strategic actions toward more responsible and conscious management (SBM-3, 48 b). The progress of the initiatives outlined in the Sustainability Plan is constantly monitored through relevant KPIs, and the results are published annually in the

Sustainability Reporting, ensuring transparency and consistency with the commitments made; the process of defining and monitoring targets involves all internal stakeholders described in the previous chapter, fostering a shared approach.

For further information regarding the link between the Sustainability Plan and the IROs, please refer to the target-related paragraphs within the topics to which they refer (SBM-3, 48 c(ii)).

[IRO-1] Description of the process to identify and assess material impacts, risks and opportunities

In compliance with the *Corporate Sustainability Reporting Directive* (CSRD), the De' Longhi Group has conducted a double materiality analysis starting from the previous financial year, with the support of external consultants. During the current year, the analysis was updated to confirm the absence of significant changes compared to the previous assessment and to ensure an accurate and consistent overview of the Group.

The principle of double materiality represents the first step in defining the content of the sustainability reporting, as it allows for the identification of information relevant to *stakeholders*; through this analysis, the Group has reassessed the ESG impacts generated, the risks to which it is exposed, and the opportunities to be seized. The starting point consisted of updating the *impact materiality*, which involves an assessment of actual and potential, negative and positive impacts generated by the company toward the outside (inside-out approach). On the other hand, the update of the *financial materiality* involved the reassessment of risks and opportunities that influence or could influence the Group's financial position, financial performance, and cash flows, as well as the cost of capital in the short, medium, or long term (*outside-in* approach). The update of the analysis was carried out by taking the entire value chain into account, thus including, in addition to direct activities, those taking place upstream and downstream of the corporate perimeter (IRO-1-53a).



² Please note that the objectives of the Sustainability Plan refer to all Group companies, excluding La Marzocco, as it was acquired after the Plan's approval.

Impact Materiality

The impact analysis was conducted through a deep understanding of the value chain and the operating context, supported by an updated *benchmark* analysis of *competitors, comparables, and peers*, as well as industry sustainability trends and existing regulations applicable to the Group. Compared to the previous financial year, potential impacts on stakeholders—including workers, the community, and consumers—were maintained, involving and consulting the *Sustainability and Financial Reporting & Consolidation* areas (IRO-1-53b (iii)). For the quantification and prioritization of generated negative impacts, three parameters were used: scale, scope, and irremediable character; for positive impacts, *scale* and *scope* were assessed, as required by the ESRS (IRO-1-53b (iv)). Specifically:

- In assessing scale, the magnitude of the impact on the environment or people was evaluated;
- In analyzing scope, the geographical perimeter was assessed, considering the entire value chain;
- In evaluating the irremediable character, the difficulty of remedying the damage potentially generated should the impact occur was assessed.

Furthermore, for each potential impact, an additional parameter was evaluated: the likelihood of the event associated with the impact occurring. The likelihood of potential negative impacts was assessed using a “gross” approach, i.e., without considering the actions implemented by the Group to prevent or mitigate them.

Each impact was evaluated by distinguishing between direct impacts, resulting from corporate activities, and indirect impacts, attributable to commercial and business relationships (IRO-1-53b(ii)); the assessment also considered the geographical dimension and the type of asset where the impact is generated (IRO-1-53b(i)). Should a potential negative impact involve consequences for human rights, the severity (scale) is considered prevalent over the likelihood of occurrence; this criterion reflects the importance assigned by the Group to the protection of fundamental rights.

Finally, for potential impacts, a time horizon was identified within which the event might manifest its effects. The time horizons adopted by the Group follow the classification described previously.

Financial Materiality

In implementing financial materiality, De' Longhi has updated and expanded its list of potential sustainability-related risks (both physical and transition risks) and opportunities that could respectively generate a negative or positive financial impact on the company. Risks and opportunities may be caused by the impacts generated or may also derive from the actions implemented to address those same impacts.

For the assessment and prioritization of risks and opportunities, in compliance with the requirements of the ESRS Standards and in continuity with the process used in the previous reporting year, the Group evaluated the following factors (IRO1-53 c (i),(iii), h):

- **Impact:** a risk or an opportunity can be generated by a company's impact on people and the environment, as identified during the impact materiality analysis phase;
- **Dependency:** dependencies represent the close relationship and interconnection between an organization and various factors—such as suppliers, customers, resources, regulations, or other external entities—upon which the organization relies for its operations and the achievement of its objectives;
- **Corporate ERM:** the Enterprise Risk Management process serves as the foundation for the analysis; by studying the impacts generated, the ERM has been integrated with the risks and opportunities found to be significant from the Materiality analysis;
- **Climate Risk Analysis:** the Climate Risk Analysis constitutes a fundamental tool for identifying potential risks that may affect the Group's activities, products, and production sites. Consequently, risks deemed significant within the Materiality analysis were defined by also taking the results of this assessment into account;
- **Actions taken to address sustainability matters:** risks and opportunities can be generated by the actions the company undertakes to mitigate its negative impacts or to maximize its positive sustainability impacts.

In assessing risks and opportunities over the short, medium, and long term, two parameters were considered: the magnitude of the financial effect generated on the company and the likelihood of occurrence of the event to which the risk or opportunity is linked. The magnitude thresholds are the same as those used for risk assessment within the ERM (IRO1-53 c (ii)).

The results of the double materiality analysis are integrated into the overall enterprise risk management process and used to assess the overall risk profile (IRO-1-53 e).

As with impact materiality, a time scale was also used for financial materiality to represent the horizon within which a risk or opportunity might occur. The time horizons used for the financial materiality assessment follow the classification adopted for impact materiality, presented in the previous paragraph (IRO-1-53 f,g).

Double Materiality

After identifying and prioritizing the impacts, risks, and opportunities along the value chain, these were validated by the Group Sustainability Council and subsequently reviewed by the Control and Risks, Corporate Governance and Sustainability Committee.

The involvement of the Group's internal stakeholders throughout the process of updating risks and opportunities is emphasized. To complete the analysis and identify the pertinent metrics, consultations were held with key internal functions of the Group, specifically identified to ensure coverage of all relevant financial aspects (IRO-1-53d) (MDR-M-77 (a)).

The undertaking discloses the metrics adopted to evaluate performance and effectiveness in relation to material impacts, risks, and opportunities, ensuring structured monitoring consistent with the defined objectives (MDR-M-75). However, none of the metrics used have been validated by an external body other than the assurance provider issuing the report (MDR-M-77 (b)). A representation of the material impacts, risks, and opportunities is provided below, including the stage in which they occur within the value chain (SBM-3, 48a) (SBM-3, c(i)) (SBM-3, c(iii)) (SBM-3, c(IV)).

All impacts, risks, and opportunities are covered by the disclosure requirements set out in the ESRS; therefore, no further entity-specific disclosures are required (SBM-3-48 h).

TABLE 4 – MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

ESRS Topic	ESRS Sub-topic	ESRS Sub-sub-topic	IRO Description	IRO Type	Actual/ Potential	Neg./ Pos.	Position in the value chain	Time Horizon
E1 - Climate Change	Climate change mitigation	-	Climate change due to greenhouse gas (GHG) emissions	Impact	Actual	Negative	Upstream, Direct, Downstream	Short-term
			Difficulty in attracting investors and higher interest rates due to inadequate sustainability targets	Risk	-	-	-	Medium-long term
			Access to tenders and funding for sustainable investments	Opportunity	-	-	-	Short-term
			Reputational risks associated with the lack of initiatives to mitigate climate change	Risk	-	-	-	Medium-long term
	Climate change adaptation	-	Loss of market share due to insufficient low-carbon product offerings	Risk	-	-	-	Medium-long term
			Increased operating costs and business continuity impacts due to climate change	Risk	-	-	-	Short-term
			Increased operating costs and business continuity impacts due to climate change	Risk	-	-	-	Medium-long term
			Reduced availability of coffee on the market due to climate change	Risk	-	-	-	Medium-long term
	Energy		Excessive energy consumption	Impact	Actual	Negative	Upstream, Direct, Downstream	Short-term
			Reputation improvement and cost savings from energy transition	Opportunity	-	-	-	Short-term
E5 - Resource use and circular economy	Resource inflows, including resource use		Depletion of natural resources due to the use of virgin raw materials	Impact	Actual	Negative	Upstream and Direct	Medium-long term
			Increased procurement costs due to scarcity of virgin raw materials	Risk	-	-	-	Medium-long term
			Increased costs due to the use of recycled materials	Risk	-	-	-	Short-term
			Increased operating costs due to sustainability regulations in the coffee supply chain	Risk	-	-	-	Medium-long term
			Revenue growth through the development of products based on circular economy principles	Opportunity	-	-	-	Short-term
	Resource outflows related to products and services		Damage to ecosystems due to inadequate management of resource flows related to products and services	Impact	Potential	Negative	Direct	Medium-long term
		Waste	Ecosystem damage caused by improper waste disposal	Impact	Potential	Negative	Upstream, Direct, Downstream	Medium-long term

02

ESRS Topic	ESRS Sub-topic	ESRS Sub-sub-topic	IRO Description	IRO Type	Actual/ Potential	Neg./ Pos.	Position in the value chain	Time Horizon	
S1 - Own workforce	Working conditions	Health and safety	Physical harm to workers due to inadequate working conditions	Impact	Actual	Negative	Direct	Short-term	
			Reputational and legal risk arising from failure to protect worker health and safety	Risk	-	-	-	Short-term	
		Work-life balance	Promotion of a healthy work-life balance for employees	Impact	Potential	Positive	Direct	Medium-long term	
		Secure employment; Working hours; Adequate wages; Social dialogue; Freedom of association; Collective bargaining; Work-life balance	Violation of workers' human rights due to inadequate labor practices	Impact	Potential	Negative	Direct	Short-term	
			Difficulty in attracting and retaining talent	Risk	-	-	-	Short-term	
	Equal treatment and opportunities for all	Training and skills development	Failure to develop employee skills due to inadequate training activities	Impact	Potential	Negative	Direct	Short-term	
		Gender equality; Equal pay; Inclusion of persons with disabilities; Diversity; Anti-violence/harassment	Discrimination against workers	Impact	Potential	Negative	Direct	Short-term	
	Other work-related rights	Child labor; Forced labor	Violation of workers' human rights due to inadequate labor practices	Impact	Potential	Negative	Direct	Short-term	
			Reputational and legal risks for human rights violations within the company	Risk	-	-	-	Short-term	
		Privacy	Breach of worker privacy due to inadequate data protection	Impact	Potential	Negative	Direct	Short-term	
	S2 - Workers in the value chain	Working conditions	Health and safety	Physical harm to workers due to inadequate working conditions	Impact	Actual	Negative	Upstream	Short-term
		Equal treatment; Other work-related rights	Anti-violence/harassment; Child labor; Forced labor	Reputational and legal risks for human rights violations along the value chain	Risk	-	-	-	Short-term
Violation of workers' human rights due to inadequate labor practices				Impact	Potential	Negative	Upstream	Short-term	

02

ESRS Topic	ESRS Sub-topic	ESRS Sub-sub-topic	IRO Description	IRO Type	Actual/ Potential	Neg./ Pos.	Position in the value chain	Time Horizon
S4 - Consumers and end-users	Personal safety of consumers/ end-users	Health and safety	Damage to user health and safety due to product quality	Impact	Potential	Negative	Direct	Short-term
			Promotion of a healthy lifestyle for consumers	Impact	Actual	Positive	Direct	Short-term
			Reputation recognition through the promotion of healthy lifestyles	Opportunity	-	-	-	Short-term
			Consequences of distributing products to consumers that do not meet health and safety standards	Risk	-	-	-	Short-term
	Personal safety	Privacy	Damage to consumer health and safety due to misleading labeling	Impact	Potential	Negative	Direct	Short-term
			Violation of customer privacy	Impact	Potential	Negative	Direct	Short-term
	Information impacts for consumers/ end-users	Access to (quality) information	Fines and reputational damage from data breaches	Risk	-	-	-	Short-term
			Lack of safe and clear information for customers	Impact	Potential	Negative	Direct	Short-term
		Risk of misleading sustainability claims (Greenwashing)	Risk	-	-	-	Short-term	
	Social inclusion for consumers/ end-users	Non-discrimination; Access to products; Responsible marketing	Promoting social inclusion through products	Impact	Potential	Positive	Direct	Medium-long term
Market expansion through inclusive product development			Opportunity	-	-	-	Short-term	
G1 - Business conduct	Corporate culture	-	Positive impact on corporate governance by strengthening transparency, compliance, and governance processes	Impact	Actual	Positive	Direct	Short-term
	Protection of whistleblowers	-	Potential lack of a safe and confidential environment for reporting misconduct without fear of retaliation	Impact	Potential	Negative	Direct	Short-term
	Active and passive corruption	Prevention and detection (including training)	Legal and reputational consequences of corporate corruption	Risk	-	-	-	Short-term
			Reputational consequences from supplier misconduct	Risk	-	-	-	Short-term

[IRO-2] Disclosure requirements in ESRS covered by the undertaking's sustainability statement

In the preceding paragraphs, the Group illustrated the process aimed at updating the assessment of impacts, risks, and opportunities identified as material; for further information, please refer to paragraph [SBM-3] *Material impacts, risks and opportunities and their interaction with strategy and business model* and [IRO-1] *Description of the process to identify and assess material impacts, risks and opportunities* (IRO-2-59).

Below is a list of the disclosure requirements for which the Group has committed to providing disclosure, based on the results of the double materiality analysis (IRO-2-56):

TABLE 5 – DISCLOSURE REQUIREMENTS EMERGING FROM THE DOUBLE MATERIALITY ANALYSIS

List of disclosure requirements arising from the double materiality analysis	
Disclosure requirement	Page
ESRS 2 - General disclosures	
BP-1 - General basis for preparation of sustainability statements	Page 45
BP-2 - Disclosures in relation to specific circumstances	Page 45-46
GOV-1 - The role of the administrative, management and supervisory bodies	Page 46-47-48
GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Page 48-49
GOV-3 - Integration of sustainability-related performance in incentive schemes	Page 49-50
GOV-4 - Statement on due diligence	Page 50
GOV-5 - Risk management and internal controls over sustainability reporting	Page 50-51
SBM-1 - Strategy, business model and value chain	Page 51-52-53
SBM-2 - Interests and views of stakeholders	Page 53-54-55
SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Page 56
IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities	Page 56-57-58-59-60
IRO-2 - Disclosure Requirements in ESRS covered by the undertaking's sustainability statements	Page 61-62-63-64-65-66-67-68-69-70-71 Taxonomy: Page 72-73-74-75-76 -77-78-79-80-81-82

List of disclosure requirements arising from the double materiality analysis	
Disclosure requirement	Page
ESRS E1 – Climate change	
E1 - GOV-3 - Integration of sustainability-related performance in incentive schemes	Page 83
E1 - SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Page 83-84-85
E1 - IRO-1 - Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Page 83-84-85
E1-1 – Transition plan for climate change mitigation	Page 85
E1-2 - Policies related to climate change mitigation and adaptation	Page 85-86-87
E1-3 – Actions and resources in relation to climate change policies	Page 87-88
E1-4 – Targets related to climate change mitigation and adaptation	Page 88-89
E1-5 – Energy consumption and mix	Page 90-91
E1-6 - Gross Scopes 1, 2, 3 and Total GHG emissions	Page 91-92-93-94
E1-7 - GHG removals and GHG mitigation projects financed through carbon credits	Page 95
E1-9 - Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	DR subject to transitional provisions
ESRS E5 – Resource use and circular economy	
E5 - IRO-1 - Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Page 96
E5-1 – Policies related to resource use and circular economy	Page 96-97
E5-2 – Actions and resources related to resource use and circular economy	Page 98-99
E5-3 – Targets related to resource use and circular economy	Page 99-100-101
E5-4 – Resource inflows	Page 101
E5-5 – Resource outflows	Page 102
E5-6 - Anticipated financial effects from material resource use and circular economy-related impacts, risks and opportunities	DR subject to transitional provisions

List of disclosure requirements arising from the double materiality analysis	
Disclosure requirement	Page
ESRS S1 – Own workforce	
S1 - SBM-2 - Interests and views of stakeholders	Page 103
S1 - SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Page 104
S1-1 - Policies related to own workforce	Page 105-106-107
S1-2 – Processes for engaging with own workers and workers' representatives about impacts	Page 107-108
S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns	Page 108
S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Page 108-109-110-111
S1-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Page 111-112
S1-6 – Characteristics of the undertaking's employees	Page 112-113-114
S1-7 - Characteristics of non-employee workers in the undertaking's own workforce	Page 115
S1-8 – Collective bargaining coverage and social dialogue	Page 115
S1-9 - Diversity indicators	Page 116
S1-10 - Adequate wages	Page 116
S1-11 - Social protection	<i>DR subject to transitional provisions</i>
S1-12 - Persons with disabilities	<i>DR subject to transitional provisions</i>
S1-13 – Training and skills development indicators	Page 117
S1-14 - Health and safety indicators	Page 117-118
S1-15 - Work-life balance	<i>DR subject to transitional provisions</i>
S1-16 - Remuneration indicators (pay gap and total remuneration)	Page 118-119
S1-17 Incidents, complaints and severe human rights impacts	Page 120

List of disclosure requirements arising from the double materiality analysis	
Disclosure requirement	Page
ESRS S2 – Workers in the value chain	
S2 - SBM-2 - Interests and views of stakeholders	Page 121
S2 - SMB-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Page 121-122
S2-1 - Policies related to value chain workers	Page 122-123
S2-2 - Processes for engaging with value chain workers about impacts	Page 124
S2-3 - Processes to remediate negative impacts and channels for value chain workers to raise concerns	Page 124
S2-4 – Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	Page 124-125
S2-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Page 125
ESRS S4– Consumers and end-users	
S4 - SBM-2 - Interests and views of stakeholders	Page 126-127
S4 - SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model	Page 127-128
S4-1 - Policies related to consumers and end-users	Page 128-129
S4-2 - Processes for engaging with consumers and end-users about impacts	Page 130
S4-3 - Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Page 130-131
S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Page 131-132
S4-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Page 132-133

List of disclosure requirements arising from the double materiality analysis	
Disclosure requirement	Page
ESRS G1 – Business conduct	
G1-GOV-1 - Role of the administrative, management and supervisory bodies	Page 134
G1-1 – Corporate culture and business conduct policies	Page 134-135-136
G1-3 – Prevention and detection of corruption and bribery	Page 137
G1-4 - Incidents of corruption or bribery	Page 137



In contrast, the following list outlines the topics identified as non-material and/or not applicable to the Group (IRO-2-58):

TABLE 6 – NON-MATERIAL AND/OR NON-APPLICABLE TOPICS

ESRS	Subtopic
ESRS E2 – Pollution	Air pollution
	Water pollution
	Soil pollution
	Pollution of living organisms and food resources
	Substances of concern
	Substances of very high concern
ESRS E3- Water and marine resources	Water
	Marine resources
ESRS E4 – Biodiversity and ecosystems	Direct impact drivers of biodiversity loss
	Impacts on the state of species
	Impacts on the extent and condition of ecosystems
ESRS S1 – Own workforce	Impacts and dependencies on ecosystem services
	Adequate housing

ESRS	Subtopic
ESRS S2 – Workers in the value chain	Secure employment
	Working time
	Adequate wages
	Social dialogue
	Freedom of association, including the existence of works councils
	Collective bargaining
	Work-life balance
	Gender equality and equal pay for work of equal value
	Training and skills development
	Employment and inclusion of persons with disabilities
	Diversity
	Adequate housing
	Water and sanitation
	Privacy
ESRS S3 – Affected communities	Economic, social and cultural rights of communities
	Civil and political rights of communities
	Rights of indigenous peoples
ESRS S4 – Consumers and end-users	Freedom of expression
	Protection of children
ESRS G1 - Business conduct	Animal welfare
	Political engagement and lobbying activities
	Management of relationships with suppliers, including payment practices



The following table also discloses the information included in this Statement deriving from other European Union legislative acts, in addition to Delegated Regulation 2023/5303 on the European Sustainability Reporting Standards, indicating the pages where it is located:

TABLE 7 – INFORMATION DERIVING FROM OTHER EUROPEAN UNION LEGISLATIVE ACTS

Disclosure requirement and corresponding information	SFDR reference ³	Pillar 3 reference ⁴	Benchmark regulation reference ⁵	EU climate regulation reference ⁶	Material	Page
ESRS 2 GOV-1 Board's gender diversity ratio, paragraph 21(d)	Annex I, table 1, indicator 13		Commission ⁷ Delegated Regulation (EU) 2020/1816, Annex II		Yes	Page 47
ESRS 2 GOV-1 Percentage of independent members of the board of directors, paragraph 21(e)			Commission Delegated Regulation (EU) 2020/1816, Annex II		Yes	Page 45
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Annex I, table 3, indicator 10				Yes	Page 50
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40(d)(i)	Annex I, table 1, indicator 4	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 ⁸ Table 1 - Qualitative information on environmental risk and Table 2 - Qualitative information on social risk	Commission Delegated Regulation (EU) 2020/1816, Annex II		Yes	-
ESRS 2 SBM-1 Involvement in activities related to the production of chemicals, paragraph 40(d)(ii)	Annex I, table 2, indicator 9		Commission Delegated Regulation (EU) 2020/1816, Annex II		Yes	-

3 Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability related disclosures in the financial services sector (SFDR) (OJ L 317, 9.12.2019, p. 1).

4 Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation) (OJ L 176, 27.6.2013, p. 1).

5 Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

6 Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

7 Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).

8 Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324, 19.12.2022, p. 1).

9 Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

Disclosure requirement and corresponding information	SFDR reference ³	Pillar 3 reference ⁴	Benchmark regulation reference ⁵	EU climate regulation reference ⁶	Material	Page
ESRS 2 SBM-1 Participation in controversial weapons-related activities, paragraph 40(d)(iii)	Annex I, table 1, indicator 14		Article 12(1) of Delegated Regulation (EU) 2020/1818 and Annex II to Delegated Regulation (EU) 2020/1816		Yes	-
ESRS 2 SBM-1 Involvement in activities related to tobacco cultivation and production, paragraph 40(d)(iv)			Article 12(1) of Delegated Regulation (EU) 2020/1818 ⁹ and Annex II to Delegated Regulation (EU) 2020/1816		Yes	-
ESRS E1-1 Transition plan to achieve climate neutrality by 2050, paragraph 14				Article 2(1) of Regulation (EU) 2021/1119	Yes	Page 85
ESRS E1-1 Enterprises excluded from Paris-aligned benchmarks, paragraph 16(g)		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, template 1: Banking book - Indicators of potential climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Article 12(1)(d-g) and (2) of Delegated Regulation (EU) 2020/1818		Yes	-
ESRS E1-4 GHG emissions reduction targets, paragraph 34	Annex I, table 2, indicator 4	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, template 3: Banking book - Indicators of potential climate change transition risk: alignment metrics	Article 6 of Delegated Regulation (EU) 2020/1818		Yes	Page 88-89
ESRS E1-5 Energy consumption from fossil fuels disaggregated by source (high climate impact sectors only), paragraph 38	Annex I, table 1, indicator 5 and Annex I, table 2, indicator 5				Yes	Page 90-91
ESRS E1-5 Energy consumption and mix, paragraph 37	Annex I, table 1, indicator 5				Yes	Page 90-91
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	Annex I, table 1, indicator 6				Yes	Page 91

Disclosure requirement and corresponding information	SFDR reference ³	Pillar 3 reference ⁴	Benchmark regulation reference ⁵	EU climate regulation reference ⁶	Material	Page
ESRS E1-6 Gross scopes 1, 2 and 3 and total GHG emissions, paragraph 44	Annex I, Table 1, indicators 1 and 2	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, template 1: Banking book - Indicators of potential climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Articles 5(1), 6, and 8(1) of Delegated Regulation (EU) 2020/1818		Yes	Page 92
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	Annex I, table 1, indicator 3	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, template 3: Banking book - Indicators of potential climate change transition risk: alignment metrics	Article 8(1) of Delegated Regulation (EU) 2020/1818		Yes	Page 92
ESRS E1-7 GHG removals and carbon credits, paragraph 56				Annex II to Delegated Regulation (EU) 2020/1818 and Annex II to Delegated Regulation (EU) 2020/1816	Yes	Page 95
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66			Annex II to Delegated Regulation (EU) 2020/1818 and Annex II to Delegated Regulation (EU) 2020/1816		No	-
ESRS E1-9 Breakdown of monetary amounts by acute and chronic physical risk, paragraph 66(a) ESRS E1-9 Position of significant assets at material physical risk, paragraph 66(c)		Article 449a of Regulation (EU) No 575/2013; points 46 and 47 of Commission Implementing Regulation (EU) 2022/2453; template 5: Banking book - Indicators of potential physical risk related to climate change: exposures subject to physical risk			No	-
ESRS E1-9 Breakdown of the carrying amount of real estate assets by energy efficiency classes, paragraph 67(c)		Article 449a of Regulation (EU) No 575/2013; point 34 of Commission Implementing Regulation (EU) 2022/2453; Template 2: Banking book - Indicators of potential climate change transition risk: Loans secured by real estate - Energy efficiency of collateral			No	-

Disclosure requirement and corresponding information	SFDR reference ³	Pillar 3 reference ⁴	Benchmark regulation reference ⁵	EU climate regulation reference ⁶	Material	Page
ESRS E1-9 Degree of portfolio exposure to climate-related opportunities, paragraph 69			Annex II to Delegated Regulation (EU) 2020/1818		No	-
ESRS E2-4 Quantity of each pollutant listed in Annex II to the European Pollutant Release and Transfer Register (E-PRTR) Regulation issued to air, water and soil, paragraph 28	Annex I, table 1, indicator 8; Annex I, table 2, Indicator 2; Annex 1, table 2, indicator 1; Annex I, table 2, indicator 3				No	-
ESRS E3-1 Water and marine resources, paragraph 9	Annex I, table 2, indicator 7				No	-
ESRS E3-1 Dedicated policy, paragraph 13	Annex I, table 2, indicator 8				No	-
ESRS E3-1 Sustainable oceans and seas, paragraph 14	Annex I, table 2, indicator 12				No	-
ESRS E3-4 Total water recycled and reused, paragraph 28(c)	Annex I, table 2, indicator 6.2				No	-
ESRS E3-4 Total water consumption in m3 per net revenue on own operations, paragraph 29	Annex I, table 2, indicator 6.1				No	-
ESRS 2 IRO-1 - E4 paragraph 16(a) (i)	Annex I, table 1, indicator 7				No	-
ESRS 2 IRO-1 - E4 paragraph 16(b)	Annex I, table 2, indicator 10				No	-
ESRS 2 IRO-1 - E4 paragraph 16(c)	Annex I, table 2, indicator 14				No	-
ESRS E4-2 Sustainable agricultural/land use policies or practices, paragraph 24(b)	Annex I, table 2, indicator 11				No	-
ESRS E4-2 Sustainable sea/ocean use practices or policies, paragraph 24(c)	Annex I, table 2, indicator 12				No	-
ESRS E4-2 Policies to address deforestation, paragraph 24(d)	Annex I, table 2, indicator 15				No	-
ESRS E5-5 Non-recycled waste, paragraph 37(d)	Annex I, table 2, indicator 13				Yes	Page 102

Disclosure requirement and corresponding information	SFDR reference ³	Pillar 3 reference ⁴	Benchmark regulation reference ⁵	EU climate regulation reference ⁶	Material	Page
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Annex I, table 1, indicator 9				Yes	Page 102
ESRS 2 - SBM3 - S1 Risk of forced labor, paragraph 14(f)	Annex I, table 3, indicator 13				Yes	Page 104
ESRS 2 - SBM3 - S1 Risk of child labor, paragraph 14(g)	Annex I, table 3, indicator 12				Yes	Page 104
ESRS S1-1 Human rights policy commitments, paragraph 20	Annex I, table 3, indicator 9 and Annex I, table 1, indicator 11				Yes	Page 105-106
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Commission Delegated Regulation (EU) 2020/1816, Annex II		Yes	Page 105-106
ESRS S1-1 Processes and measures for preventing trafficking in human beings, paragraph 22	Annex I, table 3, indicator 11				Yes	-
ESRS S1-1 workplace accident prevention policy or management system, paragraph 23	Annex I, table 3, indicator 1				Yes	Page 105-106-107
ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32(c)	Annex I, table 3, indicator 5				Yes	Page 108
ESRS S1-14 Number of fatalities and number and rate of workrelated accidents, paragraph 88(b) and (c)	Annex I, table 3, indicator 2		Commission Delegated Regulation (EU) 2020/1816, Annex II		Yes	Page 118
ESRS S1-14 Number of days lost due to injuries, accidents, fatalities or illnesses, paragraph 88(e)	Annex I, table 3, indicator 3				Yes	Page 118
ESRS S1-16 Unadjusted gender pay gap, paragraph 97(a)	Annex I, table 1, indicator 12		Commission Delegated Regulation (EU) 2020/1816, Annex II		Yes	Page 119
ESRS S1-16 Excessive CEO pay ratio, paragraph 97(b)	Annex I, table 3, indicator 8				Yes	Page 119

Disclosure requirement and corresponding information	SFDR reference ³	Pillar 3 reference ⁴	Benchmark regulation reference ⁵	EU climate regulation reference ⁶	Material	Page
ESRS S1-17 Incidents of discrimination, paragraph 103(a)	Annex I, table 3, indicator 7				Yes	Page 120
ESR S1-17 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 104(a)	Annex I, table 1, indicator 10 and Annex I, table 3, indicator 14		Annex II to Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818		Yes	-
ESRS 2 SBM-3 - S2 Significant risk of child labor or forced labor in the value chain, paragraph 11(b)	Annex I, Table 3, indicators 12 and 13				Yes	Page 122
ESRS S2-1 Human rights policy commitments, paragraph 17	Annex I, table 3, indicator 9 and Annex I, table 1, indicator 11				Yes	Page 123
ESRS S2-1 Policies related to value chain workers, paragraph 18	Annex I, Table 3, indicators 11 and 4				Yes	Page 122-123
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19	Annex I, table 1, indicator 10		Annex II to Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818		Yes	-
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 19			Commission Delegated Regulation (EU) 2020/1816, Annex II		Yes	-
ESRS S2-4 Human rights issues and incidents connected to the upstream and downstream value chain, paragraph 36	Annex I, table 3, indicator 14				Yes	-
ESRS S3-1 Human rights policy commitments, paragraph 16	Annex I, table 3, indicator 9 and Annex I, table 1, indicator 11				No	-
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines, paragraph 17	Annex I, table 1, indicator 10		Annex II to Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818		No	-
ESRS S3-4 Human rights issues and incidents, paragraph 36	Annex I, table 3, indicator 14				No	-

Disclosure requirement and corresponding information	SFDR reference ³	Pillar 3 reference ⁴	Benchmark regulation reference ⁵	EU climate regulation reference ⁶	Material	Page
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	Annex I, table 3, indicator 9 and Annex I, table 1, indicator 11				Yes	Page 129
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 17	Annex I, table 1, indicator 10		Annex II to Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818		Yes	-
ESRS S4-4 Human rights issues and incidents, paragraph 35	Annex I, table 3, indicator 14				Yes	-
ESRS G1-1 United Nations Convention against Corruption, paragraph 10(b)	Annex I, table 3, indicator 15				Yes	-
ESRS G1-1 Protection of whistleblowers, paragraph 10(d)	Annex I, table 3, indicator 6				Yes	Page 135
ESRS G1-4 Fines for violations of anti-corruption and anti-bribery laws, paragraph 24(a)	Annex I, table 3, indicator 17		Annex II to Delegated Regulation (EU) 2020/1816		Yes	Page 137
ESRS G1-4 Standards of anticorruption and anti-bribery, paragraph 24(b)	Annex I, table 3, indicator 16				Yes	-

(IRO-2 56)



The UE taxonomy

The European Union Taxonomy introduced by Regulation (EU) 2020/852 (the "Regulation"), adopted by the European Commission on 12 July 2020, is part of the EU strategy to achieve the objectives of the European Green Deal and make Europe climate-neutral by 2050. The Regulation, which applies to all companies required to publish a Sustainability Report in accordance with the provisions of the CSRD (cf. Article 8 of the Regulation itself), provides a single classification system through which economic activities that comply with certain **eco-sustainability criteria** can be defined.

Specifically, the Regulation distinguishes economic activities between:

- Eligible: an activity is eligible¹⁰ if it is listed in the Delegated Acts of the Regulation under one or more of the six environmental objectives of the Taxonomy. These are: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. If eligible, the activity has the potential to contribute substantially to the relevant objective;
- Aligned: an economic activity is aligned if, in addition to being eligible, it is carried out:
 - **in accordance with the technical screening criteria defined by the European Commission.** In particular, the economic activity must make a **substantial contribution to one of the environmental objectives** defined in art. 9 of the Regulation and **"Do No Significant Harm" (DNSH)** to any of the other environmental objectives mentioned above;

- **in compliance with the minimum safeguards**, meaning the measures implemented to ensure respect for human rights and international standards in the organization's management and throughout the supply chain.

Since its entry into force in 2020, the Regulation has been gradually supplemented in order to expand the scope of the economic activities considered and detail the applicable criteria. In 2021, the *Climate Delegated Act*¹¹ was adopted, relating to the first two environmental objectives in the climate sphere: climate change mitigation and climate change adaptation. This Act was subsequently supplemented, initially with the *Complementary Climate Delegated Act*¹², which included certain activities related to natural gas and nuclear energy in the scope of the Taxonomy, and subsequently with Delegated Regulation (EU) 2023/2485, which introduced further economic activities and updated some technical screening criteria.

Furthermore, the *Environmental Delegated Act*¹³ was approved in June 2023, which extended the Taxonomy to non-climate environmental objectives, including activities relevant to the sustainable use and protection of water and marine resources, the transition to a circular economy, the prevention and control of pollution, and the protection and restoration of biodiversity and ecosystems.

From the 2024 reporting year, companies subject to the CSRD, including the De' Longhi Group, are required to report the share of eligible and aligned activities to the Taxonomy in terms of turnover, capital expenditure (CapEx) and operating expenses (OpEx), with reference to all six environmental objectives provided by the Regulation.

During 2025, the European Commission adopted Delegated Regulation (EU) 2026/73, which amends Delegated Regulation (EU) 2021/2178 to simplify the content and presentation of the disclosures to be reported regarding environmentally sustainable activities, as well as Delegated Regulations (EU) 2021/2139 and (EU) 2023/2486 concerning the simplification of specific technical screening criteria. The Delegated Act applies from 1 January 2026 and covers the 2025 financial year, while leaving undertakings the option to apply the previous versions of the regulations for the 2025 financial year.

With reference to the current financial year, the De' Longhi Group has chosen not to adopt these simplifications, maintaining the structure and approach of the analysis already applied in previous financial years.

The following paragraphs outline how the Group has assessed compliance with the Regulation and provide the table with the required quantitative KPIs.

As the legislation is updated constantly, all criteria and assumptions made and included in this section are based on current information and requirements, which may be subject to future revisions.

¹⁰ Taxonomy-eligible economic activity: an economic activity described in delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) and Article 15(2) of Regulation (EU) 2020/852, irrespective of whether that economic activity meets any or all of the technical screening criteria set out in those delegated acts.

¹¹ Delegated Regulation (EU) 2021/2139.

¹² Delegated Regulation (EU) 2022/1214.

¹³ Delegated Regulation (EU) 2023/2486, adopted on 27 June 2023 and entered into force on 1 January 2024.

Analyses performed

As it did in the previous reporting year, the De' Longhi Group re-analyzed its revenue-generating activities in order to identify which, according to the European Taxonomy, can be classified as eligible, ie potentially able to contribute substantially to one or more of the six environmental objectives. On this basis, economic activity **"1.2- Manufacture of electrical and electronic equipment"** of the objective "Transition to a circular economy" was found to coincide with the Group's core business. The description of this activity explicitly refers to the NACE code (Nomenclature statistique des activités économiques dans la Communauté européenne) "C27: Manufacture of electrical equipment," which matches the NACE code of the De'Longhi Group.

In addition, on the basis of Annex 1 of Delegated Regulation (EU) 2021/2178, para. 1.1.2.2(c) and 1.1.3.2 (c)¹⁴, relating to investments and expenses associated with the purchase of outputs from eligible economic activities and individual measures allowing the activities to maintain low carbon emissions, with reference to the investments incurred for the renewal of the company fleet and the installation of photovoltaic panels at certain production sites, the Group has identified as eligible the activities **"6.5-Transport by motorcycles, passenger cars and light commercial vehicles"** and **"7.6 - Installation, maintenance and repair of renewable energy technologies,"** both linked to the objective "Climate change mitigation."

The methodological steps taken to **assess the alignment** of these activities with the technical screening criteria are described below.

Activity 1.2 – Transition to a circular economy: Manufacture of electrical and electronic equipment

Analysis of the technical screening criteria:

- **Substantial contribution to the transition to a circular economy:** the main activity of the De Longhi Group is the manufacture of electrical and electronic equipment for professional and consumer use. The substantial contribution

criteria were analyzed for each of the Group's brands, dividing products into similar clusters, with input from the R&D, customer care and marketing departments. Since no Group product has the Ecolabel certification, the substantial contribution criteria were assessed by carefully analyzing the requirements listed in the Regulation. This showed that the substantial contribution criteria are partially met, as no product fully complies with all points. Such a finding is the result of a conservative approach, in consideration of the high number of Group products and the complexity and granularity of the technical parameters required by the Regulation; consequently, the substantial contribution criteria cannot be considered to be fulfilled for the purposes of alignment.

- **Do No Significant Harm (DNSH):** to be DNSH-aligned, the Regulation requires compliance with the following criteria:
 - *Climate change mitigation:* according to this criterion, if a manufactured product contains refrigerants, it must comply with the global warming potential (GWP) performance as outlined in Regulation (EU) No. 517/2014 of the European Parliament and the Council and must not score below the third class of energy efficiency in accordance with Regulation (EU) 2017/1369 of the European Parliament and the Council. The analysis was therefore conducted on portable air conditioners (PAC) and De' Longhi dehumidifiers, the only products containing refrigerant gases. All of these meet the first requirement; however, only some of them comply with the latter, as various products are in energy efficiency class A (the fourth highest). Finally, none of the products sold by the Group contain sulfur hexafluoride (SF6). The criterion is therefore considered partially satisfied for the above products, while all the other products sold by the Group are considered to be aligned with the DNSH criterion relating to climate change mitigation;
 - *Climate change adaptation:* according to the criteria listed in Appendix A, the organization must perform an analysis aimed at identifying and assessing climate risks that may impact the business. The Group carried out this analysis on all its production assets, identifying

the main physical climate risks among those listed in section II of the Appendix (for detailed information refer to Chapter ESRS E1, paragraph [IRO-1] Description of processes to identify and assess climate-related material impacts, risks and opportunities). Although the plants are covered by insurance policies against extreme weather events, physical solutions ("adaptation solutions") have not yet been evaluated to reduce the most significant risks identified affecting this activity; the criterion is therefore considered not met;

- *Sustainable use and protection of water and marine resources:* in accordance with the criteria specified in Appendix B, the company must identify and manage risks of environmental degradation related to water quality and the prevention of water stress, as defined in Regulation (EU) 2020/852 and Directive 2000/60/EC. At the Chinese plants, environmental impact assessments were carried out by third parties in 2015 and 2024, respectively, and actions were implemented to prevent and mitigate the identified risks. In addition, all the Group's plants are UNI EN ISO 14001 certified, including the new production facility in Satu Mare (Romania), which obtained certification in early 2026. The criterion is therefore considered to be met for all the Group's plants.
- *Pollution prevention and control:* based on the criteria listed in Appendix C, the activity does not involve the manufacture, placing on the market or use of hazardous substances listed in EU Regulations (2019/1021, 2017/852, 1005/2009, 2011/65/EU, 1907/2006, 1272/2008), unless they are present as unintentional trace contaminants or there are not suitable alternatives. These criteria are met in most cases because the Group's products must comply with numerous relevant laws, including those listed in the aforementioned regulations. To this end, internal procedures have been implemented over time to ensure compliance with these regulations regarding the presence of hazardous substances in products. Therefore, the criterion is considered to be met for all products sold by the Group.

¹⁴ These relate to the purchase of products resulting from taxonomy-aligned economic activities and to individual measures that enable the target activities to achieve low carbon emissions or achieve greenhouse gas reductions, in particular the activities listed in points 7.3 to 7.6 of Annex I to the Climate Delegated Act, as well as other economic activities listed in delegated acts adopted pursuant to Article 10, (3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) and Article 15(2) of Regulation (EU) 2020/852, provided those measures are implemented and made operational within 18 months.

- *Protection and restoration of biodiversity and ecosystems*: in accordance with the criteria outlined in Appendix D, organizations must carry out an environmental impact assessment or examination pursuant to Directive 2011/92/EU. The analyses carried out to verify compliance with the requirements are the same as those performed for the objective “Sustainable use and protection of water and marine resources.” Therefore, the criterion is considered to be met for all the Group’s plants.

With the exception of the criteria relating to “Climate change mitigation” and “Pollution prevention and control”, which are valid across all products designed by the Group, it should be noted that the analyses of the DNSH criteria described above are valid only for those products manufactured at the company’s own plants. Following a conservative and cautious approach, products manufactured by OEMs are considered not aligned with the DNSH criteria of “Adaptation to climate change”, “Sustainable use and protection of water and marine resources”, and “Protection and restoration of biodiversity and ecosystems”.

Activity 6.5 – Climate change mitigation: Transport by motorcycles, passenger cars and light commercial vehicles

With regard to the investments made by the Group in the 2025 reporting year relating to the company fleet, details of the analysis performed are reported below:

- **Substantial contribution to climate change mitigation:** the assessment was carried out to determine whether the individual economic activity contributes substantially to the achievement of climate change mitigation on the basis of specific quantitative and/or qualitative parameters, listed in points a) and b) defined by the Regulation. Results showed that a portion of the Group’s investments is aligned with the substantial contribution criteria listed by the Climate Delegated Act, as only some of the cars, classified as M1 (Vehicles intended for the transport of people, with a maximum of 8 seats in addition to the driver’s seat) and N1 (Vehicles intended for the transport of goods, with a maximum mass not exceeding 3.5 t), have specific emissions of less than 50 gCO₂/km;



- **Do No Significant Harm (DNSH):** to be DNSH-aligned, the Regulation requires compliance with the following criteria:
 - *Climate change adaptation:* according to the criteria listed in Annex A, the organization must carry out an analysis aimed at identifying and assessing the physical climate risks that impact the activity, based on a specific procedure defined in the Delegated Act;
 - *Transition to a circular economy:* the criteria require that vehicles be reusable or recyclable for at least 85% of their weight and that waste management measures be in place both in the use phase (maintenance) and at the end of the fleet's life;
 - *Pollution prevention and control:* the criteria require that vehicles:
 - comply with the requirements of the most recent applicable stage of Euro 6 type-approval for emissions from light-duty vehicles established in accordance with Regulation (EC) No 715/2007;
 - comply with the emission thresholds for light-duty vehicles set out in Table 2 of the Annex to Directive 2009/33/EC¹⁵ of the European Parliament and of the Council;
 - have tires that comply with the requirements relating to the external rolling noise of the highest populated class and the rolling resistance coefficient in the two highest populated classes as established by Regulation (EU) 2020/740 (for road vehicles of categories M and N);
 - comply with Regulation (EU) No 540/2014¹⁶ of the European Parliament and of the Council.

The granularity of the available data does not reach a sufficient level of detail to allow a complete assessment of compliance with the DNSH criteria. For this reason, taking a conservative and cautious approach, the Group considers the activity not aligned with the DNSH criteria in the 2025 reporting year.

Activity 7.6 – Climate change mitigation: Installation, maintenance and repair of renewable energy technologies

With regard to the investments made by the Group in the 2025 reporting year relating to the installation of photovoltaic panels at the plants in Switzerland and Romania, details of the analysis performed are reported below:

- **Substantial contribution to climate change mitigation:** the investments and expenses incurred are related to the installation of photovoltaic panels on site. Therefore, the activity is considered to be aligned with the criterion referred to in point a), which provides for the “installation, maintenance and repair of photovoltaic solar systems and ancillary technical equipment”;
- **Do No Significant Harm (DNSH):** companies are only required to meet the DNSH criterion relating to climate change adaptation. As mentioned with reference to activity 1.2 and in chapter ESRS E1, in the section [IRO-1] Description of processes to identify and assess climate-related material impacts, risks and opportunities, since the Group has performed climate risk analyses on the sites as per the requirements of Appendix A of the Regulation, the activity is considered to be partially aligned with the DNSH criterion.

Minimum safeguards

With regard to minimum safeguards, the De' Longhi Group pays great attention to issues concerning consumers' interests, corruption, competition, taxation, and respect for human rights. With reference to this last aspect, the Group is committed to pursuing an ethical business that complies with the various regulations applicable in all of the countries served, following the Group's Code of Ethics to which all of its suppliers have been bound since 2022. In addition to the Code of Ethics, the “Responsible sourcing guidelines” define risk assessment criteria for all new suppliers so they can be monitored over time, and the periodic audits the Group performs on suppliers of finished products enable it to monitor numerous social

aspects such as freedom of association and collective bargaining, working hours and conditions, health and safety, child labor and forced labor, discrimination, and employee training.

As mentioned in chapter [ESRS S1] S1-1 Policies related to own workforce, during 2025 the Group formalized its objectives in this area in a Human Rights Policy, which outlines key principles on decent working conditions, diversity and inclusion, freedom of association, prohibition of child labor and forced labor, protection of privacy, and protection of personal data. In addition, to align with the principles mentioned above, the Group joined the United Nations Global Compact in 2024. For further information, see the chapters [ESRS S1] Own workforce and [ESRS S2] Workers in the value chain.

The Group pays particular attention to issues related to gender equality¹⁷, as evidenced by the launch of specific DE&I (Diversity Equity and Inclusion) programs and initiatives, the publication of a dedicated Policy, and monitoring of the gender pay gap. For more information on these areas, see chapters [ESRS S1] S1-1 Policies related to own workforce, and [ESRS S1] S1-16 Compensation metrics.

Also in terms of consumer protection, competition, anti-corruption and taxation, the Group makes a constant commitment to preventing and mitigating any potential negative impacts. The Group's Code of Ethics plays an important role in this regard, with its strong focus on the consumer and customers, the values of fair competition, the condemnation of episodes of corruption, and compliance with laws, regulations and provisions of the tax authorities. For further information, see chapter [ESRS G1] Business conduct.

In line with what is described above, during 2025, the Group adopted a Human Rights Policy outlining the fundamental principles that guide the organization in the protection and promotion of human rights. Furthermore, it emphasizes that the scope of analysis for investments related to activities 6.5 and 7.6 should take into account the supplier's practices and procedures. For this reason, following a conservative and cautious approach, the current practices in place are deemed insufficient to consider the activities aligned with the minimum safeguards criteria.

¹⁵ Directive 2009/33/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of clean and energy-efficient road transport vehicles.

¹⁶ Regulation (EU) No 540/2014 of the European Parliament and of the Council of 16 April 2014 on the sound level of motor vehicles and of replacement silencing systems.

¹⁷ For information on the gender split in the Board of Directors, see chapter ESRS 2 - [GOV-1] Role of the administrative, management, and supervisory bodies.

KPI calculation methodology (Accounting Policy)

As defined in the Annexes to the Disclosure Delegated Act¹⁸, the assumptions and methodologies used to calculate KPIs are set out below, based on the activities deemed eligible and, if applicable, aligned. For each KPI, the calculation methods, the values relating to the different activities of the EU Taxonomy and the process of quantification are reported. In accordance with the Regulation, the analysis does not consider revenue and cost items generated by intercompany transactions in the calculation of KPIs.

The Group's administrative-accounting units, at the HQ level and at the individual legal entities, were involved in developing the three KPIs. At Group level, on the basis of the indications set out in Annex I of the Disclosure Delegated Act, accounting items have been matched with the various KPIs (numerator and denominator), starting with the items in the consolidated financial statements.

Furthermore, to date, no investment plans have been developed that meet the requirements set out in point 1.1.2.2 of Annex I of the Disclosure Delegated Act for their inclusion within the CapEx and OpEx items. For this reason, the two KPIs do not include any element that can be traced back to a plan to expand taxonomy-aligned economic activities or to allow eligible economic activities to align.

Furthermore, because the Group has not identified Taxonomy-aligned activities, the following paragraphs explain the KPI calculation methodologies for eligible activities only, differentiating for each indicator the method of reporting the denominator and numerator, which are ultimately summarized in the calculation tables.

Turnover KPI

The Turnover KPI was calculated on the basis of paragraph 1.1.1 of the Regulation, i.e. as the ratio between the share of net revenues deriving from the sale of products or services, including intangibles, associated with Taxonomy-eligible activities (numerator) and the Group's net revenues (denominator).

Consistently with accounting standard IAS 1.82(a) cited by the regulations, the denominator corresponds to the item "Sales revenues" from the 2025 consolidated income statement, for a total of €3,745 million.

The items used to calculate the denominator are therefore those specifically referring to the sale of goods and services, net of discounts, VAT or any other direct tax, thus isolating the revenues deriving from the Group's core operations: specifically, the item included refers to "Sales revenues" which already provides for the separation of the components attributable to cash discounts and allowances.

Furthermore, to avoid any double counting, intercompany items have been eliminated and do not contribute to the determination of the KPI.

To quantify the numerator, an analysis was conducted of the revenues from the product lines associated with the eligible economic activities that contribute to the revenue item used for defining the denominator, thus excluding from the total revenues included in the denominator the revenues obtained from the sale of IT services to third parties and the revenues from the sale of accessories, net of discounts, rebates, VAT and added taxes.

The eligible turnover generated by the Group is therefore associated with activity 1.2 Manufacture of electrical and electronic equipment, for a total of €3,623 million.

CapEx KPI

To calculate the denominator of the KPI, the additions incurred in the reference period relating to property, plant and equipment (Investments in property, plant and equipment), intangible assets (Investments in intangible assets), and right of use assets (Investments in leased assets) were considered.

The approach used for data extraction was based on the analysis of consolidated financial data and data derived at the management level.

In line with international accounting standards and Annex I of the Disclosure Delegated Act, the Group considered property, plant and equipment accounted for in accordance with IAS 16, intangible assets – excluding goodwill – accounted for in accordance with IAS 38, and leases accounted for in accordance with IFRS 16, as per the consolidated annual financial report.

¹⁸ Delegated Regulation (EU) 2021/2178.



Therefore, the denominator was calculated in the amount of €106 million.

The numerator was determined based on an analysis of the asset additions that took place during the year, identifying investments related to points (a) and (c) of Annex I of the Disclosure Delegated Act:

- Point (a), i.e. capital expenditures included in the denominator that are related to assets or processes associated with taxonomy-aligned economic activities;
- Point (c), i.e. capital expenditures related to the purchase of products resulting from Taxonomy-aligned economic activities and individual measures that enable the target activities to achieve low carbon emissions or greenhouse gas reductions.

Specifically, for activity 1.2 Manufacture of electrical and electronic equipment – representative of the Group's core business activities – investments in property, plant and equipment, intangible assets or right of use assets of the manufacturing companies (i.e., De' Longhi Romania S.r.l., De' Longhi Appliances S.r.l., On Shiu (Zhongshan) Electrical Appliance Co. Ltd., De' Longhi-Kenwood Appliances (DongGuan) Co. Ltd., Eversys S.A.) were deemed instrumental to the performance of business activities, and therefore allocated entirely to the numerator, with the exception of the portion relating to fixed assets classifiable under point (c) of the Regulation. It should be noted that, among the manufacturing companies considered, following a conservative and cautious approach, asset additions recorded during the year for La Marzocco International LLC were excluded, as this data is sub-consolidated and includes both manufacturing plants and non-manufacturing legal entities, making it impossible to allocate investments solely to the manufacturing legal entities.

The total of these investments is €72 million.

The above amount, for the companies De' Longhi Romania S.r.l. and Eversys S.A., includes a portion relating to activity 7.6 – Installation, maintenance and repair of renewable energy technologies, as the installed photovoltaic systems have been considered, for a total of €334 thousand.

The Group's analysis also led to the identification, with reference to investments by the aforementioned companies, of a portion attributable to activity 6.5 – Transport by motorcycles, passenger cars and light commercial vehicles. Specifically, the items relating to the use of cars for the Group companies De' Longhi Romania S.r.l., De' Longhi Appliances S.r.l. and Eversys S.A. were considered for a total of €793 thousand, relating to the item "Investments in leased assets".

In addition, with reference to investments by the Group's non-manufacturing companies, investments attributable to activity 6.5 – Transport by motorcycles, passenger cars and light commercial vehicles were taken into consideration starting from a detailed excerpt of the motor vehicle asset book, for a total of €4.5 million.

The numerator of the CapEx KPI is therefore composed of:

1. €71.7 million relating to activity 1.2 – Manufacture of electrical and electronic equipment;
2. €5.3 million relating to activity 6.5 – Transport by motorcycles, passenger cars and light commercial vehicles;
3. €0.3 million relating to activity 7.6 – Installation, maintenance and repair of renewable energy technologies.

As a further subdivision, the following is a representation of the breakdown of the De' Longhi Group's eligible CapEx with respect to the two variables Taxonomic Category and Type of CapEx:

Taxonomic Category	Eligible CapEx (absolute values)	Aligned CapEx (absolute values)	Eligible CapEx (%)	Aligned CapEx (%)
Point A	71,730	0	92.73%	0%
Point C	5,625	0	7.27%	0%

Table1: CapEx KPI by Taxonomic Category (€/K).

Type of CapEx	Eligible CapEx (absolute values)	Aligned CapEx (absolute values)	Eligible CapEx (%)	Aligned CapEx (%)
IFRS 16 (leasing)	6,053	0	7.82%	0%
Intangible assets	25,708	0	33.23%	0%
Property, plant, and equipment	45,594	0	58.94%	0%

Table2: CapEx KPI by Type of CapEx (€/K).





OpEx KPI

To calculate the denominator, an analysis of the consolidated figures produced an amount of €96.1 million with reference to the categories mentioned in the regulations, such as non-capitalized R&D, maintenance, day-to-day servicing of assets, and leases, an item containing short-term leases and out-of-scope leases according to IFRS 16.

The numerator was determined following a methodology similar to that used for the CapEx KPI.

In particular, the categories of R&D and Leasing were considered instrumental to the performance of core business activities, as they represent product developments and logistics spaces used by Group companies for distribution, with the exception of €3.0 million in Royalties.

In addition, the Group's R&D costs were identified by considering the entire allocation of costs recorded in the R&D cost centers, including both expenses directly incurred for the development of new products and technological innovations, as well as those relating to continuous improvement projects and adaptation to market needs. Similarly, short-term lease expenses were included as they were functional to the performance of core business activities, corresponding to logistics spaces essential for the distribution and operations of Group companies. The portion of operating expenses relating to these categories, corresponding to a total of €83.0 million, was determined on the basis of consolidated Group figures and therefore allocated entirely to the numerator within activity 1.2 - Manufacture of electrical and electronic equipment.

The De' Longhi Group's eligible OpEx is broken down below by Type:

Type of OpEx	Eligible OpEx (absolute values)	Aligned OpEx (absolute values)	Eligible OpEx (%)	Aligned OpEx (%)
Maintenance	0.00	0	0%	0%
Non-capitalized R&D	59,708	0	71.94%	0%
Day-to-day servicing of assets	0.00	0	0%	0%
Short-term and out of scope IFRS 16 leases	23,294	0	28.06%	0%

Table3: OpEx KPI by Type of OpEx (€/K.).

TURNOVER KPI CALCULATION TABLE

Financial Year 2025	Year			Substantial contribution criteria							"Do No Significant Harm" criteria										
Economic activity (1)	Code(s) (2)	Absolute turnover (3)	Share of expenses to turnover (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned revenue share, Year 2024 (18)	Category (enabling activity) (19)	Category (transition activity) (20)		
		€/k	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T		
A. ELIGIBLE ACTIVITIES																					
A.1 Eco-sustainable activities (taxonomy-aligned)																					
Turnover of eco-sustainable activities (taxonomy-aligned) (A.1)		- €	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%				
of which: enabling			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%	E			
of which: transitional			0.00%	0.00%													0.00%		T		
A.2 Eligible but not eco-sustainable activities (activities not aligned with the taxonomy)																					
Manufacture of electrical and electronic equipment	CE 1.2	3,622,771.88 €	96.75%					EL									97.15%				
Revenues from eligible but not eco-sustainable activities (activities not aligned with the taxonomy) (A.2)		3,622,771.88 €	96.75%					96.75%									97.15%				
Total (A.1 + A.2)		3,622,771.88 €	96.75%	0.00%	0.00%	0.00%	0.00%	96.75%	0.00%								97.15%				
B. NON-ELIGIBLE ACTIVITIES																					
Turnover of non-eligible activities (B)		121,870.12 €	3.25%																		
Total (A + B)		3,744,642.00 €	100.00%																		

	Turnover/Total turnover	
	Alignment by objective	Eligibility by objective
CCM	0.00%	0.00%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	96.75%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

CAPEX KPI CALCULATION TABLE

Financial Year 2025	Year		Substantial contribution criteria							"Do No Significant Harm" criteria							Share of aligned (A1) or eligible (A2) CapEx, Year 2024 (18)	Category (enabling activity) (19)	Category (transition activity) (20)
Economic activity (1)	Code(s) (2)	Absolute CapEx (3)	CapEx share (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular Economy (15)	Biodiversity and ecosystems (16)	Garanzie minime di salvaguardia (17)			
		€/k	%	Y;N;N/ EL	Y;N;N/ EL	Y;N;N/ EL	Y;N;N/ EL	Y;N;N/ EL	Y;N;N/ EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	F	T
A. ELIGIBLE ACTIVITIES																			
A.1 Eco-sustainable activities (taxonomy-aligned)																			
CapEx of eco-sustainable activities (taxonomy-aligned) (A.1)		- €	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%		
of which: enabling			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%	E	
of which: transitional			0.00%	0.00%													0.00%		T
A.2 Eligible but not eco-sustainable activities (activities not aligned with the taxonomy)																			
Manufacture of electrical and electronic equipment	CE 1.2	71,730.31 €	67.67%					EL									70.62%		
Transport by motorcycle, passenger car and light commercial vehicle	6,5	5,290.98 €	4.99%	EL													2.90%		
Installation, maintenance and repair of renewable energy technologies	7,6	333.63 €	0.31%	EL													1.27%		
CapEx of eligible but not ecosustainable activities (activities not aligned with the taxonomy) (A.2)		77,354.92 €	72.98%														74.79%		
Total (A.1 + A.2)		77,354.92 €	72.98%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%								74.79%		
B. NON-ELIGIBLE ACTIVITIES																			
CapEx of non-eligible activities (B)		28,645.08 €	27.02%																
Total (A + B)		106,000.00 €	100.00%																

	CapEx/Total CapEx	
	Alignment by objective	Eligibility by objective
CCM	0.00%	5.31%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	67.67%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

OPEX KPI CALCULATION TABLE

Financial Year 2025	Year		Substantial contribution criteria							"Do No Significant Harm" criteria							Share of aligned (A1) or eligible (A2) OpEx, Year 2024 (18)	Category (enabling activity) (19)	Category (transition activity) (20)
	Code(s) (2)	Absolute OpEx (3)	OpEx share (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular Economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)			
	€/k	%	Y;N;/EL	Y;N;/EL	Y;N;/EL	Y;N;/EL	Y;N;/EL	Y;N;/EL	Y;N;/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. ELIGIBLE ACTIVITIES																			
A.1 Eco-sustainable activities (taxonomy-aligned)																			
OpEx of eco-sustainable activities (taxonomy-aligned) (A.1)		- €	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%		
of which: enabling			0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%								0.00%	E	
of which: transitional			0.00%	0.00%													0.00%		T
A.2 Eligible but not eco-sustainable activities (activities not aligned with the taxonomy)																			
Manufacture of electrical and electronic equipment	CE 1.2	83,001.85 €	86.41%					EL									89.91%		
OpEx of eligible but not ecosustainable activities (activities not aligned with the taxonomy) (A.2)		83,001.85 €	86.41%														89.91%		
TOTAL (A1+A2)		83,001.85 €	86.41%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%								89.91%		
B. NON-ELIGIBLE ACTIVITIES																			
OpEx of non-eligible activities (B)		13,050.74 €	13.59%																
Total (A+B)		96,052.59 €	100.00%																

	OpEx/Total OpEx	
	Alignment by objective	Eligibility by objective
CCM	0.00%	0.00%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	86.41%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

Nuclear and fossil fuel activities

	Activities related to nuclear energy	
1.	The company conducts, finances or has exposures to research, development, demonstration and deployment of innovative power generation facilities that produce energy from nuclear processes with minimal fuel cycle waste.	NO
2.	The company carries out, finances or has exposures to the construction and safe operation of new nuclear facilities to produce electricity or process heat, including for district heating purposes or industrial processes such as hydrogen production, as well as their safety upgrades, using the best available technologies.	NO
3.	The Company operates, finances or has exposures towards the safe operation of existing nuclear plants that generate electricity or process heat, including for district heating or for industrial processes such as the production of hydrogen from nuclear energy, and improvements to their safety.	NO
	Activities related to fossil fuels	
4.	The company carries out, finances or has exposures to the construction or operation of electricity generation facilities that produce electricity from gaseous fossil fuels.	NO
5.	The company carries out, finances or has exposures to the construction, refurbishment and operation of combined hot/cold and power generation facilities using gaseous fossil fuels.	NO
6.	The company carries out, finances or has exposures to the construction, refurbishment and operation of heat generation facilities producing heat/cooling from gaseous fossil fuels.	NO



ESRS E1 - Climate change

[GOV-3] Integration of sustainability-related performance in incentive schemes

The incentive systems for the members of the administrative, management and supervisory bodies include variable components related to ESG aspects. For more information, please refer to the section “[GOV-3] Integration of sustainability-related performance in incentive schemes” within the chapter “[ESRS 2] General disclosures” (GOV-3, 13).

[SBM-3] Material impacts, risks and opportunities and their interaction with strategy and business model [IRO-1] Description of processes to identify and assess climate-related material impacts, risks and opportunities

The double materiality analysis identified as significant both the impacts generated on climate change, in terms of GHG emissions produced by direct and indirect activities (IRO-1, 20 a), and the related financial risks and opportunities (IRO-1, 20 b, c), which may influence the Group’s business. For a detailed

description of the process followed to identify and assess IROs, see the section “[IRO-1] Description of the process to identify and assess material impacts, risks and opportunities” in the chapter “[ESRS 2] - General disclosures”.

The assessment carried out showed that, although all of the Group’s assets have a negative and current impact on climate change, this is only material for the production plants (for further details, please refer to section “[E1-6] Gross scopes 1, 2 and 3 and total GHG emissions”). As far as the value chain is concerned, among the most impactful activities are the extraction and processing of raw materials and semi-finished products upstream, while downstream they include logistics and the distribution and use of marketed products (IRO-1, 20 a, AR 9).

The financial dimension of the double materiality analysis, instead, identified the most significant climate-related risks and opportunities for the short, medium and long term. In particular, the risks identified can be classified as physical or transitional (SBM-3, 18):

- **Physical risks:** linked to the direct impacts of climate change, for the De’ Longhi Group these mainly consist of the potential exposure of corporate assets to extreme weather events, in all regions where it operates. These risks can be acute, i.e., resulting from extreme weather events (such as heatwaves, floods, storms, etc.), or chronic, i.e., connected to long-term phenomena such as sea-level rise, droughts, and changes in precipitation patterns. Similarly, supplier assets can also be directly impacted, with consequent repercussions for De’ Longhi on supply chain stability. Finally, climate change could lead to the reduced supply of coffee in the market, with a consequent increase in coffee prices and a potential decline in consumption. (IRO-1, 20 b).

- **Transitional risks:** these derive from changes in the regulatory, technological and market framework in connection with the transition to a low-carbon economy. These risks include, for example, the introduction of more stringent environmental regulations, shifting consumer preferences, the adoption of new low environmental impact technologies, and the growing ESG expectations of stakeholders (IRO-1, 20 c).

As far as financial opportunities are concerned, the analysis highlighted two main areas of development:

- **Access to grants and financing for sustainable investments:** the Group can benefit from the support offered by European and Italian programs dedicated to the energy transition, designed for companies that invest in sustainable technologies and low environmental impact practices;
- **Improved reputation and cost savings from the energy transition:** the adoption of efficient energy practices and the use of renewable sources can generate competitive advantages and improve corporate and brand reputation (IRO-1, 20 c-ii).

At a later stage of the process of identifying material IROs, further analyses were initiated to complement the current qualitative approach with methodologies based on publicly available climate scenarios; these efforts improve understanding of the climate change-related risks to which the company is exposed and help determine the most appropriate adaptation measures.

The analyses in question, conducted with the support of advanced analysis tools, covered all of the Group's production plants and considered characteristics such as geographical location, construction materials, asset value, and the age of buildings. The assessment of the physical climate risks to which the Group's production assets are exposed was based on three climate scenarios, developed by the IPCC and published in the Sixth Assessment Report (AR6), based on the integration of *Shared Socioeconomic Pathways* (SSP) and *Representative Concentration Pathways* (RCP). The scenarios taken into consideration represent various possible climate trends and socioeconomic projections:

- The **RCP2.6 / SSP1** scenario anticipates low emissions thanks to ambitious climate policies; emissions decrease after 2020 and become negative by 2100, limiting global warming to 1.5-2°C and reducing the risks of extreme events.
- The **RCP4.5 / SSP2** scenario follows an intermediate path: emissions increase until 2040 and then gradually decrease, with moderate policies and a slower energy transition. Global warming could reach 2.5-3°C, increasing climate risks.
- The **RCP8.5 / SSP5** scenario describes high emissions based on economic growth and the use of fossil fuels; emissions grow until 2100, leading to warming above 4°C, extreme weather events, sea-level rise, and pressure on ecosystems and food security (IRO-1, 20 b-i).

The analysis of physical risks was conducted over three time horizons: short term (2030), medium term (2050), and long term (2085). Each horizon does not refer to a single year but represents an interval of approximately 20-30 years, within which averaged climate data are considered (e.g., 2030 corresponds to the 2021-2040 period) (IRO-1, AR 11a). The time horizons adopted in the analysis follow the literature best practices commonly used in international climate studies, which recommend the use of multi-decadal intervals to represent the evolution of key climate drivers in a statistically significant manner, consistent with the methodologies widespread in the scientific community and referenced in the main IPCC reports (IRO-1, AR 11b). The analysis was also based on a systematic comparison between the different climate scenarios, in order to understand how each emissions trajectory might influence, over the various time horizons considered, the identification and assessment of both physical risks and transition risks and opportunities (IRO-1, 21).

The results of the analysis are expressed in terms of Annualized Asset Damage Values (in USD), which represent the estimated average expected financial damages on an annual basis for each analysis period and scenario. This value reflects the gross risk, i.e., the risk in the absence of any mitigation or adaptation measures, and is calculated by integrating asset exposure information, based on geographical location, with the intrinsic and structural characteristics of the facilities.

The overall analysis of the results shows a slight increase in physical risks and the related financial impacts on the Group's assets as the time horizon and the severity of the climate scenarios change. To assess the Group's exposure to physical risks, the risk classification scale within the ERM is adopted. The scale includes five increasing levels of severity: Incidental (1), Minor (2), Moderate (3), Major (4), and Extreme (5). The higher levels correspond to more significant impacts on the Group, with higher economic losses, greater media exposure, relevant operational consequences, and possible regulatory repercussions.

The evolution of risk over time can be summarized as follows:

- In the short term (2030), the overall risk shows a slight increase compared to the baseline. The differences between the climate scenarios are contained, with values falling within the *Major* range of the scale, and do not lead to substantial changes in the risk profile. Only in the RCP8.5-SSP5 scenario does the combination of severe climate impacts and potential economic losses cause the risk to cross this threshold, placing it in the *Extreme* category.
- In the medium term (2050), under the RCP2.6-SSP1 and RCP4.5-SSP2 scenarios, a moderate reduction in risk is observed, whereas in the most severe scenario, RCP8.5-SSP5, the risk level remains substantially unchanged and the classification stays firmly in the *Major* range.
- In the long term (2085), in the less extreme scenarios (RCP2.6-SSP1 and RCP4.5-SSP2), the trend of risk reduction continues with a slight but constant decrease. Conversely, in the RCP8.5-SSP5 scenario, an increase is recorded again, highlighting how the failure to adopt mitigation measures leads to more significant economic impacts on the analyzed assets. The intensification of climate events and the potential amount of economic losses accentuate its severity, while remaining within the limits of the *Major* class.

Overall, the temporal evolution shows how the more moderate scenarios tend to progressively improve, while the high-emissions pathway presents a more unstable trend, characterized

by a peak in severity in the short term and an increase in the long term.

Among the risk categories analyzed, the main one is related to cold and heavy snowfall, followed by the risks of flooding and heatwaves, which maintain a constant incidence; in the most severe scenario, the relevance of wildfire risk also increases.

The variability of the impacts highlights the need for an integrated assessment that takes into account the specific characteristics of each site, the exposure to extreme climate phenomena, and the vulnerability of the assets (IRO-1, AR 11b, AR 11c).

The analysis of transitional risks was instead carried out using a qualitative approach structured in several phases:

- **Analysis of the regulatory context** (current and evolving), whose impact could steer the Group towards a low-carbon business model. The evolution of the regulatory framework can, in fact, influence market dynamics, product development, and strategic choices, making timely action necessary;
- **Benchmark analysis**, delving into the strategies of the main competitors;
- **Industry analysis**, aimed at understanding the main emerging trends to anticipate future challenges and opportunities;
- **Analysis of the coffee market trends**, identified as a complementary sector to the one in which De' Longhi operates and central to the current business model and revenue distribution.

Unlike what was done for physical risks, the assessment of transitional risks was conducted over a single short-term time horizon (2030) (IRO-1, AR 12a), but considering the same emissions scenarios as the physical risk analysis (IRO-1, 21), including the RCP2.6/SSP1 scenario, which, despite representing a strong mitigation trajectory close to the goals of the Paris Agreement, does not fully correspond to a scenario aligned with limiting global warming to 1.5°C with no or limited overshoot (IRO-1, 20 c-i; AR 12 c).

The analysis identified four risk categories connected to the transition to a low-carbon economy, each capable of generating financial impacts on the business.

- **Regulatory and legal risks** derive from the introduction or tightening of environmental regulations, such as the Carbon Border Adjustment Mechanism (CBAM), which can affect competitiveness and procurement costs, in addition to regulations on materials and energy efficiency.

- **Technological risks** concern the evolution towards sustainable solutions, which could render certain products obsolete and require investments in research and development to adapt the offering to new market needs.
- **Market risks** are linked to changes in demand, consumer preferences, and fluctuations in raw material prices, with possible repercussions on supply chains and production costs.
- **Reputational risks** emerge from corporate practices inconsistent with stated environmental commitments, such as a lack of transparency or non-credible climate targets, which can generate accusations of greenwashing, loss of trust, and brand damage, influencing sales and access to capital (IRO-1, AR 12 a).

The results of the analysis show how the materiality of transitional risks for De' Longhi varies depending on the climate scenarios considered. The assessment was carried out taking into account the likelihood of the risks occurring and the potential magnitude of their impacts on the business, including effects on demand, operating costs, and corporate reputation (IRO-1, AR 12 b). Based on these criteria, each risk was classified as not material, material, or highly material.

In contexts characterized by an accelerated transition and stringent environmental regulations, the possible **increase in carbon taxes** and the **strengthening of environmental requirements applicable to products and packaging materials** take on particular importance; in more moderate regulatory contexts, however, they are less significant.

The **evolution of sustainability regulations along the coffee supply chain** also shows a consistent level of materiality across the different transition scenarios. This reflects a progressively intensifying regulatory trend, which requires continuous monitoring and a structured adaptation of procurement practices.

The **technological transition towards solutions with a lower environmental impact** emerges as one of the most significant risks. This is highly material in the scenario most oriented towards decarbonization and still maintains high materiality in the intermediate scenarios. A similar dynamic concerns the **growing pressure exerted by consumers and stakeholders on ESG issues**, which proves highly material in the most ambitious scenarios and remains an influential factor even where the transition proceeds at a more gradual pace.

As for **structural changes in the coffee value chain**, the analysis notes a greater significance of possible structural changes in contexts characterized by more intense climate impacts. Such scenarios could indeed cause critical issues in raw material availability and supply stability, with potential repercussions on costs and business continuity.

Finally, the **public perception of the company's environmental performance** continues to play a central role across the different transition scenarios. It is highly material in contexts characterized by strong social and regulatory expectations and maintains a substantial impact even in less marked transition conditions, confirming the importance of reputational positioning and transparency in ESG practices (IRO-1, AR 12 d).

The results obtained from the analysis of physical and transitional climate risks formed an integral part of the update of the financial materiality analysis required by the European Sustainability Reporting Standards (ESRS) for the 2025 CSRD report. The integration of physical and transitional climate risks has indeed made it possible to assess the financial materiality of these factors in terms of potential impacts on revenues, operating costs, investments, and supply chain continuity (IRO-1, AR 15). The risk analysis conducted has therefore integrated both physical and transitional climate risks, assessing their financial materiality and potential impact on revenues, operating costs, investments, and supply chain continuity. However, an in-depth resilience analysis of the strategy and business model with respect to the possible effects of climate change has not yet been carried out (SBM-3, 19).

[E1-1] Transition plan for climate change mitigation

The De' Longhi Group, long attuned to sustainability issues, has further intensified its commitment in recent years by working to find solutions aimed at mitigating its impact on climate change and furthering the transition to a low-carbon economy. The 2024-2026 Sustainability Plan includes many initiatives aimed at reducing the environmental impact of the Group's activities. For further information, see section "[E1-3] - Actions and resources in relation to climate change policies".



In this sense, the company has reached an important milestone by joining the *Science Based Targets initiative* (SBTi), which has validated the Group's emission reduction targets:

- Reduction of Scope 1 & 2 emissions by 2034: **-58.8%** compared to 2023
- Reduction of Scope 3 emissions by 2034: **-35%** compared to 2023
- **Net zero** by 2050.

Prior to joining the SBTi, a feasibility analysis of the transition plan was carried out to support the definition of the targets. Starting in 2025, the operational implementation of the plan is underway, which the Group expects to complete by 2027 (E1-1, 17).

[E1-2] Policies related to climate change mitigation and adaptation

The De' Longhi Group recognizes climate change as one of the most urgent and complex global challenges, with potential significant impacts across all stages of the value chain. To address this challenge in a structured and responsible manner, the Group has defined a set of policies that guide the management of environmental impacts, greenhouse gas emissions, and health and safety aspects (E1-2 24).

The main corporate policies relevant to the management of climate and environmental risks, and their related impacts, include:

TABLE 1- POLICIES RELATED TO CLIMATE CHANGE

Reference policy	Target (MDR-P 65a)	Scope (MDR-P 65b)	Responsible for implementation (MDR-P 65c)	Recognized national and international preparation tools (MDR-P 65d)	Accessibility (MDR-P 65f)	IRO considered (MDR-P 65a)
Environmental, Health & Safety Policy	<p>Commitment to reducing the Group's carbon footprint</p> <p>Reduction in the use of fossil fuels</p> <p>Designing more sustainable products</p> <p>Lessen the amount of waste sent to landfills</p> <p>Promoting occupational health and safety principles</p>	De' Longhi Group, suppliers, collaborators	Board of Directors	<p>ISO 45001:2018</p> <p>ISO 14001:2015</p> <p>Sustainable Development Goals (UN)</p>	Corporate website	<p>Climate change due to GHG emissions</p> <p>Excessive energy consumption</p> <p>Reputational risks associated with a lack of initiatives to mitigate climate change</p> <p>Access to grants and loans for sustainable investments</p> <p>Operational instability and supply chain disruption due to extreme weather</p>
Code of Ethics	<p>Statement of the Group's fundamental ethical principles</p> <p>Formalizes the standards for conduct in business management</p> <p>Management of relations with the Public Administration</p> <p>Management of relations with other stakeholders</p> <p>Diligence in the use of company assets and protection of IT tools</p> <p>Criteria and goals in the composition of the Board of Statutory Auditors</p> <p>Monitoring of compliance with the policy</p> <p>Processes and guidelines for guaranteeing equal opportunities</p> <p>Goals and KPI for monitoring developments and ensure the purpose of the policy is served</p> <p>Initiatives targeting gender diversity in order to promote the presence of women</p>	De' Longhi Group, suppliers, collaborators	Board of Directors	<p>Directive 2014/95/EU</p> <p>Principles for the emancipation of women</p> <p>United Nations International Bill of Rights</p> <p>Declaration of the International Labor Organization on Fundamental Principles and Rights</p> <p>International Labor Organization Convention on Violence and Harassment</p>	Corporate website	Reputational and legal risks for violations of human rights inside the company
Travel policy	<p>Sustainable travel practices</p> <p>Business travel organization rules</p>	De' Longhi Group	Chief People Officer	-	Not available to the general public	-

Currently, the Group has an **Environmental, Health & Safety (EHS) Policy**, which outlines the company's commitments regarding the environment and health and safety. The EHS Policy, approved by the Group CEO, entered into force on 1 September 2025, replacing the previous Environmental Policy. The Group also plans to develop a specific policy dedicated to climate change mitigation and adaptation; to date, this activity is still ongoing.

The De' Longhi Environmental, Health & Safety Policy, approved by the Chief Executive Officer and published on the Corporate website, represents the company's commitment to a sustainable development model, integrating environmental management into operating strategies and decision-making processes; the policy also calls for the periodic assessment of stakeholders' needs, along with risk assessments. The policy guides the Group's actions along three fundamental directions - Progressing Over Emissions, Designing Tomorrow, and Caring Together - and, in line with these principles, provides for:

- the reduction of the carbon footprint, through emission reduction targets validated by the Science Based Targets initiative (SBTi);
- the gradual replacement of fossil fuels through energy efficiency measures and the adoption of renewable sources;
- the design of more sustainable products through the "Eco-Design Guidelines," focusing on recycled materials, energy efficiency, durability, repairability, and waste management;
- the reduction of waste sent to landfills (E1-2 25).

Finally, the Group is committed to maintaining the Environmental Management System in compliance with ISO 14001 and to obtaining ISO 45001 certification for all production plants (MDR-P 65 (a)) (MDR-P 65 (e)) (MDR-P 65 (f)). The policy covers the company's entire perimeter and all its activities (MDR-P 65 (b)). The ultimate responsibility for the implementation and supervision of the policy is entrusted to the Chief Executive Officer, who ensures the integration of environmental objectives into the corporate strategy and monitors progress in achieving the commitments undertaken (MDR-P 65 (c)). In line with its commitment to sustainability, this policy adheres to the principles of the United Nations' 2030 Agenda for Sustainable Development, focusing its initiatives on the Sustainable Development Goals (SDGs) most relevant to its sector and operating context, including SDG 3, SDG 5, SDG 12 e SDG 13 (MDR-P 65 (d)).

The desire and necessity to protect the environment across all of its activities, in compliance with current regulations, is also expressed within the **Code of Ethics**; this principle translates into the adoption, where possible, of solutions with reduced environmental impact, in order to reconcile the company's economic needs with environmental concerns, paying particular attention to future generations (MDR-P 65 (e)).

At the same time, the Group is working on defining a policy dedicated to energy and emissions issues, which will formalize the objectives defined in this area and act as a high-level framework for managing the related impacts, risks, and opportunities (E1-2 24).

Finally, in 2026, the Group updated its Travel Policy, introducing new guidelines oriented towards sustainability and emissions reduction (E1-2 25). The policy encourages employees to prioritize remote communications, to plan trips more efficiently, and to limit the number of business trips and people involved. Furthermore, it is recommended to use means of transport with a lower environmental impact, whenever possible.

[E1-3] Actions and resources in relation to climate change policies

In line with the 2024-2026 Sustainability Plan, the De' Longhi Group has implemented measures to reduce its impact on climate change. The main initiatives concern both the entire corporate scope, such as increasing the self-production of electricity from renewable sources and the energy efficiency of production processes, as well as the products it sells.

One of the main areas of focus has become the development of increasingly energy-efficient products, which is also a top priority for all of the De' Longhi Group's GNPD (Group New Product Development) professionals. This commitment extends to all the main product lines, for example through the introduction into heating systems of the Eco mode, which reduces consumption during use and in the stand-by phase.

During 2025, efforts continued to optimize energy consumption throughout the entire product use phase, through targeted interventions that affected various product lines. In the automatic machines segment, the PrimaDonna Aromatic model introduced a significant design evolution, providing for the **elimination of the second boiler** dedicated to milk frothing and thus

allowing for a reduction in energy consumption. As for manual coffee machines, the Classic Line was instead equipped with a **lighter thermoblock** compared to previous models, a solution that made it possible to achieve energy class A.

In the thermal comfort sector, the radiators of the Radia and Atlante series integrate Easytronic technology, a high-precision electronic control solution that allows for **precise temperature regulation** ($\pm 0,5^{\circ}\text{C}$); this greater accuracy makes it possible to optimize heat delivery according to actual needs, allowing for energy savings of up to 25%. In addition, the *Comfort Coach* interface guides the user towards a more conscious use of the product through 12 adjustment levels and dedicated areas, promoting **more efficient consumption behaviors** and reducing energy waste. This technological evolution will continue with the Atlante Pro series, currently under development, which will integrate advanced management features via App; such solutions will enable dynamic optimization of energy consumption.

On the air treatment front, the new *Pinguino GentleJet* introduces the *Arctic Gentle Surround* system, which makes it possible to accelerate the achievement of comfort conditions, reducing cooling times by 30% and therefore significantly improving operational efficiency. The AP120 and AP98 models, in fact, record an increase in energy efficiency (EER) of 10% and 19%, respectively, compared to previous models.

Finally, by 2026, the introduction of a new range equipped with Inverter technology is also planned, developed in line with the requirements of future Ecodesign regulations, which will allow for continuous power modulation based on the actual load, with the goal of improving seasonal energy efficiency by up to 50%.

Furthermore, research into these products is not limited to energy efficiency alone, but extends to the choice of less emission-intensive materials, by increasing the proportion of recycled materials in newly designed products. For further details on this type of initiative, see chapter "ESRS E5 - Resource use and circular economy" (MDR-A, 68 a, b, c).

To further optimize direct energy consumption, instead, the Group has installed advanced **energy monitoring** systems at its plants in Italy, Romania, and China, as well as at its headquarters in Treviso. These tools enable real-time data collection, improving resource management and contributing to the reduction of greenhouse gas emissions; in parallel, the implementation of motion sensors for lighting activation ensures more efficient energy use by minimizing unnecessary consumption.

[E1-4] Climate change mitigation and adaptation targets

As anticipated in section E1-1 of this chapter, the Group has defined its climate transition path through the adoption of decarbonization targets fully aligned with science (MDR-T 80 g). In 2025, in fact, the Group obtained formal validation of its near-term and long-term targets from the Science Based Targets initiative (SBTi), committing to reduce Scope 1 and Scope 2 emissions by 58.8% and Scope 3 emissions by 35% by 2034, compared to 2023¹⁹ (E1-4, 33, 34). The Group has also committed to achieving climate neutrality by 2050, in line with the scenario of limiting global warming to 1.5°C (E1-4 34 e, 16 a, AR 30 c).

Alongside the SBTi targets, the 2024-2026 Sustainability Plan includes further initiatives and targets aimed at reducing emissions, relating to the management and monitoring of climate objectives (MDR-T 80 a). These initiatives are reported in the table below.

Measures have also been taken on the mobility front to reduce the Group's carbon footprint; it is progressively migrating the company fleet to hybrid or electric vehicles, with the aim of reducing diesel or gas-powered cars by 2027 (MDR-A, 68 a, b, c). In Romania, the Group is also continuing collaborations to reduce the use of diesel in vehicles used for employee transportation, with the aim of a total conversion to hybrid or low-consumption cars (MDR-A, 68 a, b, c).

For the listed initiatives, aimed at reducing the Group's impact on climate change, present or anticipated GHG emission reductions have not yet been quantified (E1-3, 29 a, b).

Alongside operational initiatives, 2025 also saw the Group contribute to the drafting of the **position paper “The digital transition in support of business sustainability”** (La transizione digitale a supporto della sostenibilità del business), in collaboration with the Secretariat of the UN Global Compact Network Italy and 46 other Italian companies adhering to the UNGC (United Nations Global Compact). The document recognizes the digital transition as a fundamental enabling factor for the environmental sustainability of businesses, particularly in the fight against climate change and in the efficient management of resources. The ability of digital technologies to collect and process real-time data constitutes essential support for defining decarbonization strategies and for guiding companies towards production models that are less damaging to the environment.

The position paper further emphasizes the importance of a digital transition that allows companies to systematically address emerging environmental risks. In a context where energy demand is growing rapidly, partly due to the expansion of digital services and data centers, the document recalls the urgency of adopting energy-efficient digital models, predictive systems based on artificial intelligence, and infrastructure capable of supporting preventive maintenance and consumption optimization. The actions implemented by the Group in its plants, from the optimization of testing cycles to the digitalization of energy monitoring and the gradual integration of high-efficiency systems, reflect the paper's recommendations, according to which technology is a determining lever for reducing waste, increasing operational efficiency, and improving the quality of decision-making processes.

In 2025, the modification of the calibration methods for coffee machines was also completed at the Italian plant in Mignagola with the aim of reducing energy consumption; an extension of the initiative to the plants in Romania is also planned for 2026.

In parallel, energy efficiency interventions on infrastructure continued at the plants, particularly through the replacement of traditional lighting systems with LED technology. In China, for example, the complete conversion of lighting has resulted in a reduction in consumption. In Romania, the gradual installation of LED lighting is also underway in all plants, with completion scheduled for 2026 (MDR-A, 68 a, b, c). Finally, at the Chinese plants, the introduction of new **electric presses for plastic injection** has made it possible to achieve energy savings of between 30% and 32%, thanks to the lower consumption of electric machines compared to the previous hydraulic solutions (MDR-A, 68 a, b).

To further reduce its impact on climate change, another area of intervention is the self-production of energy from renewable sources. In addition to those already present in Mignagola, Treviso, Scarperia and San Piero, Cluj (Romania), and Sierre (Switzerland), the installation of new solar panels is also planned at the Satu Mare plant (Romania) during 2026 (E1-3, 29 c) (MDR-A, 68 a, b, c). The capital expenditures (CapEx) already incurred in 2025 for the photovoltaic systems in Sierre and Cluj amount to a total of €333,629 (MDR-A, 69 b). The implementation of these initiatives requires accurate planning of resource use and stable access to adequate financing, which are essential to support infrastructure investments, energy efficiency interventions, and innovative activities connected to the energy transition. The Group's ability to implement the planned actions is therefore also linked to the availability of capital under favorable conditions and its correct allocation over time (E1-3, AR 21). The CapEx amounts connected to these interventions are consistent with the scope of the investments planned by the company (E1-3, AR 22).

In 2025, La Marzocco also conducted an in-depth energy diagnosis, culminating in the submission to ENEA of two separate audits relating to the Scarperia and Accademia del Caffè Espresso sites, in compliance with regulatory obligations regarding energy assessments.

19 The baseline value for the year 2023 is considered representative of De'Longhi's operations, as it reflects the entire organizational scope and no exceptional events occurred during the reporting period. (E1-4 AR 25 a).

TABLE 2 – CLIMATE CHANGE MITIGATION TARGETS

Initiative (E1-4 34 f)	Target (MDR-T 80 b)	Baseline (MDR-T, 80d) ²⁰	Target Year (MDR-T 80 e)	Scope (MDR-T 80 c)	Reference policy (MDR-T 80 a)
Presentation of SBTi targets covering Scope 1, Scope 2 and Scope 3 emissions and definition of an emissions reduction strategy	Submission of SBTi target	-	2025	De' Longhi Group and its value chain	Environmental, Health & Safety Policy
Increase the use of electricity from renewable sources (both self-generated and purchased) at production plants	100% of the energy consumption of production plants certified as coming from renewable sources through Guarantees of Origin ²¹	53.8% renewable electricity at the Group's plants (2022)	2024	All production plants	Environmental, Health & Safety Policy
Energy efficiency interventions aimed at making changes and/or implementing new solutions to reduce the energy consumption of plants/ offices	0.06 kWh consumed per test (40% reduction in energy consumption)	0.1 kWh consumed per test (2022)	2027	Fully automatic coffee machines	Environmental, Health & Safety Policy
	0.017 kWh for calibration of each machine (50% reduction in energy consumption%)	0.034 kWh for calibration of each machine (2022)		All production plants	
Activities and training to promote more sustainable behavior and a zero-waste approach inside and outside the company	Reduction of energy intensity per unit produced ²²	6.7 kWh = total energy consumed / number of units produced (2022)	2024	De' Longhi Group	N/A
	Review of the travel policy and analysis of the costs of employee travel between offices or sites, promoting car sharing and videoconferencing	-	2027	De' Longhi Group	N/A
Reducing the environmental impact of packaging	100% electric and/or hybrid vehicles in the company fleet	16% electric and/or hybrid vehicles (2022)	2026	Pilot project	N/A
	Up to 20% reduction in kg of CO ₂ per unit in the pilot project	-			

The initiatives and KPIs associated with the established targets are monitored on a regular and systematic basis. The progress of each initiative is evaluated annually and is the responsibility of the Sustainability Department (MDR-T 80 j). In particular, as of 31 December 2025, the progress of the aforementioned targets was as follows (MDR-T 79 c):

- **Presentation of SBTi targets covering Scope 1, Scope 2 and Scope 3 emissions and definition of an emissions reduction strategy:** The Group has submitted and obtained validation of the SBTi targets relating to Scope 1, Scope 2 and Scope 3, which are as follows (E1-4 34 a, 34 b):
 - Reduction of Scope 1 & 2 emissions by 2034: **-58.8%** compared to 2023.

- Reduction of Scope 3 emissions by 2034: **-35%** compared to 2023.
- **Net zero by 2050.**
- **Increase the use of electricity from renewable sources (both self-generated and purchased) at production plants:** In 2024 and 2025, 100% of the energy consumption at production plants was certified through Guarantees of Origin (target achieved).
- **Energy efficiency interventions aimed at making changes and/or implementing new solutions to reduce the energy consumption of plants/offices:** The reduction target has been achieved in technological and energy-saving terms for conducting tests and, at the end of 2025, is already applied to 100% of the production of fully automatic coffee

machines equipped with conical burr grinders manufactured at the Mignagola plant.

- **Review of the travel policy and analysis of the costs of employee travel:** The review of the travel policy has been completed (target achieved).
- **Reduction of energy intensity per unit produced:** The value stands at 5.93²³ kWh/per unit produced.
- **Migrating the company fleet to electric and hybrid vehicles:** As of 31 December 2025, the percentage of hybrid and electric vehicles was 57%.
- **Reducing the environmental impact of packaging of a coffee machine's model:** The initiative, launched in 2025, is currently underway.

²⁰ The baseline value for the year 2023 is considered representative of De'Longhi's operations, as it reflects the entire organizational scope and no exceptional events occurred during the reporting period.

²¹ Portion of electricity covered by GO on the total amount purchased by production plants.

²² Calculated as the ratio between electricity consumed and units produced in the Group's factories.

²³ The value of energy intensity per unit produced was calculated by considering the purchased electricity, together with the electricity self-generated by photovoltaic panels, divided by the number of units produced.



[E1-5] Energy consumption and mix

In 2025, the Group's total energy consumption amounted to 141,058 MWh, up 5% compared to 2024 (133,861 MWh). Overall energy consumption from fossil sources stood at 53,803 MWh, accounting for 38% of the energy mix (down compared to 2024), while consumption from renewable sources reached

86,634 MWh (61%). Energy from nuclear sources, deriving primarily from national electricity mixes, accounted for 621 MWh.

As for the purchase of electricity, in 2025, 100% of the power purchased from the grid by the Group's industrial plants was covered by guarantees of origin (GO), which certify that the electricity consumed is derived from renewable sources. In addition, the increase (27%) in self-production from renewable sources is due to the installation of new photovoltaic panels in Sierre, Switzerland.

TABLE 3 - ENERGY CONSUMPTION AND MIX (IN THOUSANDS OF MWH)

Energy consumption and mix (E1-5, AR 34) (MDR-M 77c)	UOM	2023	2024	2025
Consumption of fuel from coal and coal products (E1-5, 38 a)	MWh	-	-	-
Consumption of fuel from crude oil and petroleum products (E1-5, 38 b)	MWh	11,181	12,237	11,055
Consumption of fuel from natural gas (E1-5, 38 c)	MWh	32,822	33,006	38,392
Consumption of fuels from other non-renewable sources (E1-5, 38 d)	MWh	-	-	-
Consumption of electricity, heat, steam, and cooling from fossil sources, purchased or acquired (E1-5, 38 e)	MWh	8,082	9,377	4,356
a. Total energy consumption from fossil sources (E1-5, 37a)	MWh	52,084	54,619	53,803
Fossil fuels as percentage of total energy consumption ²⁴	%	43%	41%	38%
b. Consumption from nuclear sources (E1-5, 37b)	MWh	786	1,480	621
Nuclear sources as percentage of total energy consumption	%	1%	1%	0,4%
c.i) Consumption of fuels from renewable sources, including biomass (including industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.)	MWh	-	-	530
c.ii) Consumption of electricity, heat, steam, and cooling from renewable sources, purchased or acquired	MWh	67,832	73,812	81,097
c.iii) Consumption of renewable energy self-produced without the use of fuels (E1-5, 39)	MWh	881	3,950	5,007
c. Total energy consumption from renewable sources (E1-5, 37c)	MWh	68,714	77,762	86,634
Renewable sources as percentage of total energy consumption	%	57%	58%	61%
Total energy consumption (E1-5, 37)	MWh	121,584	133,861	141,058

24 Percentage calculated starting from the Residual Mix of the individual countries in which the Group operates.

Because the Group operates in a high-climate-impact sector, namely the “Manufacture of electrical equipment” (E1-5, 42), energy intensity (E1-5, 40) was calculated as the ratio between total energy consumption and net revenues (E1-5, 41), giving 38.491 MWh per million euros (MWh/€M) in 2024 e 37.67 MWh per million euros (MWh/€M) in 2025. (MDR-M 77 a)

TABLE 4 - TOTAL CONSUMPTION OF SELF-PRODUCED ENERGY

Total consumption of self-produced energy (E1-5, 39) (MDR-M 77 c)	UDM	2023	2024	2025
Consumption of self-produced renewable energy without the use of fuels	MWh	881	3,950	5,007
Consumption of self-produced non-renewable energy (cogeneration)	MWh	10,192	9,583	11,033

TABLE 5 - ENERGY INTENSITY BASED ON NET REVENUES

Energy intensity based on net revenues (E1-5, 40) (MDR-M 77 c)	UOM	2023	2024	2025	% N / N-1
Total energy consumption from activities in high climate-impact sectors per net revenue from activities in high-climate impact sectors (MWh/monetary unit)	MWh/€k	0.040	0.039	0.038	-3%

TABLE 6 - NET REVENUES CONSIDERED FOR THE CALCULATION OF INTENSITY METRICS (E1-5, AR 38 B) (E1-6, AR 55 B)

Net revenues considered for the calculation of intensity metrics (MDR-M 77 c)	UOM	2024	2025
Net revenues from activities in high-climate-impact sectors used to calculate energy intensity (E1-5, 43) (E1-6, 55)	€k	3,445,635	3,744,642
Net revenues (other)	€k	51,920	56,816
Total net revenues (financial statements)	K€	3,497,555	3,801,458

[E1-6] Scope 1, 2, 3 and total gross GHG emissions

In 2025, total Scope 1 and Scope 2 emissions, calculated using the “location-based” method, stood at 49,339 tons, showing a 6% increase compared to 2024. In 2025, 95% of the electricity purchased by the Group was covered by Guarantees of Origin or international renewable energy certificates (I-REC) (E1 - 6 AR 45d). Scope 3 emissions, which quantify emissions not included in Scope 1 or 2 and which occur along the De’ Longhi Group’s value chain, make up 99% of the Group’s total emissions. In 2025, overall Scope 3 emissions recorded a 15% increase compared to 2024. In particular, the increase in

emissions associated with purchased goods and services in 2025 compared to 2024 is mainly attributable to the growth in purchasing volumes of raw materials and finished products recorded during the reporting year. Similarly, the increase in emissions related to the use phase of sold products is primarily attributable to the higher sales volumes recorded in 2025 compared to 2024. It should also be noted that, in line with the continuous improvement process of the calculation methodology, some methodological refinements were introduced; however, these updates have a marginal impact in terms of emissions. In 2025, De’ Longhi included all 13 applicable categories out of the 15 defined by the Greenhouse Gas Protocol Accounting & Reporting Standard in its inventory.



Within total Scope 3 emissions, Category 11: "Use of products sold" accounts for 76% of the total. This category includes emissions related to the energy consumption from the use of products sold by the Group. The second most significant contribution comes from Category 1: "Purchased goods and services", which includes emissions linked to the procurement of raw materials, semi-finished goods, finished products, packaging, and services, representing approximately 19% of total Scope 3 emissions.

It should be emphasized that Category 15 "Investments" emissions and part of the Category 7 "Employee commuting" and Category 8 "Upstream leased assets" emissions were calculated using primary data. The overall percentage of emissions deriving from primary data is negligible compared to the total Scope 3 emissions. (E1-6 AR 46 g) (MDR-M 77 a)

TABLE 7 - GHG EMISSIONS (IN TCO₂) (E1-6 AR 48) (MDR-M 77C)

	2023	2024	2025	% N / N-1
GHG emissions (E1-6, 44a), (E1-6, 48a)				
Gross Scope 1 GHG emissions (tCO₂)²⁵	10,240.11²⁶	11,255.0	10,796.6	-4%
% of Scope 1 GHG emissions covered by regulated emissions trading systems	-	-	-	-
GHG Scope 2 emissions (E1-6, 44b) (E1-6, 49a,b)				
Gross Scope 2 GHG emissions (location-based) (tCO₂eq)	32,622.5	35,294.9	38,542.6	+9%
Gross Scope 2 GHG emissions (market-based) (tCO₂eq)	4,133.1	4,993.6	2,121.1	-58%
Significant Scope 3 GHG emissions (E1-6, 44c) (E1-6, 51)				
Total gross indirect Scope 3 GHG emissions (tCO₂eq)		6,709,227.7	7,718,386.0	+15%
1 Purchased goods and services		1,080,408.7	1,490,075.7	+38%
2 Capital goods		29,781.2	29,029.9	-3%
3 Fuel and energy-related activities (not included in Scope 1 and 2)		2,887.6	2,411.2	-16%
4 Upstream transportation and distribution		82,917.4	79,169.8	-5%
5 Waste generated during operations		1,666.0	1,791.1	+8%
6 Business travel		793.5	1,809.9	+128%
7 Employee commuting		8,433.2	13,668.9	+62%
8 Upstream leased assets			1,716.5	
9 Downstream transportation		49,721.8	36,113.5	-27%
10 Transformation of products sold				
11 Use of products sold		5,403,262.8	5,885,611.0	+9%
12 End-of-life treatment of products sold		47,464.8	176,307.6	+271%
13 Downstream leased assets			226.8	
14 Franchising				
15 Investments		1,890.7	454.18	-76%
Total GHG emissions (E1-6, 44d) (E1-6, 52) (E1-6, AR 47b)				
Total GHG emissions (location-based) (tCO₂eq)		6,755,777.6	7,767,725.2	+15%
Total GHG emissions (market-based) (tCO₂eq)		6,725,476.2	7,731,303.7	+15%

TABLE 8 - GREENHOUSE GAS EMISSIONS INTENSITY AS A PERCENTAGE OF NET REVENUES

Greenhouse gas intensity based on net revenues (E1-6, 53) (MDR-M 77C)	UDM	2023	2024	2025	% N / N-1
Total greenhouse gas emissions (location-based) per net revenue (tCO₂eq/monetary unit)	tons of CO ₂ e/€k	2.23	1.96	2.07	+6%
Total greenhouse gas emissions (market-based) per net revenue (tCO₂eq/monetary unit)	tons of CO ₂ e/€k	2.22	1.95	2.06	+6%

25 It should be noted that Scope 1 and Scope 2 emissions were calculated using emission factors expressed in tCO₂, whereas the summary table reports the overall results in tCO₂e. Consequently, the sum of these values could be interpreted as a total in tCO₂e, despite deriving from metrics that are not entirely homogeneous. This misalignment represents an interpretive limitation regarding the full comparability of the aggregated data.

26 Emissions related to the trigenerator located at the Mignagola site have been included in the calculation of direct emissions Scope 1, in line with the operational control principle referenced by ESRS E1. For further details, please refer to the methodological note.

Methodological Note on GHG Emissions (E1-6, AR 39 b)

Direct Emissions Scope 1

Direct Scope 1 emissions include emissions generated from the mobile and stationary combustion of fuels, such as natural gas, heating oil, gasoline, diesel, and LPG, used for heating and the company fleet, and those resulting from refrigerant gas leaks. Emissions related to the operation of the trigenerator have been included in the calculation of direct Scope 1 emissions, in accordance with the application of the operational control principle referenced by ESRS E1. Emission calculations were performed using emission factors from the National Standard Parameters Table of the Italian Ministry of the Environment for the year 2025, calculated based on ISPRA tables, and emission factors from the database of the Department for Energy Security and Net Zero 2025, previously known as DEFRA (Department for Environment, Food and Rural Affairs).

Indirect Emissions Scope 2

The indirect Scope 2 emissions of the De' Longhi Group derive from the electricity purchased and used during the reporting year. The reporting of Scope 2 emissions must follow two approaches: location-based (LB) and market-based (MB). While the location-based approach considers an average emission factor related to the national energy mix of each country, the market-based approach allows for the valuation in terms of emissions of the purchased renewable electricity, through the application of a zero emission factor for energy covered by certificates demonstrating its sustainable origin. The location-based method was implemented using emission factors from Terna's "Confronti Internazionali" database, while for the market-based method, Residual Mix emission factors from the Association of Issuing Bodies (AIB) 2024 database were applied for European countries. In cases where Residual Mix emission factors are not available, reference is made to the energy mix published by Terna ("Confronti internazionali 2022").

Indirect Emissions Scope 3

The Scope 3 emissions inventory has been calculated in line with the GHG Protocol Corporate Accounting and Reporting

Standard – Revised Edition. The categories included in the inventory are listed below.

Cat. 3.1 - Purchased goods and services

The category reports the emissions deriving from the purchase of raw materials, semi-finished products, finished products, packaging, and services by the De' Longhi Group in the reporting year. Where not available, the weight and composition of the purchased goods were estimated based on similar products. As for the calculation of emissions related to raw materials and packaging, emission factors derived from Ecoinvent v.3.10 were used based on the kg purchased; for the calculation of emissions related to the purchase of services, a spend-based methodology was used, and the factors applied are those provided by DEFRA – SIC Multipliers 2022.

Cat. 3.2 - Capital goods

Emissions associated with capital goods were calculated starting from the expenditure costs incurred for the purchase of capital goods in the reporting year, for each Group Company. The expenditure costs were multiplied by the spend-based emission factors from the DEFRA – SIC Multipliers 2022 database.

Cat. 3.3 - Fuel- and energy-related activities (not included in Scope 1 and 2)

Emissions deriving from fuel- and energy-related activities used by the Group in the reporting year were calculated starting from the same precise data used for the calculation of Scope 1 and 2 emissions, to which emission factors from the Department for Energy Security and Net Zero 2025 database were applied, which make it possible to report the emissions deriving from the production of fuels and the generation, transmission, and distribution of the electricity consumed.

Cat. 3.4 - Upstream transportation and distribution

The reporting of emissions deriving from the flow of inbound and outbound transport and between the different Group companies was carried out considering, for each route traveled, the distance in kilometers traveled between the point of departure and arrival and the weight transported along that route, to which emission factors published by the Department

for Energy Security and Net Zero 2025 were applied, depending on the mode of transport used. In the absence of information regarding the weight transported, the calculation methodology used is distance-based, with input data on the distance traveled and emission factors from the Department for Energy Security and Net Zero 2025 database according to the type of vehicle used.

Cat. 3.5 - Waste generated during operations

Emissions associated with waste produced in the reporting year were calculated starting from data on the weight of the waste generated, clustered by EWC (European Waste Catalogue) code and type of waste destination. Depending on the type of waste and the disposal method, emission factors published by the Department for Energy Security and Net Zero 2025 were applied.

Cat. 3.6 - Business travel

Emissions related to business trips made in the reporting year were calculated starting from quantitative data on the km traveled for each trip, with an indication of the mode of transport used. In addition, emissions deriving from overnight stays during business trips were calculated starting from the number of nights spent in each country. For the calculation of emissions, emission factors from the Department for Energy Security and Net Zero 2025 database were used.

Cat. 3.7 - Employee commuting

Emissions were calculated for reporting year using primary data on home-to-work distances (km) and the types of transportation used by employees (car, public transport, etc.). This information was collected through a questionnaire directed at all employees of the Group and conducted at the end of the year. In some specific cases, it was possible to collect data on actual fuel consumption used for commuting. Emission factors published by DEFRA 2025 were applied for the calculation.

Cat. 3.8 - Upstream leased assets

Emissions deriving from the use of assets owned by third parties were calculated starting from quantitative data on electricity consumption recorded in each asset during 2025. In the absence of this information, consumption was estimated starting from the surface area of the asset using consumption

indices calculated from available data, in some cases originating from the CURB database. For assets where surface area information was not available, the average surface area of the other assets was used. Emissions were then calculated by multiplying the annual consumption by the emission factors from the TERNA 2022 database.

Cat. 3.9 - Downstream transportation

The reporting of emissions deriving from downstream transportation was carried out considering, for each route traveled, the distance in kilometers traveled and the weight transported along that route, to which emission factors from the Department for Energy Security and Net Zero 2025 database were applied, depending on the mode of transport used. In the absence of information regarding the weight transported, the calculation methodology used is distance-based, with input data on the distance traveled and emission factors from the Department for Energy Security and Net Zero 2025 database according to the type of vehicle used. For some logistics flows, for which data on the distance traveled and the weight transported were not available, the expenditure costs incurred by third parties for the purchase of products were used, to which a % coefficient was applied to obtain the transport cost, which was then multiplied by an average factor among road, air, and sea transport from DEFRA – SIC Multipliers 2022.

Cat. 3.11 - Use of products sold

This category considers emissions generated from the use of products sold by the Group in the reporting year. To proceed with the calculation, the estimate of the electricity consumption of the products throughout their entire life cycle was taken into consideration, calculated starting from the nominal power of the product and specific assumptions on the daily duration of use and the average useful life. In the event that the available data did not allow full coverage of the entire product range, the data was re-proportioned based on total sales, so as to ensure an accurate and complete representation of the emissions associated with the products sold. The emission factor was selected from the Terna 2022 database, depending on the specific country of sale of the products.

Cat. 3.12 - End-of-life treatment of products sold

Emissions deriving from the end-of-life treatment of products sold were calculated starting from the composition of each

product and the number of products sold. Depending on the country where the product was sold and subsequently disposed of, disposal rates for each single management method were applied, originating from the Eurostat database for European countries and from specific databases for non-European countries. For each type of material, depending on the disposal method, the corresponding emission factors from the Department for Energy Security and Net Zero 2025 database were applied.

Cat. 3.13 - Downstream leased assets

Emissions deriving from owned assets in use by third parties were calculated through electricity consumption, estimated starting from the surface area of the asset using consumption indices from the CURB database. Emissions were then calculated by multiplying the annual consumption by the emission factors from the TERNA 2022 database.

Cat. 3.15 - Investments

Emissions deriving from the consumption of the De' Longhi Group's subsidiaries were calculated starting from precise

data on the fuel and electricity consumption of the individual companies, pro-rated for the percentage of shares owned by De' Longhi. Emissions were calculated using the same methodology used for the calculation of the Group's Scope 1 and 2 emissions.

Finally, the following excluded categories are noted:

- Cat.3.10 transformation of products sold: not applicable;
- Cat.3.14 franchising: not applicable. (E1-6 AR 46i)

Climate-altering emissions and GWP applied

The GHG emissions considered are CO₂, CH₄, N₂O, and refrigerant gases. The Scope 3 GHG emissions reported by the De' Longhi Group are expressed in CO₂e, unless otherwise specified. (E1-6 AR 46h)

The data consolidation approach is the same as that adopted for the Consolidated Sustainability Reporting as of 31/12/2024, understood as the De' Longhi S.p.A. Group and the companies that are part of the Consolidated Group's organizational perimeter.



[E1-7] GHG removals and mitigation projects financed through carbon credits

In 2025, the Group continued to support climate-altering emission compensation initiatives, strengthening a path developed over the years that integrates reduction actions and certified carbon offset projects.

In 2024, the Group quantified the emissions of the Rivelia coffee machine in accordance with PAS 2060, thereby initiating a reduction and offsetting plan certified by Bureau Veritas. All emissions of the model marketed in 2023 were offset: the carbon credits, amounting to 5,100 tons of CO₂e, were purchased through the “Water Purifiers for Rural Households” project in Vietnam, which improves sanitation conditions and reduces the use of fossil fuels, guaranteed by the Verified Carbon Standard program. In continuity with what was started in 2024, during 2025 the Group achieved the climate footprint certification for Rivelia in compliance with the ISO 14067 standard.

In parallel, La Marzocco also continued its support for numerous carbon offset projects in 2025, consolidating a multi-year collaboration with Rete Clima. This partnership, launched several years ago, includes both Nature-Based Solutions (NBS) interventions and initiatives for afforestation and sustainable forest management in Italy (E1-7, AR 57 b) (E1-7, 57 a, 58). All forest management and reforestation projects fall under the national afforestation campaign Foresta Italia, launched by

Rete Clima in 2022 and still active today. In addition to the NBS interventions, over the years La Marzocco has supported numerous international carbon offset projects certified by VCS-Verra and Gold Standard, which guarantee standardized verification procedures (E1-7, 61c). In 2023 and 2024, the company had already financed initiatives such as:

- Ghani Solar Renewable Power Project (India), a 500 MW photovoltaic plant for the reduction of emissions from electricity
- Envira Amazonia Project (Brazil), a REDD+ project for the conservation of 39,000 hectares of the Amazon rainforest;
- Improved Cooking Practices (Nigeria), involving the distribution of over 385,000 efficient cookstoves;
- Barroso Hydropower Project (Colombia), a 20 MW hydroelectric plant with a reduction of 48,746 tCO₂e/year;
- Katingan Peatland Restoration and Conservation Project (Indonesia), an initiative for the protection and restoration of 149,800 hectares of peatlands with high ecosystem value.

In 2025, La Marzocco renewed its commitment to supporting climate mitigation through three new certified projects intended to offset its 2024 Scope 1 and Scope 2 corporate emissions, in addition to a portion of its Scope 3 emissions. The selected projects, all in line with international best practices and certified by VCS-Verra and Gold Standard programs, include:

- VCS 1522 – “Soubré Hydropower Project” (Ivory Coast)

A strategic hydroelectric project for the diversification of the national energy mix, with an estimated average annual reduction of 607,720 tCO₂e. In addition to the environmental benefits, the initiative generates positive impacts on local development, thanks to the construction of new infrastructure and the creation of employment opportunities.

- VCS 612 – “Kasigau Corridor REDD Project – Phase II” (Kenya)

A REDD+ project covering 200,000 hectares between the Tsavo East and West parks, aimed at preventing deforestation.

- VCS 2581 – “Mekong River Delta Water Purifier” (Vietnam)

An initiative for the distribution of 600,000 water purifiers in rural communities in the Mekong Delta, aimed at reducing the use of firewood, while also improving sanitation conditions.

With regard to the carbon offset projects financed in 2025, it is specified that the entire portfolio consists of GHG emission reduction projects certified in accordance with recognized international quality standards (Verra) (E1-7, AR 62 a,c). The carbon credits derived from these reduction projects are attributable to biogenic interventions; furthermore, all credits were issued from projects located outside the European Union and, for the reporting period, there are no credits subject to or eligible for a corresponding adjustment under Article 6 of the Paris Agreement (E1-7, AR 62 d,e).

Overall, thanks to the carbon offset projects and forest protection initiatives developed in recent years, La Marzocco and the Group have contributed to the planting of 600 trees in Italy, capable of absorbing 2,490 tCO₂e at maturity, supported offsetting activities for over 37,500 tCO₂e through certified projects (E1-7, 58 a, 59 a) and involved a total of 10 countries, generating environmental and social benefits across different geographies (E1-7, 56 b, 57 b). Through these projects, the Group and La Marzocco contribute not only to the reduction of global emissions but also to the generation of environmental, social, and economic co-benefits, consistent with their corporate responsibility objectives.



ESRS E5 - Resource use and circular economy

[E5-IRO-1] Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

Responsible resource use and the inclusion of circular economy principles are strategic to reducing environmental impact and improving operating efficiency. De' Longhi has adopted a structured approach to assessing its impacts, risks and opportunities in this area, as described in the chapter ESRS 2, paragraph [IRO-1] Description of the processes to identify and assess relevant impacts, risks and opportunities. As a result of the double materiality analysis the following topics were identified as material topics for the Group: resource inflows (including the use of the resources), circular economy and waste. The impact, risks and opportunities were assessed for both De Longhi's own operations (direct) and upstream and downstream value chain operations (indirect). For more information regarding the assumptions and tools used in the analysis, please refer to paragraph [IRO-1] Description of the process to identify and assess material impacts, risks, and opportunities (E5-IRO-1, 11a).

- **Depletion of natural resources due to the use of virgin raw materials (actual):** the production and transport of appliances can result in the significant consumption of raw materials and packaging, which impacts the environment. The extraction and use of non-renewable natural resources can, in fact, deplete natural resources and damage the ecosystem.

- **Damage to ecosystems due to the inadequate management of resource outflows related to products and services (potential):** the use of materials and resources that are not managed correctly can cause damage to the ecosystem.
- **Damage to the ecosystem caused by incorrect waste disposal (potential):** inadequate waste disposal in the production phase and upstream can damage the ecosystem. Similarly, the choice of materials in the design phase can have a significant impact on end-of-life product waste management and its associated environmental consequences.

The relevant risks connected to resource use and the circular economy for the Group include:

- **Increase in procurement costs due to scarcity of virgin raw materials:** De Longhi's dependence on virgin raw materials represents a financial risk associated with higher procurement costs. If the raw materials were to become harder to find due to depletion or more severe regulations, the Group would have to face an increase in costs.
- **Increase in costs due to the use of recycled materials:** De' Longhi could encounter higher procurement costs due to the use of recycled raw materials in its products and packaging. While the use of recycled materials is consistent with sustainability targets and may provide savings in the long-term, as well as mitigate risk, the initial transition may call for significant financial outlays. These costs could stem from investments in new equipment, changes in current production lines, potential increases in the costs of recycled materials and the research development needed to maintain product quality.
- **Increase in operating costs due to sustainability regulations in the coffee supply chain:** the EU Deforestation Regulation (EUDR) requires traceability and compliance throughout the entire coffee supply chain. Restrictions, sanctions, or additional costs for suppliers could reduce the

availability of certified coffee or increase its price, impacting the demand for coffee machines and overall competitiveness.

An opportunity was also found:

- **Higher revenues thanks to the development of products based on circular economy principles:** De' Longhi is capable of capitalizing on the growth opportunities by developing products and technologies which adhere to circular economy principles, focusing on the regeneration of products and implementing a business model which promotes end-of-life product recycling, reuse and recovery. These initiatives result in increased customer engagement, as consumers increasingly support sustainable practices and environmentally friendly products. Innovative, circular economy products may also create resource inflows and a competitive advantage, positioning the company as a leader in sustainable development.

To date, De' Longhi has yet to confer with local communities about resource use and the circular economy. The main internal stakeholders have, however, been involved in the identification and assessment of the impacts, risks and opportunities associated with this topic; for more information refer to section IRO-1 of the chapter on ESRS 2 (E5-IRO-1, 11b).

[E5-1] Policies implemented to manage resource use and the circular economy

The adoption of clear and specific guidelines, the use of recycled materials, waste reduction and sustainable waste management are key to minimizing the environmental impact associated with the use of resources.

The most important tools used by the Group to promote the circular economy include the *Handbook of Guidelines to Design Sustainable Products*, a strategic document which provides guidelines for improving product sustainability. Adopted beginning in 2023, this document comprises a series of directives conceived with a view to providing New Product Development (NPD) with skills and tools for each phase of the development process. The goal is to create innovative, performing, low-environmental impact products. The guidelines address

all phases of development, design and planning, through product approval and distribution.

The guidelines aim to:

1. Reduce energy consumption;
2. Increase product durability;
3. Increase the amount of recycled materials used in the products (E5-1 15 a,b);

4. Ease of disassembly;
5. Reduce the volume of product materials;
6. Improve conservation of the materials;
7. Avoid toxic or damaging finishing processes.

This document is consistent with the main regulatory standards, strengthens the Group's commitment guaranteeing the sustainable and responsible development of its products over the entire life cycle of its products (E5-1 14).

TABLE 1 – POLICIES RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY

Policy	Key content (MDR-P 65a)	Policy perimeter (MDR-P 65b)	Implementation responsibilities (MDR-P 65c)	Domestic and international tools used to prepare this policy (MDR-P 65d)	Policy accessibility (MDR-P 65f)	R/O considered (MDR-P 65a)
Environmental, Health & Safety Policy	<ul style="list-style-type: none"> • Commitment to reducing the Group's carbon footprint • Reduction in the use of fossil fuels • Design of more sustainable products • Reduction of waste sent to landfills • Promotion of occupational health and safety principles 	De' Longhi Group, suppliers, collaborators	Board of Director	ISO 14001:2015 Sustainable Development Goals (UN) ISO 45001:2018	Company's website	Increase in costs due to the use of recycled materials Revenue growth thanks to the development of products based on circular economy principles
Handbook of guidelines to design sustainable De' Longhi Products	<ul style="list-style-type: none"> • Provide basic guidelines for design product development for: • Reduce energy consumption when used and transported • Optimize the life cycle of product parts • Facilitate recycling of materials • Facilitate product disassembly • Minimize the consumption of materials • Optimize the conservation of materials • Minimize the toxicity of materials and the potential harm that could be caused 	De' Longhi Group	Innovation, Technology, Marketing, R&D, Sustainability Department, Purchasing Office and Design and Customer Care	Ecodesign Directive (2009/125/EC) Directive 2012/19/EU on waste electrical and electronic equipment (WEEE) Directive Restriction on the Use of Hazardous Substances (RoHS) (2011/65/UE) ISO 14001	Not available to the general public	Improved reputation and savings on the cost of energy transition Revenue growth thanks to the development of products based on circular economy principles

The Environmental, Health & Safety (EHS) Policy, which came into effect on 1 September 2025 replacing the previous Environmental Policy, represents another tool for incentivizing the circular economy and reducing waste. Through this Policy, the Group is committed to reducing the environmental impact

through the design of products that promote energy savings and are built according to the principles of recyclability, durability and repairability. Therefore, the policy promotes the reduction of waste in the production processes and optimal resource utilization by focusing on the design of more

sustainable products through the Eco-Design Guidelines. For further information refer to section E1-2 of the chapter [ESRS E1] Policies related to climate change mitigation and adaptation. (MDR-P 65 a,b,c,d,e,f).

[E5-2] Actions and means relating to resource use and the circular economy

De' Longhi has developed a structured strategy in order to optimize the use of resources and strengthen the circular economy. The approach adopted is based on the principles outlined in the *Handbook of Guidelines to Design Sustainable Products* as described in *E5-1 Policies implemented to manage resource use and the circular economy*. In order to support these actions, significant investments were made in Research & Development (R&D), thanks also to collaborations with research institutions and Life Cycle Assessments (LCA). In 2024 an Ecodesign Manual specifically for coffee machines was also developed which prioritizes the improvements called for in the LCA which focus on the environmental impacts viewed as the priorities in the context of product efficiency and sustainability. The results of the LCA are key to identifying the optimization priorities in product development; in order to include them in their design and innovation strategy, La Marzocco purchased a software license which, based on the LCA models, actively supports R&D in the integration of eco-design standards in the design phase. This was used in a LCA of the Micra line, the biggest seller, this analysis made it possible to assess the environmental impact across the product's entire life cycle (E5-2, 17,18,19). In 2025, as part of a regional Research and Development grant, the company also began developing an LCA study on a product prototype.

As the Group has commercial relationships in more than 120 countries, during the design phase the international regulatory framework is also taken into consideration. The creation of new products, protected by registered patents, is done by the Group's GNPD (Group New Product Development) and calls for the collaboration of several company divisions, like Marketing and Design, which work with the Regulatory Affairs team in order to guarantee compliance with the local regulations of the different countries.

The approach used, namely "*Local for Global*", guarantees that the products comply with the most rigorous quality control standards in the European market like REACH (Registration, Evaluation, Authorization and Restrictions of Chemicals) and the directive RoHS (Restrictions of Hazardous Substances).

Use of secondary raw materials

Consistent with circular economy principles, the Group is committed to increasing the use of recycled materials in its products and packaging. For example, at the Dongguan plant, in China, plastic bags made out of a certain percentage of recycled material are used and the use of soy-based inks was introduced. In a majority of its plants, the Group is also using pallets made from recycled pallets which are lighter than the traditional wooden pallets, circular and less subject to breakage which prolongs the life cycle and utility. In 2025, a project was launched to progressively replace cardboard boxes with containers made of **recycled plastic**, with the aim of improving packaging sustainability and increasing the efficiency of the logistics system. The initiative also involved suppliers, engaging them in the transition process. Following a preliminary phase to map the box inventory, the project was further strengthened by the implementation of dedicated software for the management and traceability of box movements, developed to make logistics flows more transparent, controllable, and efficient. Based on incoming delivery notes, the system automatically processes the exact number of boxes to be handled and processed. Alongside the initiatives linked to the use of recycled plastic, in 2025 the Group activated further circular economy projects aimed at the recovery of other materials, including steel. In this context, a project was launched in collaboration with Acciaierie Venete SpA, with the support of the University of Trento. The process, active at the Mignagola (Treviso) plant, involves collecting the scraps generated by the lathe processing of steel bars—supplied by Acciaierie Venete and processed at De' Longhi plants—to be treated again by Padana Rottami and reintroduced into the cycle for the production of new bars. The latter will then be transferred by CIA (Centro Italiano Acciai, a service of the Acciaierie Venete Group) directly to De' Longhi, ensuring the circularity and continuity of the flow. In parallel, the Group has undertaken a significant path aimed at integrating recycled materials into its products, with the objective of reducing the use of virgin plastic and fostering more sustainable production models. A particularly relevant result is represented by the Primadonna Automatic coffee machine, launched on the market at the beginning of 2025. This is the first premium-range automatic coffee machine to incorporate two important initiatives compared to previous similar models, without compromising aesthetic and performance quality requirements: over 30% recycled plastic (relative to the total plastic content for non-food contact applications) and the removal of the second boiler dedicated to milk frothing.

For more information about the Group's targets for increasing the use of recycled materials in its products, the actions taken and the results achieved refer to [E5-3] *Resource use and circular economy action plans* (E5-2, 20b) (MDR-A 68 a,b,c).

Circular design

Product design brings durability and ease of disassembly together in order to enhance repairability, recycling and the reuse of materials. This approach optimizes both product functionality and durability, reducing the environmental impact and promoting correct end-of-life disposal. As of 2023 the Group began promoting two campaigns focused on product durability: Kenwood's *Build to last generations* and Braun's *Sustainable design* that lasts campaigns. Both are updated every year to integrate new initiatives and new products, strengthening the message of a design meant to last over time. Both initiatives address the importance of developing durable products which challenge the widespread use of planned obsolescence. An iconic *Kenwood Chef*, for example, undergoes rigorous testing in order to ensure the preparation of more than 15,600 cake mixes and 10,920 pizza doughs. The design, which has interchangeable parts, allows models built in 1976 to use the more recent accessories. A further example of design developed with durability in mind is the *Cooking Chef XL* product of the KCL96 Series, introduced by Kenwood in 2025, which allows the resistance of the current transmission system to be doubled when processing bread dough, while simultaneously reducing noise, vibration, and harshness (NVH) by 17%. Furthermore, the product integrates a remote management mode that provides advanced analysis and diagnostic functions, supported by an engineering service dedicated to repair and maintenance. Starting in 2026, the brand plans to progressively introduce this new gear design across the entire *Chef* range, further strengthening the reliability, quality, and longevity of its appliances. Each Braun product undergoes hundreds of impact resistance tests, including resistance to thermal shocks, in order to ensure maximum quality and product longevity over time (E5-2, 20c) (E5-2, 20e) (E5-2, 20d (ii)).

In 2023, 12 models of the De' Longhi coffee machines obtained the French certification *LONGTIME*. This voluntary certification recognizes products designed for greater durability, resistance and repairability. In 2024 this certification was expanded to include the main Kenwood kitchen products; the certification, valid for two years, remained in effect throughout 2025.

Prevention of waste production

In order to ensure responsible management of the waste generated during production processes, the Operations Division implements solutions designed to reduce waste and maximize the recovery of materials.

At the Mignagola (Italy) and Dongguan (China) production sites, for example, plastic scraps from molding are recovered and put back into the production cycle. This approach makes it possible to reduce consumption of raw materials, limit the use of new plastic and reduces the quantity of scraps that need to be disposed of. A similar initiative was introduced during 2024, and continued in 2025, at the Romanian plants in Cluj and Salonta, where 100% of the plastic waste generated annually by the molding process is recycled, with recovery processes carried out outside the production facilities. Specifically, scraps from molded components are separated into ABS, ABS-PC and other materials, then they are ground and finally delivered to the supplier. In 2025 a total of 490 tons of material was delivered. The recovery process is applied to other materials, also, including paper, cardboard and nylon, which are sent to specific outside plants. At the same time, iron scraps are sold as secondary raw materials which contributes further to resource efficiencies.

Specific attention is paid to the use of coffee with a view to two primary objectives: reduce consumption and promote reuse. With regard to the first goal, a study was completed at the Mignagola plant in 2025 to modify the grinder calibration method during the testing phase of the fully automatic coffee machines. The implementation of this initiative resulted in annual savings of over 150 tons of coffee and an 80% reduction in related energy consumption, without compromising quality. Starting from 2026, the project will also be extended to the plants in Romania. An example of coffee reuse, on the other hand, can be found in the Romanian plants, where all the powder resulting from tests on the coffee machines is sold to a third-party company specializing in the recovery and valorization of this material. The project was received positively and approximately 192 tons of coffee powder were sold in 2025 (E5-2, 20d (i)). Finally, to best manage product end-of-life aspects, the Group adheres to consortia in the reference country markets to ensure correct disposal and with a view to fostering recovery and regeneration practices (E5-2, 20f) (E5-3 24 e).

In 2024 the first line of refurbished fully automatic coffee machines, Renova, was launched. These retired products are checked carefully in order to understand if any repairs are needed and assess the machine's functional and aesthetic condition. Any damaged parts are substituted with original De' Longhi parts which guarantees quality and durability. Subsequently, each product is subject to rigorous electrical and functional safety tests in order to verify efficiency. Lastly, the regenerated product is put back on the market through De' Longhi's e-commerce channel. During 2025, all returns received from the European market were refurbished.

Consistent with circular economy principles, De' Longhi promotes the optimization of the spare parts supply chain, which represents another element which is key to preventing the generation of waste, prolonging the products' life cycle and reducing the need for premature replacements.

With this in mind, in 2025 Eversys also launched an initiative dedicated to the recovery of faulty electronic boards. The latter, instead of being scrapped, are repaired through the internal competence center and reintroduced into the production cycle or the market. During the year, a total of 242 components were regenerated. In fact, when a board stops working, the Quality function verifies the degree of reparability: if the board is difficult to recover, it is sent for destruction and recycled according to company guidelines; if, on the other hand, it is repairable, the damaged parts are fixed and the board can be put back on the market.

In 2025, the Group carried forward the Spare Parts Excellent Service (SPES) project to respond to the increased requests for commercial guarantees, with the aim of optimizing planning by including the demand for spare parts in production planning. De' Longhi focuses on maintaining a high level of service to the customer, guaranteeing the timely availability of spare parts and reducing wait times, as well as streamlining inventories and promoting a repair culture.

In 2024, La Marzocco carried out a recyclability analysis of its coffee machines with a view to optimizing the recovery of materials and energy at the end of the product's life. The study took different geographic scenarios into account, analyzing the RAEE and plastic recycling processes, as well as secondary stages and the recovery of polymers. This initiative is consistent with the company's broader commitment to improving the circularity of its products, reducing the environmental impact throughout a product's life cycle.

For example, in Italy De' Longhi Appliances S.r.l. is a member of the Ecoped and Ridomus consortia, along with the most important companies operating in the household appliance sector. These consortia are responsible for the management of waste from the WEEE (Waste Electrical and Electronic Equipment) supply chain, in accordance with Legislative Decree 49/2014. Their work involves the recovery of discarded equipment, the extraction and reuse of components and processing to ensure the recovery of secondary raw materials. Not only does this process facilitate the reuse of materials and semi-finished goods, but it also contributes to a significant reduction in greenhouse gas emissions stemming from the production of new metallic materials and components.

In addition to the initiatives carried out by the plants, the Group branches are also committed to implementing circular economy activities through relationships with retailers and distribution chains, which manage products returned by consumers, and with service centers, for the repair of products or possibly managing the disposal of non-repairable products. Customer Care also uses packaging comprised mainly of paper and recyclable bags. (E5-2, 20 AR12).

[E5-3] Resource use and circular economy action plans

The Group is committed to the responsible management of resources and reducing the environmental impact throughout the entire product life cycle. In order to limit the environmental impact of boxes, plastic bags, and other materials, over the last few years, the Group has undertaken a path to improve the management of packaging. One of the first interventions involved reducing the volume of materials used, in order to limit waste, reduce costs, and contain the production of waste. To further this goal, different corporate initiatives were launched, including the distribution of digital instruction manuals and *Styrofoam-free* packaging. Thanks to this strategy, in 2025, 53% of the products marketed were distributed with digital instruction manuals and a minimal amount of paper packaging in accordance with the law. At the same time, in 2025, 86% of the Group's products were packaged without Styrofoam, which resulted in a significant drop in the use of a material that is not renewable and hard to recycle. The objectives established by the Group are connected to the inflow and outflow of resources, including waste, as described in section [E5-2] *Actions and resources related to resource use and circular economy* (E5-3 21) (E5-3 24 a, b, d, f).

The main targets of the Sustainability Plan relating to resource management, along with the relative KPI, the expected timeframe and the progress made to date are shown below:

TABLE 2 – RESOURCE USE AND CIRCULAR ECONOMY TARGETS

Initiatives related to the target	Description of the targets	Targets (MDR-T, 80b, e)	Starting point (MDR-T, 80d)	Perimeter (MDR-T, 80c)	Reference policy (MDR-T, 80a) (E5-3, 27)
Lessen the amount of waste sent to landfills	Lessen the waste generated by all the production plants sent to landfills	97% of waste reused, recycled or recovered by 2025 ²⁷	93% of waste reused, recycled or recovered in 2022.	All the production plants	
Product refurbishment	Refurbish returns and DOA (Dead on Arrival) products in Europe	3 categories of key products part of a pilot project by 2026	No pilot projects in 2023	Automatic and manual coffee machines, kitchen machines (mixers)	
Reduce products' environmental impact	Focus on recycled materials in order to increase circularity and the sustainability of new and/or refurbished products	Incorporate recycled material in new products by 2025	Recycled materials not used in new products	New products (when applicable)	<ul style="list-style-type: none"> Eco-Design Guidelines Guidelines for the development of sustainable products Eco-Design Guidelines
		30% of total plastic used from recycled plastic by 2027	Recycled materials not used in new products	New products launched in 2027	
	Improve the longevity, the water and energy efficiency of products by providing systematic maintenance and repair services ²⁸	Pilot project involving fully automatic machines in an EU country by 2026		Automatic coffee machines	
	Include the Eco Design approach in product development and give priority to design strategies through LCA, when relevant	100% of the new products developed by 2028	10 pilot projects assessed based on the Eco Design Guidelines (without LCA) (2023)	New products	
Reduce the environmental impact of packaging	Increase the number of products with Styrofoam free packaging	70% by 2024	65% (2023)	All products sold	
		90% by 2028		All products sold	
	Increase the number of products with digital instruction manuals	25% by 2024	15% (2023)	All products sold	
		50% by 2025		All products sold	

²⁷ This percentage includes incinerations from which energy is recovered.

²⁸ Excluding plastic materials in contact with food products.

Monitoring of the KPIs and activities related to the targets set is carried out on a constant and organized basis; every year the progress of the activities is recorded, under the responsibility of the sustainability function (MDR-T 80 j). In particular, at 31 December 2025, the progress of the targets listed in the table above is as follows (MDR-T 79 c):

- **Minimizing waste sent to landfill generated by all production plants:** currently, 98% of waste generated is reused, recycled, or recovered.
- **Refurbishment of commercial returns in Europe:** to date, two out of three product categories are subject to a pilot project. Specifically, the project on Renova refurbished coffee machines has been concluded for fully automatic machines, while it is being launched for pump machines. For more information, please refer to section [E5-2] *Actions and resources related to resource use and the circular economy*.
- **Focusing on recycled materials in order to increase the circularity and sustainability of new and/or renewed products:**
 - With respect to the target of 30% recycled plastic out of the total plastic used, the Group is developing new projects which involve the application of at least 30% recycled plastic;
 - With respect to the target of incorporating recycled material into new products by 2025, it should be noted that during 2025 new models were introduced to the market in which approximately 26% of the aluminum used comes from recycled material.
- **Improving the longevity, water and energy efficiency of products by providing scheduled maintenance services and full support to facilitate repairs:** the pilot project relating to the implementation of fully automatic coffee machines in an EU country is currently underway;

- **Integrating the Eco-Design approach into product development and prioritizing design strategies through LCAs when relevant:** 40% of products developed in 2025;
- **Reducing the environmental impact of packaging:** the pilot project was identified during 2025.
- **Increasing the percentage of products with expanded polystyrene-free packaging:** 86% of products sold with expanded polystyrene-free packaging;
- **Increasing the number of products with digital user manuals:** 53% of products sold with digital user manuals.

[E5-4] Resource inflows

The Group uses a wide range of materials for the production of its household appliances, the main ones being:

- **Metals:** steel and aluminum for the frame of coffee machines and kitchen appliances; copper for thermal components, such as heating coils.

- **Plastics:** ABS and polypropylene for external and internal components.
- **Glass:** borosilicate glass, chosen for its thermal resistance, for carafes and kettles.
- **Electronic components:** printed circuit boards (PCBs) and sensors, which include rare earths, essential for high-performance magnets and temperature control systems.
- **Packaging:** mainly paper and cardboard to ensure product protection and reduce environmental impact, with an increasing share of FSC-certified and recycled materials. (E5-4 30)

The Group is aware of the environmental impact resulting from pollution generated by materials in the upstream phases, such as the extraction and processing of raw materials. Therefore, it is committed to further investigating and monitoring the impact of its suppliers' activities to promote more sustainable practices throughout the entire supply chain.

The Group, by collecting data from its plants, has calculated the total values of resource inflows, as shown in the table below. (E5-4 32).

TABLE 3 – RESOURCE INFLOWS

Resource inflows (MDR-M 77 c)	UOM	2024	2025 ²⁹
Total weight of the products, technical and biological materials used during the reporting period	ton	173.019	226.497
Total weight of the secondary components reused or recycled, as well as the secondary intermediate products and materials used by the company for its products and services (including packaging)	ton	15.547	12.849
Percentage of the secondary components reused or recycled, as well as the secondary intermediate products and materials used by the company for its products and services (including packaging)	%	9%	6%
Percentage of the biological materials which come from a sustainable supply chain	%	0%	0%

(E5-4 31, a, b, c) (E5-4 32)

²⁹ It should be noted that the Packaging and Packaging Waste Regulation (PPWR) has not yet finalized the methodology to be adopted for calculating packaging recyclability. Consequently, the values reported in the table may no longer be representative at the time the delegated acts are published. (MDR-M 77 a)

[E5-5] Resource outflows

The De' Longhi Group actively supports circular economy practices, integrating principles of **durability and recyclability** into the design of its products and favoring, where possible, the **reuse** of excess or waste materials, which are reintroduced into the production cycle. Regarding the first of these two aspects, new products are also designed with components that facilitate disassembly, maintenance, repair, and the replacement of individual elements, thereby reducing the need to dispose of the entire product in the event of malfunctions. To incentivize these practices, the Group has defined precise criteria for the choice of materials: for example, the selection of metal alloys that are resistant to corrosion contributes to extending the useful life of the products. Furthermore, the use of composite materials with high resistance and longevity properties improves overall performance, reducing the need for frequent replacements (E5-5 35, 40).

To date, data relating to the expected durability of products placed on the market is not yet available, but is currently being studied by the Group (E5-5 36a). Similarly, the Group has not yet implemented an internal assessment system relating to the reparability of its products, and there are currently no official assessment systems available at the European level to refer to. However, in this case as well, the company is exploring the possibility of adopting future standards to improve transparency and facilitate reparability assessment (E5-5 36b).

In 2025, the recyclable content rate was 9%, a decrease compared to 12% in 2024. In the absence of more precise data, specific assumptions were formulated for the recyclable component of products and packaging. For products, the value was calculated based on the purchase volumes of the most representative metallic materials in terms of weight, applying a recovery rate of 95% to account for possible losses during recycling operations. For packaging, an initial recyclability analysis was conducted in 2025 on a specific type of packaging; the resulting percentage was obtained by assigning each component a weight proportional to its mass and multiplying it by its respective recyclability percentage. For the purposes of the 2025 indicator, only the share referring to the packaging

volumes covered by the study was considered (E5-5 36c).

Regarding waste produced, the **13,019 tons** generated in 2025 (E5-5 37a) mainly include materials such as plastic, metals, and electronic components resulting from the production process, in addition to paper and cardboard from the packaging phase. Assembly processes also involve the production of complex waste, including industrial dusts, which consist of resins, paints, and other chemical substances. Finally, non-metallic minerals such as silica and rare metals may be

contained in electronic components and circuits (E5-5 38 a,b) (MDR-M 77 a).

In 2025, the total amount of recycled waste was **9,733 tons**, corresponding to **75%** of the total waste produced; non-recycled waste amounted to **3,286 tons**, equal to **25.0%** of the total (E5-5 37 a,d).

The following tables show the quantities of waste produced and the corresponding disposal methods for the three-year period 2023-2025³⁰.

TABLE 4 – WASTE DIVERTED FROM DISPOSAL

Waste not intended for disposal (MDR-M 77 c)	UOM	2023			2024			2025		
		H	NH	Total	H	NH	Total	H	NH	Total
Preparation for reuse		-	220	220	-	-	-	-	-	-
Recycling	ton	18	8,859	8,877	9	9,623	9,632	5	9,728	9,733
Other recovery operations ³¹	ton	88	2,353	2,441	106	2,502	2,608	57	2,409	2,466
Total waste³²	ton	106	11,432	11,538	115	12,125	12,240	62	12,137	12,199

(E5-5 37b, 39)

TABLE 5 – WASTE DIRECTED TO DISPOSAL

Waste intended for disposal (MDR-M 77 c)	UOM	2023			2024			2025		
		H	NH	Total	H	NH	Total	H	NH	Total
Incineration		82	-	82	57	-	57	147	385	532
Landfill	ton	2	406	408	0	289	289	-	25	25
Other disposal methods	ton	36	281	317	59	252	310	45	219	264
Total waste	ton	120	687	807	116	540	656	192	628	820

(E5-5 37c, 39)

Key:

H = Hazardous waste

NH = Non-hazardous waste

³⁰ It should be noted that all data reported in the tables relating to waste production refer only to production plants. Offices and other operating sites are therefore excluded.

³¹ It should be noted that the 'Other recovery operations' item includes waste incinerated with energy recovery, recovered waste, and composted waste.

³² The share of radioactive waste is equal to zero.

ESRS S1 - Own workforce

[S1-SBM-2] Interests and views of stakeholders

(ESRS 2 SBM-2 12)

The workforce represents a key group of stakeholders for De' Longhi. The engagement of this group is crucial to the ability to successfully pursue the business plan's long-term targets. In order to support its employees, the Group practices active listening, open communication informed by a fair, complete and transparent exchange of information. This commitment is set out in the Code of Ethics, which always puts people before everything else. Over the years the company has implemented different processes which make it possible to gather the opinions of employees and include them in the company strategy. The main tools include:

- The **Employee Engagement Survey** which is carried out every year in order to gather employees' opinions about different topics including leadership, feedback, recognition and diversity and makes it possible to identify strengths and areas of improvement, contributing to the development of strategies and targeted initiatives to improve the engagement and wellbeing of the company's people.
- The **annual performance reviews** which are carried out through a dedicated platform, "FORWARD", conceived to promote professional growth, aligned with the corporate and individual goals, while fostering continuous dialogue between managers and employees with a view to improving performance, promoting engagement and sharing feedback. In 2025, this tool involved more than 3,000 employees.
- Periodic meetings to **share the results** which guarantee transparency, provide an update on the business performance and priorities as part of an open and constructive dialogue.



[S1-SBM3] Material impacts, risks and opportunities and their interaction with strategy and business model

ESRS 2 SBM-3 13

Based on the double materiality analysis, the Group identified the impacts and risks connected to the company's operations for all the collaborators comprising its workforce. These include employees with temporary and permanent contracts, broken down into groups of managers, white collar workers and blue collar workers. Interns, freelance workers and workers made available by third party businesses active in the recruitment and selection of personnel are also part of this group (S1-SBM3-14a). Among the people in the company's workforce, no particular categories emerged that were more at risk (S1-SBM3-15).

The Group identified the following negative impacts with respect to its workforce, most of which potential. These impacts are typical of manufacturers with a large workforce and relate to working conditions, health and safety, protection of human rights, non discriminatory management and equal job opportunities, as well as training and skill enhancement. With respect to these, in order to reinforce preventive actions and the structured management processes already in place, the Group has launched a program calling for continuous improvement (please refer to sections S1-1 "Policies related to own workforce" and S1-4 "Taking action on material impacts on own workforce") relating to the protection of human rights and working conditions, to prevention and/or mitigation of the following impacts:

- **Physical injury of workers due to inadequate working conditions** (actual), including in consideration of the possible use of machinery, tools or in areas within the plants and offices.
- **Promotion of a healthy work-life balance for employees** (potential), considering that the implementation of clear policies and support practices fostering work-life balance can promote employee well-being, reduce stress, and improve overall job satisfaction.

- **Possible discrimination of workers** (potential), in terms of selection and remuneration of people which could result in episodes of discrimination based on different factors (gender, sexual orientation, ethnicity, religion, disabilities, etc.).
- **Violation of workers' human rights due to inadequate work practices** (potential): potential impact tied to the employment of skilled workers characterized by a low level of specialization or with fixed-term contracts also taking into account the seasonality of production, which could potentially have a negative impact due to unfair labor practices which violate workers' rights like excessive working hours, violations of minimum age requirements, insufficient compensation, lack of freedom of association and unfair treatment of workers (harassment or abuse).
- **Failure to develop employee skills** (potential) when inadequate training programs could limit employees' development, which could impact motivation/engagement which could negatively impact turnover.
- **Violation of workers' privacy due to inadequate data protection** (potential), where the failure to implement adequate privacy and confidentiality measures can lead to unauthorized access or improper use of employees' personal information.

More in detail, the negative impacts identified were assessed in the different geographies in which the company operates where different local regulations and laws govern workers' rights. These potential impacts do not refer necessarily solely to De' Longhi, as they reflect local socioeconomic dynamics (SBM3-14b).

As the transition plan relative to climate change is in its development phase, to date impacts on employees associated with the introduction of the plan have yet to be identified. For more information refer to section E1-1-Transition plan for climate change mitigation. Based on the double materiality analysis, no significant positive impacts have been identified in relation to the own workforce (S1-SBM3-14 c,e).

De' Longhi is aware that its activities depend heavily on its human resources and any issues impacting them could cause the company to be exposed to risks. In the following paragraphs, the policies and processes implemented by De' Longhi to prevent the potential and actual risks identified are discussed. These are centered around the wellbeing of its resources and ensuring a safe, inclusive workplace for all its employees.

Based on the double materiality analysis, the Group identified the following potential risks:

- **Operating risk due difficulties attracting and retaining talent:** the company could encounter difficulties in attracting and retaining the talent needed to drive innovation and satisfy new consumer needs. This could impact productivity, result in the loss of competitive advantages over the long-term and difficulty maintaining market relevance.
- **Reputational and legal risks tied to possible human rights violations:** potential human rights violations in the company's operations could increase reputational risks and affect the business's legal status.
- **Reputational and legal risks stemming from the failure to protect worker health and safety:** potential risk stemming from the lack of adequate measures being taken to protect the health and wellbeing of workers, which not only violate health and safety laws, with the risk of legal sanctions and financial liability, but also damage the company's image and reputation. (S1-SBM3-13b) (S1-SBM3-14d).

More in detail, special attention should be paid to the potential risk associated with the use of forced labor and/or child labor, particularly in countries which are not part of the European Union given the different regulatory environments and regions. The Group monitors respect of human rights across the Group perimeter constantly, implementing actions and structured preventive and risk management processes (S1-SBM3-14 f, g).

De' Longhi views topics relating to its people as a priority and an integral part of its Sustainability Plan which includes different initiatives related to their wellbeing; for more information refer to section S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (S1 SBM-3 13 a,b).

A detailed analysis of how the De'Longhi Groups identifies impacts and risks is provided in chapter ESRS 2, in the section IRO-1-Description of the process to identify and assess material impacts, risks, and opportunities (S1 SBM-3 13 a,b) (SMB-3 15) (SMB-3 16).

[S1-1] Policies related to own workforce

The De' Longhi Group's value reflect the identity, character and approach to work. Courage, ambition, teamwork, passion, competence, respect and our heritage create the pillars upon

which we base our actions, striving to improve day after day. In order to guarantee that these principles are applied and respected throughout the company, the Group developed a series of policies used to manage impacts and the risks connected with its own workforce, with a particular focus on the protection of human rights and working conditions (S1-1 17, 18, 19).

These policies are informed by known international standards for the protection of human rights which include **United Nations Guiding Principles on Business and Human Rights, International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work, OECD Guidelines for Multinational Enterprises and the United Nations' Sustainable Development** (S1-1 20 a, S1-1 21).

TABLE 1 – POLICIES RELATED TO OWN WORKFORCE

Policy	Key content (MDR-P 65a)	Application perimeter (MDR-P 65b)	Responsible for implementation (MDR-P 65c)	Recognized national and international preparation tools (MDR-P 65d)	Accessibility (MDR-P 65f)	Related risks/impacts (MDR-P 65a)
Human Rights Policy	<ul style="list-style-type: none"> Commitment to respecting health and safety principles; Promotion of adequate working conditions; Condemnation of forced and child labor; Statement of the principles of non-discrimination; Statement of the principles of freedom of association; Protection of privacy and personal data. 	De' Longhi Group, suppliers, collaborators	Chief Executive Officer	<ul style="list-style-type: none"> ISO 45001:2018 ISO 22000:2018 Universal Declaration of Human Rights Declaration on Fundamental Principles and Rights at Work United Nations International Bill of Rights OECD Guidelines for Multinational Enterprises OECD Guidelines on 3TG materials 	Not available to the general public	<ul style="list-style-type: none"> Violation of workers' human rights due to inadequate labor practices Reputational and legal risks for human rights violations along the value chain
Code of Ethics	<ul style="list-style-type: none"> States the Group's fundamental ethical principles Formalizes the standards for conduct in Business management Management of relationships with the Public Administration Management of relationships with other counterparties Standards of diligence when using company assets and protection of company assets and protection of IT instruments 	De' Longhi Group, suppliers, collaborators	Board of Directors	-	Corporate website	<ul style="list-style-type: none"> Possible discrimination of workers Reputational and legal risks for violations of human rights inside the company
Diversity policy for members of corporate bodies	<ul style="list-style-type: none"> Definition of diversity criteria and goals in the composition of the Board of Directors Criteria and goals in the composition of the Board of Statutory Auditors Monitoring of compliance with the policy 	De' Longhi Group	Board of Directors Board of Statutory Auditors Compensation and Appointments Committee	<ul style="list-style-type: none"> Art. 123-bis paragraph 2, lett. d-bis) of TUF Directive 2014/95/EU 	Corporate website	Discrimination against workers
Diversity, Equity, Inclusion Policy	<ul style="list-style-type: none"> Promotion of a corporate culture which supports diversity, equity and inclusion Processes and guidelines for guaranteeing equal opportunities Goals and KPI for monitoring the developments and ensure the purpose of the policy is served Initiatives targeting gender diversity in order to promote the presence of women 	De' Longhi Group	Diversity, Equity and Inclusion Steering Committee	<ul style="list-style-type: none"> United Nations Global Compact Principles for the emancipation of women United Nations International Bill of Rights Declaration of the International Labor Organization on Fundamental Principles and Rights International Labor Organization Convention on Violence and Harassment United Nations Sustainable Development Goals 	Corporate website	Discrimination against workers



Among the main adopted policies, the **Code of Ethics** is the document which defines the basic ethical principles recognized, accepted and shared by the Group. The De Longhi Group is committed to promoting and ensuring compliance with the values identified in its Code of Ethics, as well as using them to inform all the company's transactions. The Company uses this document to ensure that the employees, managers and top management comply with current laws and regulations, carrying out their duties with honesty and integrity. The foundation created by the Code of Ethics is also a point of reference for the daily activities carried out by all the Group's employees and partners, including in relation to the relationships with third parties, including customers, public administrations and suppliers. The Code of Ethics is applicable to all the Group's collaborators and includes specific provisions for the protection of human rights, the ban of discrimination, child and forced labor, and the guarantee of safe and decent working conditions (S1-1 22). It is accessible to all through the corporate website and is distributed internally to all interested parties.

In 2025, the Group developed its **Human Rights Policy**, formalized in 2026. The document is based on international standards including the **Universal Declaration of Human Rights** (S1-1 21). This policy outlines the key principles relating

to adequate and decent working conditions, diversity and inclusion, freedom of association, prohibition of child labor, forced or compulsory labor, protection of privacy, and protection of personal data (S1-1 20a) (S1-1 22).

Particular attention was paid to **Diversity, Equity and Inclusion (DEI)**. This topic was addressed through the publication, in 2024, of a specific policy which aims to formalize the protection of the workforce from any and all forms of discrimination and harassment, promoting equal opportunity and an inclusive workplace (S1-1 24a). The DEI policy defines the De' Longhi Group's approach and the objectives, strategies and initiatives to promote and enhance diversity, equity and inclusion, in full respect for individual rights and freedoms. This commitment is concretized through the adoption of company processes, organizational structures and managerial initiatives which aim to guarantee opportunities for all, in terms of both career development and compensation, as well as the work experience. The protection and advancement of the unique assets that our people constitute is one of the most important pillars needed to guarantee sustainable long-term growth, for both the company and the individual. Our goal is to create and promote a collaborative and inclusive environment, where the contribution of each individual involved is recognized and valued.

The Policy explicitly addresses different forms of discrimination, including association or labor union activities, categories protected by the local laws, personal convictions, disabilities, age, identity expressions, genetic information, language, sexual orientation, geographic or national origin, political opinions, ethnicity, religion, civil status or co-habitation, parental status, if actively serving in the military or a veteran, in accordance with European Union law and national laws (S1-1 24b). The implementation of this policy is guaranteed by the **Global Wellbeing and Engagement team**, which monitors topics linked to diversity, equity and inclusion in the company, ensuring the consistency of the internal goals with market best practices (S1-1 24d). De Longhi has not made any specific commitments relating to inclusion and the positive steps taken with respect to the people belonging to particularly vulnerable categories in its workforce (S1-1 24c).

In support of inclusive governance, the Group also adopted a **Diversity Policy for the members of corporate bodies** which defines the diversity criteria and goals in the composition of the Board of Directors and the Board of Statutory Auditors. This policy is based on applicable legislation, including **EU Directive 2014/95 and Art. 123-bis of Testo Unico della Finanza (TUF)**, and indicates the tools to be used to monitor and assess the achievement of the targets set.

[S1-2] Processes for engaging with own workers and workers' representatives about impacts

S1-1-25,26

As the driver of all daily activities, the Group recognizes how important the opinion of its employees is and, in order to put them in the best possible conditions to express their potential, promotes a working environment in which everyone may voice their opinions. To facilitate this dialogue, the workforce is engaged both directly, through the use of the different communication tools and channels referred to in section [S1-SBM-2] - Interests and views of stakeholders, and indirectly through meetings with employee representatives. The latter have a key role in supporting the dialogue between employees and management, ensuring, at the same time, that the needs of collaborators are considered part of the corporate decision-making process. Other channels include the company intranet which makes it easier to access information, documents which aim to promote interaction between colleagues and the Group's house organ, a company magazine full of news, success stories and company initiatives, which help to strengthen a sense of belonging and engagement (S1-2-27a,b,d). To assess the usefulness and level of appreciation of the tool, a survey directed at employees was conducted in 2025, with the aim of understanding how the Group can implement the channel and offer a tool that fully reflects the workers' needs. The operational responsibility of workforce engagement is entrusted to the Human Resources Division, with the Chief People Officer (CPO) acting as the point of reference. This division guarantees that the feedback gathered is taken into account when corporate decisions are made and that the employees have access to tools which support professional growth and development (S1-2-27c).

In 2025, the **Group Engagement Survey - Your Voice** took place, conducted for the second time with the support of a new provider. The initiative, which involved more than 8,000 employees, recorded a participation rate of 89%, highlighting an improvement in the overall employee engagement index and confirming strengths such as Company Confidence and Teamwork & Alignment. Based on the results, a global action plan was defined, structured along two main guidelines: strengthening the culture of 'recognition' to build trust and connection among colleagues, and launching a structured

The protection of work health and safety represents another pillar of the company strategy, which is checked constantly through monitoring and prevention activities. Despite the current lack of a formal Groupwide policy for worker health and safety, rigorous prevention and incident mitigation protocols have been adopted, with a particular focus on the production plants where activities entail higher exposure to risks. From 2025, all plants are **ISO 45001:2018** certified, the most highly recognized international health and safety standard (S1-1 21). These initiatives are accompanied by safety training programs, monitoring of accidents and the adoption of risk reducing management systems (S1-1 23).

Toward this end, a cross-functional HR-Operations team was created which analyzes risks relating to the organization of production and supply chain activities, in order to determine a path for gradual improvement over the long-term and consolidate a culture oriented toward a "Zero accident mindset".

At the same time, the global "I am Safety" campaign continued. The goal is to strengthen and spread a Groupwide safety culture, engage and empower employees in topics related to safety and, at the same time, improve efficacy and productivity through initiatives focused on "new ways of working", particularly remote working. In the production plants the initiative was applied through the "Safety Ambassadors" campaign, which led to the appointment of a few employees as spokespeople and support for the safety rules.

In order to guarantee the correct implementation and compliance with all the policies adopted, the Group uses different monitoring tools and reporting mechanisms. These include the **internal and external audits** which verify compliance with the ethical and social standards (S1-1 20 c).

The **Whistleblowing channel - "Integrity Platform"** has a key role. It is an anonymous system through which anyone - employees, suppliers and other parties - may report violations, including those relating to human rights and discrimination (S1-1 24d) (S1-1 20 c). The use of this tool is strongly encouraged and governed by internal procedures which guarantee safe and confidential processing of the reports received. For more information about how the whistleblowing channel works, refer to chapter [G1-1] *Business conduct policies and corporate culture*.

The Group works to involve its own workforce through the engagement channels described in the sections [S1-SBM-2] - Interests and views of stakeholders and [S1-2] Processes for engaging with own workers and workers' representatives about impacts (S1-1 20b).

path on talent management processes, aimed at promoting transparency, accountability, and a work culture based on equity and continuous feedback.

As part of the initiatives launched during 2025 to strengthen the effectiveness of **internal communication** and ensure its constant updating, the Group introduced a new intranet interface and directed specific questionnaires to employees aimed at understanding their communication expectations and needs. Based on the feedback received, the graphic layout and content of the company intranet were reviewed, improving accessibility and usability. Also in 2025, the three-year storytelling project dedicated to the topics of digital transformation, sustainability, and operational footprint continued, aimed at strengthening the corporate culture and supporting the Group's evolutionary path. The efficacy of the engagement initiatives is monitored through periodic analysis of results, which makes it possible to adapt and constantly improve the company strategies based on the needs of the workforce and any requests that might be presented. These tools, accessible by the entire company, are discussed in detail in the section [S1-4] *Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions* (S1-2-27e).

Lastly, internal communication was at the center of important changes made to guarantee greater access to, transparency of, and dissemination of the company strategy. In this context, the **3-Year Plan Unfolded** project made it possible to share the content of the Three-Year Business Plan with the entire company population, which further strengthened the dialogue and the connection between leadership and employees. The initiative fostered a clearer understanding of the Group's strategic priorities, reinforcing greater engagement and more solid organizational cohesiveness. The formats for sharing the General Manager's quarterly results were renewed, and the "Spotlight" initiative was launched, which offers teams the opportunity to present successful projects at the Group level.

Finally, in order to gather the perspectives of vulnerable categories within the company population, in 2025, the Group launched a series of targeted initiatives informed by the analysis conducted in 2023 on the presence of women at all organizational levels with a focus on the gender pay gap and identifying corrective actions, followed by a study of the work experience of women in order to identify specific needs and priorities (S1-2-28).

[S1-3] Processes to remediate negative impacts and channels for own workers to raise concerns

S1-3-30 e 31

The Group has a whistleblowing system which may be used to report behaviors which are illicit or do not comply with the Code of Ethics, the law, current regulations and the internal procedures adopted by the Company. The system uses a specific platform, the **De' Longhi Group Integrity Platform**, which guarantees the reporter's anonymity and complies with whistleblowing regulations, consistent with ISO Standard 37001:2016. The *Integrity platform* is managed by an independent third party, in order to protect the identity of those who use it (S1-3 31) (S1-3 32 a) (S1-3-33).

The Company encourages individuals who have been victims of discrimination or harassment to report these incidents through the whistleblowing channel. The Group is committed to guaranteeing the anonymity of the person reporting an incident and to prevent any and all retaliatory or discriminatory act, direct or indirect, against those who report in good faith. At the same time, the annual surveys (including the Employee Engagement Survey) and the involvement of employee representatives help to monitor people's level of wellbeing and identify any problem areas (S1-3 32 b).

The Whistleblowing Committee is charged with carefully analyzing each report, investigating each case and, when necessary, adopting adequate and appropriate measures (S1-3 32c).

For more information about how the Group's whistleblowing channel works, refer to chapter [G1-1] *Business conduct policies and corporate culture* (S1-3-32 d,e) (S1-3-33).

[S1-4] Taking action on material impacts on own workforce and approaches to mitigating material risks and pursuing material opportunities related to own workforce and effectiveness of those actions

S1-4-35,36,37

The policies and processes implemented by De' Longhi constitute the base of the actions undertaken to prevent potential and actual negative impacts, as well as risks. Thanks to the tools referred to in the sections [S1 SBM-2] - *Interests and views of stakeholders* and [S1-2] *Processes for engaging with own workers and workers' representatives about impacts*, the company directs its actions in this area, putting the wellbeing of its resources at the center and works to ensure a safe, inclusive workplace for all its employees.

At Group level, people management is the responsibility of the Human Resources Department, led by the Chief People Officer. The HR function is entirely responsible for the management of the Group's human resources, from the moment each person joins the company until the termination of their employment relationship: research, selection and placement, management and development, health, safety and work environment, administration and payroll, HRIS, organizational development, union relations, general services such as security and reception and often travel management.

At regional and local level, roles are divided into macro-clusters that enhance, on one hand, the activities of Talent Acquisition, Training and Development of Human Resources and Internal Communication and, on the other hand, the activities of HR Management and HR Business partnership.

Thanks to the activities of this division, the Group is able to ensure that its practices do not cause nor contribute to situations which could have potential negative impacts on the workforce, working continuously to address and mitigate them as effectively as possible. The data and the feedback are

managed in accordance with privacy policies and processed with the utmost confidentiality, making it possible to receive honest and constructive feedback (S1-4-41).

The recent actions and initiatives, planned or underway in accordance with chapter *S1-SBM3 Material impacts, risks and opportunities and their interaction with strategy and business model* are reported on below.

Talent attraction and Employer Branding

To offset the potential risks linked to difficulties in attracting and retaining talent, De' Longhi organizes talent attraction and retention, as well as employer branding, initiatives (S1-4-40a, b).

Toward this end, the relationships with Italian universities have grown, particularly with institutions in the Veneto region and with Bocconi, Milan's Politecnico and H-Farm College. These relationships have made it possible to (i) initiative specific research programs, (ii) for the Group to attract resources with a solid academic background and competencies in line with the business needs, and (iii) design and offer training programs to employees.

Also in 2025, the strategic partnership with the Career Services of Bocconi University and Milan's Politecnico, named the **Corporate Associate Program**, was renewed in order to create synergies with the schools and guarantee the best possible professional placements for the new graduates. Also in partnership with other universities, like Ca' Foscari University in Venice, the University of Padua and the University of Trento, the **Ambassador on campus** program was proposed again, designed to involve different Group teams in employer branding activities. More in detail, in 2025, 46 employees submitted their candidacy and were involved in organized career days during which they describe their daily activities in the company and advise the students about the opportunities available with the Group (S1-4-38a, b, c, d).

In 2025, the **IT Talent Academy**, targeting students and new graduates interested in IT, was proposed again. This six week course provides specific training in SAP and ends with interviews for positions on the Group's IT team. Following the initiative, 7 participants were hired in 2025 (S1-4-38a, b, c, d).

In 2025, the **Internship Program** involved 13 interns and represented an important opportunity for university students and graduates to put into practice the knowledge they acquired during their academic careers. The candidates were chosen based on a structured and engaging selection process, designed to optimize selection time and attract Italian, as well as

international, students. The full-time internships last 6 months and are held at the Treviso headquarters where the interns are placed within their reference teams. The main goal of the program is to foster the development of young workers' professional skills, supporting their on-the-job learning and enhancing their potential, also with a view to possible future hiring and career path development (S1-4-38a, b, c, d).

With a view to strengthening the initiatives supporting talent attraction, the Group has been investing in a structured manner in the development of its social media strategy for several years. In particular, the Group's **LinkedIn** page recorded a 20% increase in followers at the end of 2025 compared to 2024. Furthermore, 90% of successfully concluded hires occurred through the platform, confirming its strategic role in attraction and recruitment activities. In order to further consolidate the Group's presence on this channel, in June 2024 the global advocacy campaign, **LinkedIn Month**, had been launched. The initiative aimed to improve the use of the platform through training and "netiquette" (rules and guidelines for appropriate online communication behaviors). The main objectives include increased visibility for the company, strengthened engagement, stronger employer branding and the involvement of employees through greater awareness of the use of the LinkedIn channel and the creation of a global community of Ambassadors. The creation of two editorial threads focusing on people, their development paths and internal careers, in addition to sharing the Group's values and results, also contributed to this important achievement (S1-4-38a, b, c, d).

Furthermore, in 2025 the **Social Media HUB** was established in London, a space designed to foster creativity, dynamism and cultural cross-pollination.

Finally, in order to render the recruiting of candidates and development of our employees more dynamic and inclusive, the Group initiated an **in-depth review of its Talent Strategy**. The project resulted in the activation of two main lines of intervention. On one hand, guidelines for recruiting and employer branding were defined, with a specific focus on inclusion and enhancing potential. On the other, an analysis path was launched which, in 2025, led to the design and implementation of two targeted events:

- The *IT International Meeting* spanned two days and involved 21 employees from different countries, who participated in a masterclass designed by Milan's Politecnico, aimed at developing technical skills and strengthening international collaboration.

- The *Quality Team Summit*, held at the Mignagola plant, involved the participation of 18 people from different countries and included activities dedicated to consolidating teamwork, carried out in collaboration with Smile to Move.

Professional development and learning

In 2025 the Group continued to invest in the growth and development of its people, expanding the training provided and promoting initiatives designed to strengthen competencies at all levels of the company. By encouraging continuous learning and professional development for all its resources, De' Longhi offsets the risks tied to failing to develop the expertise of employees through the use of adequate tools and ongoing training (S1-4-40 a, b).

More specifically, to support the professional growth of its workforce, De' Longhi mainly uses two digital platforms, adopted on a global scale: **PULSE**, a tool dedicated to training which makes it possible to register for different courses and workshops, both in person and e-learning, offered in different languages and with a high degree of interactivity, offering workers the possibility to access tailor-made training programs and monitor their progress; **FORWARD**, an ad hoc performance appraisal tool, designed to promote a transparent and constructive dialogue between managers and employees, thus helping De' Longhi's people to identify their development goals and learning needs (S1-4-38a, b, c, d).

In 2025, the performance appraisal process through FORWARD involved 3,180 people. While registering an increase in participating individuals compared to the previous year, the total number of approved plans showed a slight decrease. Forward was confirmed as a pillar of internal growth, supporting individual development and promoting a culture of continuous feedback.

With regard to training, the Group's offering is designed to provide employees with the tools and resources needed to improve both technical and soft skills, develop leadership, as well as *upskilling* and *reskilling* opportunities, consistent with their interests and professional growth path.

The training offered, freely accessible to the entire company population, included a vast selection of catalog courses, structured into five macro-categories:

1. **Digital mindset:** training in data analysis and the use of Microsoft Excel (basic, intermediate and advanced training are offered);
2. **Managerial skills:** training in effective management and "manager as a coach";

3. **Communication skills:** internal and online training, in both Italian and English, on public speaking;
4. **Organizational skills:** internal online training, in both Italian and English, on *project management, problem solving, time management, finance for non-specialists, demystifying methodologies and lean office*;
5. **Company Culture:** introduction to the coffee world to provide an overview of the basic concepts and fundamental terminology associated with the world of coffee.

The global courses were held in virtual mode, guaranteeing participation from all the Group's geographies, while local courses were held in person at the different offices.

The **De' Longhi Shares Academy** continued with its program at offices in Italy. The program offering was expanded with the introduction of four new courses taught by internal resources who are selected based on their specialized expertise and teaching skills. This project further strengthened the exchange of information within the organization, highlighting the know-how of the company and its people.

In 2025, **Digital Lab**, an ad hoc training initiative conceived to improve the digital expertise of employees working in the Marketing and Commercial divisions and sustain the growth of the Group's e-commerce channel, continued. The license was also renewed for the platform **Econsultancy** specialized in digital and e-commerce training, with a focus on new sector trends. Language courses continued globally, supported by the **Speex** platform which provides classes in five languages (English, German, Spanish, French and Italian) and promotes language skills in a global environment.

Specific attention was paid to leadership development. In 2025, the **E.D.G.E. Leader Program** was activated in collaboration with Bocconi University, a continuous training path aimed at strengthening the skills of people in positions of responsibility and consolidating the sense of belonging to the Group. The program involved 25 professionals and was divided into three modules dedicated to business leadership, people leadership and leadership in action, supplemented by six group works. During the year, five **Executive Master in Business Administration (EMBA)** programs were also activated in the various countries where the Group operates, with the aim of further strengthening managerial skills. In the area of sustainability, the **Sustainability Learning Journey**, an integral part of a broader sustainability strategy for the Group, comprised training sessions and thematic contests designed to make employees more aware of their impact and the

positive steps they can take to ensure a better future (S1-4-38a, b, c, d) (S1-4-AR 43).

During 2025, the Group launched a global training program dedicated to the adoption of digital and collaboration tools, training over 1,400 employees on the use of Google Gemini (Generative Artificial Intelligence) and over 2,200 people on Google Workspace, promoting the collaborative features provided by the different tools. The project, which began in October 2025, involved sending a questionnaire to all employees to understand their level of knowledge of the Google Workspace environment and subsequently holding **30 general training sessions, 40 specialized courses and 3 advanced webinars**. The initiative, structured over a two-year timeframe, will conclude in 2027 with the drafting of a final report that will summarize the results achieved and the skills developed.

Particular attention was paid to the training of blue-collar workers. In 2024, three days of training were organized at the Mignagola plant in Italy which involved more than 400 employees. The sessions looked at relevant topics for the involved population, from the digital transformation to posture exercises, to specific content relating to lean manufacturing and quality. In 2025, the training was also extended to the employees of the finished product warehouse at the Mignagola plant and to the blue-collar personnel at the Gorgo al Monticano site, who had not been involved in the previous year.

Health and Safety

De Longhi organized several initiatives focused on the potential impact of on-the-job injuries caused by inadequate working conditions, particularly in the production plants (S1-4-40 a,b).

The sustainability of a successful manufacturing project is based largely on the ability to address and protect the health and safety of its employees: the Human Resources division calls upon specific employees to promote these aspects among workers. These figures include the Head of Prevention, Protection and the Environment Division and the country heads of the division in Italy, Switzerland, China and Romania, namely the countries where the Company's production plants are located. Their duties include an analysis of the risk inherent in the activities carried out by the Group's employees and the definition of plans for improvement.

In 2025, the commitment to the global "*I am Safety*" campaign continued. This initiative, which foresees the development of

its final phases in 2026, is part of the sustainability strategy and has three main objectives: strengthen and spread a safety culture throughout the Group, involve and make employees responsible for issues linked to safety and improve efficacy and productivity through initiatives focused on "*new ways of working*". In the production plants the initiative was applied through the "*Safety Ambassadors*" campaign, which led to the selection of a few employees as safety "ambassadors" and the Gemba Walks (for reporting any risky situations).

The project is currently operational in the production plants in China, Romania and Italy and has already been tested in Australia and the United Kingdom in a few pilot branches. Intended to be extended to all subsidiaries, it was organized into three phases:

- 1. Appointment of the ambassadors:** the ambassadors are employees who are chosen to safeguard aspects of Health, Safety and the Environment (HSE) in each production facility. In order to identify the best people for the assignment, the work team developed an identikit of the characteristics needed to cover this role;
- 2. Training of the ambassadors:** the ambassadors selected completed a dedicated training course in order to understand their role and the related responsibilities;
- 3. Identification of any equipment needed:** in this phase any investments needed to improve health and safety inside the plants are quantified, identifying the anticipated benefits.

A global project for injury management was also implemented which began by focusing on the safe interaction between pedestrians and forklifts. Following this, an anti-collision system for forklifts was developed, already tested and almost completely installed in the Romanian plants, while it is currently being evaluated at the Mignagola plant. At Satu Mare all vehicles are already equipped with anti-collision devices, while at the Salonta and Cluj plants, 26 systems were installed during 2025. The Group has also scheduled the installation of an additional 27 devices for 2026, also intended for the Salonta and Cluj plants, thus continuing the commitment aimed at improving operational safety and reducing the risk of accidents (S1-4-38a, b, c, d).

Diversity, Equity and Inclusion

De Longhi strives to promote a collaborative and inclusive work environment, capable of embracing the contribution of

all the individuals involved, with a view to promoting equitable growth and maximizing the level of inclusion and social cohesion among employees, consumers, suppliers and the entire local community in general, with zero tolerance for any form of impact linked to discrimination against workers and violations of human rights (S1-4-40 a,b).

In 2024, the Group published the Global DEI Policy, defining its commitment in a document which was shared across all geographies. De' Longhi's commitment is based on concrete initiatives relating to four areas of interest:

- 1. Corporate culture:** enhance the wealth that diversity can bring to the organization, beginning with a corporate culture which views difference as a strong point.
- 2. Processes:** define equitable processes and guidelines, ensuring that people may prosper regardless of how they identify and guaranteeing equal access to opportunities, careers and compensation.
- 3. Goals and KPI:** monitor the current situation in the different areas of interest and define the goals that are expected to be achieved.
- 4. Targeted initiatives on gender diversity:** guarantee that women can and will be able to express their full potential through targeted actions.

De' Longhi established a structured **governance** framework built around DE&I initiatives, defining clear roles and responsibilities to guarantee consistency with the Group's basic values. The publication on internal and external channels of the Group's DE&I Policy is focused on promoting equitable growth and social cohesion among employees.

In line with the objective of enhancing the diverse capabilities of employees and taking into account the needs that emerged through the Your Voice listening channel, in 2025 the Group launched the **People Development Compass project**. The initiative represents a people development tool and defines the meaning of "Talent" within the Group, identifying different types of talent and associating specific development paths with each. Consistent with the DE&I strategy, the project aims to guarantee equitable and inclusive growth opportunities, valuing individual differences.

In support of this strategic framework, in 2025 the **Global DE&I Training program** continued, comprising 3-hour interactive virtual sessions delivered in 30 branches and in 14 different languages, involving more than 2,000 people with the aim of raising awareness about "biases" and creating a shared

language on diversity, equity and inclusion. The training contents, differentiated based on the role held within the Group, are designed to provide concrete tools to recognize and mitigate prejudices, promoting the spread of an inclusive work culture on a global level.

To offer employees the opportunity to broaden their horizons and engage with different perspectives, the **Beans of Inspiration** program was also created in 2025, consisting of inspirational meetings with external speakers dedicated to topics such as inclusion and social impact, wellbeing and sustainable lifestyles, technology and digital transformation, neuroscience and collaboration. The initiative involved a total of over 1,400 participants, helping to spread awareness, new languages and cross-functional perspectives throughout the organization.

As part of this initiative, the Group promoted two seminars dedicated to key Diversity, Equity & Inclusion topics, with the aim of strengthening an inclusive and aware corporate culture. The first, *“Language as a tool for inclusion”*, delivered in Italian and English, explored the role of language in work and personal contexts, involving a total of 147 participants. The second, *“From Like to Hate: defending oneself and taking action against online gender violence”*, created in collaboration with the **Libellula Foundation** and also offered bilingually, addressed the issue of gender equality, recording the participation of 94 people.

Also important was the launch of the collaboration with Valore D, the first association of Italian companies committed to promoting Diversity, Equity and Inclusion topics. Thanks to this partnership, the Group was able to activate valuable initiatives in the local area, such as:

- InspirinGirls: an international project that brings female role models into middle schools to share their professional paths, encouraging girls and boys to look to the future free from any gender stereotypes;
- Girls&Boys@work: an event dedicated to the daughters and sons of the Group’s personnel (Italy), designed to offer a moment of orientation in view of university choices or starting a career, offering a concrete perspective on the world of work.

Alongside training and cultural initiatives, the Group has been promoting tools for **solidarity and mutual support** for years. This area includes the **My Gift Time** program, which allows employees to voluntarily donate unused hours of leave or vacation time to colleagues who need additional time to assist family members requiring continuous care. Since 2021, thanks to the participation of collaborators, a total of 1,137 hours have been collected (S1-4-38a, b, c, d).

In compliance with the principles set out in EU Directive 2023/970 on **Pay Transparency**, the Group began a process aimed at integrating the criteria and logic introduced by European regulations into its remuneration systems. Starting in 2026, the company plans to strengthen transparency at all stages of the remuneration process, making salary information clearer and more accessible right from the selection interview. At the same time, it intends to increasingly adopt remuneration criteria based on objective parameters—such as role, seniority, performance, and geographic location—in line with the impartiality and neutrality requirements set out in the Directive. By 2027, the Group is committed to drafting its first Gender Pay Gap Report, an essential tool for rigorously monitoring pay parity and identifying any areas for improvement. The implementation of this system will allow the Group to promote greater internal equity, increase salary transparency, and strengthen employee trust, while fostering broader and more conscious involvement in corporate life. Finally, in order to align with the principles of respect for human rights, since 30 September 2024 the Group formalized its adherence to the **United Nations Global Compact**, committing to operate in consistency with the ten universal principles that guide businesses on human rights, labor, the environment and anti-corruption. For more information, refer to section [S2-4] *Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions*.

[S1-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

S1-5-44a,b,c

In order to improve the wellbeing and development of employees and therefore pursue the objectives of the policies described in section [S1-2], the De’ Longhi Group included specific initiatives and relative quantitative and qualitative targets in its 2024-2026 Sustainability Plan (MDR-T 80 a), developed using a structured methodology involving key stakeholders within the Human Resources function (MDR-T 79 e; MDR-T 80 h, MDR-T 80 f). The identified targets are reported below (S1-5-45, S1-5-46):

TABLE 2 – OWN WORKFORCE TARGETS

Initiative	Description	Target (MDR-T 80 b)	Baseline (MDR-T, 80d)	Target Year (MDR-T 80 e)	Perimeter (MDR-T 80 c)	Policy
Safe work environment	Ensure the highest health and safety standards by implementing a ISO 45001 certified health and safety management system in the Group's plants	100% of the Group's plants ISO 45001 certified	out of 7 plants certified in 2023	2027	All the Group's plants	-
Gender equality	Increase in the number of women in management and senior management positions	30% of the Management and senior management positions held by women	26% of the Management and senior management positions held by women at September 2023	2028	De' Longhi Group	Policy on diversity of members of corporate bodies
Wellbeing And employee development	Address the training and development of our people through a global Training Program	80% of the Employees involved on average in the three-year period (2024-2026)	70% of the Employees involved in the two-year period (2020-2022)	2026		
	Define and implement a global approach and a communication plan based on the new ways of working	Improvement in work/life balance each year, measured using a specific survey	In 2022 a new Remote working policy with new content was launched	2026	-	
Impact on The community	Sponsor educational programs to high school students with a focus on STEM and women	Delivery of the programs in 2025	No educational programs in 2024	2025	De' Longhi Group	

The monitoring of the KPIs and initiatives associated with the outlined targets is carried out regularly and systematically. The progress of each initiative is recorded and assessed annually and is the responsibility of the Human Resources Division (MDR-T 80 j). In particular, at 31 December 2025, the progress of the aforementioned targets was as follows (MDR-T 79 c):

- **Ensure the highest standards in terms of health and safety by implementing an ISO 45001 certified health and safety management system in the Group's plants:** at 31 December 2025, all the De' Longhi Group's plants are ISO 45001 certified;
- **Increase the number of women in managerial/senior management roles:** at 31 December 2025, 28.6% of women in senior management positions;
- **Nurture the training and development of our People, with a Global Training Program:** 95.9% of employees involved in training courses in 2025;
- **Define and implement a global approach and communication plan on a new way of working:** the work-life balance survey was delivered during 2025;

- **Delivery of educational orientation programs to high school students with a specific focus on STEM subjects for women:** the initiative relating to educational orientation programs was launched during 2025 with the involvement of two Group employees.

These results demonstrate De' Longhi's commitment to meeting the pre-established targets. The company is in line with the defined timeline to reach the target of 30% of women in senior management positions by 2028; furthermore, exceeding the target of 80% of employees involved in training courses for the 2024-2026 two-year period highlights the importance the Group attributes to developing the skills of its personnel. In addition, the two targets achieved in 2025 demonstrate the Group's constant commitment to reaching the set goals and continuously improving its performance.

The Group's Sustainability Plan is public and available on the website. For more information about the Sustainability Plan, refer to section SBM-1 of chapter ESRS 2 (S1-5 47).

[S1-6] Characteristics of the undertaking's employees

The management of the workforce is a core aspect for the Group, which pays particular attention to the changes and growth over time. At 31 December 2025 the Group had **10,304** employees, down from 10,641 in 2024 (S1-6-50d); this figure includes all the contractual categories existing within the Group and reflects the total workforce at year-end. Please note that all employee data within the chapter are in headcount.

During the reporting period a total of **2,227**³³ employees left the Group which corresponds with a turnover rate of **21,6%**³⁴ (S1-6-50c). This indicator measures the workforce turnover and provides an overview of the organization's employment dynamics which are influenced by factors like new hires, voluntary terminations and contract adjustments. The indicator reflects the high turnover rate of blue-collar workers at the production plants.

33 The figure refers to the total number of employees who left the Group between 1 January 2025 and 31 December 2025.

34 To calculate this figure, the total number of employees who left the Group was divided by the total number of employees. (MDR-M 77 c)

TABLE 3 – NUMBER OF EMPLOYEES WHO LEFT THE COMPANY IN 2025 (MDR-M 77 C)

Datapoint	2024	2025
Total number of employees who left the company	3,136	2,227
Employee turnover rate	29.5%	21.6%

Information on the total number of employees by gender is provided below (S1-6-50a). Compared to 2024, there was a decrease in both men and women with a constant balance in the gender mix, with men at 51.8% and women at 48.0% in 2025.

TABLE 4 – NUMBER OF EMPLOYEES BY GENDER 2023-2025 (MDR-M 77 C)

Gender	2023	2024	2025
Men	4,894	5,499	5,339
Women	4,943	5,125	4,942
Other	-	-	1
Not disclosed	-	17	22
Total	9,837	10,641	10,304

The number of employees, broken down by country (only of the countries which account for more than 10% of the total) and by gender in Table 5 and by region in Table 6, provide a complete overview of the geographic distribution of the Group's workforce (S1-6-50 a).

TABLE 5 – NUMBER OF EMPLOYEES BROKEN DOWN BY COUNTRY, WHICH ACCOUNT FOR MORE THAN 10% OF THE TOTAL, AND GENDER IN 2025 (MDR-M 77 C)

Country	2024					2025				
	Men	Women	Other	Not disclosed	Total	Men	Women	Other	Not disclosed	Total
Italy	1,369	802	0	0	2,171	1,393	824	0	0	2,217
China	1,377	1,127	0	0	2,504	1,312	1,091	0	0	2,403
Romania	1,495	2,207	0	0	3,702	1,352	2,057	0	0	3,409

In terms of regions, in 2025 68% of De' Longhi's employees were in Europe, followed by America & Asia at 31% and lastly, MEIA (Middle East, India and Africa).



TABLE 6 – NUMBER OF EMPLOYEES BY REGION 2025
(MDR-M 77 C)

Region	2024	2025
Europe	7,334	7,018
America & Asia	3,246	3,222
MEIA	61	64
Total	10,641	10,304

The total number of employees by contract type is shown in Table 7 (S1-6-50 b).



TABLE 7 – TOTAL NUMBER OF EMPLOYEES BY CONTRACT TYPE AND GENDER 2023-2025 (MDR-M 77 C)

2023					
Category	Men	Women	Other	Not disclosed	Group
Employees with permanent positions	4,354	4,472	-	-	8,826
Employees with temporary positions	540	471	-	-	1,011
Employees with flexible hours	-	-	-	-	-
Total number of employees	4,894	4,943	-	-	9,837
Full-time employees	4,809	4,625	-	-	9,434
Part-time employees	85	318	-	-	403
Total number of employees	4,894	4,943	-	-	9,837
2024					
Category	Men	Women	Other	Not disclosed	Group
Employees with permanent positions	5,073	4,918	-	17	10,008
Employees with temporary positions	426	207	-	-	633
Employees with flexible hours	-	-	-	-	-
Total number of employees	5,499	5,125	-	17	10,641
Full-time employees	5,443	4,924	-	17	10,384
Part-time employees	56	201	-	-	257
Total number of employees	5,499	5,125	-	17	10,641
2025					
Category	Men	Women	Other	Not disclosed	Group
Employees with permanent positions	4,971	4,760	1	21	9,753
Employees with temporary positions	367	182	-	-	549
Employees with flexible hours	1	-	-	1	2
Total number of employees	5,339	4,942	1	22	10,304
Full-time employees	5,286	4,754	1	21	10,062
Part-time employees	53	188	-	1	242
Total number of employees	5,339	4,942	1	22	10,304

[S1-7] Characteristics of non-employee workers in the undertaking's own workforce

The number of non-employee workers is reported as at 31 December 2025 (S1-7 55b) and includes all the professional who work for De' Longhi without a direct employment contract. The most common include workers hired in outsourcing, like consultants and interns, as well self-employed workers who provide specialized or temporary services (S1-7 56). Please note that all data related to non-employee workers within the chapter are in headcount.

The information on the total number of non-employee workers in De' Longhi's workforce is shown below (S1-7 55 a).

TABLE 8 – TOTAL NUMBER OF NON-EMPLOYEE WORKERS 2024-2025 (MDR-M 77 C)

Type	2024	2025
Self-employed workers	16	13
Workers hired in outsourcing	1,415	2,103 ³⁵
Total	1,431	2,116



[S1-8] Collective bargaining coverage and social dialogue

De Longhi is aware of how important social dialogue and collective bargaining are and that they are crucial to guaranteeing equitable working conditions and protecting the rights of its employees.

At 31 December 2025, 62% of De' Longhi's employees were covered by collective bargaining agreements (S1-8 60); 58% of the employees are covered by workers' representatives, up from 52% in 2024 (S1-8 63).

Information on the coverage of the collective bargaining agreements and social dialogue in each country in which the company had a significant level of EEA (European Economic Area) employment in 2025, consistent with 2024, is shown below. The following table also indicates the collective bargaining coverage rate for each non-EEA country where the Group has a significant level of employment.

TABLE 9 – COVERAGE OF THE COLLECTIVE LABOR AGREEMENTS AND SOCIAL DIALOGUE 2025 (MDR-M 77 C)

Coverage (%)	Coverage - collective		Copertura dialogo sociale
	EEA Employees	Non-EEA Employees	EEA Employees
0-19%		China	
20-39%			
40-59%			
60-79%			
80-100%	Italy, Romania		Italy, Romania

35 The increase in the value compared to 2024 is due to a methodological refinement in data collection.

[S1-9] Diversity metrics

De' Longhi works actively to implement policies and initiatives which position diversity as a strategic priority for the Group, as described in section [S1-1] Policies related to own workforce and [S1-4] Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions (S1-10 64, 65).

The breakdown of employees by age and senior management by gender are provided below (S1-10 66 a, b).

TABLE 10- BREAKDOWN OF EMPLOYEES BY AGE 2023-2025 (MDR-M 77 C)

Age range	2023	2024	2025
Less than 30 years old	1,695	1,701	1,463
Between 30 and 50 years old	5,863	6,291	6,102
More than 50 years old	2,279	2,649	2,739
Total	9,837	10,641	10,304

TABLE 11 – BREAKDOWN OF SENIOR MANAGEMENT BY GENDER (NUMBER AND PERCENTAGE) 2023-2025 (MDR-M 77 C)

Gender	2023	%	2024	%	2025	%
Men	7	78%	7	70%	7	70%
Women	2	22%	3	30%	3	30%
Other / Not disclosed	0	0%	0	0%	0	0%
Total	9	100%	10	100%	10	100%

Between 2023 and 2025, the number of senior managers rose from 9 to 10, consistent with the slight increase in company management.

[S1-10] Adequate wage

An important part of De' Longhi's commitment is to guarantee fair and adequate wages for all workers. When a minimum wage is established by law, this will be guaranteed as the base pay, along with all the benefits provided for under the law or contractual agreements. In countries where there is no legal minimum wage, fair compensation will be determined based on sector standards and the local cost of living (S1-10 -69).



[S1-13] Training and skills development metrics

The Group attributes great importance to the professional development and advancement of its people, investing in targeted training paths and opportunities for advancement in the organization. Consistent with section [S1-4] *Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions*, De' Longhi adopts concrete strategies to support talent, foster inclusion and promote a work environment which stimulates growth and the development of competencies.

The three-year information about the percentages of employees that participated in performance reviews and career development (S1-13 -83 a, 84) is provided below. The figures are broken down by gender and employee category which provides an overview of the access to and use of performance reviews within the Group.

TABLE 12 – PERCENTAGE OF EMPLOYEES WHO PARTICIPATED IN PERFORMANCE REVIEWS AND CAREER DEVELOPMENT BROKEN DOWN BY GENDER AND EMPLOYEE CATEGORY 2023-2025³⁶ (MDR-M 77 C)

Gender	2023	2024	2025
Men	33%	33%	34%
Women	25%	28%	27%
Other	0%	0%	0%
Not disclosed	0%	0%	91%
Average	29%	30%	31%
Employee category	2023	2024	2025
Manager	68%	65%	67%
White-collar worker	78%	80%	76%
Blue-collar worker	2%	2%	3%
Average	29%	30%	31%

The breakdown of the average hours of training provided to De' Longhi employees by gender and employee category is provided below. These figures provide insight into how development opportunities were distributed and an update on the roles within the company. These figures provide insight into how development opportunities were distributed and an update on the roles within the company (S1-13 -83 a, 84).

TABLE 13 - AVERAGE NUMBER OF TRAINING HOURS BROKEN DOWN BY GENDER AND EMPLOYEE CATEGORY 2023-2025³⁷ (MDR-M 77 C)

Gender	2023	2024	2025
Men	26.4	26.7	27.4
Women	22.1	23.9	25.5
Other	0.0	0.0	0.0
Not disclosed	0.0	0.0	12.5
Average	24.3	25.3	26.4
Employee category	2023	2024	2025
Manager	21.7	18.8	26.8
White-collar worker	22.9	23.7	27.9
Blue-collar worker	25.1	26.6	25.6
Average	24.3	25.3	26.4

[S1-14] Health and safety metrics

The Group recognizes the importance of guaranteeing that its employees work in a healthy and safe environment and works every day to lessen the risk of any accidents, as detailed in section [S1-4] *Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions* (S1-14 -87).

Furthermore, as testimony to the Group's commitment, ISO 45001:2018 certified management systems were implemented in all plants; therefore, 100% of workers at the production sites are covered by management systems. For more information, refer to section [S1-1] *Policies related to own workforce*.

The figures relating to the numbers and percentage of own workers covered by the company's health and safety management system as per applicable regulations, laws and/or recognized guidelines are shown below in Table 14 (S1-14 -88a).

³⁶ The percentages here reported express the number of male/female/other employees who participated in periodic and scheduled performance and career development reviews out of the total number of male/female/other employees. (MDR-M 77 a)

³⁷ To calculate this data, the total number of hours of training provided to men/women/others was divided by the total number of men/women/others. (MDR-M 77 a)

TABLE 14 - PERCENTAGE OF OWN WORKERS COVERED BY THE COMPANY'S HEALTH AND SAFETY MANAGEMENT SYSTEM AS PER APPLICABLE REGULATIONS, LAWS AND/OR RECOGNIZED GUIDELINES 2025 (MDR-M 77 C)

Employee category	2024		2025 ³⁸	
	Number	Percentage	Number	Percentage
Employees	10,218	96%	9,042	88%
Non employees	1,332	93%	1,719	81%

The number of deaths due to work-related injuries and illnesses is 0, as shown in Table 15 (S1-14-88b).

TABLE 15 - THE NUMBER OF DEATHS DUE TO WORK-RELATED INJURIES AND ILLNESS 2023-2025 (MDR-M 77 C)

Employee category	2023	2024	2025
Employees	0	0	0
Non employees	0	0	0

The number and rate of recordable workplace injuries are shown in Table 16 (S1-14-88c).

TABLE 16 - THE NUMBER AND RATE OF RECORDABLE WORKPLACE INJURIES 2023-2025 (MDR-M 77 C)

Employee category	2023		2024		2025	
	number	rate	number	rate	number	rate
Employees	56	2.7	75	3.5	80	3.98
Non employees	18	5.9	10	2.1	10	1.50

The rate of injury is the total number of injuries expressed as a percentage of the total number of labor hours multiplied by 1,000,000; this number, therefore, represents the number of injuries for a million labor hours. (MDR-M 77 C)

The number of recordable occupational diseases, with the exception of legal restrictions on the use of data, is shown in table 17 (S1-14-88d).

TABLE 17 - THE NUMBER OF RECORDABLE OCCUPATIONAL DISEASES, WITH THE EXCEPTION OF LEGAL RESTRICTIONS ON THE USE OF DATA 2023-2025 (MDR-M 77 C)

Employee category	2023	2024	2025
Employees	2	5	12

Lastly, the number of days lost due to workplace injuries, occupational disease and deaths due to illness are reported below (S1-14-88e).

TABLE 18 – THE NUMBER OF DAYS LOST DUE TO WORKPLACE INJURIES, OCCUPATIONAL DISEASE AND DEATHS DUE TO ILLNESS 2025 (MDR-M 77 C)

Employee category	2024	2025
Employees	1,401	1,337

[S1-16] Compensation metrics (pay gap and total compensation)

The Group recognizes that the commitment to lessening the gender gap is essential; for this reason, the Group defined specific DE&I and compensation policies, described in section [S1-1] *Policies related to own workforce*.

In 2025, it began a process aimed at integrating the criteria and logic introduced by European regulations into its remuneration systems, in compliance with the principles set out in EU Directive 2023/970 on Pay Transparency. During 2026, the Group plans to strengthen transparency at all stages of the personnel management process, making salary information clearer and more accessible right from the selection interview. At the same time, it will continue to adopt remuneration criteria based on objective parameters—such as role, seniority, skill level, performance, potential, and geographic location—in line with the impartiality and neutrality requirements set out in the Directive. By 2027, the Group is committed to drafting its first Gender Pay Gap Report, an essential tool for rigorously monitoring pay parity and identifying any areas for improvement. The implementation of this system will allow the Group to promote ever greater internal equity, increase salary transparency, and strengthen employee trust, while fostering broader and more conscious involvement in corporate life.

It should also be noted that the Group included the increase of the number of women in management/senior management roles among its Sustainability Plan targets, as described in section [S1-5] *Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities*.

38 The reduction in the coverage percentage is due to a refinement in the calculation methodology.

The pay gap, defined as the difference between the average compensation paid to female and male employees, expressed as a percentage of the average compensation paid to male employees, was 40% in 2025 (35% nel 2024) (S1-16 97a). The trend of the indicator is influenced, especially in the current year, by benefits and notional costs related to medium/long-term incentive plans based on financial instruments intended in particular for beneficiaries operating in the Professional Division, who acquired the right to participate in the plans at a prior time and during the business combination. Net of these components, the indicator would have stood at 34% in 2025 (33% in 2024).

It should also be noted that this indicator, calculated as the average for the entire Group (unadjusted gender pay gap), reflects significant differences in roles and geographic location. The figure is in fact the consequence of a female workforce comprised of more blue and white-collar workers and fewer in managerial roles, a difference amplified by variable components of compensation, which are more relevant for senior and top management figures. It should also be noted that the trend of the indicator in 2025 is negatively influenced by the exchange rate trends against the euro of the currencies used in the countries where the Group employs a large number of blue-collar workers.

The ratio of the highest-earning individual's total annual remuneration to the median total annual remuneration of all employees is 301 (245 in 2024) (S1-16 97b). Here too, the impact of notional costs related to medium/long-term incentive plans based on financial instruments active within the Group is significant.

Furthermore, the De Longhi Group personnel is comprised for more than 60% by blue-collar workers who work at the production sites located in different geographies characterized by very different labor costs, cost of living and very different market dynamics. This has a significant impact on the above ratio.

For the calculation of the indicators, the annual compensation of each employee was considered, which includes the base salary, overtime compensation, benefits in cash (like payment of living quarters, bonuses and commissions), benefits in kind (like company cars, private health insurance and wellness programs), the portion for the year relating to employee severance (TFR), long-term incentives and *stock option* and *performance share* plans (the latter elements are not considered for the calculation of the adjusted indicators).

With regard to the gender pay gap, the hourly remuneration was calculated dividing the total annual compensation, from which the portion relating to overtime compensation was deducted, by the theoretical working hours. The latter were determined starting from a total of 2,080 hours (40 hours weekly multiplied by 52 weeks) and subtracting the days of vacation and public holidays provided in each country.

Included in the calculation were employees employed at the end of the year with a permanent contract or temporary workers with a contract duration of more than 12 months. If an employee was hired at any time during the reference year, the respective salary was reported on an annual basis (S1-16 97c) (MDR-M 77 C).



[S1-17] Incidents, complaints, and severe human rights impacts

Below, De' Longhi reports the number of work-related accidents and/or complaints and serious human rights violations within its workforce, as well as related fines and sanctions or significant damages in 2025.

In 2024, there were three instances of discrimination: two in the United States and one in New Zealand. All the episodes were researched through timely internal investigations; corrective actions were taken and the contracts with the employees responsible for the actions were terminated for bad external behavior and violation of internal policies; in 2025, however, a single case of verbal discrimination was reported in Germany, for which timely measures were adopted and the process is still ongoing. De' Longhi does not support any kind of violence, harassment or discrimination at the workplace and is committed providing a safe, inclusive and respectful environment through policy and specific actions as outlined in the section [S1-1] *Policies related to own workforce*.

TABLE 19 – INCIDENTS, COMPLAINTS, AND SEVERE HUMAN RIGHTS IMPACTS 2023-2025 (MDR-M 77 C)

Datapoint	2023	2024	2025
Episodes of discrimination connected to work for reasons of gender, race or ethnic origin, nationality, religion or personal beliefs, disability, age, sexual orientation or other relevant forms of discrimination involving internal and/or external stakeholders in all operations during the reporting period	0	3	1
The total number of discrimination episodes, including harassment, reported during the reporting period	2	3	1
The number of complaints lodged through the channels provided for company workers to raise concerns (including reporting mechanisms)	0	1	1
The total amount of the fines and sanctions or significant damages stemming from the above incidents and complaints, along with a reconciliation of the monetary sums reported with the most relevant amount recognized in the financial statements	0	0	0
If appropriate, the information needed to understand the data and how it was compiled	0	0	0
The number of serious incidents relating to human rights violations connected to the company's workforce during the reporting period, indicating also to what degree these were in violation of the United Nations Guiding Principles on Business and Human Rights, of the ILO Declaration on Fundamental Principles and Rights at Work or the OECD Guidelines for Multinational Enterprises. If there were no incidents of this sort to report, the company must state it	0	0	0
The total amount of fines, penalties and compensation for damages for the incidents referred to in point (a), together with a reconciliation of the monetary amounts indicated with the most relevant amount in the financial statement	0	0	0





ESRS S2 - Workers in the value chain

02

[S2-SBM2] Interests and views of stakeholders

Although the De' Longhi Group has not yet finalized the structuring of a process for actively engaging workers in the value chain, it recognizes the fundamental role of these individuals and has long since initiated the implementation of tools and initiatives aimed at improving their involvement, conditions, and opportunities. While the Company recognizes that workers' interests and rights may be impacted by its activities, the development of a formal mechanism to capture and integrate these considerations into the business strategy is still ongoing (S2 SBM-2.9).

[S2-SBM3] Material impacts, risk and opportunities and their interaction with strategy and the business model

De' Longhi carefully manages all processes along the value chain, committing itself to monitoring the entire supply chain to ensure the quality of products and the protection of workers' rights, which may be subject to negative impacts of various kinds (S2.SBM-3). The main types of workers in the value chain who are involved in the Group's activities and vulnerable to negative impacts include those in the upstream supply chain (extraction and processing of raw materials), employees of suppliers of semi-finished and finished products, and downstream workers such as logistics and distribution personnel. Also included are particularly vulnerable workers, such as migrants, women and the young (S2 SBM-3.11 a). Among these, De' Longhi has not yet identified the categories of workers

who may be more susceptible to risks than others, nor has it clarified which risks are associated with specific groups (S2 SBM-3 12, 13).

The Group has identified the following negative impacts in relation to workers in the supply chain (S2 SBM-3 11d):

- **Physical harm to workers due to inadequate working conditions** (actual, negative, systemic): failure to take adequate health and safety measures can lead to accidents to workers.
- **Violation of workers' human rights due to inadequate labor practices** (potential, negative, systemic): in the areas involved in De' Longhi's value chain, there is a possibility that skilled workers, characterized by a low level of specialization or with fixed-term contracts also taking into account the seasonality of production, may be used, thus increasing the risk of unfair labor practices such as forced labor and child labor as well as violence and harassment. Furthermore, the demand for low-cost labor could push suppliers to use child labor, depriving minors of education and exposing them to hazardous working environments.

Both impacts are associated with the location of suppliers' activities in geographical areas, such as Asia, where laws, regulations and labor protections may be less stringent than those in force within the European Union, raising the risk of exploitation, forced labor and child labor (S2 SBM-3 11 b,c).

The Group has also identified a potential risk related to workers in the value chain: the **reputational and legal risk due to human rights violations along the value chain** is related to the negative impact on the company's reputation and legal compliance due to human rights violations. For example, if suppliers or partners use forced or child labor, the Company could suffer repercussions, including reputational damage, resulting in an impact on sales and financial results (S2 SBM-3 10 b,11 e).

To prevent the risks and impacts mentioned above, relations with suppliers are regulated by specific policies and their actions are carefully screened and monitored during audits. For more information, see sections [S2-1] - *Policies related to value chain workers* and [S2-4] *Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions*.

A detailed analysis of the De Longhi Group's impacts, risks and

opportunities is provided in chapter ESRS 2, [IRO-1] *Description of the process to identify and assess material impacts, risks and opportunities*.

To date, no targets have been identified in relation to the impacts mentioned above. For more information, see section [S2-5] *Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities*. (SMB-3 10 a).

[S2-1] Policies related to value chain workers

Workers in the De' Longhi Group's value chain are a key stakeholder for the business; for this reason, relations with such workers are formalized, regulated, and managed through three main policies: the Code of Ethics, the Supplier Code of Conduct and the Human Rights Policy. The latter was approved at the beginning of 2026 (S2-1 16).

The **Code of Ethics** extends to the Group's suppliers and establishes criteria binding on both parties, stressing the shared values of integrity, transparency, and respect for human rights promoted by the Group. Through compliance with the Code, the Group promises to instill along the value chain working conditions that comply with fundamental human rights, international conventions and local laws and regulations.

The **Supplier Code of Conduct (SCoC)**, available online and shared with all suppliers, sets out the fundamental principles binding on business partners, first-tier suppliers, second-tier suppliers, subcontractors, and all individuals employed along the value chain. The SCoC addresses critical issues such as forced and child labor (S2-1 18), requiring suppliers to conduct their activities in compliance with local laws on environmental, health and safety matters, as well as in alignment with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the SA8000 standard (S2-1 19). The Group reserves the right to conduct audits to ensure compliance with the SCoC, during which suppliers provide the necessary documentation and allow interviews with personnel; if irregularities are found, De' Longhi works with the suppliers to identify appropriate corrective actions. Where they are unable to comply with the mandatory minimum requirements set out in the Supplier Code of Conduct, the Group reserves the right to terminate the business relationship (S2-1 17 a,c).

In addition, the SCoC recommends Group good practices that suppliers can adopt with a view to making improvements, such as risk assessment processes, appropriate training programs for workers and management, and supplier-specific codes of conduct. These measures aim to promote respect for fundamental human rights and to continuously improve working conditions throughout the value chain.

The **Human Rights Policy**, developed during 2025 and formalized in January 2026, defines the Group's commitment to respecting the highest ethical standards and promoting human rights at all stages of its activities, including the value chain, in line with the main relevant international regulations and conventions. Indeed, this policy aims to protect all stakeholders: from workers at suppliers, to Group employees, up to end consumers (S2-1 17 a). In drafting the Policy, the Group drew inspiration from the main international principles and standards on human rights, such as the ILO (International Labour Organization) Declaration on Fundamental Principles and Rights at Work, the International Bill of Human Rights and the OECD (Organisation for Economic Co-operation and Development) Guidelines for multinational enterprises (S2-1 19). Furthermore, through this document, the Group firmly condemns all forms of child and forced labor throughout the entire scope of its activities and is committed to ensuring that such practices do not occur at any stage of its value chain (S2-1 18). Through the adoption of these principles, the Group confirms its commitment to creating a safe, ethical and respectful work environment for all collaborators. The Policy reiterates that De' Longhi uses the whistleblowing platform to collect any reports of violations of the Code of Ethics and the principles adopted by the Group, making this mechanism available also to workers operating along the value chain. The integration of whistleblowing procedures with the Group's ethical principles aims to strengthen internal controls in order to ensure the effective application of the principles outlined in the policy and to identify and prevent any risk that could compromise the well-being and rights of the people involved (S2-1 17 c).

As in the previous two years, in 2025 De' Longhi did not find any violations of the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines on value chain workers (S2-1 19).

The ways in which De' Longhi engages value chain workers and works to remedy the impacts generated are explained in section S2-4, which describes the actions implemented by the Group (S2-1 17 b,c).

Additional information on the policies currently in place is summarized in the following table:

TABLE 1 – POLICIES RELATED TO VALUE CHAIN WORKERS

Policy	Key content (MDR-P 65a)	Scope (MDR-P 65b)	Person in charge of implementation (MDR-P 65c)	Recognized domestic or international tools for policy drafting (MDR-P 65d)	Accessibility policy (MDR-P 65f)	R/O considered (MDR-P 65a)
Human Rights Policy	<p>Commitment to respecting health and safety principles</p> <p>Promotion of adequate working conditions;</p> <p>Prohibition of forced and child labor;</p> <p>Representation of non-discrimination principles;</p> <p>Representation of freedom of association principles;</p> <p>Protection of privacy and personal data.</p>	De'Longhi Group, suppliers, personnel	Chief Executive Officer	<p>ISO 45001:2018</p> <p>ISO 22000:2018</p> <p>Universal Declaration of Human Rights</p> <p>ILO Declaration on Fundamental Principles and Rights at Work</p> <p>International Bill of Human Rights</p> <p>OECD Guidelines for Multinational Enterprises</p> <p>OECD Guidelines for 3TG materials</p>	Not available to the general public	Reputational and legal risks for human rights violations along the value chain
Code of Ethics	<p>Statement of the Group's fundamental ethical principles;</p> <p>Definition of behavioral standards on the job;</p> <p>Management of relations with the Public Administration;</p> <p>Management of relations with other parties;</p> <p>Diligence in the use of company assets and protection of IT tools.</p>	De'Longhi Group, suppliers, personnel	Chief Executive Officer	-	Corporate website	Reputational and legal risks for human rights violations along the value chain
Supplier Code of Conduct	<p>Statement of fundamental business principles;</p> <p>Supplier demand for compliance, integrity and business ethics;</p> <p>Management and minimum guarantees of health, safety and fair working conditions within the supply chain;</p> <p>Description of cases of potential conflicts of interest;</p> <p>Principles of protection of industrial and intellectual property.</p>	Group suppliers	Head of Purchasing/ Quality Department	<p>International Labor Organization</p> <p>SA8000</p> <p>ISO 14001</p> <p>ISO 45001</p>	Corporate website	Reputational and legal risks for human rights violations along the value chain

[S2-2] Processes for engaging with value chain workers about impacts

Despite De' Longhi's focus on value chain workers, to date no engagement processes have been implemented that allow suppliers to actively participate in strategic decisions (S2-2 24). In addition, although De' Longhi does not participate in global framework agreements, enterprise agreements or global union federations in relation to respecting human rights, the Group joined the United Nations Global Compact (UNGC) in 2024, a voluntary international initiative that promotes respect for human rights and labor (S2-2 22 d).

[S2-3] Processes to remediate negative impacts and channels for value chain workers to raise concerns

The De' Longhi Group is committed to promoting a safe working environment including for workers in the value chain. To this end, communication channels have been set up that allow all of them to freely express their concerns and report any problems. In particular, the Group has also made the whistleblowing system accessible to workers in the value chain; through the De' Longhi Group Integrity Platform, workers can anonymously report any unlawful conduct. While these channels are available on the website, however, the Group does not require them to be set up locally at the workplace of value chain workers (S2-3 27 b, c) (S2-3 28). Since the system was established, no significant complaints have been filed. To learn more about the whistleblowing system, see section [G1-1] *Corporate culture and business conduct policies* (S2-3 27 d).

To date, De' Longhi has not developed structured processes to verify the effectiveness of actions to remedy its negative impacts on workers in the value chain (S2-3 27 a), nor to assess whether workers in the value chain are aware of these structures or processes, and whether they consider them a reliable

way to raise concerns (S2-3 28).

[S2-4] Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

The supply chain is managed by the **Supply Chain Department** and the Quality and Purchasing units, which collaborate to ensure high quality standards, business continuity and compliance with environmental and social requirements, including human rights. Relationships with finished product suppliers are handled by two Purchasing units dedicated to monitoring and support activities, located in two geographical regions (Italy and Hong Kong) based on the relevance and proximity of production.

Finally, in Italy and Romania, several working groups that are part of the Supply Chain Department deal with the management of materials for components and finished products ; in China, this task is entrusted to the managers of the Dongguan and OnShiu plants, supported by the Purchasing units.

To address and prevent impacts on workers in the value chain and mitigate the risk associated with them, the De' Longhi Group conducts periodic audits to make sure suppliers comply with the social and environmental principles included in the policies described in paragraph [S2-1] *Policies related to value chain workers*. In particular, this type of audit is carried out every year at all new suppliers of finished products, while for well-established suppliers the audits take place every two years (S2-4 34a) (S2-4 32 a,b).

Through the *vendor portal*, a platform shared with the group's business partners, the Group shares its Code of Ethics (available in Italian, English and Chinese) so suppliers can fully

understand its meaning, comply with its obligations and principles, and adapt their activities in accordance with what is required during the audit. Within the same portal, the **Responsible Sourcing Guidelines** are also published, defining the risk criteria and oversight system for every supplier. Based on this document, each supplier's risk is assessed in consideration of three aspects: type (first-or second-tier suppliers, contract manufacturers, subcontractors, service providers), geopolitical region (with country-specific risk levels based on KPIs defined according to the main International Organizations, in particular the World Bank), and the relevance of the business for the De' Longhi Group. The risk described considers different social, environmental and governance aspects, analyzing nine specific indicators. These include crucial matters such as child and forced labor, discrimination and abuse, freedom of association, wage conditions and working hours, as well as health, safety and environmental issues.

Audits are then conducted through three different procedures: light, medium or reinforced. For new suppliers, the procedure is selected according to the determined level of risk (low, medium or high), while for existing suppliers previous audits are also taken into account (S2-4 35).

Audits are planned on a semi-annual basis (MDR-A 68 c) by the Quality Department and are conducted strictly in person to ensure maximum accuracy. The same department is responsible for continuously updating the checklist used for audits carried out directly at the establishments. This tool is based on the principles of the SA 8000 standard and aims to assess supplier adequacy across six key areas: Social Responsibility, Health and Safety Management, Environmental Compliance, Human Rights and Employee Well-being, Regulatory Compliance of Facilities and Activities, and Risk and Emergency Management.

The survey concludes with the assignment of a qualitative score ranging from "compliant" to "zero tolerance". If any situations are classified as "zero tolerance," the Group contacts the suppliers to assist them in taking corrective actions. If suppliers fail to meet the minimum requirements set out in the Code of Conduct despite the assistance provided by De' Longhi, demonstrating ineffectiveness in remedying negative impacts, the Company reserves the right to terminate the relationship with the supplier (S2-4 32 c) (S2-4 33 a,b,c) (S2-4 34a). In 2025, out of 221 audits carried out (MDR-A 68 e), no corrective action was required as all suppliers met the

minimum requirements of the SCoC (S2-4 36). This reflects the effectiveness of the measures the Group has taken to ensure compliance with ethical principles and regulations.

In addition to internal audits, in 2025 the Group launched an extensive **process to map its supply chain**, supported by the administration of a **questionnaire** aimed at evaluating their performance and compliance with the main sustainability principles. The completion of the questionnaire was managed through a digital platform, enabling the Group to collect responses in a structured manner, allowing suppliers to upload the required documentation and providing immediate feedback on the score obtained and any corrective actions to be implemented. The questionnaire was sent to a sample of over 2,000 suppliers, selected based on criteria such as the economic significance of the relationship, geographical location and the risk level associated with the country of origin. Furthermore, it should be noted that these suppliers included all those providing processed or semi-finished goods containing conflict minerals. The main topics subject to evaluation are:

- Climate impact;
- Resource use;
- Product responsibility;
- Pollution;
- Human Rights;
- Workers' rights;
- Human trafficking and slavery;
- Corporate commitment;
- Resilience;
- Data protection and privacy.

Once the assessment questionnaire has been completed by the suppliers, the responses are analyzed to identify any deviations from the required standards. This stage allows for the identification of the main gaps and the assignment of a risk level to each supplier for every area under analysis; should high-risk profiles emerge, the company requires the adoption of specific **improvement actions**.

These interventions can range from simply uploading missing policies onto the platform to the definition and implementation of actual corrective actions aimed at addressing the issues identified. Following the communication of the required actions, the supplier can choose whether to proceed with immediate implementation, thus improving their score during 2025, or to plan for implementation in the following year. In the latter case, effective implementation is verified through the administration of a new questionnaire. If the actions have not yet been implemented, the Group initiates a targeted assessment of the individual supplier's situation to define the subsequent initiatives to be undertaken.

At the beginning of 2026, remedial actions were sent to over 200 suppliers, demonstrating the Group's commitment to transforming value chain mapping into a structured path of continuous improvement. The ultimate goal is to guide suppliers toward a greater awareness of their critical areas, providing clear and operational guidance to intervene effectively, in line with sustainability expectations and the principles of a responsible supply chain.

In line with the Group's approach to managing impacts and risks along the value chain, as of 30 September 2024, the Group joined the **United Nations Global Compact**, a voluntary initiative that invites companies to respect ten universal principles related to human rights, labor, the environment, and the fight against corruption. As part of this initiative, during 2025, two Group employees participated in the **"Business and Human Rights Accelerator"** program promoted by the **United Nations Global Compact** (UNGC). The program consists of a structured guidance path aimed at supporting companies in the development of concrete measures to prevent, manage and mitigate potential negative impacts on human rights, as well as their systematic integration into corporate processes and value chain management.

The path included, among other things, training sessions with United Nations experts and practitioners, as well as opportunities for peer-to-peer exchange and learning with other companies, fostering the sharing of experiences and operational solutions. Participation in the program also contributed to strengthening internal competencies and led to the definition of a dedicated action plan aimed at translating the

commitments undertaken into concrete interventions and strengthening the Group's capacity over time to manage human rights issues along the value chain.

To date, the Group has not set impact-related targets or determined the actions necessary to achieve them. For this reason, it has not yet implemented tools to monitor the effectiveness of its actions involving workers in the value chain (S2-4 32 d). For more information, see section [S2-5] *Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities* (MDR-A 69 a,b,c).

De' Longhi is currently unable to provide information on the resources and investments allocated to the management of material impacts or on how suppliers are kept up-to-date on these issues (S2-4 38).

[S2-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

To date, the De' Longhi Group has not established targets or engagement actions to manage its impacts, risks and opportunities relating to value chain workers. The Group has not yet defined these targets because it has decided to begin by mapping and collecting information along the supply chain (currently underway) to provide a snapshot of the current situation, and then perform a risk analysis accordingly. Based on the results of that analysis, it will set targets in order to better manage activities along the value chain (S2-5 41, MDR-T 72 a).

ESRS S4 - Consumers and end-users

[ESRS 2 SMB2] Interests and views of stakeholders

De' Longhi actively listens to the opinions and needs of its consumers, using this information to improve its products and promptly incorporate new market demands, ensuring a service that protects the privacy and the health and safety of consumers with full respect for human rights. In this sense, the Group's **Customer Care** division plays a fundamental role in creating a direct and constant link between the company and its consumers, ensuring that the latter's expectations are always met. In recent years, the expansion of direct B2C sales through e-commerce has allowed De' Longhi to form closer, direct relationships with customers and assist them from product choice through after-sales assistance. To further improve these interactions, the Group is developing a program to offer increasingly efficient and high-quality support to its end customers.

Use of consumer feedback to optimize the business strategy

All opinions and feedback from the end consumer are collected through various **communication channels**, such as email, social media, chat sessions, and satisfaction questionnaires and contact centers; these tools not only make it easier to interact with consumers, but to analyze and understand their needs in depth. This way, the Group can integrate the information collected directly into the design and continuous improvement of its products and services, ensuring that solutions consistently meet customer expectations.

De' Longhi's Marketing, Design, Quality and R&D units also interact with consumers through market surveys conducted both at brand and Group level to obtain timely information regarding, for example, the popularity of its offerings, appreciation for new products, and brand reputation. In 2025, more than 39,000 people in 12 countries were involved in market analyses, engaged in aspects such as ergonomics, ease of use, performance, product quality, and key expectations for new market launches. Consumer responses were analyzed and integrated into the Group's product improvement strategies.

The feedback received through the various communication channels is then analyzed in detail by the Customer Care division, which manages a structured after-sales and customer support system, through advanced management systems such as **CRM** and Wonderflow. The CRM system, based on SAP C4C (Cloud for Customer), allows the Group to accurately monitor customer interactions and continuously improve the quality of service. Analysis of the data, updated in real time thanks to a dashboard developed with SAP Analytics Cloud, makes it possible to optimize the service process, reduce repair times, and improve the overall experience. **Wonderflow**, instead, is a VoC (Voice of Consumer) software that analyzes customer sentiment through reviews and feedback from over 70 online sales channels and integrates it with data received directly from the Group. This tool organizes feedback into geographical clusters so that strengths and areas for improvement can be identified in a targeted manner, in terms of both operational efficiency and product quality. These interactions are subsequently analyzed in depth using the **Gemini AI** functionality, introduced in 2025. This solution not only allows for a detailed examination of customer responses, but also makes it possible to expand the Group's knowledge base, thus managing recurring requests more effectively and ensuring faster and more accurate feedback.

In addition, customer support is ensured through **contact centers** and **technical service centers** present in the countries where De' Longhi operates; by maintaining direct contact with consumers, these centers play a fundamental role not only in the timely resolution of problems, but also in the collection of valuable feedback that contributes to the continuous improvement of the products and services offered. To further improve the speed and efficiency of the services offered by contact centers, the Group is progressively implementing in various countries a combined AI-powered virtual assistance system capable of guaranteeing 24/7 responses to customers, supporting human agents in the delivery of customer care services. This system also allows for more accurate information on user preferences to be collected, thus enabling contact centers to develop increasingly fast and effective solutions that best meet consumer needs.

Measuring actions to ensure continual service improvement

De' Longhi not only collects feedback, but also monitors the loyalty of its customers through the **Net Promoter Score (NPS)**, a useful tool for assessing consumer loyalty and how likely they are to recommend the Group's products. The Marketing Division, which enhances brand identity by coordinating centralized activities and the work of the branches' marketing units, carries out targeted surveys to collect more detailed information on brand perception, appreciation of new products, and company reputation. All this information allows De' Longhi to understand the needs of consumers and adapt its offer accordingly.

Furthermore, to improve its service level, the company constantly monitors the effectiveness of the actions taken to integrate consumer feedback into its operations, using specific indicators such as First Time Fix and Turnaround Time. Specifically, **First Time Fix** measures the percentage of products repaired without the need for further intervention, thus measuring the effectiveness of the customer care service, while **Turnaround Time** indicates the average time needed to manage user feedback and find solutions. Another key element of the success achieved is the intensive **training** offered to employees and qualified external partners, through courses delivered in hybrid mode, which combine e-learning platforms and classroom lessons. In continuity with the previous year, also in 2025 the Group decided to focus strongly on direct interaction with customers, organizing specific training sessions led by external consultants intended for service center operators and managers of the care network. The meeting included, in addition to theoretical lessons, field activities, which allowed participants to put into practice and perfect their communication and commercial skills, with the aim of concretely improving the interaction and support offered to customers.

Thanks to these initiatives, De' Longhi has strengthened its feedback capacity, gaining a deeper understanding of consumer needs and actively involving all stakeholders. This integrated, customer-focused approach marks an important step towards excellence in service and customer satisfaction, allowing the Group to effectively monitor the performance of its products and its reputation in the various markets served and to acquire useful information for the development and launch of new products.

[ESRS 2-SBM3] Material impacts, risks and opportunities and their interaction with strategy and business model

With a strong commitment to customer satisfaction, De' Longhi is committed to offering high-quality products that meet the strictest safety standards. As described in ESRS 2, the Group has identified its negative and positive material impacts including with respect to customers: these may concern

individual incidents encountered by the consumer while using the products, or larger-scale repercussions from the infringement of consumer rights, such as privacy violations due to a data breach (SMB3 10 a i-iv). Physical risks to consumers may relate to sharp components of De' Longhi products or malfunctions; in addition, IoT technologies could lead to privacy risks. The Group also acknowledges products that could be dangerous for children and the most vulnerable categories of consumers. Therefore, it is crucial to provide clear instructions to prevent possible negative impacts

The impacts identified by the Group are as follows (SMB3 10b,c):

- **Consumer privacy violation** (potential, negative, systemic): improper processing or handling of data could lead to privacy breaches, resulting in identity theft, financial loss, or other harm to the individuals involved.
- **Harm to health and safety due to misleading labeling** (potential, negative, event-related): the dissemination of misleading information that does not comply with the labeling requirements of the countries of sale could lead consumers to make uninformed decisions.
- **Harm to health and safety due to product quality** (potential, negative, event-related): product safety is of paramount importance to companies operating in this sector. A malfunctioning appliance could cause harm to the consumer's health, sometimes of a significant extent. In the specific case of products used in the food industry, strict health and hygiene requirements must be met. Furthermore, the exponential growth of personal data collected by companies, along with the obsolescence of telecommunications and information processing technologies, increases the risk of consumer privacy violations.
- **Promotion of a healthy consumer lifestyle** (actual, positive, systemic): through its products, the Company is able to promote a healthy lifestyle for all its consumers, for example by upholding the nutritional principles of food or adding functions that favor the use of sustainable food products (e.g. plant milk).
- **Promotion of social inclusiveness through products** (potential, positive, systemic): fostering a corporate culture and lifestyles that promote social inclusiveness leads to a positive impact on society, especially for the most vulnerable people, who can benefit from the introduction of more accessible products.

- **Lack of safe and clear information for customers** (potential, negative, event-related): failure to provide clear, accurate, and complete product information can pose direct risks to the health and safety of consumers. Inadequate communication regarding proper use, maintenance, or potential hazards can lead to product misuse, increasing the likelihood of accidents, injuries, or damage.

De' Longhi's materiality analysis also considers both risks and opportunities in relation to the impacts on its consumers. The opportunities identified include:

- **Reputational recognition derived from promoting a healthy lifestyle:** the company can strengthen its reputation by promoting healthy lifestyles through its products, thus responding to consumers' growing focus on health and well-being. By offering solutions that meet new market needs, it can stand out from competitors, gaining consumer trust and loyalty and solidifying its position as a leader committed to improving its customers' quality of life and well-being.
- **Increased market share through the development of more inclusive products:** the company can expand its market and strengthen brand reputation by developing innovative products that promote inclusiveness and cultural diversity. By responding to a variety of consumer needs, it can attract underrepresented market segments, setting itself apart from competitors and increasing customer loyalty through its commitment to representation and accessibility.

Specifically, the company has also worked on creating inclusive product guidelines, with the aim of developing solutions that respond to needs related to accessibility, age, gender, economic situation, level of education, geographical location, and language. These initiatives aim to ensure that De' Longhi products are accessible to a wide range of consumers, thus contributing to an even more responsible and inclusive approach.

At the same time, the company also considers the following financial risks (SMB-3 10d):

- **Possible payment of penalties for privacy violations:** the company could risk penalties and reputational damage for failing to protect personal data. In a context where privacy is highly regulated and valued by consumers, violations can result in legal fines, such as those provided for by the GDPR, and compromise customer trust and loyalty, damaging brand reputation.

- **Compensation to consumers for health damage resulting from poor product quality:** the company could risk reputational and economic consequences if its products do not comply with health and safety regulations. The sale of unsafe products could result in fines, lawsuits, and compromise consumer trust, damaging brand reputation.
- **Possible misleading claims regarding product sustainability:** the company may risk reputational damage and a loss of consumer trust if its sustainability claims prove to be misleading. Discrepancies between stated commitments and the actual level of product sustainability, such as the use of recyclable materials, sustainable packaging, or energy efficiency, can generate reputational damage, legal disputes, and a decrease in customer loyalty, impacting market position and financial performance

The risks and opportunities described apply to all consumers of the Group's products, without being limited to specific categories (SBM- 3 11, 12).

For a more in-depth understanding of the impacts, risks, and opportunities of the De' Longhi Group, particularly regarding how they derive from and guide the corporate strategy and business model, please refer to chapter ESRS 2, paragraph [IRO-1] Description of the processes to identify and assess material impacts, risks and opportunities, and to paragraph [SBM-1] Strategy, business model and value chain (SBM- 3 9 a) (SBM- 3 9 b).

[S4-1] Policies related to consumers and end-users

The Group's Code of Ethics establishes the rules that govern customer relations, defining the fundamental ethical principles that must guide all internal and external communications. This code promotes transparency, integrity, and mutual respect, ensuring that every interaction is conducted in a professional and ethically correct manner.

Most customer communications take place through virtual channels, which – by collecting sensitive data – can lead to consumer privacy risks; for this reason, the De' Longhi Group's **Privacy Policy** encompasses its commitment to ensuring the protection of the information collected from customers. In line

with the General Data Protection Regulation (GDPR 2016/679), the Group informs consumers about the data it collects, the purposes of its use, the protection methods, any profiling treatments, retention times, and sharing methods.

To ensure the security of its customers' data, De' Longhi uses recognized and certified IT and cloud service providers; for this reason, consumer-related reports and information are stored securely on the Google Cloud Platform web server. The security of this data is guaranteed by Google's advanced technologies and its compliance with **data protection regulations**, including the GDPR and international standards such as ISO 27001, ISO 27017, and ISO 27018 (S4-1 15).

In addition, to improve the browsing experience and offer personalized access, De' Longhi uses cookies. The **Cookie Policy** informs customers about the function and the various types of cookies used on the Group's website in order to guarantee maximum transparency towards its consumers.

The company not only protects the privacy of its consumers, but is proactively committed to promoting the health and safety of its consumers by also including this category of stakeholders in the Human Rights Policy (for more information on this policy, see chapter S1, section S1-2 "Policies related to own workforce") (S4-1 16 a). This policy, developed during 2025 and approved in early 2026, is based on international standards, including the Universal Declaration of Human Rights; it should be noted that in 2025, there were no recorded cases of human rights violations involving consumers (S4-1 17).

In 2025, the Group developed the **Inclusive Product Guidelines**, a tool designed to structurally integrate the principles of inclusion and accessibility into the design processes. These Guidelines define operational criteria and requirements aimed at supporting the development of solutions capable of responding, in an equitable and inclusive manner, to the needs of a diverse range of users. In this context, attention is focused on several relevant dimensions of diversity, including age, disability and neurodiversity, ethnicity and culture, gender identity, and socio-economic diversity.

To date, the policy has been adopted within the De' Longhi, Kenwood, and Braun brands, providing structured guidance to concretely integrate the principles of inclusiveness into product development. The Guidelines were formally introduced following the implementation of a pilot project on a Kenwood product.

The project, named *Multi Tasker*, represented a significant challenge for the Group, as it aimed to improve the user experience of the previous *Prospero* model, while respecting technical constraints, the compatibility of existing accessories, and the predetermined pricing strategy.

The project was divided into eight phases. The first involved an in-depth analysis of the *Prospero* model, aimed at identifying areas for improving the user experience. Subsequently, the idea for the new *Multi Tasker* was developed, with particular attention to the introduction of elements capable of strengthening the perception of quality. Ethnographic research was then conducted through home visits, testing with people with different needs, and a systematic collection of the emerging evidence.

The different perceptions and solutions proposed by users were subsequently analyzed in order to guide design improvements and the integration of new functionalities. Finally, business opportunities were evaluated, and dedicated workshops were organized to define the core principles and main objectives of the Guidelines.

Furthermore, during 2025, the Group developed the **Food Policy and Product Integrity Policy**, which was approved in early 2026. Through this policy, the Group recognizes food safety and product integrity as central elements of its responsibility towards consumers and stakeholders. Food safety management is ensured by a structured Food Safety Management system, the selection of materials suitable for food contact, advanced controls, and constant regulatory monitoring. The safety culture involves the entire value chain, supported by traceability, training, and effective communication. (S4-1 16 b).

For information on the measures the Group takes to remedy any human rights impacts, see section S4-3 within this chapter (S4-1 16 c).

For specific information on the policies implemented to protect consumers, please refer to the following table:

The table below presents the specifics of consumer protection policies:

Policy	Key content (MDR-P 65a)	Scope (MDR-P 65b)	Person in charge of implementation (MDR-P 65c)	Recognized domestic or international tools for policy drafting (MDR-P 65d)	Accessibility policy (MDR-P 65f)	R/O considered (MDR-P 65a)
Guidelines for inclusive products	Principles for the development of products suitable for people: <ul style="list-style-type: none"> of all ages; with disabilities; of different cultures; of any gender 	De' Longhi Group, customers	-	-	Not available to the general public	Promotion of social inclusiveness through products
Human Rights Policy	Commitment to respecting health and safety principles; Promotion of adequate working conditions; Condemnation of forced and child labor; Representation of non-discrimination principles; Representation of freedom of association principles; Protection of privacy and personal data	De' Longhi Group, suppliers, personnel.	Chief Executive Officer	ISO 45001:2018 ISO 22000:2018 Universal Declaration of Human Rights Declaration on Fundamental Principles and Rights at Work International Bill of Human Rights OECD Guidelines for Multinational Enterprises OECD Guidelines on 3TG materials	Not available to the general public	Reputational and legal risks for human rights violations along the value chain
Code of Ethics	Statement of the Group's fundamental ethical principles; Definition of behavioral standards on the job; Management of relations with the Public Administration; Management of relations with other stakeholders; Diligence in the use of company	De' Longhi Group, suppliers, personnel	Board of Directors	-	Company website	Reputational and legal risks due to human rights violations within the business
Cookie Policy	Information on the function of cookies on the www.delonghigroup.com site	De' Longhi S.p.A.	Website managers	Provision of the Italian Data Protection Authority of 8 May 2014	Company website	Fines and reputational damage from data breaches
Privacy Policy	Processing, handling, and disclosure of users' personal data Data protection	De' Longhi Group	IT Manager	EU Directive 2016/679 (GDPR)	Company website	Fines and reputational damage from data breaches
Food Safety and Product Integrity Policy	Protection of food safety and product integrity through: <ul style="list-style-type: none"> Selection of materials suitable for food contact; Migration tests and advanced chemical controls; Structured Food Safety Management system; Traceability, training, and regulatory monitoring; Integration of "Safe-by-Design" criteria. 	De' Longhi Group, customers and consumers	Board of Directors	-	Not available to the general public	Harm to health and safety due to misleading labeling Harm to health and safety due to product quality

[S4-2] Processes for engaging with consumers and end-users about impacts

Although to date the De' Longhi Group does not have a structured process for consumer engagement (S4-4 22), it has implemented several activities to promote a healthy, sustainable, and conscious lifestyle. This commitment is not limited to the simple offer of products, but takes the form of initiatives aimed at raising awareness and engaging the public on issues related to well-being, proper nutrition, and sustainability.

Specifically, with reference to the Braun and Kenwood brands, the Group has launched initiatives to **raise awareness of the importance of a balanced diet and of reducing food waste**. For example, Braun's website offers various educational sections with practical advice on how to organize one's shopping and store food optimally. Kenwood, instead, has integrated the One Planet Food objective into its Sustainability Manifesto, creating sections dedicated to food sustainability on its

website, with the aim of raising consumer awareness on crucial issues such as food waste and the environmental impact of consuming meat.

To strengthen the relationship with its stakeholders, in previous years De' Longhi developed two important partnerships: one with the **University of Parma** and the other with the **Politecnico di Milano**, both of which continued fruitfully during 2025. The Group submitted a proposal to the Ministry of University and Research (MUR) as part of the National Recovery and Resilience Plan (NRRP), becoming part of **Onfoods**, a foundation coordinated by the University of Parma that unites public and private entities in the search for sustainable, safe, and healthy food models. De' Longhi is a founding member of the foundation and an integral part of the scientific committee, which works on six strategic objectives aligned with the NRRP directives and on seven fundamental thematic areas for the food system. The project ended in 2024 and the dissemination of results took place in early 2025. In 2025, within the three-year agreement with the Politecnico di Milano, three **doctoral scholarships** were confirmed on the topic of sustainable coffee (two in design and one in chemical engineering).

Despite De' Longhi's commitment to actively engaging consumers in its positive impacts, at the moment the Group has not yet identified the categories of consumers most vulnerable to potential negative impacts (S4-2 21).

[S4-3] Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

To allow consumers to express their comments or needs, De' Longhi uses various online feedback channels (S4-3 25 b, c); specifically, the Group has implemented an online self-service web to collect complaints. Based on artificial intelligence, the system provides quick answers and solutions to customers, analyzing questions and offering thorough replies for an initial resolution of the problem. Subsequently, De' Longhi specialists validate the answers provided and contact the customer to ensure a superior quality of service (S4-3 25 d). Each response is carefully formulated according to the moderation guidelines provided to every employee to enable them to provide the customer with complete and reliable answers aimed

at resolving the identified issues. Furthermore, thanks to simultaneous e-mail and web-chat translation systems, the online self-service channel has been recently improved to extend its use not only in Italy and English-speaking countries but also in Germany, Belgium, France, and the Netherlands.

In the event of product safety issues, the Group can receive reports from multiple sources, such as trade associations, social media, regulatory bodies, retailers, suppliers, or directly from consumers. The reports, managed according to a specific internal procedure, are carefully analyzed and directed to the competent bodies for the relative resolution. The process is carried out under the supervision of or, when the classification emerging from the analysis requires it, under the direct management of the Group Insurance & Product Risk Department, which is responsible at the Group level for aspects concerning product safety and civil liability ("Product Safety & Liability").

The aforementioned procedure is managed, periodically verified and, where necessary, revised by the **Group Insurance & Product Risk Department**: according to it, upon receipt of a report, all possible information related to the event, the product, and the processes involved is collected. Subsequently, the extent of the risk is assessed, considering various possible scenarios, and finally, risk treatment actions appropriate to the outcome of this assessment are implemented. Should corrective actions be necessary, these could include product withdrawals or recalls from the markets where they were sold. Each phase of the process is carefully monitored under the supervision of the Group Insurance & Product Risk Department and the Legal Department, ensuring a constant verification of the effectiveness of the actions taken (S4-3 25 a).

The Group pays particular attention to the correct use of reporting tools, ensuring they are employed transparently and in compliance with regulations. In this context, risks of possible retaliation related to the use of such systems are managed with extreme care. The Group has implemented guidelines contained in the "Behavioral standards on the job" section of the Code of Ethics, which ensure that reports are treated fairly and respectfully, without the reporter suffering negative consequences or retaliation of any kind. Finally, the Company discloses whether and how it assesses that consumers and/or end-users are aware of such structures or processes and rely on them to express concerns or needs and receive appropriate assistance (S4-3 26).



[S4-4] Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

De' Longhi is strongly committed to ensuring consumer protection, with a particular focus on privacy and product safety. The company takes preventive measures to address its risks, implementing strict privacy policies and thorough product controls. In addition, the Group is committed to listening carefully to consumer needs, constantly monitoring consumer feedback and translating it into opportunities for continuous improvement (MDR-A 68 a,b) (S4-4 30).

Protecting consumer safety through quality products

De' Longhi is committed to preventing potential negative impacts on the health and safety of consumers by developing safe, reliable, high-quality products, in accordance with current product safety laws and regulations, including food contact requirements.

To ensure that product quality always complies with regulatory standards, the technical departments constantly monitor changing legislation in the sector, making sure that each product complies with the most **stringent international directives**.

With this in mind, the Group also adopts a management model that is inspired by the *Hazard Analysis and Critical Control Points*³⁹ (HACCP) protocol and the Codex Alimentarius to ensure food safety throughout the production chain. The **HACCP protocol** is designed to prevent food contamination and must be applied by all companies involved in the primary production, transformation, preparation, processing, packaging, transport, distribution, sale, or supply of food. The **Codex Alimentarius**⁴⁰ is a set of international norms and guidelines that aim to preserve the quality and freshness of food traded globally, while also preventing the risks associated with inadequate production and storage practices.

In line with these regulations, the Group has for years followed an **ISO 9001** certified quality management system at every plant; it has also implemented strict internal quality controls (S4-4 31 a) (S4-4 33b). Some units are responsible for quality control and compliance with regulatory requirements, monitoring both in-house manufactured products and those purchased from external suppliers. Others oversee quality levels during the development phases, collecting and analyzing feedback from the market. To prevent malfunctions and further ensure product quality, items are tested right from the design stages (S4-4 34). In addition, to optimize the quality control process, the Group has developed **AI Visual Inspector**, an AI-based system that performs visual inspections to check the quality and assembly of products.

To monitor the effectiveness of the measures taken, the Quality function uses specific indicators. The **First Time Quality Indicator (FTQ)** makes it possible to identify the main malfunction problems and assess the percentage of products that meet quality standards relative to total production. Furthermore, the **Service Call Rate (SCR)** measures the percentage of equipment repaired during the first year of the warranty, acting as an indicator of product quality and enabling the adoption of solutions to further improve efficiency (S4-4 31 d) (S4-4 33 a).

All of De' Longhi's production undergoes rigorous controls, not only to ensure correct functioning but also to **protect consumer health and safety**. During the design and development phases, all products are examined by technical teams, including Research and Development (R&D) departments and laboratories, in order to minimize risks. Furthermore, the company follows product safety guidelines inspired by industry best practices and applicable regulatory and legislative requirements. Regarding food contact safety, the Group has adopted an organizational model based on **Good Hygienic Practices (GHP)** and international food safety standards, including UNI EN 1672-2:2021⁴¹, UNI EN 22005:2008⁴² e UNI EN ISO 22000:2018. The plants in Mignagola (Italy) and Cluj (Romania) are ISO 22000 certified, further confirming the Group's commitment to food safety management.

The Group protects its consumers by also seeking to **minimize safety risks** to prevent potential accidents. To achieve this, the Group Insurance & Product Risk Department—responsible for Product Safety & Liability—defines internal procedures for conducting rigorous risk assessments during the development of new products. These assessments cover a wide range of potential hazards to ensure a high level of product safety across multiple areas, such as **electrical, mechanical, static, dynamic, and toxicological** risks. The risk analysis is carried out taking into account industry best practices, such as those adopted within the EU (*Commission Delegated Regulation (EU) 2024/3173 of 27 August 2024, supplementing Regulation (EU) 2023/988 regarding access to and the operation of the Safety Gate rapid alert system*).

In the event that these preventive measures are insufficient and problems occur, the Group Insurance & Product Risk Department intervenes promptly to manage reports regarding defective or non-compliant products, ensuring rapid and effective risk treatment (S4-4 31 b). For a more in-depth look at the intervention and risk management methods, please refer to section S4-3 (S4-4 32 a,b,c).

39 *L'hazard analysis and critical control points* o HACCP, is a systematic preventive approach to food safety from biological, chemical and physical hazards in production processes.

40 The Codex Alimentarius, or "Food Codex," is a collection of standards, guidelines, and codes of practice adopted by the Codex Alimentarius Commission. The Commission, also known as the CAC, is the central body of the Joint FAO/WHO Food Standards Programme and was established by FAO and WHO to protect consumer health and promote fair practices in food trade.

41 This standard establishes the hygiene requirements common to machines used for the preparation and processing of food intended for human consumption in order to exclude or reduce to a minimum the risk of contagion, infection, disease or damage originating from such food.

42 This standard incorporates the regulations relating to 'Food product traceability systems' and applies them to the entire agri-food sector. By adopting this standard, the company guarantees documentation of the history of the product and the corresponding food supply chain.

To ensure high-quality products for all customers, **external audits** are also carried out in addition to internal quality controls (S4-4 31 a) (S4-4 33b). These audits not only evaluate product characteristics but also examine ethical aspects related to workers and hygienic conditions along the production lines. The evaluations are based on specific key indicators (S4-4 31 d), including:

- **Technical Factory Audit (TFA):** evaluates the effectiveness of processes and the results of life tests on products purchased from the Group's suppliers, also considering social and environmental aspects.
- **Quality Evaluation (QE):** measures product quality before they are shipped to suppliers in China.
- **On Time Delivery (OTD):** measures delivery punctuality by calculating the difference between the scheduled and actual shipment dates.
- **Order Fill Rate (OFR):** measures the supplier's ability to supply the entire quantity of goods requested by the De' Longhi Group.

The results of these indices represent a valid starting point for initiating corrective actions and improving the efficiency of the Group's products. However, at the moment, De' Longhi has no plans to develop a target based on these results (S4-4 36).

In 2024, only one case of non-compliance related to the health and safety of a single product occurred: a kettle with wiring in the base that did not comply with insulation requirements. Following this, the Product Certificate of Conformity was cancelled, and new insulation was implemented for the wiring, allowing for product improvement and the subsequent obtaining of a new certification. In 2025, however, there were two confirmed cases of non-compliance related to safety. The first was identified during customs checks carried out upon entry into Italy for a batch of Braun brand *wafflemaker* plates, imported to be used as spare parts. These showed an aluminum release exceeding the permitted limit; consequently, the plates were disposed of in accordance with applicable legal requirements. The second case relates to the Nutribullet NBG-100 model (portable and *rechargeable hand blender*), for which possible overheating occurred in a limited number of batteries from a specific batch. Following a thorough investigation, the Group decided to implement a voluntary corrective action in three markets (United Kingdom, Japan, and the Philippines), where the only units of the NBG-100 model that could have used a battery from the batch described above were sold. The action was launched jointly in the three markets in March

2025, with public notifications and in agreement with the relevant national authorities involved. Consumers were offered a free product replacement or a refund where a replacement product was not available (S4-4 31 b).

Product labels: a guarantee for the consumer

Every De' Longhi product, after passing rigorous inspections, is marketed with clear and detailed instruction manuals and labels that ensure maximum safety and quality for the consumer. To guarantee this, the technical area and the marketing department perform constant supervision of labels and user manuals, ensuring they comply with Group procedures and thus minimizing risks related to incorrect or incomplete information.

Thanks to a global distribution network and a risk-reduction strategy, De' Longhi ensures that 100% of its products strictly adhere to corporate procedures, minimizing the possibility of incorrect labeling.

In 2024, one case of non-compliance occurred regarding an incorrect safety label on a toaster. During the same year, the *Guardia di Finanza* proceeded with the seizure of some Ariete products because the Italian flag was visible on the packaging. After a careful review, these items were returned in April 2024. Currently, the legal proceedings at the Court of Turin are still ongoing.

In 2025, there was also only a single case of non-compliance, which emerged during market surveillance activity in Romania: the anomaly concerned the absence of instructions in Romanian on some units of Kenwood brand food choppers. This omission was promptly rectified by including the documentation in that language as well.

Safeguarding consumer privacy

The company faces not only risks related to product quality and safety but also the **management of consumers' personal data**. De' Longhi protects this information with great care, storing it in two data centers protected by physical and IT systems managed by a dedicated IT department. Additionally, personal data—such as consumer reports and information—is stored on web servers within the Google Cloud Platform (S4-4 34). Over the last three years, no incidents regarding the circulation of personal data have been recorded (S4-4 35).

Although the company is developing actions to reduce impacts on consumers, it has not yet clearly defined the

resources to be allocated for managing material impacts nor the methods for communicating this information; furthermore, to date, it has not implemented additional actions with the primary objective of contributing positively to improving social outcomes for consumers. (S4-4 37) (S4-4 31 c) (MDR-A 69 a,b,c).

[S4-5] Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The De' Longhi Group places a fundamental emphasis on innovation, aiming for a sustainable future through the development of actions and strategies designed to maximize positive impacts. At the same time, it carefully manages the risks and opportunities related to its consumers.

The design principles within the *inclusive product guidelines* aim to create solutions accessible to diverse categories of people. In 2025, the company launched the "Multi Tasker" pilot project under the Kenwood brand, with the goal of subsequently extending it to other brands. This pilot project involved the development of an entry-level product characterized by a design and price point accessible to all types of consumers, in line with the principles defined in the *inclusive product guidelines*.

Furthermore, in line with the positive impacts the Group can generate and with new lifestyles oriented toward well-being, De' Longhi has implemented a strategy to raise consumer awareness regarding the responsible use of products and the reduction of food waste. This commitment takes the form of dedicated initiatives delivered through the Kenwood and Braun brand websites, which offer informative content and practical tips designed to promote more sustainable daily habits. The company, therefore, does not focus solely on the quality and performance of its products, but also aims to facilitate household behaviors that contribute to reducing waste and spreading consumption models in line with sustainability principles (S4-5 41 a,b,c).

The following table presents the details of these initiatives, highlighting the key aspects and the objectives pursued: (S4-5 40).

TABLE 2 – TARGETS RELATING TO CONSUMERS AND END USERS

Initiative	Description	Goal (MDR-T 80 b)	Baseline (MDR-T, 80d)	Target Year (MDR-T 80 e)	Perimeter (MDR-T 80 c)	Policy
Guidelines for inclusive products	Development and implementation of guidelines for inclusive products. The inclusivity may refer to accessibility, age culture, economic position, education, gender, geographic positioning, language and race	Pilot project	At 2023, there are no guidelines for product inclusivity	2025	De' Longhi, Kenwood and Braun brands	
Promotion of a healthy and sustainable life style	Definition of a Group strategy focusing on making consumers aware of the products and the responsible use of the resources, healthy and sustainable food and food waste	Group strategy for healthy and sustainable lifestyles	At 2023, there is no Group strategy for healthy and sustainable lifestyles	2026	De' Longhi, Kenwood Braun, Nutribullet and Ariete	

It should be noted that these objectives are not based on conclusive scientific data and that stakeholders were not directly involved in the process of defining them. (MDR-T 80 g,h).



[GOV-1] The role of the administrative, supervisory and management bodies

De' Longhi's corporate bodies consist of the Shareholders' Meeting, the Board of Directors, and the Board of Statutory Auditors. The objective of the corporate governance system is to ensure the proper functioning of the Company and the Group in general, as well as to enhance the global reliability of its products and, consequently, its reputation.

The administrative bodies play a central role for the Group in ensuring solid and transparent governance, oriented towards sustainability and business ethics. The Board of Directors is composed of 12 members⁴³, possessing expertise in legal, financial, and sustainability matters, and is tasked with identifying corporate objectives and defining the best strategy to achieve them. The Board of Directors has established three committees with institutional, proactive, and advisory functions:

1. The Remuneration and Appointments Committee;
2. The Independent Committee;
3. The Control and Risks, Corporate Governance and Sustainability Committee.

The size and composition of the committees are determined directly by the Board of Directors, taking into account corporate strategies and the risk management system, as well as aspects relating to the professional experience, gender, and seniority of the members themselves. Thanks to their many

years of experience, all members of the Board of Directors have the necessary skills and experience to manage the most relevant aspects regarding ethical business conduct, including any related impacts and risks. Dr. Fabio De' Longhi, Chairman and CEO, through strategic guidance and the coordination of operational activities, ensures that business conduct principles are integrated into decision-making processes. For more specific information regarding corporate governance, please refer to paragraph [ESRS 2 GOV-1] *Role of the Administrative Bodies* (G1.GOV-1, 5b) (G1.GOV-1, 5a).

The Board of Statutory Auditors is the body responsible for supervising the correct application of regulations, the Articles of Association, and the principles of proper administration in the conduct of daily activities. For further details, please refer to the 2025 Report on Corporate Governance and Ownership Structures. The Internal Audit team plays a fundamental role in ensuring risk mitigation within the Group. Working closely with all corporate functions, it provides independent assessments to improve governance; the currently implemented ERM (Enterprise Risk Management) framework allows for the systematic identification and management of corporate risks. For more information, please refer to paragraphs [ESRS 2 GOV-1] and [ESRS 2 IRO-1] *Description of the processes to identify and assess material impacts, risks and opportunities*.

The Group adopts a structured and integrated approach to identify and assess material impacts, risks, and opportunities linked to its activities. Through the double materiality analysis process, described in paragraph [ESRS 2 IRO-1] *Description of the process to identify and assess material impacts, risks, and opportunities*, the Group has identified as material the topics related to *corporate culture, whistleblower protection, and active and passive corruption* (ESRS2 IRO-1, 6).

[G1-1] Corporate culture and business conduct policies

Communication of initiatives to establish, develop and promote corporate culture and policies on business conduct

The corporate culture is promoted through clear and continuous internal communication which reflects values, goals and successes. The training of employees helps to align behavior and decisions with the company principles; team building events promote the collaboration between employees, creating a cohesive working environment. The success stories are shared in order to inspire employees. Lastly, the corporate culture is also reflected in the policies which guarantee consistency across the organization. The De' Longhi Group, therefore, pays great attention to developing a corporate culture based on ethics, transparency, inclusion and a sense of responsibility and, including through the use of dedicated policies, the company is committed to guaranteeing behavior which reflect the Group's values, defined in the Code of Ethics." (G1-1, 9).

The main documents the Group uses to apply the principals relating to conduct and corporate culture include:

The Code of Ethics: document which integrates sustainability in the company values, promoting ethical behavior, the respect of human rights and the correct management of environmental issues (G1-1, 7). The document defines the principles and key rules which guide the conduct of employees, management and the Group's external stakeholders, including integrity, fairness, professionalism, transparency and protection of privacy, the norms for preventing active and passive corruption and workers human rights are also defined, as well as diversity and

43 For more information on the composition of the BoD refer to chapter ESRS 2, section GOV-1.

the confidentiality of information. While the Group has yet to implement a policy for training in corporate conduct, it organizes training programs targeting different company roles. For more information about specific training on the Group's internal policies, refer to the sections below (G1-1, 10g).

Legislative Decree 231/2001 Organization, Management and Control Model: the Group's Italian companies (*De'Longhi S.p.A.*, *De'Longhi Appliances S.r.l.* and *La Marzocco S.r.l.*) have adopted a *Legislative Decree 231/2001 Organization, Management and Control Model* (231 Organization Model) which establishes the principles and procedures for mitigating the risks associated with financial crimes and corruption, as well as violations relating to workplace health and safety and tax crimes. By instituting the controls for the prevention of corruption, environmental crimes and failure to protect workplace health and safety, the Model strengthens the Group's commitment to include ethics in its operations (G1-1, 7). All employees of the Group's Italian companies are made aware of the Model's content and any periodic updates through specific training programs, planned for both blue-collar and white-collar workers. Participation in a specific 231 Organization Model course is mandatory for each employee at the Group's Italian offices; furthermore, for foreign companies, the Group provides specific anti-corruption training which is managed directly by HR (G1-3, 21a).

Whistleblowing Procedure (G1-1 10 c): the 231 Organization Model calls for a whistleblowing system which may be used to report unethical, fraudulent behavior which violates the Code of Ethics that has taken place inside and outside the organization. The system involves all employees, as well as external stakeholders including, for example suppliers and sub-contractors. More in detail, workers from outside the Group but who work along the value chain can access the whistleblowing system through the corporate website which makes it possible to make reports safely in a secure and confidential manner (G1-1, 7). The reports may be made using the dedicated platform De' Longhi Group Integrity Platform which guarantees the anonymity of the reporter, guiding them in the completion of the report, which helps to reduce the risk of retaliation; all

the interactions are made through a protected channel and all information is encrypted. The Board of Directors is responsible for monitoring the effectiveness of the procedure, while the Whistleblowing Committee, a body comprised of three Group members who are charged with analyzing and investigating the reports received, is responsible for daily management. The Committee reports every quarter to the *Risk and Control, Corporate Governance and Sustainability Committee* and the *Supervisory Board*. If the report proves to be true and can be held to have serious consequences for the company, the Group reserves the right to apply sanctions (G1-3, 18c). The Committee comprises the Director of Human Resources, Director of Legal Affairs and the Head of Internal Audit in order to guarantee a significant degree of independence with respect to the processes subject to evaluation. In the event a report is made involving a member of the Whistleblowing Committee, all the members of the Committee would examine the report with the exception of the party referred to in the report; this measure guarantees impartiality and fairness in subsequent investigations (G1-3, 18 b). The platform, updated in compliance with the new European regulations, has a dominion which is outside the company systems in order to guarantee independence and privacy (G1-1, 10 c(ii)); in order to improve accessibility and allow for a greater number of people to make reports, over the years the number of languages that may be used has risen (standing at eight as of December 2025) and an automatic transcriber has been added which facilitates filling out the report. (G1-3, 20).

The whistleblowing system adopted by the Group is also in line with international policies, including the EU Whistleblowing Directive (EU 2019/1937), as well as with the guidelines for the ISO 37001:2016 certified whistleblowing management systems. In 2024, a specific course for blue-collar workers was organized at the Italian headquarters and in 2025 it was also extended to the personnel of the finished product warehouse at the Mignagola plant and to the blue-collar population employed at the Gorgo al Monticano site. The course was designed to raise the awareness of the employees about the purpose of the whistleblowing system, about the regulations

which govern it and the main instances in which it should be used. In this way, the company sought to foster a greater understanding and correct management of the reports by workers. The whistleblowing procedure is publicly available and company personnel is informed about the importance of reporting illicit acts; moreover, the reporting process through the platform is designed to be easy to access and use by a wide range of people, guaranteeing a simple, safe and inclusive process for reporting any irregularities (G1-1, 10 c(i)) (G1-10, a,e).

Supplier code of Conduct: the Supplier Code of Conduct (SCoC) establishes the social, environmental and legal standards that all the suppliers and commercial partners must respect in their relationships with the Group. By signing the Code, the suppliers are committing to adhere to equitable work practices and ethical behavior (G1-1, 7). It is also available to the public on the Group's website in order to guarantee complete accessibility to all stakeholders.

Even if the Group had yet to conduct a specific analysis to determine the company divisions more exposed to risks of corruption and illicit practices, the company recognizes the importance of assessing and identifying these figures and is considering implementing processes which will further strengthen its control and prevention system (G1-1, 10h). Although no specific training programs for divisions at risk have been defined, the entire Italian population participates in a course of the 231 Model which includes anti-corruption topics (G1-3, 21b).

Any incidents involving corporate conduct which are reported are first assessed by the Whistleblowing Committee; these reports are then followed by the investigations deemed opportune, designed to provide rapid resolution of the incidents, these are carried out with rigor, ensuring that certain and indisputable elements are gathered, in full respect for the privacy of the parties involved. If an illicit act is found, the outcomes of the investigation will be communicated to the three Board committees and corrective measures or disciplinary action may be taken (G1-10, a,e).

For more information about the policies adopted by the Group, refer to the following chart:

TABLE 1 – POLICIES RELATED TO BUSINESS CONDUCT

Policy	Key content (MDR-P 65a)	Policy scope (MDR-P 65b)	Responsible for implementation (MDR-P 65c)	Recognized domestic or international tools for policy drafting (MDR-P 65d)	Accessibility policy (MDR-P 65f)	R/O considered (MDR-P 65a)
Code of Ethics	Statement of the Group's fundamental ethical principles; Definition of behavioral standards on the job; Management of relations with the Public Administration; Management of relations with other parties; Diligence in the use of company assets	De' Longhi Group, suppliers, personnel	Board of Directors	-	Corporate website	Reputational and legal risks for violation of human rights in the company
231 Organization, Management and Control Model)	Reference to relevant sensitive processes; Specify the components that characterize the preventive control system, as well as general and specific standards of conduct related to the sensitive processes; Provide the Supervisory Board with the tools needed to carry out the monitoring and verification activities of the correct application of all parts of the Model.	De' Longhi S.p.A. De' Longhi Appliances	Board of Directors	LD 231/01	Corporate website	Legal and reputational consequences due to company corruption
Supplier Code of Conduct	Statement of fundamental business principles; Supplier demand for compliance, integrity, and business ethics; Management and minimum guarantees of health, safety and fair working conditions within the supply chain; Description of cases of potential conflicts of interest; Principles of protection of industrial and intellectual property.	Group suppliers	Head of Purchasing	IOL (International Labor Organization) SA8000 ISO 14001 ISO 45001	Corporate website	Reputational consequences of supplier misconduct

[G1-3] Prevention and detection of corruption and bribery

Disclosure of the system to prevent and detect, investigate and respond to allegations or incidents relating to corruption and bribery

The Group has enacted solid procedures for preventing episodes of corruption and bribery, in order to guarantee transparency and integrity in all its activities. Firstly, the policies and procedures implemented by the company described above guarantee compliance with ethical standards, providing clear guidelines useful to prevent episodes of corruption (G1-3, 18a).

The anticorruption training are included in the Model 231 training; all of the new employees hired by the Group's Italian companies (*De'Longhi S.p.A.*, *De Longhi Appliances S.r.l.* and *La Marmorata S.r.l.*) receive this training which is provided through

flexible e-learning modules (G1-3, 21a). The Group ensures that the members of the administrative, management and control bodies receive adequate anti-corruption and anti-bribery training, toward this end, the leadership has a strategic role in promoting a responsible culture which aims to prevent episodes of corruption across the organization (G1-3, 21c).

The Group has implemented a group of practices designed to keep illicit acts to a minimum, in order to identify any episodes of corruption quickly. More in detail, all the expenses are monitored closely and the biggest payments are subject to direct investor by the company divisions involved in finance. In order to further strengthen the control, a policy relating to corporate gifts was adopted based on which each corporate gift must be registered through a database which each quarter gathers the data in order to guarantee traceability. With regard to the identification of illicit transactions, the Group has instituted several control bodies, including the above mentioned Supervisory Board and the Whistleblowing Committee, as well as internal and external audits. These bodies work independently in order to ensure impartiality in the investigative processes; the committee members do not have any direct ties to the company areas being investigated and their activities are supervised

directly by the Board of Directors (G1-3, 18b). At the end of each investigation, the commissions will prepare a report in which the results, evidence and conclusions are shared. The company also controls expense accounts very carefully and all supervisory bodies are charged with conducting adequate controls of the expense reports and all supervisory functions must conduct investigations of any actions which could potentially be illegal (G1-3, 18c).

[G1-4] Episodes of active and passive corruption

Consistent with the trend seen in the last three years, in 2025 the Group did not record any episodes of corruption in its operations nor was it found guilty of corruption related crimes (G1-4, 24a) (G1-4, 25a).

In 2025, therefore, no public instances of corruption involving the Group emerged (G1-4, 25d).



Annual Report Remuneration

Please refer to the Annual Remuneration Report for all relevant information not contained in the present report.

Reconciliation of net equity and profit (loss) for the year

Below is a concise reconciliation between net equity and profit of the parent company, De' Longhi S.p.A., and the figures shown in the consolidated financial statements:

	Net equity 31.12.2025	Profit for 2025	Net equity 31.12.2024	Profit for 2024
De' Longhi S.p.A. financial statements	730,223	219,685	743,692	269,655
Share of subsidiaries' equity and results for period attributable to the Group, after deducting carrying value of the investments	761,871	126,338	703,451	66,337
Allocation of goodwill arising on consolidation and related amortization and reversal of goodwill recognized for statutory purposes	796,168	1,740	874,890	1,481
Elimination of intercompany profits	(64,226)	(6,303)	(57,920)	(12,514)
Other adjustments	216	(40)	280	(9)
Consolidated financial statements	2,224,252	341,420	2,264,393	324,950
Minority	197,801	25,095	187,652	14,213
Consolidated financial statements-Group portion	2,026,451	316,325	2,076,741	310,737

Treasury share

On April 19, 2024, the Shareholders' Meeting resolved to renew—following the revocation of the previous shareholders' resolution—the authorization for the purchase and disposal of treasury shares up to a maximum of 14.5 million ordinary shares and, therefore, in an amount not exceeding one-fifth of the share capital, also taking into account the shares held by the Parent Company and possibly by its subsidiaries.

The authorization was approved, in compliance with current legal provisions, for a maximum period of 18 months (and, therefore, until October 19, 2025).

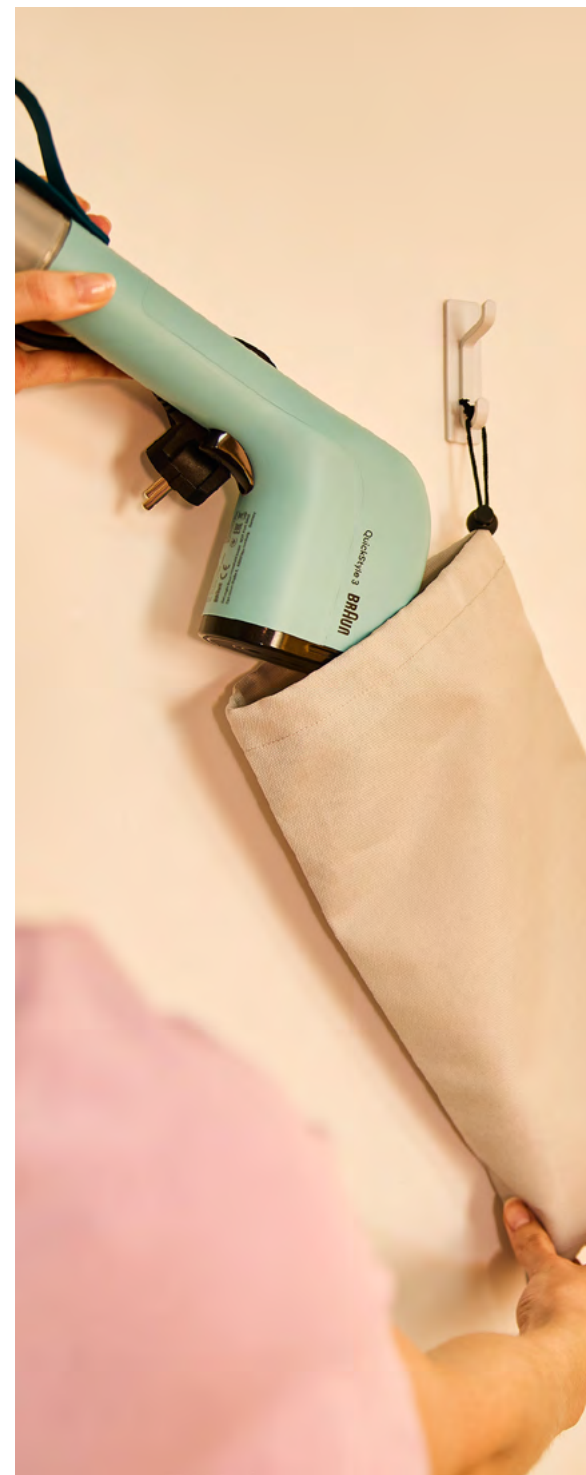
On April 30, 2025, the Shareholders' Meeting once again resolved to renew—following the revocation of the previous shareholders' resolution for the unexecuted portion—the authorization for the purchase and disposal of treasury shares up to a maximum of 14.5 million ordinary shares and, therefore, in an amount not exceeding one-fifth of the share capital, extending the terms for a further 18 months (i.e., until October 30, 2026).

Starting from January 16, 2025, the Group launched a treasury share purchase program (share buyback) under the terms authorized by the aforementioned Shareholders' Meetings, which concluded on April 17, 2025; for further information regarding the program, please refer to the Annual Financial Report as of December 31, 2024.

During 2025, as part of the share buyback plan, the Group purchased 1,986,426 shares through the parent company De'Longhi S.p.A. for a total value of €/million 60,586.

In the same period, 214,913 treasury shares were used to cover the exercise of an equal number of options relating to the share-based incentive plan named "2020-2027 Stock Option Plan."

As of December 31, 2025, the shares in the portfolio amounted to 1,771,513 for a total value of €/million 54,031.





Tax consolidation

The parent company De' Longhi S.p.A. and certain Italian subsidiaries have exercised, jointly with the consolidating entity De Longhi Industrial S.A., the option for the group taxation regime known as "Consolidato Nazionale" (National Tax Consolidation), as provided for by Articles 117 to 129 of the Consolidated Law on Income Taxes (TUIR) under Presidential Decree No. 917 of December 22, 1986, and by the Decree of the Ministry of Economy and Finance of March 1, 2018, renewed for the three-year period 2025–2027.

Related party transactions

Related party transactions fall within the normal course of business by Group companies.

Information on related party transactions is summarized in Appendix 3 to the Explanatory notes.

Alternative performance indicators

In addition to the information required by IFRS, this document presents other financial measures which provide further analysis of the Group's performance. These indicators must not be treated as alternatives to those required by IFRS.

More in detail, the non-GAAP measures used include:

- Net Industrial Margin and EBITDA: these financial measures are used by the Group as financial targets in internal presentations (business plans) and external presentations (to analysts and investors), and represent a useful unit of measurement for assessing the operating performance of the Group as a whole and of individual divisions, in addition to the Operating Result (EBIT).

Net Industrial Margin is determined by subtracting the cost of materials consumed and costs related to industrial services and labor from total revenues.

EBITDA is an intermediate financial measure derived from the Operating Result, excluding depreciation and amortization of tangible and intangible assets. It is also reported in an "adjusted" version, i.e., net of non-recurring items and costs related to stock-based incentive plans, which are explicitly stated in the income statement layout.

- Total Adjusted Net Result: the net result is also reported in an adjusted version, i.e., net of non-recurring items, costs related to stock-based incentive plans, and the corresponding estimated tax impact.

- Net Working Capital: this measure consists of the value of inventories, trade receivables, current tax assets, and other receivables, from which the value of trade payables, tax liabilities, and other payables is subtracted.
- Net Operating Working Capital: this measure consists of the value of inventories and trade receivables, net of trade payables.
- Net Capital Employed: this measure consists of the value of Net Working Capital plus the value of intangible and tangible assets, equity investments, other non-current receivables, and deferred tax assets, from which deferred tax liabilities, employee benefits, and provisions for risks and charges are subtracted.
- Net Financial Indebtedness / (Net Financial Position): this measure is represented by financial liabilities, net of cash and other cash equivalents, as well as other financial receivables; it is also reported in a "banking" version, net of non-banking components. The line items of the statement of financial position used for this determination are highlighted in the "Explanatory Notes."

The data reported in this document, including certain percentage values, have been rounded relative to the value in Euro units. Consequently, some totals in the tables may not coincide with the algebraic sum of the respective addends.





Subsequent event

Subsequent to December 31, 2025, and up to the date of approval of this financial report, no events have occurred that could have a significant impact on the financial position and results of operations presented, as defined by IAS 10 - Events after the Reporting Period.

In the days immediately preceding the date of this document, the international geopolitical scenario has been characterized by a significant escalation of tensions in the Middle East. These developments are identified as non-adjusting events in accordance with IAS 10.

The current climate of uncertainty nonetheless requires a cautious approach, including in the preparation of economic forecasts. Indeed, it cannot be ruled out that, following an intensification of the conflict, certain logistical difficulties and a generally critical market scenario may arise. Any further deterioration of the situation could also affect future growth prospects, impacting the general economy and financial markets.

Aside from the above, no other significant events have occurred subsequent to the end of the financial year.

Outlook

For 2026, while continuing to closely monitor persistent geopolitical uncertainties and their potential impact on the macroeconomic scenario, the Group expects revenue growth in line with the medium-term plan and a solid adjusted EBITDA.

Treviso, 13 March 2026

For the Board of Directors

Chairman and Chief Executive Officer

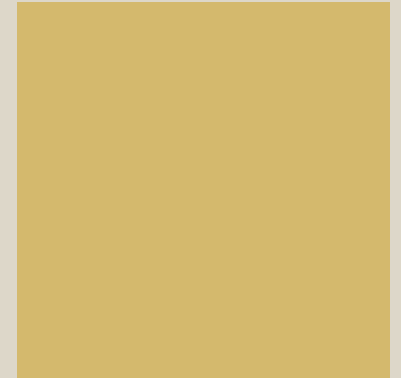
Fabio de' Longhi

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GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS

Consolidated Financial statements:

- Consolidated income statement
- Consolidated statement of comprehensive income
- Consolidated statement of financial position
- Consolidated statement of cash flows
- Consolidated statement of changes in net equity



Consolidated income statement

(€/000)	Notes	2025	of which operative non-recurring	2024	of which operative non-recurring
Revenue from sales	1	3,744,642		3,445,635	
Other revenues	1	56,816		51,920	
Total consolidated revenues		3,801,458		3,497,555	
Raw and ancillary materials, consumables and goods	2	(1,546,191)		(1,515,164)	
Change in inventories of finished products and work in progress	3	4,594		83,484	
Change in inventories of raw and ancillary materials, consumables and goods	3	2,055		(11,342)	
Materials consumed		(1,539,542)		(1,443,022)	
Payroll costs	4-8	(539,538)	(5,570)	(484,707)	(1,630)
Services and other operating expenses	5-8-15	(1,104,072)	(53)	(996,252)	(1,721)
Provisions	6-8	(29,116)	3,986	(25,151)	2,961
Amortization	7-15	(131,045)		(117,622)	
EBIT		458,145	(1,637)	430,801	(390)
Net financial income (expenses)	9-15	(8,139)		(1,427)	
PROFIT (LOSS) BEFORE TAXES		450,006		429,374	
Taxes	10	(108,586)		(104,424)	
CONSOLIDATED PROFIT (LOSS)		341,420		324,950	
Profit (loss) pertaining to minority	30	25,095		14,213	
CONSOLIDATED PROFIT (LOSS) AFTER TAXES		316,325		310,737	
EARNINGS PER SHARE (in Euro)	31				
- basic		€ 2.11		€ 2.06	
- diluted		€ 2.11		€ 2.05	

Appendix 3 reports the effect of related party transactions on the income statement, as required by CONSOB Resolution 15519 of 27 July 2006.

Consolidated statement of comprehensive income

(€/000)	2025	2024
Consolidated profit (loss)	341,420	324,950
Other components of the comprehensive income:		
- Change in fair value of cash flow hedges	(4,911)	5,408
- Tax effect on change in fair value of cash flow hedges	955	(1,018)
- Differences from translating foreign companies' financial statements into Euro	(138,280)	59,006
Total other comprehensive income will subsequently be reclassified to profit (loss) for the year	(142,236)	63,396
- Actuarial valuation funds	4,620	(661)
- Tax effect of actuarial valuation funds	(1,012)	33
Total other comprehensive income will not subsequently be reclassified to profit (loss) for the year	3,608	(628)
Total components of comprehensive income	(138,628)	62,768
Total comprehensive income	202,792	387,718
Total comprehensive income attributable to:		
Group	182,869	371,148
Minority interest	19,923	16,570

Consolidated statement of financial position - assets

ASSETS (€/000)	Notes	31.12.2025	31.12.2024
NON-CURRENT ASSETS			
INTANGIBLE ASSETS		1,223,798	1,323,326
- Goodwill	11	636,623	694,208
- Other intangible assets	12	587,175	629,118
PROPERTY, PLANT AND EQUIPMENT		523,070	560,606
- Land, property, plant and machinery	13	314,614	300,339
- Other tangible assets	14	116,526	152,312
- Right of use assets	15	91,930	107,955
EQUITY INVESTMENTS AND OTHER FINANCIAL ASSETS		70,964	142,198
- Equity investments	16	5,622	5,223
- Receivables	17	4,999	5,721
- Other non-current financial assets	18	60,343	131,254
DEFERRED TAX ASSETS	19	83,601	74,177
TOTAL NON-CURRENT ASSETS		1,901,433	2,100,307
CURRENT ASSETS			
INVENTORIES	20	605,950	621,850
TRADE RECEIVABLES	21	351,569	336,145
CURRENT TAX ASSETS	22	9,011	11,341
OTHER RECEIVABLES	23	49,302	52,659
CURRENT FINANCIAL RECEIVABLES AND ASSETS	24-15	244,795	194,113
CASH AND CASH EQUIVALENTS	25	998,448	1,019,711
TOTAL CURRENT ASSETS		2,259,075	2,235,819
TOTAL ASSETS		4,160,508	4,336,126

Appendix 3 reports the effect of related party transactions on the balance sheet, as required by CONSOB Resolution 15519 of 27 July 2006.

Consolidated statement of financial position - net equity and liabilities

NET EQUITY AND LIABILITIES (€/000)	Notes	31.12.2025	31.12.2024
NET EQUITY			
GROUP PORTION OF NET EQUITY		2,026,451	2,076,741
- Share Capital	28	226,942	226,820
- Reserves	29	1,483,184	1,539,184
- Profit (loss) pertaining to the Group		316,325	310,737
MINORITY INTEREST	30	197,801	187,652
TOTAL NET EQUITY		2,224,252	2,264,393
NON-CURRENT LIABILITIES			
FINANCIAL PAYABLES		430,559	505,771
- Banks loans and borrowings (long-term portion)	32	191,166	227,988
- Other financial payables (long-term portion)	33	171,762	193,581
- Lease liabilities (long-term portion)	15	67,631	84,202
DEFERRED TAX LIABILITIES	19	98,260	112,758
NON-CURRENT PROVISIONS FOR CONTINGENCIES AND OTHER CHARGES		139,200	138,196
- Employee benefits	34	59,642	63,197
- Other provisions	35	79,558	74,999
TOTAL NON-CURRENT LIABILITIES		668,019	756,725
CURRENT LIABILITIES			
TRADE PAYABLES	36	856,693	873,139
FINANCIAL PAYABLES		103,034	196,072
- Banks loans and borrowings (short-term portion)	32	35,877	94,246
- Other financial payables (short-term portion)	33	40,418	75,617
- Lease liabilities (short-term portion)	15	26,739	26,209
CURRENT TAX LIABILITIES	37	90,148	75,821
OTHER PAYABLES	38	218,362	169,976
TOTAL CURRENT LIABILITIES		1,268,237	1,315,008
TOTAL NET EQUITY AND LIABILITIES		4,160,508	4,336,126

Appendix 3 reports the effect of related party transactions on the balance sheet, as required by CONSOB Resolution 15519 of 27 July 2006.

Consolidated statement of cash flow

(€/000)	Notes	2025	2024
Net Result		341,420	324,950
Income taxes for the period		108,586	104,424
Amortization		131,045	117,622
Net change in provisions and other non-cash items		47,661	(4,389)
Cash flow generated by current operations (A)		628,712	542,607
Change in assets and liabilities for the period:			
Trade receivables		(24,427)	(39,908)
Inventories		(10,771)	(59,442)
Trade payables		29,256	115,363
Other changes in net working capital		38,581	26,965
Payment of income taxes		(117,186)	(99,203)
Cash flow absorbed by movements in working capital (B)		(84,547)	(56,225)
Cash flow generated by current operations and movements in working capital (A+B)		544,165	486,382
Investment activities:			
Investments in intangible assets		(30,111)	(17,841)
Other cash flows for intangible assets		-	-
Investments in property, plant and equipment		(59,044)	(85,637)
Other cash flows for property, plant and equipment		2,493	1,570
Net investments in financial assets and in minority interest		295	(19,125)
Cash flow absorbed by ordinary investment activities (C)		(86,367)	(121,033)
Cash flow by operating activities (A+B+C)		457,798	365,349
Business combination La Marzocco (D)		-	(302,250)
Exercise of stock option		5,028	12,712
Purchase of treasury shares		(60,586)	-
Dividends paid		(186,482)	(101,017)
Dividends paid to minority interests		(9,806)	(5,774)
New loans		-	569
Payment of interests on loans		(11,748)	(24,519)
Repayment of loans and other net changes in sources of finance		(199,770)	(181,210)
Other changes with minority interests		32	-
Cash flow absorbed by changes in net equity and by financing activities (E)		(463,332)	(299,239)
Cash flow for the period (A+B+C+D+E)		(5,534)	(236,140)
Opening cash and cash equivalents	25	1,019,711	1,250,198
Cash flow for the period (A+B+C+D+E)		(5,534)	(236,140)
Translation difference effect on cash and cash equivalents		(15,729)	5,653
Closing cash and cash equivalents	25	998,448	1,019,711

Appendix 2 reports the statement of cash flows in terms of net financial position.

"Business combination La Marzocco (D)", related to year 2024, refers to the purchase price paid for the business combination net of acquired cash and cash equivalent.

Consolidated statement of changes in net equity

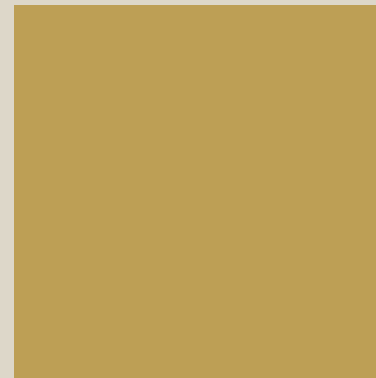
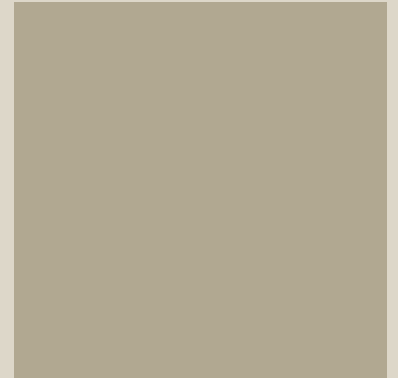
(€/000)	Share capital	Share premium reserve	Legal reserve	Extraordinary reserve	Treasury shares reserves	Fair value and cash flow hedge reserves	Stock option reserve	Currency translation reserve	Profit (loss) carried forward	Profit (loss) pertaining to group	Group portion of net equity	Minority interest	Total net equity
Balance at 31 December 2023	226,590	40,078	45,318	201,413	(9,658)	259	5,695	40,867	1,010,200	250,377	1,811,139	-	1,811,139
Allocation of 2023 result as per AGM resolution of 19 April 2024													
- distribution of dividends				(64,439)					(36,578)		(101,017)		(101,017)
- allocation to reserves									250,377	(250,377)	-		-
Fair value stock option							5,984				5,984		5,984
Exercise of stock option	230	6,722			9,658		(3,898)				12,712		12,712
Dividend distribution to minority interests											-	(7,650)	(7,650)
Other changes in minority interests									(23,225)		(23,225)	178,732	155,507
Movements from transactions with shareholders	230	6,722	-	(64,439)	9,658	-	2,086	-	190,574	(250,377)	(105,546)	171,082	65,536
Profit (loss) after taxes										310,737	310,737	14,213	324,950
Other components of comprehensive income						4,390		56,211	(190)		60,411	2,357	62,768
Comprehensive income (loss)	-	-	-	-	-	4,390	-	56,211	(190)	310,737	371,148	16,570	387,718
Balance at 31 December 2024	226,820	46,800	45,318	136,974	-	4,649	7,781	97,078	1,200,584	310,737	2,076,741	187,652	2,264,393
Balance at 31 December 2024	226,820	46,800	45,318	136,974	-	4,649	7,781	97,078	1,200,584	310,737	2,076,741	187,652	2,264,393
Allocation of 2022 result as per AGM resolution of 30 April 2025													
- distribution of dividends				(71,094)					(115,621)		(186,715)		(186,715)
- allocation to reserves			70						310,667	(310,737)	-		-
Fair value stock option							9,114				9,114		9,114
Treasury shares purchase					(60,586)						(60,586)		(60,586)
Exercise of stock option	122	(33)			6,555		(1,616)				5,028		5,028
Dividend distribution to minority interests											-	(9,806)	(9,806)
Other changes in minority interests											-	32	32
Movements from transactions with shareholders	122	(33)	70	(71,094)	(54,031)	-	7,498	-	195,046	(310,737)	(233,159)	(9,774)	(242,933)
Profit (loss) after taxes										316,325	316,325	25,095	341,420
Other components of comprehensive income						(3,966)		(132,255)	2,765		(133,456)	(5,172)	(138,628)
Comprehensive income (loss)	-	-	-	-	-	(3,966)	-	(132,255)	2,765	316,325	182,869	19,923	202,792
Balance at 31 December 2025	226,942	46,767	45,388	65,880	(54,031)	683	15,279	(35,177)	1,398,395	316,325	2,026,451	197,801	2,224,252

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GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS

Explanatory notes



Explanatory notes

Group business

This document represents the consolidated financial statements of the De' Longhi Group.

The parent company De' Longhi S.p.A. is a jointstock company, incorporated in Italy, whose shares are listed on the Italian stock exchange (Euronext Milan) run by Borsa Italiana.

The registered office is located in Treviso (Italy) in via Lodovico Seitz, 47.

The Group operates in Europe, America, Asia Pacific and MEIA.

The Group is active in the production and distribution of domestic and professional coffee machines, small appliances for food preparation and cooking, domestic cleaning and ironing, air conditioning and portable heaters.

The companies included in the scope of consolidation are listed in Appendix 1 to the Explanatory notes.

Accounting standards

The De'Longhi Group's consolidated financial statements at 31 December 2025 have been prepared on the basis of the international accounting and financial reporting standards issued by the International Accounting Standards Board (IASB), including the SIC and IFRIC interpretations, as endorsed by the European Commission (at the date of 31 December 2025), pursuant to EC Regulation 1606 of 19 July 2002.

The following documents have been used for interpretation and application purposes even though not endorsed by the European Commission:

- Framework for the Preparation and Presentation of Financial Statements of the International Accounting Standards Board (issued by the IASB in 2001);

- Implementation Guidance, Basis for Conclusions, IFRIC and other documents issued by the IASB or IFRIC to complement the accounting standards;
- Interpretations published by the Italian Accounting Board relating to how to apply IAS/IFRS in Italy.

The accounting policies and measurement bases used for preparing the financial statements at 31 December 2025 are the same as those used for preparing the consolidated financial statements at 31 December 2024, except for certain new amendments and accounting standards described below, whose adoption did not have significant impacts on the present financial statement.

The consolidated financial statements at 31 December 2025 comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of cash flows, the statement of changes in net equity and the explanatory notes.

The statement of financial position has been prepared on a basis that distinguishes between current and non-current items.

The income statement has been presented on the basis of the nature of expense, being a suitable structure for faithfully representing the Group's performance.

The statement of cash flows has been prepared using the "indirect method" allowed by IAS 7.

The present financial statements and notes are presented in Euro, with all amounts rounded to thousands of Euro, unless otherwise indicated.

The financial statements used for consolidation purposes are the separate ones for the year ended 31 December 2025 prepared by the Boards of Directors, or other Corporate bodies, of the individual companies, adjusted if necessary for the Group's accounting policies and measurement bases.

The financial statements have been prepared on the historical

cost basis, adjusted as required for the valuation of certain financial instruments.

They have also been prepared on a going concern basis. Despite the unpredictability of potential macroeconomical impacts, the Group, in light of its financial strength and the actions taken to limit risks and its business model, believes that there are no elements which could compromise the business as a going concern as per paragraph 25 of IAS 1.

The risks and uncertainties relating to the business are described in a specific section of the Report on operations.

The methods used by the Group to manage financial risks are described in note 42. Risk management of the present Explanatory notes.

As part of a double materiality analysis, the Group identified the impact on climate change of the GHG emissions generated by their direct and indirect activities as significant, as well as the related risks and financial opportunities, found as a result of a qualitative analysis. In a subsequent phase other analyses were then conducted in order to integrate the current qualitative approach with methods based on publicly available climatic scenarios. For further information, refer to the Sustainability Report found in the Report on Operations within this document.

The present annual financial report have been issued in the ESEF format (European Single Electronic Format); it was approved and authorized for publication by the Board of Directors on 13 March 2026.



International accounting standards adopted by the group for the first time

In August 2023 IASB published Amendments to *IAS 21 - Lack of exchangeability*, which have been adopted by the European Union with Regulation 2862/2024 of 12 November 2024, that contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. These amendments, effective for annual periods beginning on or after 1 January 2025, did not have any significant impacts on De'Longhi Group's results.

International accounting standards and/or interpretations not yet applicable

As of the date of the present financial statement, there are not yet applicable new principles and/or amendments to existing principles already published by the IASB.

The Group does not intend to opt for early application of the new standards, in the event it is allowed.

The main changes effective for reporting periods beginning on or after 1 January 2026 are described below.

In May 2024 the IASB published Amendments to *IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments*. The document aims to clarify the criteria

for the recognition/derecognition of financial assets and liabilities and provides specific guidelines for the settling of financial liabilities using an electronic payments system. Classification criteria for financial assets linked to ESG targets, non-recourse loans and related financial instruments were also defined. Furthermore, disclosure requirements for equity instruments measured at fair value through other comprehensive income and for financial instruments with contingent features were also extended.

In July 2024, the IASB published *Annual Improvements to IFRS Accounting Standards - Volume 11* as part of its regular improvement process, with the objective of streamlining and clarifying existing standards. The annual improvements make minor amendments to *IFRS 1 - First-time Adoption of International Financial Reporting Standards*, *IFRS 7 - Financial Instruments: Disclosures*, *IFRS 9 - Financial Instruments*, *IFRS 10 - Consolidated Financial Statements*, and *IAS 7 - Statement of Cash Flows*. The amendments are adopted by the European Union with Regulation 1331/2025 of July 9, 2025.

In December 2024, the IASB, through the document *Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)*, further amended *IFRS 9 - Financial Instruments* and *IFRS 7 - Financial Instruments: Disclosures* to improve the reporting of the financial effects of contracts for the purchase and delivery of electricity generated from renewable sources (Power Purchase Agreements). Given that the amount of

electricity generated under these contracts can vary due to uncontrollable weather-related factors, the current accounting requirements may not adequately represent how such agreements affect the company's performance. In response, the IASB has introduced the option to apply the own-use exception to certain contracts and has simplified the application of hedge accounting through new provisions that allow for the designation of a variable nominal volume of electricity as a hedged item.

The main changes effective for reporting periods beginning on or after 1 January 2027 are described below.

In April 2024, the IASB issued the new *IFRS 18 - Presentation and Disclosure in Financial Statements*, which defines the requirements for the presentation of the income statement, the statement of financial position and the statement of changes in net equity, as well as the mandatory disclosures for the explanatory notes. The standard aims to improve the comparability of the income statement by defining its structure through the identification of categories and subtotals, to increase the transparency of the performance indicators, and to establish criteria for the aggregation/disaggregation of the information.

In May 2024, the IASB published the new accounting standard *IFRS 19 - Subsidiaries without Public Accountability: Disclosures*, which introduces reduced disclosure requirements for the financial statements of eligible subsidiary companies.

Finally, in November 2025, the IASB published amendments to the IAS 21 - *The Effects of Changes in Foreign Exchange Rates* with the aim to clarify the translation of financial statements from non-hyperinflationary into a hyperinflationary currency.

Consolidation procedures

The scope of consolidation includes the parent company, De' Longhi S.p.A., and its subsidiaries at 31 December 2025, meaning those companies in which the parent directly or indirectly owns the majority of share capital or shares with voting rights, or over which the parent has the power, including through contractual agreements, to govern their financial and operating policies.

Subsidiaries companies

These are companies over which the Group exercises control. Such control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. The financial statements of subsidiaries are consolidated starting from the date that control is assumed with the line-by-line method.

The portion of equity and results attributable to minority shareholders is shown separately in the consolidated statement of financial position and income statement respectively.

The Group determines whether a transaction is a business combination by applying the definition which requires that the assets acquired and liabilities assumed constitute a business. A business is an integrated set of activities and assets that can provide a return to investors in the form of dividends, interests or other economic benefits. A business activity includes factors and processes, which together contribute to the generation of an output. In accordance with IFRS 3, business combinations are accounted for using the acquisition method.

Under this method, the consideration transferred for the acquisition is measured at fair value, except for the following items which are measured in accordance with the applicable standard: i) deferred tax assets and liabilities, ii) assets and liabilities for employee benefits and iii) assets held for sale. In the case in which it is only possible to estimate provisionally the fair value of assets, liabilities and potential liabilities, the business combination is accounted for on the basis of provisional estimated values. Any subsequent corrections required following completion of the valuation process are accounted for within 12 months of the acquisition date.

The fair value measurement includes any elements linked to the outcome of future events. In the event of business combinations achieved in stages, the value of the minority interest is redetermined based on the fair value of the assets acquired at the time of the transaction and any gains or losses are recognized in the profit (loss) for the year.

The acquisition of further shares in subsidiaries and any sale of shares which do not lead to loss of control are accounted for as transactions between shareholders; as such, the accounting effects of such operations are reflected directly in the Group equity.

Associated companies

These are companies in which the Group has a significant influence over their financial and operating policies and which are neither subsidiaries nor joint ventures. The consolidated financial statements show the Group's portion of results of the associated companies, accounted for using the equity method, starting from the date when the significant influence began.

Joint ventures

These are companies over whose activities the Group has joint control, as established by contract. The consolidated financial statements include the Group's share of the results of joint ventures, reported using the equity method as per IAS 28 - *Investment in associates and joint ventures* amended.

Transactions eliminated upon consolidation

All transactions and balances between Group companies and all unrealized gains and losses arising on intercompany transactions are eliminated on consolidation.

Consolidation of foreign companies

All the assets and liabilities of foreign companies that report in a currency other than the Euro and which fall within the scope of consolidation are translated into Euro using the exchange rate ruling at the end of the reporting period (current exchange rate method). Income and costs are translated using average rates for the reporting period. The exchange differences arising from this method are booked directly to the "currency translation reserve" under consolidated net equity.

Transactions in foreign currency

Transactions in foreign currency are recorded at the exchange rate in force on the transaction date. Monetary assets and liabilities in foreign currency are translated using the exchange rate ruling on the reporting date. Exchange differences arising on the extinguishment of monetary items or their translation at different rates to those used for their translation upon initial recognition or in previous financial statements are recorded in the income statement.

Exchange differences arising on monetary items that are effectively part of the Group's net investment in foreign operations are classified in net equity until the investment's disposal, at which time such differences are recognized in the income statement as income or expenses.

Translation of balances in foreign currencies

The following exchange rates have been used:

		31.12.2025		31.12.2024		% Change	
		Period-end exchange rate (*)	Average exchange rate (*)	Period-end exchange rate (*)	Average exchange rate (*)	Period-end exchange rate (*)	Average exchange rate (*)
Australian dollar	AUD	1.7581	1.7518	1.6772	1.6397	4.82%	6.84%
Brazilian real	BRL	6.4364	6.3072	6.4253	5.8283	0.17%	8.22%
Canadian dollar	CAD	1.6088	1.5787	1.4948	1.4821	7.63%	6.52%
Swiss franc	CHF	0.9314	0.9370	0.9412	0.9526	(1.04%)	(1.64%)
Chilean peso	CLP	1,058.1300	1,074.6100	1,033.7600	1,020.6600	2.36%	5.29%
Chinese renminbi (Yuan)	CNY	8.2262	8.1185	7.5833	7.7875	8.48%	4.25%
Czech koruna	CZK	24.2370	24.6879	25.1850	25.1198	(3.76%)	(1.72%)
British pound	GBP	0.8726	0.8568	0.8292	0.8466	5.24%	1.20%
Hong Kong dollar	HKD	9.1464	8.8104	8.0686	8.4454	13.36%	4.32%
Hungarian forint	HUF	385.1500	397.7675	411.3500	395.3039	(6.37%)	0.62%
Japanese yen	JPY	184.0900	169.0435	163.0600	163.8519	12.90%	3.17%
South Korean won	KRW	1,696.9400	1,605.4500	1,532.1500	1,475.4000	10.76%	8.81%
Tenge Kazakhstan	KZT	592.3300	589.5300	544.9800	507.9100	8.69%	16.07%
Mexican peso	MXN	21.1180	21.6705	21.5504	19.8314	(2.01%)	9.27%
Malaysian ringgit	MYR	4.7682	4.8339	4.6454	4.9503	2.64%	(2.35%)
New Zealand dollar	NZD	2.0380	1.9422	1.8532	1.7880	9.97%	8.62%
Polish zloty	PLN	4.2210	4.2397	4.2750	4.3058	(1.26%)	(1.54%)
Romanian leu	RON	5.0968	5.0424	4.9743	4.9746	2.46%	1.36%
Russian rouble	RUB	92.0938	94.2724	106.1028	100.2028	(13.20%)	(5.92%)
Swedish krona	SEK	10.8215	11.0663	11.4590	11.4325	(5.56%)	(3.20%)
Singapore dollar	SGD	1.5105	1.4756	1.4164	1.4458	6.64%	2.06%
Baht	THB	37.2180	37.1160	35.6760	38.1810	4.32%	(2.79%)
Turkish lira	TRY	50.4838	44.8161	36.7372	35.5734	37.42%	25.98%
Ukrainian hryvnia	UAH	49.7947	47.1098	43.6855	43.4901	13.98%	8.32%
US dollar	USD	1.1750	1.1300	1.0389	1.0824	13.10%	4.40%
South African rand	ZAR	19.4439	20.1789	19.6188	19.8297	(0.89%)	1.76%

(*) Source: Bank of Italy. Source for RUB period-end and average exchange rate of year 2025 and 2024: Central Bank of Russia.

Main accounting policies

Intangible assets

Goodwill

Business combinations, whereby control of a company/entity is acquired, are accounted for in accordance with the purchase method, meaning that the assets and liabilities acquired are initially measured at their market value on the acquisition date.

The difference between the cost of acquisition and the Group's share of net assets acquired is attributed to specific assets and liabilities to the extent of their acquisition date fair value; any remaining difference is allocated to goodwill, if positive, and to the income statement if negative. The cost of acquisition is determined on the basis of the acquisition date fair value of the assets transferred, the liabilities assumed, the equity instruments issued and any other related amount.

Goodwill is not amortized but tested for impairment once a year or more often if specific events or changed circumstances indicate that its value may have been impaired. This procedure is in accordance with IAS 36 - Impairment of assets. After initial recognition, goodwill is carried at cost less any accumulated impairment losses.

Research and development costs

Developments costs for the production of new products or parts are recognized as assets only if the costs can be reliably determined, the Group has the intention and resources to complete them, the technical feasibility of completing them is such that they will be available for use, and the expected volumes and prices indicate that the costs incurred for development will generate future economic benefits.

Capitalized development costs include only those expenses that can be directly attributed to the development process.

Capitalized development costs are amortized on a systematic basis, starting from the commencement of production and lasting the length of the product or process's estimated life,

generally ranging between three and five years. All other development costs are expensed to the income statement as incurred.

Research costs are also expensed to the income statement as incurred.

Trademarks

These are costs of long-term benefit incurred for the protection and dissemination of the Group's trademarks. Such costs are recognized as an asset when, in accordance with IAS 38 - Intangible assets, it is probable that the future economic benefits attributable to the asset's use will flow to the Group and when its cost can be reliably measured.

These assets are valued at purchase or production cost and amortized, if they have a finite life, on a straight-line basis over their estimated useful life, generally between 10 and 20 years.

Trademarks with an indefinite useful life are not amortized but tested for impairment once a year or more often, any time there are signs that their value might be impaired.

Other intangible assets

Other intangible assets purchased or internally generated are recognized as assets in accordance with IAS 38 - Intangible assets, when it is probable that the future economic benefits attributable to their use will flow to the Group and when the cost of the asset can be reliably measured.

These assets are valued at purchase or production cost and amortized, if they have a finite life, on a straight-line basis over their estimated useful life, generally between 3 and 20 years.

Property, plant and equipment

Land, property, plant and machinery

Buildings, plant and equipment owned by the Group are recorded at purchase or production cost and systematically depreciated over their residual useful lives. The land pertaining to buildings is not depreciated. The cost of assets qualifying for capitalization also includes the borrowing costs directly



attributable to the acquisition, construction or production of the asset itself. Subsequent expenditure is capitalized only if it increases the future economic benefits flowing to the enterprise. Ordinary and/or routine maintenance and repair costs are directly expensed to the income statement when incurred. Costs relating to the expansion, modernization or improvement of owned or leased assets are capitalized to the extent that they qualify for separate classification as an asset or part of an asset under the component approach, whereby every component whose useful life and related value can be autonomously assessed must be treated individually.

All other costs are expensed to profit and loss as incurred.

The useful lives, estimated by the Group for its various categories of property, plant and equipment, are as follows:

Industrial buildings	10 – 33 years
Plant and machinery	5 – 18 years
Industrial and commercial equipment	3 – 10 years
Other	3 – 10 years

Right-of-use assets

In accordance with IFRS 16 the right-of-use asset is valued as the present value of future payments (discounted at the interest rate implicit in the lease, if easily determined, or alternatively, at the incremental borrowing rate, namely the interest rate that the lessee must pay over the term of the loan and similar guarantees), the initial costs incurred directly by the lessee, any advance lease payments made and the estimate of the costs for elimination, removal and restoration. The asset value is systematically depreciated.

Impairment of non-financial assets

The Group tests, at least once a year, whether the book value of intangible assets and property, plant and equipment reported in the financial statements has suffered any impairment loss. If there is evidence of impairment, book value is written down to the related recoverable amount.

If it is not possible to estimate the recoverable amount of an individual asset, the Group assesses whether the cash-generating unit to which it belongs is impaired.

In the case of goodwill and other intangible assets with indefinite useful lives, the impairment test must be carried out at least once a year, and whenever there is an indication that an intangible asset may be impaired.

Inventories

Inventories of raw materials, semi-finished and finished products are valued at the lower of cost and market value. Cost is determined using the weighted average cost method. The valuation of inventories includes the direct cost of materials and labour as well as indirect (variable and fixed) costs.

Allowances for obsolete and slow-moving goods are calculated for materials and finished products, taking account of their future expected use and net realizable value which corresponds to the estimated selling price in the ordinary course of business net the estimated costs of completion and the estimated costs necessary to make the sale.

Financial instruments

Financial assets

Upon initial recognition, financial assets are classified based on the measurement methods used in one of the three categories found in IFRS 9. The classification depends on the nature of the contractual cash flows and the business model the company uses to manage them.

The business model refers to the way in which the cash flows are generated which can be from the collection of contractual cash flows, the sale of assets or both.

A financial asset is classified among the assets valued at amortized cost if held as part of a business model where the objective is collecting contractual cash flows represented solely by payments to be made on certain dates, principal and interest. The valuation is made based on the effective interest rate.

A financial asset is classified among the assets valued at fair value with changes passing through the comprehensive income statement if held as part of a business model where the objective is collecting contractual cash flows and selling the assets and the cash flows contemplated under the contract refer solely to payments of principal and interest made on predetermined dates. For the assets included in this category, the interest receivable, the foreign exchange differences and losses in value are recognized in the income statement for the reporting period; other changes in fair value are recognized in the comprehensive income statement. Upon elimination, the cumulative change in fair value recognized as other comprehensive income is released to the income statement.

During the initial recognition phase, equity instruments may be included in the category of assets measured at fair value with changes recognized in the comprehensive income statement.

The category of assets valued at fair value with changes recognized in the income statement include assets held for trading, namely acquired to be sold in the short-term, and the assets designated as such. Upon initial recognition, equity instruments not held for trading may be included in the category of financial instruments measured at fair value with changes recognized in the comprehensive income statement. This choice may be made for each asset and is irrevocable.

The trade receivables without a significant financing component are valued at the transaction price determined in accordance with IFRS 15.

Financial liabilities

Financial liabilities refer mainly to loans valued at amortized cost based on the effective interest rate.

Financial liabilities are derecognized when the underlying obligation is extinguished, cancelled or fulfilled.

Trade payables are recognized initially at present value and re-determined using the amortized cost method. Trade and other payables are reported as current liabilities unless payment is expected to be made more than twelve months after the reporting date.



Lease liabilities

Lease liabilities equal the present value of the payments payable and not yet paid at the date of the financial statements discounted at the interest rate implicit in the lease, if easily determined, or alternatively, at the incremental borrowing rate which is the rate that the lessee would pay on a loan with a similar duration and conditions. In the event the lease term, purchase options, the residual value guaranteed, or variable payments based on indices or rates, are redetermined, the lease liability is remeasured.

Derivatives

Derivatives are used solely for hedging purposes, in order to reduce exposures to currency and interest rate risk. As allowed by IFRS9, derivatives may qualify for special hedge accounting only when, at the inception of the hedge, the following conditions are satisfied:

- there is a formal designation that the instrument is a hedging one;
- there is formal documentation of the hedging relationship, which is expected to be highly effective;
- the effectiveness of the hedge can be reliably measured;
- the hedge is highly effective throughout the different financial reporting periods for which it was designated.

In accordance with IFRS 9, all derivatives are measured at fair value determined based on the present value of the difference between the contractual forward exchange rate and the market forward exchange rate at the date of the financial report.

If financial instruments qualify for hedge accounting, the following treatment applies:

Fair value hedge - If a derivative instrument is designated as a hedge of the exposure to changes in the fair value of a recognized asset or liability that is attributable to a particular risk that will affect profit or loss, the gain or loss from remeasuring the hedging instrument at fair value should be recognized in the income statement. The gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and is recognized in the income statement.

Cash flow hedge - If a derivative instrument is designated as a hedge of the exposure to variability in cash flows attributable to a highly probable forecasted transaction which could affect profit or loss, the effective portion of the gains or losses on the hedging instrument is recognized directly in the statement of comprehensive income. The effective portion of the cumulative gains or losses is reversed from net equity and reclassified to profit or loss in the same period in which the hedged transaction is reported in the income statement. Gains or losses associated with a hedge or part thereof that has become ineffective are reclassified to the income statement. If a hedging instrument or hedging relationship is terminated, but the transaction being hedged has not yet occurred, the cumulative gains and losses, recorded up until then in the statement of comprehensive income, are reported in the income statement at the same time that the hedged transaction occurs. If the hedged transaction is no longer expected to occur, the unrealized gains or losses reported directly in net equity are immediately reclassified to the income statement. If hedge accounting cannot be applied, the gains or losses arising from the fair value measurement of the derivatives are transferred immediately to the income statement.

Net investment hedge - Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognized in the statement of comprehensive income, while any gains or losses relating to the ineffective portion are recognized in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to the statement of profit or loss.

Factoring of trade receivables

The Group factors some of its trade receivables. Trade receivables factored without recourse, resulting in the substantial transfer of the related risks and rewards, are derecognized from the financial statements at the time of their transfer. Receivables whose factoring does not result in the substantial transfer of the related risks and rewards, are retained in the statement of financial position.

The Group has entered an agreement for the factoring of trade receivables, involving the revolving monthly transfer of a portfolio of trade receivables without recourse.

The receivables are assigned without recourse to a bank, which then transfers them to a special purpose entity which finances the purchase of the receivables by issuing asset-backed securities; the repayment of these securities, placed on the market and all subscribed by institutional investors, as well as the related interest, depends on the cash flow generated by the portfolio of securitized receivables.

The Group subscribes a limited quantity of securities without, however, prejudice to the requirements for the derecognition of the receivables. Receivables are sold at their face value, less a discount that reflects credit risk and the transaction's financial costs. The Group acts as servicer for the special purpose entity. The contractual terms of this operation involve the substantial transfer of the risks and rewards relating to the securitized receivables and their consequent derecognition from the financial statements.

Employee benefits

Pension and other incentive plans

Net obligations relating to employee benefit plans, chiefly the provision for severance indemnities (for the portion retained in Group companies) and pension funds, are recorded at the expected future value of the benefits that will be received and which have accrued at the reporting date. The Group's obligation to finance defined benefit pension funds and the annual cost reported in the income statement are determined by independent actuaries using the projected unit credit method.

Equity based compensation

The Group grants additional benefits to a limited number of executives and key resources under the form of stock options and performance share plans. Based on IFRS 2 Share-based payment, the current value of the stock option determined on the grant date is recognized on a straight-line basis in the income statement as a payroll cost in the period between the grant date and the date on which the rights granted to employees, executives and others who routinely provide services to one or more Group companies parties fully vest, with a corresponding increase in equity.

At each reporting date the Group will revise estimates based on the number of options that are expected to vest, independent of the fair value of the shares. Any differences with respect to the original estimates will be recognized in the consolidated income statement with a corresponding increase in equity.

Once the stock option is exercised, the amounts received by the employee, net of transactions costs, will be credited to the Treasury stock reserve at the average price of the stocks on hand or, if the treasury stocks are not available, added to the share capital in the amount of the nominal value of the shares issued. The remainder will be recognized in the share premium reserve.

The fair value of the stock options is determined using the Black-Scholes model which takes into account the conditions for the exercise of the right, the current share price, expected volatility, a risk free interest rate, as well as the non-vesting conditions.

The fair value of the stock options is included within the Stock option Reserve.

The dilutive effect of unexercised options will be reflected in the calculation of the diluted earnings per share.

Provisions for contingencies and other charges

The Group recognizes provisions for contingencies and charges when (i) it has a present obligation (legal or constructive) to third parties (ii) it is probable that the Group will need to employ resources to settle the obligation and (iii) a reliable estimate can be made of the amount of the obligation. Changes in these estimates are reflected in the income statement in the period in which they occur (also see the comments in the paragraph on "Estimates and assumptions").

Where the effect of the time value of money is material and the date of extinguishing the liability can be reasonably estimated, provisions are stated at the present value of the expected expenditure, using a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability. An increase in the amount of the provision for the time value of money is accounted for in interest expense. Contingencies for which the probability of a liability is not probable but neither remote are disclosed in the notes but no provision is recognized.

Recognition of revenues

The item “Revenues” includes the consideration received for goods sold to customers and services rendered.

Revenues represent the consideration owed in exchange for the transfer of goods and/or services to the customer, excluding amounts received on behalf of third parties. The Group recognizes the revenue when contractual obligations are fulfilled, namely when control of the good or service is transferred to the customer.

Based on the five-step model introduced in IFRS 15, the Group recognizes revenue after the following requirements have been met:

- a) the parties have approved the contract (in writing, orally or in accordance with other common commercial practices) and are committed to fulfilling the respective performance obligations; an agreement between the parties which creates rights and obligations regardless of the form of the agreement has, therefore, been created;
- b) the rights of each of the parties in relation to the goods and services to be transferred can be identified;
- c) the payment terms for the goods or services to be transferred can be identified;
- d) the contract has commercial substance;
- e) it is probable that the Group will receive the consideration to which it is entitled in exchange for the goods or services transferred to the customer.

If the consideration referred to in the contract has a variable component, the Group will estimate the amount of the consideration it will be entitled to in exchange for the goods or services transferred to the customer.

Based on the contractual terms and conditions, the clients may be entitled to return goods; in this instance, at the time of sale a liability is recognized, as well as an adjustment to revenues for the merchandise that could be returned. The Group recognizes the estimated product returns by reducing revenues and deducting their cost from the cost of goods sold. In accordance with IFRS 15, the amount corresponding to the cost of returns is recognized in “Inventories”.

The Group typically provides warranties for the repair of defects existing at the time of the sale, in accordance with the law. These warranties, which are standard warranties on quality, are accounted for in accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets.

“Other revenues” includes the amounts received by the Group in the form of public contributions. These contributions, recognized when it is reasonably certain that the qualifying conditions will be met and the contributions will be received, are included systematically in the net result relative to the years in which the costs that the contributions are intended to compensate are expensed. The public contributions recognized in capital accounts are recognized in the statement of financial position as deferred income.

Costs and expenses

Costs and expenses are accounted for on an accrual basis.

Dividends

Dividend distributions represent a movement in net equity in the period in which they are declared by the shareholders in general meeting.

Dividends received are reported when the Group is entitled to receive the payment.

Income taxes

Income taxes include all the taxes calculated on the Group's taxable income. Income taxes are recorded in the income statement, except for those relating to items directly debited or credited to net equity, in which case the associated tax is recognized directly in other components of comprehensive income.

Deferred taxes are provided on the basis of global provision for the liability. They are calculated on all the temporary differences emerging between the tax base of an asset or liability and their book value in the consolidated financial statements, except for goodwill whose amortization cannot be deducted for tax purposes and those differences arising from investments in subsidiaries which are not expected to reverse in the foreseeable future. Deferred tax assets on the carryforward of unused tax losses and tax credits are recognized to the extent that it is probable that future taxable profit will be available against which these can be recovered. Current and deferred tax assets and liabilities may be offset when the income taxes are charged by the same tax authority and when there is a legal right of setoff. Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realized or the liability settled, based on tax rates and laws applying in the countries where the Group operates.

Deferred taxes on reserves of distributable earnings in subsidiaries are recognized only if it is probable that such reserves will be distributed.

Any uncertainty regarding tax treatments is considered in the tax calculation in accordance with the recommendations of IFRIC 23 Uncertainty over Income Tax Treatments.

Earnings per share

Basic earnings per share are calculated by dividing the earnings for the year payable to the parent company's ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

The diluted earnings per share are calculated by dividing the earnings for the year payable to the parent company's ordinary shareholders by the weighted average number of ordinary shares outstanding during the period and the shares potentially issued following the exercise of assigned stock options.



Estimates and assumptions

These financial statements, prepared in accordance with IFRS, contain estimates and assumptions made by the Group relating to assets and liabilities, costs, revenues and contingent liabilities at the reporting date. These estimates are based on past experience and assumptions considered to be reasonable and realistic, based on the information available at the time of making the estimate.

The assumptions relating to these estimates are periodically reviewed and the related effects reflected in the income statement in the same period: actual results could therefore differ from these estimates.

The following paragraphs discuss the principal assumptions used for estimation purposes and the principal sources of uncertainty, that have a risk of causing material adjustment to the book value of assets and liabilities in the future; details of book value can be found in the individual explanatory notes.

Allowance for doubtful accounts

The allowance for doubtful accounts reflects estimated losses on trade receivables recognized in the financial statements and not covered by insurance. The losses equal the difference between the amounts the Group is entitled to receive based on contracts with customers and the estimated inflows.

Changes in the economic environment could cause the performance of some of the Group's customers to deteriorate, with an impact on the recoverability of the uninsured portion of trade receivables.

Recoverable amount of non-current assets

The Group reviews all its non-financial assets at every reporting date for any evidence of impairment. Goodwill and other intangible assets with an indefinite useful life are tested annually for impairment. The recoverable amount of non-current assets is usually determined with reference to value in use, being the present value of the future cash flows expected from an asset's continuing use. The forecast cash flows are determined based on the information available when estimated based on the opinion of the directors regarding the future performance of certain variables - such as prices and the subsequent revenues, costs, increase in demand, production flows - which are discounted at a risk-adjusted rate. The test also involves selecting a suitable discount rate for calculating the present value of the expected cash flows.

Employee benefits

The cost of defined benefit pension plans is determined using actuarial valuations, based on statistical assumptions regarding discount rates, expected returns on investments, future salary growth and mortality rates.

The Group believes the rates estimated by its actuaries to be reasonable for the year-end valuations, but cannot rule out that large future changes in rates could have a material impact on the liabilities recognized in the financial statements.

Deferred tax assets recoverability

Deferred tax assets include those relating to carryforward tax losses to the extent that there is likely to be sufficient future taxable profit against which such losses can be recovered.

Management must use their discretion when determining the amount of deferred tax assets for recognition in the financial statements. They must estimate the likely timing of reversal and the amount of future taxable profit, as well as the future tax planning strategy.

Provisions for contingencies

The Group makes several provisions against disputes or risks of various kinds relating to different matters falling under the jurisdiction of different countries. The determination, probability and quantification of these liabilities involve estimation processes that are often very complex, for which management uses all the available information at the date of preparing the financial statements, including with the support of legal and tax advisors.

Product warranty provisions

The Group makes provisions for the estimated cost of product warranties. Management establishes the amount of these provisions on the basis of past trends relating to the frequency and average cost of under-warranty repairs and replacement.

Change in the scope of consolidation

During the year 2025, no material changes occurred in the scope of consolidation.

Disclosure by operating segments

Please refer to Note 45. Operating segments.

The report on operations contains comments on the main indicators relating to operating segments.



Comments on the income statement

1. Revenues

In 2025, revenues, including revenues from sales and services and other revenues, amount to €3,801,458 thousand (€3,497,555 thousand in 2024).

Revenues are broken down by geographical area as follows:

	2025	% revenues	2024	% revenues	Change	Change %
Europe	2,349,226	61.8%	2,153,751	61.6%	195,475	9.1%
America	686,984	18.1%	653,982	18.7%	33,002	5.0%
Asia Pacific	539,447	14.2%	486,690	13.9%	52,757	10.8%
MEIA (Middle East/ India/Africa)	225,801	5.9%	203,132	5.8%	22,669	11.2%
Total	3,801,458	100.0%	3,497,555	100.0%	303,903	8.7%

Comments on the most significant changes can be found in the "Markets" section of the report on operations.

"Other revenues" is broken down as follows:

	2025	2024	Change
Freight reimbursement	8,376	6,952	1,424
Government grants and contributions	4,558	5,774	(1,216)
Commercial rights	2,211	2,506	(295)
Damages reimbursed	4,389	1,920	2,469
Other income	37,282	34,768	2,514
Total	56,816	51,920	4,896

With regard to Law n. 124 of 4 August 2017, which regulates transparency in public grants, the item "Government grants and contributions" includes €392 thousand relating to income recognized on an accrual basis for incentives for energy production from grid-connected photovoltaic systems located at Italian plants. The granting entity is Gestore dei Servizi Energetici GSE S.p.A. This item also includes public grants received for the expansion of the production plant in Romania.

The item "Other income" includes income deriving from installation, maintenance, and assistance contracts for Group products, specifically with reference to the Professional division, amounting to €14.326 thousand (€12.789 thousand in 2024).

2. Raw and ancillary materials, consumables and goods

The breakdown is as follows:

	2025	2024	Change
Parts	702,507	689,239	13,268
Finished products	594,918	598,426	(3,508)
Raw materials	224,702	202,392	22,310
Other purchases	24,064	25,107	(1,043)
Total	1,546,191	1,515,164	31,027

3. Change in inventories

The difference between the overall change in inventories reported in the income statement and the change in balances reported in the statement of financial position is mainly due to variation in the consolidation perimeter and differences arising on the translation of foreign subsidiaries financial statements.

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4. Payroll costs

These costs include €176,550 thousand in production-related payroll (€62,170 thousand in 2024).

	2025	2024	Change
Employee wages and salaries	492,462	444,977	47,485
Temporary workers	47,076	39,730	7,346
Total	539,538	484,707	54,831

In 2025, the item includes non-recurring expense of €5,570 thousand (€1,630 thousand in 2024), referring to corporate reorganization.

The figures relating to the cost of employee benefits provided by certain Italian and foreign Group companies are reported in note 34. Employee benefits.

The item includes €30,271 thousand relating to the notional cost (fair value) of the stock option plan 2020-2027 (€9,950 thousand in 2024); please refer to notes 27. Share-based incentive plans and 34. Employee benefits for more information.

The Group average headcount, broken down by category, is summarized as follows:

	2025	2024
Blue collars	6,571	6,798
White collars	3,598	3,557
Managers	384	376
Total	10,553	10,731

5. Services and other operating expenses

These are detailed as follows:

	2025	2024	Change
Promotional expenses	309,086	280,727	28,359
Advertising	168,948	155,114	13,834
Transport (for purchases and sales)	165,926	158,074	7,852
Subcontracted work	46,465	45,633	832
Consulting services	41,449	48,471	(7,022)
Technical support	33,046	29,461	3,585
Storage and warehousing	31,057	29,583	1,474
Rentals and leasing	26,828	20,798	6,030
Commissions	23,014	19,186	3,828
Travel	17,452	16,526	926
Power	14,178	14,721	(543)
Insurance	11,357	12,163	(806)
Maintenance	10,063	7,956	2,107
Directors' emoluments	8,323	5,839	2,484
Other utilities and cleaning fees, security, waste collection	7,009	6,394	615
Product certification and product inspection fees	6,897	7,117	(220)
Postage, telegraph and telephones	5,682	5,575	107
Statutory auditors' emoluments	376	456	(80)
Other sundry services	77,628	67,023	10,605
Total services	1,004,784	930,817	73,967
Sundry taxes	86,190	53,432	32,758
Bad debts	431	99	332
Out-of-period losses	161	38	123
Other	12,506	11,866	640
Total other operating expenses	99,288	65,435	33,853
Total	1,104,072	996,252	107,820

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In 2025, the item includes non-recurring expenses for €53 thousand (€1,721 thousand in 2024) relating to professional services used by the Group in connection with ongoing corporate reorganizations.

It also includes M/Euro 3,980 related to the costs accrued for the period in respect of the stock incentive plans in place (M/Euro 993 as at 31 December 2024); for further details, please refer to Note 27. Stock option plans and Note 34. Employee Benefits.

In 2025 the item "Rentals and leasing" includes €2,988 thousand in commercial rights (€1,803 thousand in 2024).

In addition, it includes operating costs relating to contracts that are not or do not contain a lease (€20,287 thousand, €16,211 thousand in 2024), as well as costs relating to leases of less than twelve months' duration (€1,822 thousand, €1,610 thousand in 2024) or relating to low-value assets (€1,731 thousand, €1,174 thousand in 2024); for further information, please refer to note 15. Leases.

6. Provisions

These include €28,524 thousand in provisions for contingencies and other charges and a net provision for the allowance for doubtful accounts totaling €592 thousand. In 2025 the item includes net non-recurring income for €3,986 thousand primarily relating to the accounting effects of allocations made in connection with business combinations that occurred in previous years (€2,961 thousand in income in 2024). The main changes in this item are discussed in note 35. Other provisions for non-current contingencies and charges.

7. Amortization

The breakdown is as follows:

	2025	2024	Change
Amortization of intangible assets	34,865	27,821	7,044
Depreciation of property, plant and equipment	68,837	63,259	5,578
Depreciation of Right of Use assets	27,343	26,542	801
Total	131,045	117,622	13,423

More details about amortization and depreciation can be found in the tables reporting movements in intangible assets and property, plant and equipment.

8. Non-recurring income/(expenses)

In these financial statements, certain non-recurring items have been highlighted separately, resulting in total net expenses of €1,637 thousand (net expenses of €390 thousand in 2024). This item primarily refers to costs related to ongoing corporate reorganizations, net of the accounting

effects deriving from allocations made in connection with business combinations that occurred in previous years.

The non-recurring amounts are shown in the income statement, in the corresponding item of the statement.

9. Net financial income (expenses)

Net financial income and expenses are broken down by nature as follows:

	2025	2024	Change
Net interests	3,815	9,295	(5,480)
Other financial income (expenses)	(10,153)	(6,670)	(3,483)
Interest for leasing	(2,871)	(2,935)	64
Other net financial income (expenses)	(9,209)	(310)	(8,899)
Exchange differences and gains (losses) on currency hedges^(*)	(593)	(1,870)	1,277
Share of profit of equity investments consolidated by the equity method	1,663	753	910
Net financial income (expenses)	(8,139)	(1,427)	(6,712)

^(*) The item includes €4 thousand relating to exchange rate losses on leases accounted for in accordance with IFRS 16 Leases.

The item "Net interests" includes interest income on Group investments for an amount of €23,601 thousand (€34,751 thousand in 2024), net of interest expenses relating to the Group's financial debt (recalculated using the amortized cost method), and financial charges relating to other financing instruments for an amount of €19,786 thousand (€25,456 thousand in 2024).

The item "Other financial income (expenses)" include bank charges and financial expenses arising from the discounting of employee benefits and other financial obligations for a total amount of €12,166 thousand (€9,264 thousand in 2024); these are shown net of financial income for an amount of €2,013 thousand (€2,594 thousand in 2024), relating primarily to the temporary change in value deriving from the fair value measurement of certain investments.

The item "Interest for leasing" represents the portion of financial expenses accrued during the reporting period against a liability recognized in accordance with IFRS 16 - Leases. For further information, please refer to note 15. Leases.

The item "Exchange differences and gains (losses) on currency hedges" includes the rate differentials on currency risk hedges, as well as the exchange differences linked to consolidation.

The item "Share of profit of equity investments consolidated by the equity method" includes income from the joint venture DL/TCL Holdings (HK) Ltd.

10. Income taxes

These are analyzed as follows:

	2025	2024	Change
Current income taxes:			
- Income taxes	116,211	98,657	17,554
- IRAP (Italian regional business tax)	8,849	7,161	1,688
Deferred (advanced) taxes	(16,474)	(1,394)	(15,080)
Total	108,586	104,424	4,162

The item "Deferred (advanced) taxes" includes taxes calculated on the temporary differences arising between the accounting values of assets and liabilities and their corresponding tax base (particularly for taxed provisions recognized by Group companies) and on the distributable income of the subsidiaries.

It also include the benefit arising from the carryforward of unused tax losses, which are likely to be used in the future.

Current income taxes include the effects deriving from the application of the Pillar II regulation.

Based on known or reasonably estimable information, the De' Longhi Group's exposure to Pillar II income taxes at 31 December 2025 refers mainly to the United Arab Emirates, in the amount of €2.4 million. The remaining amount of €0.1 million is fragmented into non-significant amounts relating to various other jurisdictions.

The total provision of €2.5 million was recognized as an increase in 'Income taxes' in the income statement and in 'Tax payables' under liabilities.

The Group will continue to evaluate the impact that Pillar II income tax regulations by monitoring future financial results.

The tax reconciliation table is provided below:

	2025	%	2024	%
Profit before taxes	450,006	100.0%	429,374	100.0%
Theoretical taxes	108,001	24.0%	103,050	24.0%
Other (*)	(8,264)	(1.8%)	(5,787)	(1.3%)
Total income taxes	99,737	22.2%	97,263	22.7%
IRAP (Italian regional business tax)	8,849	2.0%	7,161	1.7%
Actual taxes	108,586	24.1%	104,424	24.3%

(*) Mostly refers to the net tax effect of permanent differences, of different tax rates applied abroad relative to the theoretical ones applied in Italy, of adjustments on prior years taxes.



Comments on the statement of financial position: assets

Non-current assets

11. Goodwill

The item refers to goodwill recognized following business combinations. The change in the balance sheet amount relates to the effect of translating goodwill recognized in foreign currencies at the exchange rate as of December 31, 2025, in connection with the acquisition of foreign operations.

Goodwill is not amortized because it is considered to have an indefinite useful life. Instead, it is tested for impairment at least once a year to identify any evidence of loss in value.

For the purposes of impairment testing, goodwill is allocated to the CGUs (cash generating units), namely the historic divisions De'Longhi, Kenwood and Braun, Capital Brands and Eversys, and La Marzocco during 2025, as follows:

Cash-generating unit	31.12.2025	31.12.2024
De'Longhi	25,162	25,162
Kenwood	17,120	17,120
Braun	48,836	48,836
Capital Brands	172,231	194,794
Eversys	96,862	95,853
La Marzocco	276,412	312,443
	636,623	694,208

The objective of the impairment test is to determine the value in use of the CGU to which the goodwill refers, meaning the present value of the future cash flows expected to be derived from continuous use of the assets; any cash flows arising from extraordinary events are therefore ignored.

More specifically, the value in use is determined by applying the discounted cash flow method to the cash flows resulting from the 2026 budget approved by the Board of Directors and from plans developed considering the growth scenarios projected on the basis of information

available at the reporting date, supplemented—for specific situations only—with updated considerations reflecting commercial actions planned subsequent to the budget approval.

Plan data was projected beyond the explicit planning period, of not more than five years, determined based on common valuation practices, namely using a perpetuity growth rate that was no higher than those expected for the markets in which the individual CGUs operate. The growth rate in terminal values used for projecting beyond the planning period was therefore in a range of 2.2% to 2.4% for the different CGUs, deemed representative of a precautionary growth rate in terminal values.

The cash flows and discount rate were determined net of tax.

Discount rates were calculated using the Weighted Average Cost of Capital (WACC) obtained from data from a sample of comparable companies.

The discount rates utilized, which vary between 6.7% and 8.3% for the different cash-generating units, therefore, reflect the estimated market valuations and the time value of money at the reporting date, as well as sector risks.

The impairment tests carried out at the end of 2025 have not revealed any other significant evidence of goodwill impairment.

The recoverable amounts shown in the impairment tests and the sensitivity analysis are much higher than book value for all the CGUs.

The results obtained using the discounted cash flow method have been tested for their sensitivity to changes in certain key variables, within reasonable ranges and on the basis of mutually consistent assumptions. The variables altered were the discount rate (between 6.5% and 8.5%) and the growth rate in terminal value (in the range 2%-2.6%).

The estimated recoverable amounts for all the CGUs, however, were higher than book value and the sensitivity analyses point to relatively stable results; in fact, the minimum and maximum amounts diverged by around 10% from the central point when both variables were altered.

Group Board of Directors approved the assumptions and the criteria used to perform the impairment tests.

However, estimating CGU recoverable amount requires management to make discretionary judgements and estimates. In fact, several factors also associated with developments in the difficult market context could make it necessary to reassess the value of goodwill. The Group will be constantly monitoring those events and circumstances that might make it necessary to perform new impairment tests.

12. Other intangible assets

These are analyzed as follows:

	31.12.2025		31.12.2024	
	Gross	Net	Gross	Net
New product development costs	177,917	24,406	167,368	25,812
Patents	118,252	54,867	118,780	62,781
Trademarks and similar rights	507,882	400,313	530,894	423,650
Work in progress and advances	31,792	27,930	27,016	25,796
Other	145,490	79,659	144,335	91,079
Total	981,333	587,175	988,393	629,118

The following table reports movements in the main asset categories during 2025:

	New product development costs	Patents	Trade-marks and similar rights	Work in progress and advances	Other	Total
Net opening balance	25,812	62,781	423,650	25,796	91,079	629,118
Additions	2,130	2,378	204	14,747	10,652	30,111
Amortization and devaluation	(11,937)	(7,386)	(324)	(2,642)	(12,576)	(34,865)
Translation differences and other movements ^(*)	8,401	(2,906)	(23,217)	(9,971)	(9,496)	(37,189)
Net closing balance	24,406	54,867	400,313	27,930	79,659	587,175

^(*) "Other movements" refers primarily to the reclassification of intangible assets.

The principal additions refer to the capitalization of new product development projects, based on detailed reporting and analysis of the costs incurred and the estimated future usefulness of such projects.

The Group has capitalized a total of €16,102 thousand in development costs as intangible assets in 2025, of which €2,130 thousand in "New product development costs" for projects already completed at the reporting date and €13,972 thousand in "Work in progress and advances" for projects still in progress.

"Patents" primarily includes costs for internal development and the subsequent filing of industrial patent rights, as well as charges related to the development and integration of data processing systems. The increase mainly refers to development costs for IT projects.

"Trademarks and similar rights" includes a few trademarks calculated based on an indefinite useful life in accordance with IAS 38, taking into account, above all, brand awareness, economic benefits, reference market characteristics, brand specific strategies and the amount of investments made to sustain the brands: €79.8 million for the "De' Longhi" trademark, €95.0 million for the perpetual license over the "Braun" brand, €112.9 million for the Nutribullet/MagicBullet trademark, €39.0 million for the Eversys trademark, and €72.3 million for the La Marzocco trademark.

The impairment test carried out at the end of 2025 for brands with an indefinite useful life, in order to confirm the result of the impairment test already conducted to verify the invested capital allocated to each CGU (described in note 11. Goodwill), did not reveal any evidence that these assets might have suffered an impairment loss.

The method used to test impairment involves discounting to present value the royalties that the Group would be able to earn from permanently granting third parties the right to use the trademarks in question.

This method, which is based on royalty cash flows and reasonably estimated sales volumes, is the most commonly used for company valuation purposes since it is able to provide a suitable expression of the relationship between the strength of the trademark and business profitability.

Sales values were derived from the 2026 budget approved by the Board of Directors, taking into account the growth scenarios projected on the basis of information available at the reporting date, integrated—for specific situations only—with updated considerations reflecting commercial actions planned subsequent to the budget approval.

The discount rates used, which vary between 7.4% and 9% net of tax, reflect market valuations and the time value of money at the reporting date. The growth rate in terminal values used for projecting beyond the planning period was in a range from 2.2% to 2.4% for the different CGUs, deemed representative of a precautionary growth rate in terminal values.

The cash flows discounted to present value are stated net of tax (in keeping with the discount rate).

The results of the impairment test have been tested for their sensitivity to changes in certain key variables, within reasonable ranges and on the basis of mutually consistent assumptions. The variables altered were the discount rate (between 7.2% and 9.2%) and the growth rate in terminal value (in the 2%-2.6%).

The sensitivity analysis, conducted with reference to the actuarial assumptions (simultaneously varying discount and growth rates), shows a relative stability of the results; indeed, the minimum and maximum values deviate by at most approximately 8% from the central point, substantially confirming the carrying amounts of the brands recognized in the financial statements.

"Other intangible assets" is explained primarily by the value of the portfolio recognized following allocation of the purchase price to Capital Brands, subject to amortization based on the estimated useful life; the increase mainly refers to the acquisition of distribution rights for certain coffee machine lines in new European markets.

13. Land, property, plant and machinery

These are analyzed as follows:

	31.12.2025		31.12.2024	
	Gross	Net	Gross	Net
Land and buildings	316,050	229,795	291,329	213,895
Plant and machinery	219,232	84,819	217,421	86,444
Total	535,282	314,614	508,750	300,339

The following table reports movements during 2025:

	Land and buildings	Plant and machinery	Total
Net opening balance	213,895	86,444	300,339
Additions	10,662	8,128	18,790
Disposals	(58)	(276)	(334)
Amortization and devaluation	(12,571)	(13,057)	(25,628)
Translation differences and other movements	17,867	3,580	21,447
Net closing balance	229,795	84,819	314,614

The increases and other movement in "Land and buildings" refer mainly to the investments made to complete structural work at the Treviso headquarters, and improvements made in manufacturing, namely enhancement of the production plants in China and Romania, the expansion of Eversys's Swiss plant and improvements at La Marzocco's production facilities.

The investments in "Plants and machinery" refer mainly to the purchases of machinery for the plants in Romania and China and increases of the production lines for coffee machine in Italy. The other movements refer mainly to the reclassification of the amount relating to the investments made in the previous years in the production plants previously classified under tangible assets in progress.

14. Other tangible assets

Other tangible assets are analyzed as follows:

	31.12.2025		31.12.2024	
	Gross	Net	Gross	Net
Industrial and commercial equipment	442,428	69,654	433,783	71,362
Other	104,969	24,147	105,863	26,707
Work in progress and advances	22,725	22,725	54,243	54,243
Total	570,122	116,526	593,889	152,312

The following table reports movements during 2025:

	Industrial and commercial equipment	Other	Work in progress and advances	Total
Net opening balance	71,362	26,707	54,243	152,312
Additions	22,342	9,585	8,327	40,254
Disposals	(405)	(106)	(1,365)	(1,876)
Amortization and devaluation	(32,185)	(10,817)	(207)	(43,209)
Translation differences and other movements	8,540	(1,222)	(38,273)	(30,955)
Net closing balance	69,654	24,147	22,725	116,526

The additions to "Industrial and commercial equipment" refer primarily to the purchase of moulds for the manufacturing of new products.

The increase in "Work in progress" refers mainly to the development plan for the headquarters and investments in improvements at the plants in China, Romania and Switzerland.

15. Leasing

Existing leases are functional to the Group's operations and refer mainly to the leasing of properties, automobiles and other capital goods.

Movements in the leased right of use assets in 2025 are shown below:

	Land and buildings	Industrial and commercial equipment	Plant and machinery	Other	Total
Net opening balance	95,779	2,654	2,124	7,398	107,955
Additions	10,910	502		5,433	16,845
Disposals	(2,142)		-	(141)	(2,283)
Amortization	(22,685)	(560)	(238)	(3,860)	(27,343)
Translation differences and other movements	(2,899)	(90)		(255)	(3,244)
Net closing balance	78,963	2,506	1,886	8,575	91,930

In 2025, the result for the period includes depreciation and amortization for €27,343 thousand, interest payable for €2,871 thousand and exchange gains for €4 thousand, while €30,238 thousand in lease payments were reversed.

At 31 December 2025 financial liabilities for leases of €94,370 thousand (of which €67,631 thousand expiring beyond 12 months) and financial assets for advanced payments of €394 thousand, included in "Current financial receivables and assets", were recognized in the financial statements (please refer to note 24).

The maturities of the undiscounted lease liabilities (based on contractual payments) are shown below:

	Undiscounted flows at 31.12.2025	Payable within one year	Payable in 1-5 years	Payable in more than five years
Lease liabilities	127,415	27,768	82,956	16,691

The adoption of IFRS 16 - Lease negatively affected Group net equity at 31 December 2025 for €2,342 thousand.

16. Equity investments

Details of equity investments are as follows:

	31.12.2025	31.12.2024
Equity investments consolidated using the equity method	5,568	5,170
Investment measured at fair value	54	53
Total	5,622	5,223

"Equity investments consolidated using the equity method" refers to the equity investments subject to joint control as per contractual agreements and associated companies, accounted for using the equity method in accordance with IAS 28 - Investments in associates and joint venture.

The changes in 2025 are shown below:

	31.12.2025
Net opening balance	5,170
Interest in net profit	1,663
Dividends received	(840)
Exchange rate differences	(425)
Net closing balance	5,568

17. Non-current receivables

The balance at 31 December 2025 of €4,999 thousand mainly refers to security deposits (€5,721 thousand at 31 December 2024).

18. Other non-current financial assets

This item includes investments made as part of the Group's liquidity management with primary counterparts, namely financial assets that will be held until maturity consistent with the business model objective to receive contractual cash flows (principal and interest) at specific maturities which were, therefore, accounted for using the amortized cost method.

The item mainly includes €9,994 thousand relating to a bond with a total nominal value of €10,000 thousand, maturing in 2027, and €50,348 thousand relating to a floating rate note, maturing in 2027 with semi-annual and quarterly coupons (par value of €50,200 thousand).

No signs of impairment emerged about the balances recognized in the financial statements.

19. Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities are analyzed as follows:

	31.12.2025	31.12.2024
Deferred tax assets	83,601	74,177
Deferred tax liabilities	(98,260)	(112,758)
Net closing balance	(14,659)	(38,581)

"Deferred tax assets" and "Deferred tax liabilities" include the taxes calculated on temporary differences between the carrying amount of assets and liabilities and their corresponding tax base (particularly taxed provisions recognized by the parent company and its subsidiaries), the tax effects associated with the allocation of higher values to fixed assets as a result of allocating consolidation differences based on the applicable tax rate and the deferred taxes on the distributable income of subsidiaries. Deferred tax assets are calculated mainly on provisions and consolidation adjustments. They also include the benefit arising from the carryforward of unused tax losses which are likely to be used in the future.

Leasing and other transactions which upon initial recognition result in taxable and deductible differences of the same amount include deferred tax assets of €13,747 thousand reported net of the deferred tax liabilities of €13,524 thousand

The net balance is analyzed as follows:

	31.12.2025	31.12.2024
Temporary differences	(16,039)	(40,704)
Tax losses	1,380	2,123
Net closing balance	(14,659)	(38,581)

The change in the net asset balance reflects an increase of €955 thousand through equity recognized in the "Fair value and cash flow hedge reserve" following the fair value measurement of securities and cash flow hedges, and a decrease of €1,012 thousand recognized in "Profit (loss) carried forward" relating to the actuarial gains and (losses) recognized in the comprehensive income statement in accordance with IAS 19 - Employee benefits.

Current assets

20. Inventories

"Inventories", shown net of an allowance for obsolete and slow-moving goods, can be analyzed as follows:

	31.12.2025	31.12.2024
Finished products and goods	482,108	492,658
Raw, ancillary and consumable materials	146,463	147,521
Work in progress and semi-finished products	34,842	42,018
Inventory writedown allowance	(57,463)	(60,347)
Total	605,950	621,850

The value of inventories is stated after deducting an allowance for obsolete or slow-moving goods totaling €57,463 thousand (€60,347 thousand at 31 December 2024) in relation to products and raw materials that are obsolete and slow-moving or are no longer of strategic interest to the Group.

21. Trade receivables

These are analyzed as follows:

	31.12.2025	31.12.2024
Trade receivables:		
- due within 12 months	357,681	344,486
- due beyond 12 months	907	8
Allowance for doubtful accounts	(7,019)	(8,349)
Total	351,569	336,145

Trade receivables are shown net of an allowance for doubtful accounts of €7,019 thousand, representing a reasonable estimate at the reporting date of lifetime expected credit losses, taking into account that a significant portion of the receivables is covered by insurance policies with leading insurers.

Movements in the allowance for doubtful accounts are shown in the following table:

	31.12.2024	Provisions/ Releases	Translation differences and other movements	31.12.2025
Allowance for doubtful accounts	8,349	592	(1,922)	7,019

The change in the allowance, in addition to the effects of the change in the scope of consolidation, is due to provisions for expected credit losses, net of the utilization during the year against bad debts for which a provision had previously been allocated.

The Group has received guarantees from customers to cover commercial transactions; furthermore, a significant portion of receivables is covered by insurance policies taken out with leading counterparties. For a more detailed analysis, please refer to note 42. Risk management.

22. Current tax assets

These are analyzed as follows:

	31.12.2025	31.12.2024
Direct tax receivables	2,132	4,559
Tax payments on account	5,959	5,881
Tax refunds requested	920	901
Total	9,011	11,341

There are no current tax assets due beyond 12 months.

23. Other receivables

"Other receivables" are analyzed as follows:

	31.12.2025	31.12.2024
VAT	17,894	21,841
Other tax receivables	4,540	4,733
Prepaid insurance costs	3,858	3,882
Advances to suppliers	3,963	3,338
Employees	340	423
Other	18,707	18,442
Total	49,302	52,659

At 31 December 2025, this item does not include any amounts due after more than 12 months.

24. Current financial receivables and assets

"Current financial receivables and assets" are analyzed as follows:

	31.12.2025	31.12.2024
Fair value of derivatives	6,743	15,400
Advances for leasing contracts	394	428
Fair value of other current financial assets	72,541	70,515
Other current financial assets	165,117	107,770
Total	244,795	194,113

For more details on the fair value of derivative financial instruments, please refer to note 42. Risk management.

The item 'Other current financial assets' primarily refers to investments, with leading counterparties, aimed at managing the liquidity generated by the Group. These are financial assets intended to be held until maturity within a business model whose objective is the collection of contractual cash flows consisting of payments of principal and interest on specific dates; therefore, they are measured at amortized cost.

25. Cash and cash equivalents

This balance consists of cash at bank accounts and cash equivalents, as well as investments in liquid assets and similar instruments.

Certain Group companies, as part of the international cash pooling system, hold cash and cash equivalents in bank accounts with a single banking institution; these are partially offset by financial liability positions of €56.6 million that the same companies have toward the same institution. The latter acts as a "clearing center" for the credit/debit amounts within the system. Given the substance of the transactions and the technical procedures of the international cash pooling system, the active and passive balances have been offset within the consolidated statement of financial position, in accordance with accounting standard IAS 32.

At 31 December 2025, certain bank accounts of subsidiaries are restricted as collateral for an amount of €4 thousand.

Comments on the statement of financial position: net equity and liabilities

Net equity

The primary objective of the Group's capital management is to maintain a solid credit rating and adequate capital ratios in order to support its business and maximize value for shareholders.

On 30 April 2025, the Shareholders' Meeting of De' Longhi S.p.A. approved the distribution of a dividend of €1.25 for each entitled share, according to the following schedule:

- €0.83 per share as a gross ordinary dividend, with an ex-dividend date of 19 May 2025 (in accordance with the Borsa Italiana calendar), a record date of 20 May 2025, and a payment date of 21 May 2025;
- €0.42 per share as a gross additional dividend, with an ex-dividend date of 22 September 2025 (in accordance with the Borsa Italiana calendar), a record date of 23 September 2025, and a payment date of 24 September 2025.

Total approved dividends amounted to € 186,715 thousand, of which € 186,482 thousand was paid during 2025.

Movements in the equity accounts are reported in one of the earlier schedules forming part of the financial statements; comments on the main components and their changes are provided below.

26. Treasury shares

On 19 April 2024, the Shareholders' Meeting approved the renewal - following the revocation of the previous authorization granted by shareholders - of the authorization to purchase and dispose of treasury shares for up to a maximum of 14.5 million ordinary shares or an amount which does not exceed one fifth of the share capital, including any shares held by the Company or any of its subsidiaries. The buyback program was approved, in accordance with the law, for a period of up to a maximum of 18 months (i.e., until 19 October 2025).

On 30 April 2025, the Shareholders' Meeting again approved the renewal - following the revocation of the unexecuted portion of the previous resolution - of the authorization to purchase and dispose of treasury shares up to a maximum of 14.5 million ordinary shares (not exceeding one-fifth of the share capital), extending the term for a further 18 months (i.e., until 30 October 2026).

Starting from 16 January 2025, the Group announced a share buyback program under the terms authorized by the aforementioned Meetings, which concluded on 17 April 2025; for further information regarding the program, please refer to the Annual Financial Report at 31 December 2024.

During 2025, as part of the share buyback program, the Group purchased 1,986,426 shares through the parent company De'Longhi S.p.A. for a total amount of €60,586 thousand.

During the same period, 214,913 treasury shares were used to cover the exercise of an equal number of options relating to the share-based incentive plan titled "2020-2027 Stock Option Plan".

As of 31 December 2025, the treasury shares held in portfolio amounted to 1,771,513 for a total value of €54,031 thousand.

27. Share-based incentive plans

There were two stock option plans in place at 31 December 2025 referred to as the "2020-2027 Stock Option Plan" and the "2024-2026 Performance Shares Plan", respectively.

The "2020-2027 Stock Option Plan" was approved by shareholders of De' Longhi S.p.A. during the Annual General Meeting held on 22 April 2020.

In order to service this plan, the Shareholders' Meeting approved an additional increase in share capital for up to a maximum nominal amount of €4,500,000 to be carried out through the issue of a maximum of 3,000,000 ordinary shares with a par value of €1.5 each with the same characteristics as the ordinary shares outstanding at the issue date, with voting rights, if the treasury shares were not sufficient. The aim of the plan is to encourage the loyalty of the beneficiaries, encouraging their stay in the Group, linking their remuneration to the implementation of the company strategy in the medium to long term. The overall duration of the plan is about 8 years and in any case the deadline is set for 31 December 2027.

The beneficiaries were identified by the Board of Directors based on the proposal of the Remuneration and Appointments Committee or the Chief Executive Officer, after having consulted with the Board of Statutory Auditors. The options are granted free of charge: the beneficiaries, therefore, will not be expected to pay any sort of consideration upon assignment. Conversely, exercise of the option and the resulting subscription of the shares will be subject to payment of the exercise price. Each option grants the right to subscribe one share at the conditions set out in the relative regulations. The exercise price shall be equal to the arithmetic average of the official market price of the Company's shares recorded on the "Euronext Milan" managed by Borsa Italiana S.p.A. 180 calendar days prior to the date on which the 2020-2027 Plan and the relative regulations were approved by shareholders during the Annual General Meeting. This period of time is sufficient to limit the impact that any volatility caused by the coronavirus crisis could have on the stock price.

The options may be exercised by the beneficiaries - on one or more occasions - solely and exclusively during the exercise period, namely during the following timeframes:

- between 15 May 2023 and 31 December 2027 for up to a total maximum amount equal to 50% of the total options assigned each beneficiary, without prejudice to the black-out periods referred to in Art. 12 of the Regulations;
- between 15 May 2024 and 31 December 2027 for the remaining 50% of the total options assigned each beneficiary, without prejudice to the black-out periods referred to in Art. 12 of the Regulations.

Any option not exercised by the end of the exercise period will be automatically expire and the beneficiary will have no right to any compensation or indemnity.

All shares will have regular dividend rights and, therefore, will be the same as all other shares outstanding at their issue date, and will be freely transferrable by the beneficiary.

However, on the 55% post-sell-to-cover portion of the shares, the Plan provides for a so-called holding period (commencing from the time of option exercise) of 24 months for options relating to the first exercise period and 12 months for those relating to the second exercise period, during which a portion of the shares purchased and/or subscribed by the beneficiary is subject to sale and/or transfer restrictions.

Please refer to the Annual Report on the Remuneration Policy and Compensation Paid for more information on the Plan.

For the purposes of valuing the Plan under IFRS 2 - Share-based payments, two different tranches were identified, corresponding to a number of options equally split between the two exercise periods provided for by the plan. This results in a different unit fair value for each individual tranche.

The fair value of the stock options is represented by the value of the option at the grant date, determined by applying the Black-Scholes model, which takes into account the exercise conditions, the current share price, the expected volatility, the risk-free rate, and considers non-vesting conditions.

Volatility is estimated using data provided by a market information provider and corresponds to the estimated volatility of the stock over the period covered by the plan.

The fair value of the options assigned on the date of this Report and the assumptions made for its evaluation are as follows:

	Award (05.04.2020)	Award (05.14.2020)	Award (05.15.2020)	Award (05.20.2020)	Award (11.05.2020)
First tranche fair value	4.4283	4.591	4.4598	4.4637	12.402
Second tranche fair value	4.3798	4.536	4.4034	4.4049	12.0305
Expected dividends (Euro)	2.80%	2.80%	2.80%	2.80%	2.80%
Estimated volatility (%)	35.00%	34.00%	33.00%	32.00%	28.00%
Historic volatility (%)	37.00%	37.00%	37.00%	37.00%	37.00%
Market interest rate	(0.2%)	(0.2%)	(0.2%)	(0.2%)	(0.2%)
Expected life of the options (years)	7.7	7.7	7.7	7.7	7.7
Exercise price (Euro)	16.982	16.982	16.982	16.982	16.982

At 31 December 2024, the options relating to the '2020-2027 Stock Option Plan' amounted to 340,999; during 2025, this number decreased to 45,000 following the exercise of 295,999 options. This was carried out by using 214,913 treasury shares held in portfolio and by issuing 81,086 new shares for the remainder.

The "2024-2026 Performance Share Plan" was approved by shareholders of De' Longhi S.p.A. during the Annual General Meeting held on 19 April 2024.

The Plan is reserved for the Chief Executive Officer and General Manager of the parent company De'Longhi S.p.A., as well as a limited number of top managers of the Group identified by the Board of Directors, as proposed by the Remuneration and Appointments Committee, after having consulted with the Board of Statutory Auditors as deemed appropriate.

The purpose of the plan is to incentivize the beneficiaries to maximize the Group's medium/long-term performance by creating a rewarding, equitable and sustainable remuneration system consistent with regulatory standards and the stakeholder's expectations.

The Plan involves the granting of up a maximum of 1,200,000 rights, each of which entitles the beneficiary to receive, free of charge, one De' Longhi share for each right assigned. This is subject to the achievement of predetermined financial and non-financial performance targets (measured at the end of the three-year vesting period 2024-2025-2026), as well as to the mechanisms and conditions defined by the Plan itself. The Plan provides for a 24-month holding period on the 50% post-sell-to-cover portion of the shares, during which a portion of the shares purchased and/or subscribed by the beneficiary is subject to sale and/or transfer restrictions.

The Plan may be serviced using the Company's treasury shares or, should these be insufficient, shares resulting from a share capital increase, to be issued in one or more tranches for a maximum nominal amount of €1,800,000.00 and up to a maximum of 1,200,000 shares, for which the Shareholders' Meeting has granted specific delegated authority to the Board of Directors.

The allocation of the shares will take place following the Shareholders' Meeting convened to approve the statutory financial statements and acknowledge the Group's consolidated financial statements as of 31 December 2026.

The Plan will conclude during 2029, once the 24-month lock-up period has ended.

For the purposes of valuation, in accordance with IFRS 2 - Share-based Payment, the unit fair value of the plan was calculated as the value of the option on the assignment date based on the Black-Scholes model which takes into account the option exercise conditions, the current value of the share, the estimated volatility, the risk-free interest rate and the non-vesting conditions.

Volatility was estimated using information provided by a data provider and corresponds to the stock's estimated volatility over the life of the plan.

The fair value of the options assigned and the underlying assumptions used in the valuation are provided below:

	First award
Average fair value	27.68
Expected dividends	2.45%
Historic volatility (%)	34.63%
Market interest rate	3.1%
Expected life of the rights (years)	3.15
Exercise price (Euro)	-

At 31 December 2025, based on the information available, an estimated 861,473 rights were outstanding.

28. Share capital

The share capital at 31 December 2024 comprised 151,213,651 ordinary shares for a total of €226,820 thousand.

During 2025 a total of 81,086 new shares were issued to service the options exercised under the "Stock Option Plan 2020-2027"; at 31 December 2025, therefore, the share capital comprises 151,294,737 ordinary shares for a total of €226,942 thousand.

29. Reserves

The details are as follows:

	31.12.2025	31.12.2024
Share premium reserve	46,767	46,800
Legal reserve	45,388	45,318
Other reserves:		
- Extraordinary reserve	65,880	136,974
- Fair value and cash flow hedge reserve	683	4,649
- Stock option reserve	15,279	7,781
- Treasury shares reserve	(54,031)	-
- Currency translation reserve	(35,177)	97,078
- Profit (loss) carried forward	1,398,395	1,200,584
Total	1,483,184	1,539,184

A "Share premium reserve" was established following the Public Offering for Subscription, which took place upon listing on the Milan electronic stock market (now Euronext Milan) on 23 July 2001. This reserve was subsequently reduced following the demerger in favor of DeLclima S.p.A., and its value at 31 December 2024, stood at €46,800 thousand, following the exercise of options relating to the "2016-2022 Stock Option Plan".

During 2025, the reserve underwent a total change of €33 thousand in connection with the exercise of options under the "2020-2027 Stock Option Plan".

The "Legal reserve" increased by a total of €70 thousand due to the allocation of the 2024 net profit, as resolved by the Shareholders' Meeting of De' Longhi S.p.A. on 30 April 2025.

The "Extraordinary reserve" decreased by €71,094 thousand due to the resolution regarding the allocation of the 2024 net profit, passed by the Shareholders' Meeting of De' Longhi S.p.A. on 30 April 2025, which provided for the distribution of a portion of the extraordinary reserve.

The "Fair value and cash flow hedge reserve" reports a balance of €683 thousand, net of a tax effect of €218 thousand.

The change in the "Fair value and cash flow hedge reserve" during 2025, recognized in the statement of comprehensive income for the year, stems from the positive effect of the fair value measurement of hedging financial instruments (cash flow hedges) and of available-for-sale securities amounting to €4,921 thousand, net of a tax effect of €955 thousand.

The "Stock option reserve" refers to the share-based incentive plans named "2020-2027 Stock Option Plan" and "2024-2026 Performance Share Plan", already described in note 27. Share-based incentive plans.

At 31 December 2025, the reserve amounts to €15,279 thousand, which represents the fair value of the rights determined at the grant date, recognized on a straight-line basis over the period between the grant date and the vesting date.

With regard to the “2020-2027 Stock Option Plan”, the reserve, which amounted to €2,163 thousand at 31 December 2024, stands at €547 thousand at 31 December 2025, due to the options exercised during the period.

Regarding the “2024-2026 Performance Share Plan”, the reserve, amounting to €5,618 thousand at 31 December 2024, was increased to €14,732 thousand during 2025 as a result of recognizing the related fair value on a straight-line basis over the vesting period.

The “Treasury shares reserve” (negative €54,031 thousand at 31 December 2025) represents the value of 1,771,513 treasury shares purchased under the buy-back program, net of the shares used to cover the exercise of options.

“Profit (loss) carried forward” includes the retained earnings of the consolidated companies and the effects of consolidation adjustments made to align with Group accounting principles and consolidation entries.

The reconciliation schedule between the shareholders' equity and net result for the period of the Parent Company De' Longhi S.p.A., and the consolidated shareholders' equity and net result for the period, is summarized below:

	Net equity 31.12.2025	Profit for 2025	Net equity 31.12.2024	Profit for 2024
De' Longhi S.p.A. financial statements	730,223	219,685	743,692	269,655
Share of subsidiaries' equity and results for period attributable to the Group, after deducting carrying value of the investments	761,871	126,338	703,451	66,337
Allocation of goodwill arising on consolidation and related amortization and reversal of goodwill recognized for statutory purposes	796,168	1,740	874,890	1,481
Elimination of intercompany profits	(64,226)	(6,303)	(57,920)	(12,514)
Other adjustments	216	(40)	280	(9)
Consolidated financial statements	2,224,252	341,420	2,264,393	324,950
Minority	197,801	25,095	187,652	14,213
Consolidated financial statements-Group portion	2,026,451	316,325	2,076,741	310,737

30. Minorities' portion of net equity

This item refers to the portion of net equity in a few Group companies not attributable, directly or indirectly, to the De'Longhi Group.

More in detail, minority interests emerged as a result of the La Marzocco/Eversys business combination.

Following the completion of the transaction finalized on 27 February 2024, the Group controls approximately 61.6% of the new entity, while the minority interests are held by De Longhi Industrial S.A. (approximately 26.5%) and the former minority shareholders of La Marzocco (totaling 12%).

A detailed breakdown below:

	Total
Net opening balance	187,652
Interest in net profit	25,095
Changes through OCI	(5,172)
Dividend distribution to minority interests	(9,806)
Other changes in minority interests	32
Net closing balance	197,801

31. Earning per share

Earnings per share are calculated by dividing the earnings for the year by the weighted average number of the Company's shares outstanding during the period.

	31.12.2025
Weighted average number of shares outstanding	149,785,204
Weighted average number of diluted shares outstanding	149,887,738

There are no significant dilutive effects as of 31 December 2025; therefore, diluted earnings per share is substantially in line with basic earnings per share (€2.11).

Liabilities

32. Bank loans and borrowings

“Bank loans and borrowings” are analyzed as follows:

	Payable within one year	Payable in 1-5 years	Beyond five years	Balance 31.12.2025	Payable within one year	Payable in 1-5 years	Beyond five years	Balance 31.12.2024
Overdrafts	264	-	-	264	11,269	-	-	11,269
Current bank loans and borrowings	-	-	-	-	-	-	-	-
Long-term loans (short term portion)	35,613	-	-	35,613	82,977	-	-	82,977
Bank loans and borrowings (short-term portion)	35,877	-	-	35,877	94,246	-	-	94,246
Long-term loans	-	191,166	-	191,166	-	227,836	152	227,988
Total banks loans and borrowings	35,877	191,166	-	227,043	94,246	227,836	152	322,234

No new loans were entered into during the 2025 financial year.

With reference to the Parent Company's outstanding loan agreements (previously described in the Annual Financial Reports of prior years), it should be noted that all financial covenants stipulated in such contracts—based on the ratio of net financial position to equity and adjusted EBITDA—were complied with as of December 31, 2025.

All major bank borrowings are at floating rates. The fair value of these loans, calculated by discounting projected future interest cash flows at current market rates, does not differ significantly from the carrying amount recognized in the financial statements.

33. Other financial payables

This balance, inclusive of the current portion, is made up as follows:

	31.12.2025	31.12.2024
Private placement (short-term portion)	21,415	21,408
Negative fair value of derivatives	4,312	9,523
Other short term financial payables	14,691	44,686
Total short-term payables	40,418	75,617
Private placement (one to five years)	21,399	42,832
Negative fair value of derivatives	-	-
Other financial payables (one to five years)	-	389
Total long-term payables (one to five years)	21,399	43,221
Private placement (beyond five years)	150,363	150,360
Total long-term payables (beyond five years)	150,363	150,360
Total other financial payables	212,180	269,198

The bond loan refers to the issue, placement of €150 million in unsecured, non-convertible notes with US institutional investors (the “US Private Placement”) completed in 2017, and an additional €150 million placed in 2021.

In both instances, the securities were issued by De' Longhi S.p.A in a single tranche.

The first issue has a 10-year term, maturing in June 2027, and a weighted average life of 7 years at issuance. The notes will accrue interest from the subscription date at a fixed rate of 1.65% per annum. The notes are repaid yearly in equal instalments beginning June 2021 and ending June 2027, without prejudice to the Company's ability to repay the entire amount in advance.

The second issue has a 20-year term maturing in April 2041, and has an average life of 15 years. The notes will accrue interest from the subscription date at a fixed rate of 1.18% per annum. The notes are repaid yearly in equal instalments beginning April 2031 and ending April 2041, without prejudice to the Company's ability to repay the entire amount in advance.

Both issues are unrated and are not intended to be listed on any regulated markets.

The issues are subject to half-yearly financial covenants consistent with those applied to other loans. At 31 December 2025 the covenants had not been breached. Neither issue is secured by collateral of any kind.

"Negative fair value of derivatives" refers to forward contracts hedging exchange rate risk, both on foreign currency receivables and payables and on future commercial flows (anticipatory hedges).

"Other short term financial payables" refers mainly to factoring related payables.

Net financial position

Details of the net financial position are as follows:

	31.12.2025	31.12.2024
A. Cash	998,448	1,019,711
B. Cash equivalents	-	-
C. Other current financial assets	238,052	178,248
<i>of which lease prepayments</i>	394	428
D. Cash, cash equivalents and other current financial assets (A + B + C)	1,236,500	1,197,959
E. Current financial liabilities	(63,109)	(103,572)
<i>of which lease liabilities</i>	(26,739)	(26,209)
F. Current portion of non-current financial liabilities	(35,613)	(82,977)
G. Current financial liabilities (E + F)	(98,722)	(186,549)
H. Current net financial liabilities (D + G)	1,137,778	1,011,410
I.1. Other non-current financial assets	60,343	130,520
I. Non-current financial liabilities	(258,797)	(312,190)
<i>of which lease liabilities</i>	(67,631)	(84,202)
J. Debt instruments	(171,762)	(193,581)
K. Trade payables and other non-current liabilities	-	-
L. Non-current net financial liabilities (I + I.1+ J + K)	(370,216)	(375,251)
M. Total financial liabilities (H + L)	767,562	636,159
<i>Fair value of derivatives and other financial non-bank assets/ liabilities</i>	2,431	7,076
Total net financial position	769,993	643,235

Details of the net financial position are shown in accordance with ESMA Bulletin 32-382-1138, published on 4 March 2021, in implementation of EC Regulation 2017/1129.

In order to provide a better representation, "Other non-current financial assets" are indicated separately in letter I.1; for further information, see note 18.

For a better understanding of changes in the Group's net financial position, reference should be made to the full-consolidated statement of cash flows, appended to these explanatory notes, and the condensed statement presented in the report on operations.

For more information on the fair value measurement of derivatives, refer to note 42. Risk management.

The breakdown of related party financial receivables and payables is shown in Appendix n.3.

34. Employee benefits

These are made up as follows:

	31.12.2025	31.12.2024
Provision for severance indemnities	12,216	12,170
Defined benefit plans	20,537	22,671
Other long term benefits	26,889	28,356
Total	59,642	63,197

The provision for severance indemnities includes amounts payable to employees of the Group's Italian companies and not transferred to supplementary pension schemes or the pension fund set up by INPS (Italy's national social security agency). This provision has been classified as a defined benefit plan, governed as such by IAS 19 - Employee benefits.

Some of the Group's foreign companies provide defined benefit plans for their employees.

Some of these plans have assets servicing them, but severance indemnities, as an unfunded obligation, do not.

These plans are valued on an actuarial basis to express the present value of the benefit payable at the end of service that employees have accrued at the reporting date.

The amounts of the obligations and assets to which they refer are set out below:

Provision for severance indemnities:

Movements in the year are summarized below:

Net cost charged to income	2025	2024
Current service cost	1,640	927
Interest cost on defined benefit obligation	396	385
Total	2,036	1,312

Change in present value of obligations	31.12.2025	31.12.2024
Present value at 1 January	12,170	7,988
Current service cost	1,640	927
Utilization of provision	(1,740)	(1,296)
Interest cost on obligation	396	385
Changes in consolidation area	-	4,188
Translation differences	195	2
Actuarial gains & losses recognized in the comprehensive income statement	(445)	(24)
Present value at reporting date	12,216	12,170

Defined benefit plans:

Movements in the year are as follows:

Net cost charged to income	2025	2024
Current service cost	3,830	2,618
Return on plan assets	15	(253)
Interest cost on obligation	611	842
Total	4,456	3,207

Change in present value of obligations	31.12.2025	31.12.2024
Present value at 1 January	22,671	21,659
Net cost charged to income	4,456	3,207
Benefits paid and other movements	(2,109)	(3,366)
Changes in consolidation area	-	496
Translation differences	(306)	(10)
Actuarial gains & losses recognized in the comprehensive income statement	(4,175)	685
Present value at reporting date	20,537	22,671

The outstanding liability at 31 December 2024 of €20,537 thousand (€22,671 thousand at 31 December 2024) refers to a few subsidiaries (mainly in Germany, Swiss and Japan).

The assumptions used for determining the obligations under the plans described are as follows:

Assumptions used	Severance indemnity 2025	Severance indemnity 2024	Other plans 2025	Other plans 2024
Discount rate	3.2%-3.96%	3.2%-3.35%	1.75%-3.78%	1.5%-3.5%
Future salary increases	2.0%-3.0%	2.5%-3.0%	0.0%-3.0%	0.0%-3%
Inflation rate	2.00%	2.00%	0.9%-2%	1.25%-2%

“Other long-term benefits” includes the incentive plans (Phantom Stock Plan) for personnel of the Professional division and the amount accrued in the reporting period for further incentive plans. These plans were approved by the Board of Directors for a limited number of the Group’s key resources.

For more information, please refer to *Annual report on the 2026 remuneration policy and 2025 compensation paid*.

35. Other provisions for non-current contingencies and charges

These are analyzed as follows:

	31.12.2025	31.12.2024
Agents’ leaving indemnity provision	1,950	2,448
Product warranty provision	51,632	47,491
Provision for contingencies and other charges	25,976	25,060
Total	79,558	74,999

Movements are as follows:

	31.12.2024	Utilization	Net accrual	Translation difference and other movements	31.12.2025
Agents’ leaving indemnity provision	2,448	(664)	166	-	1,950
Product warranty provision	47,491	(21,201)	25,852	(510)	51,632
Provision for contingencies and other charges	25,060	(4,232)	5,766	(618)	25,976
Total	74,999	(26,097)	31,784	(1,128)	79,558

The agents’ leaving indemnity provision covers the payments that might be due to departing agents in accordance with art. 1751 of the Italian Civil Code, as applied by collective compensation agreements in force.

The product warranty provision has been established for certain consolidated companies, based on estimated under-warranty repair and replacement costs for sales taking place by 31 December 2024. It takes account of the provisions of Decree 24/2002 and of European Community law.

The “Provision for contingencies and other charges” includes the provision of €12,547 thousand (€15,784 thousand at 31 December 2024) for legal disputes and product complaint liabilities (limited to the Group’s insurance deductible), the provision of €13,429 thousand (€9,276 thousand at 31 December 2024) for the provisions made by a few subsidiaries relating to commercial risks and other charges.

36. Trade payables

The balance represents the amount owed by the Group to third parties for the provision of goods and services. The item does not include amounts due beyond 12 months.

The De’Longhi Group has offered selected suppliers the opportunity to utilize certain Supply Chain Finance (SCF) programs. These programs help suppliers optimize their financial management by reducing risk and help foster the growth of the business relationship. In these programs, the bank acts as an agent. De’Longhi does not issue any type of guarantee in favor of the counterparty. The payment terms set out in the commercial agreements between the Group and its suppliers are independent of the suppliers’ option to join the SCF program and receive payment for their invoices in advance of the due date, for an amount discounted at a rate independently agreed upon with the banking institution. The rate represents the time value of money between the discount date and the invoice due date. The De’Longhi Group is required to settle the trade payables on the due date established at the time of invoicing.

As 31 December 2025, trade payables for which suppliers have already received payments under the program represent a share of around 20% of the total carrying amount.

37. Current tax liabilities

“Current tax liabilities” refers to the Group’s direct tax and, with respect to the Italian subsidiaries who adhered to the Domestic Tax Consolidation regime, the net amount owed the parent company De Longhi Industrial S.A..

The Parent Company De’ Longhi S.p.A. and a few of the Italian subsidiaries renewed, jointly with the consolidator De Longhi Industrial S.A., the option to adhere to group taxation, referred to as “Domestic Tax Consolidation”, as permitted under articles 117–129 of the Consolidated Income Tax Act (TUIR) as per Presidential Decree n. 917 of 22 December 1986 and Decree of the Ministry and Finance of 1 March 2018, for the three-year period 2025 - 2027.

For additional information please refer to Appendix.3.

38. Other payables

These are analyzed as follows:

	31.12.2025	31.12.2024
Employees	113,540	74,174
Indirect taxes	37,375	34,512
Social security institutions	11,386	9,989
Withholdings payables	7,901	9,076
Advances	17,548	14,325
Other taxes	5,069	5,048
Other	25,543	22,852
Total	218,362	169,976

At 31 December 2025, the item does not include significant amounts due beyond 12 months.

39. Commitments

These are detailed as follows:

	31.12.2025	31.12.2024
Guarantees given to third parties	655	681
Other commitments	2,102	4,411
Total	2,757	5,092

“Other commitments” mainly consist of contractual obligations pertaining to the subsidiaries.

40. IFRS 7 classification of financial assets and liabilities

Financial assets and liabilities are classified below in accordance with IFRS 7 using the categories identified in IFRS 9.

at 31 December 2025	Total	Assets		
			Fair value in Profit&Loss	Fair value in OCI
Non-current assets (*)				
Equity investments	54	-	54	-
Receivables	4,999	4,999	-	-
Other non-current financial assets	60,343	60,343	-	-
Current assets (**)				
Trade receivables	351,569	351,569	-	-
Current tax assets	9,011	9,011	-	-
Other receivables	49,302	49,302	-	-
Current financial receivables and assets	244,401	165,117	75,782	3,502
Cash and cash equivalents	998,448	998,448	-	-

at 31 December 2025	Total	Liabilities		
		Amortized cost	Fair value in Profit&Loss	Fair value in OCI
Non-current liabilities^(***)				
Bank loans and borrowings (long-term portion)	191,166	191,166	-	-
Other financial payables (long-term portion)	171,762	171,762	-	-
Current liabilities^(****)				
Trade payables	856,693	856,693	-	-
Bank loans and borrowings (short-term portion)	35,877	35,877	-	-
Other financial payables (short-term portion)	40,418	36,106	3,064	1,248
Current tax liabilities	90,148	90,148	-	-
Other payables	218,362	218,362	-	-

^(*) Interests in subsidiaries, associates and joint ventures are not included (*IFRS 9 - 2.1 a*).

^(**) Advances for leasing contracts are not included (*IFRS 9 - 2.1 b*).

^(***) Lease liabilities under IFRS 16 (*IFRS 9 - 2.1b*) are not included.

^(****) Lease liabilities to which *IFRS 16 Leases* is applied (*IFRS 9 - 2.1 b*) are not included.

The value of financial assets/liabilities at amortized cost does not differ significantly from their fair value.

at 31 December 2024	Total	Assets		
		Amortized cost	Fair value in Profit&Loss	Fair value in OCI
Non-current assets^(*)				
Equity investments	53	-	53	-
Receivables	5,721	5,721	-	-
Other non-current financial assets	131,254	131,254	-	-
Current assets^(**)				
Trade receivables	336,145	336,145	-	-
Current tax assets	11,341	11,341	-	-
Other receivables	52,659	52,659	-	-
Current financial receivables and assets	193,685	107,770	75,224	10,691
Cash and cash equivalents	1,019,711	1,019,711	-	-



at 31 December 2024	Total	Liabilities		
		Amortized cost	Fair value in Profit&Loss	Fair value in OCI
Non-current liabilities (***)				
Bank loans and borrowings (long-term portion)	227,988	227,988	-	-
Other financial payables (long-term portion)	193,581	193,581	-	-
Current liabilities (****)				
Trade payables	873,139	873,139	-	-
Bank loans and borrowings (short-term portion)	94,246	94,246	-	-
Other financial payables (short-term portion)	75,617	66,094	3,373	6,150
Current tax liabilities	75,821	75,821	-	-
Other payables	169,976	169,976	-	-

(*) Interests in subsidiaries, associates and joint ventures are not included (IFRS 9 - 2.1 a).

(**) Advances for leasing contracts are not included (IFRS 9 - 2.1 b).

(***) Lease liabilities under IFRS 16 (IFRS 9 - 2.1b) are not included.

(****) Lease liabilities to which IFRS 16 Leases is applied (IFRS 9 - 2.1 b) are not included.

The value of financial assets/liabilities at amortized cost does not differ significantly from their fair value.

41. Hierarchical levels of financial instruments measured at fair value

The following table presents the hierarchical levels in which the fair value measurements of financial instruments have been classified at 31 December 2024. As required by IFRS 13, the hierarchy comprises the following levels:

- level 1: quoted prices in active markets for identical assets or liabilities;
- level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- level 3: inputs for the asset or liability that are not based on observable market data.

Financial instruments measured at fair value	Level 1	Level 2	Level 3
Derivatives with positive fair value	-	6,743	-
Derivatives with negative fair value	-	(4,312)	-
Other current financial assets and investment measured at fair value	54	72,541	-

There were no transfers between the levels during the 2025.

42. Risk management

The Group is exposed to the following financial risks as part of its normal business activity:

- credit risk, arising from commercial activities and from the investment of surplus cash;
- liquidity risk, arising from the need to have adequate access to capital markets and sources of finance to fund its operations, investment activities and the settlement of financial liabilities;
- exchange rate risk, associated with the significant amount of purchases and sales in currencies other than the Group's functional currency;
- interest rate risk, relating to the cost of the Group's debt.

Credit risk

Credit risk consists of the Group's exposure to potential losses arising from failure by a counterparty to fulfill its obligations.

Trade credit risk is associated with the normal conduct of trade and is monitored using formal procedures for selecting and assessing customers, for defining credit limits, for monitoring expected receipts and for their recovery if necessary.

Credit risk is mitigated by insurance policies with major insurers, with the aim of insuring against the risk of default by punctually performing a selection of a portfolio of customers together with the insurer, who then undertakes to pay an indemnity in the event of default.

Although there is a certain concentration of risk associated with the size of some of the principal buying groups, this is counterbalanced by the fact that the exposure is spread across counterparties operating in different geographical areas.

Positions are written down when there is objective evidence that they will be partially or entirely uncollected; such writedowns are based on past data and information about the counterparty's solvency, taking account of insurance and any other guarantees as described above.

The Group's maximum exposure to credit risk is equal to the book value of trade receivables before the allowance for doubtful accounts, and amounts to €358,588 thousand at 31 December 2025 and €344,494 thousand at 31 December 2024.

This amount corresponds to the gross balance of trade receivables of €421,802 thousand at 31 December 2025 (€403,769 thousand at 31 December 2024), net of deductions and accounting

offsets, which reduce the overall credit risk, mainly in the form of credit notes and other documents not yet issued to customers.

The following analysis of credit risk, carried out on the basis of receivables ageing and the reports used for credit management, refers to the trade balances before these deductions because the documents still to be issued cannot be specifically allocated to the ageing categories.

Trade receivables of €421,802 thousand at 31 December 2025 comprise €413,719 thousand in current balances and €8,083 thousand in past due amounts, of which €8,381 thousand past due within 90 days and a negative balance of €298 thousand past due by more than 90 days related to still open commercial deductions.

The amount of insured or guaranteed receivables at 31 December 2025 is €302,416 thousand.

The Group has recognized €7,019 thousand in allowances for doubtful accounts against unguaranteed receivables of €119,386 thousand.

Trade receivables of €403,769 thousand at 31 December 2024 comprise €396,227 thousand in current balances and €7,541 thousand in past due amounts, of which €9,527 thousand past due within 90 days and a negative balance of €1,986 thousand past due by more than 90 days.

The amount of insured or guaranteed receivables at 31 December 2024 is €287,537 thousand.

The Group has recognized €8,349 thousand in allowances for doubtful accounts against unguaranteed receivables of €116,231 thousand.

It should also be noted that non-recourse receivables assigned and not yet due at the reporting date (outstanding) amount to €238,658 thousand as of December 31, 2025 (€224,851 thousand as of December 31, 2024). The total amount of receivables assigned by the Group pursuant to Law 52/1991 (Factoring Law) during the 2025 financial year (turnover) amounts to €785,669 thousand (€862,244 during 2024).

As far as financial risk is concerned, it is the Group's policy to maintain a sufficiently large portfolio of counterparties of high international repute for the purposes of temporary investment of surplus resources or for the negotiation of derivatives.

The maximum credit risk in the event of counterparty default relating to the Group's other financial assets, whose classification is presented in note 40. *IFRS 7 classification of financial assets and liabilities*, is equal to the book value of these assets.

Liquidity risk

Liquidity risk is the risk of not having the fund needed to fulfil payment obligations arising from operating and investment activities and from the maturity of financial instruments.

The Group uses specific policies and procedures for the purposes of monitoring and managing this risk, including:

- centralized management of financial payables and cash, supported by reporting and information systems and, where possible, cash pooling arrangements;
- raising of medium and long-term finance on capital markets;
- diversification of the type of financing instruments used;
- obtaining of short-term credit lines so as to ensure wide room for manoeuvre for the purposes of managing working capital and cash flows;
- monitoring of current and forecast financing needs and distribution within the Group.

The Group has both medium-term bank credit lines (related to the loans disclosed in this Financial Statements) and short-term credit lines (typically renewed on an annual basis), for financing working capital and other operating needs (issue of guarantees, currency transactions etc.).

These credit lines, along with the significant present funds and the cash flow generated by operations, are considered sufficient to satisfy the Group's annual funding requirements for working capital, investments and settlement of payables on their natural due dates.

Note 40. *IFRS 7 classification of financial assets and liabilities* presents the book value of financial assets and liabilities, in accordance with the categories identified by IFRS 9.

The following table summarizes the due dates of the Group's financial liabilities at 31 December 2025 and 31 December 2024 on the basis of contractual payments which have not been discounted.

	Undiscounted cash flows at 31.12.2025	Payable within one year	Payable in 1-5 years	Payable in more than five years	Undiscounted cash flows at 31.12.2024	Payable within one year	Payable in 1-5 years	Payable in more than five years
Bank loans and borrowings ^(*)	236,696	42,427	194,269		336,693	102,041	234,499	152
Other financial payables ^(**)	255,234	43,085	50,644	161,505	290,828	78,291	51,032	161,505
Trade payables	856,693	856,693	-	-	873,139	873,139	-	-
Current tax payables and other payables	308,510	308,510	-	-	245,797	245,795	1	-

^(*) The corresponding balance reported in the financial statements was €227,043 thousand at 31 December 2025 vs. €322,234 thousand at 31 December 2024 and refers to medium/long and short term bank debt.

^(**) The corresponding balance in the accounts is €212,180 at 31 December 2025 and €269,198 at 31 December 2024 and refers to long-term payables comprehensive of their short-term portion of the private placement.

With regard to lease liabilities in accordance with IFRS 16, please refer to Note 15. Leases.

Exchange rate risk

In carrying on its business, the Group is exposed to the risk of fluctuations in currencies (other than its functional one) in which ordinary trade and financial transactions are denominated. For the purposes of protecting its income statement and statement of financial position from such fluctuations, the Group adopts a suitable hedging policy that eschews speculative ends.

Hedging policies

Hedging is carried out centrally by a special team on the basis of information obtained from a detailed reporting system, using instruments and policies that comply with international accounting standards. The purpose of hedging is to protect - at individual company level - the future revenues/costs contained in budgets and/or long-term plans, trade and financial receivables/payables and net investments in foreign operations.

Purpose of hedging

Hedging is carried out with the following purposes:

- a) to hedge cash flows of budgeted or planned amounts up until the time of invoicing, with a time horizon that doesn't go beyond 24 months;
- b) to hedge the monetary amounts of receivables and payables originating from invoicing and financing transactions.

The principal currencies to which the Group is exposed are:

- the US dollar (mainly the EUR/USD and GBP/USD), being the currency in which a significant part of the cost of raw materials, parts and finished products as well as sales flows relative to the American market and MEIA are expressed;
- the Japanese yen (JPY/HKD), for sales on the Japanese market;
- the Australian dollar (AUD/HKD) for sales on the Australian market;
- the Czech koruna and the Polish Zloty, for sales on the East Europe market;
- the British Pound (EUR/GBP), for sales on the UK market;
- the Renminbi (CNY/HKD) for the cost of raw materials, parts and finished products.

Instruments used

Highly liquid instruments of a non-speculative nature are used, mostly forward purchase/sale agreements.

The transactions are entered into with primary, well known counterparties of international standing and using methods which allow for best practice execution for each transaction.

Operating structure

Hedging activity is centralized (except for isolated, negligible cases) under De' Longhi Capital Services S.r.l., a Group company, which intervenes on the markets on the basis of information received from the individual operating companies. The terms and conditions thus negotiated are passed down in full to Group companies so that De' Longhi Capital Services S.r.l. does not directly carry derivatives for risks that are not its own.

Sensitivity analysis

When assessing the potential impact, in terms of change in fair value, of a hypothetical, sudden +/-5% change in year-end exchange rates, it is necessary to distinguish between the risk associated with expected future revenues/costs and the risk associated with foreign currency assets and liabilities at 31 December 2025:

- (a) with regard to the risk connected to future flows (revenues/costs forecast in the budget and/or multi-year plans), at 31 December 2025 the fair value of the relative hedges were recognized in net equity in accordance with IAS standards as described in the section Accounting standards – Financial instruments found in these Explanatory Notes; a change of +/- 5% in the year-end exchange rates of the exposed currency is estimated to produce a change of +/- €8.4 million before tax (+/- €1.3 million before tax at 31 December 2024). This figure would affect the income statement solely in the year in which the hedged revenues/costs materialize;
- (b) as for the risk associated with foreign currency assets and liabilities, the analysis considers only unhedged receivables/payables in currencies other than the functional currency of the individual companies, since the impact of any hedges is assumed to be equal and opposite to that of the hedged items. A +/- 5% change in year-end exchange rates of the principal exposed currencies (mainly the USD and the Renminbi) against the principal functional currencies would produce a change in fair value of around +/- €0.8 million before tax (+/- €1.3 million before tax at 31 December 2024).

The hedging transactions at 31 December 2025 are described in the paragraph *"Interest rate and currency exchange hedges at 31 December 2025"*.

Interest rate risk

The Group is exposed to interest rate risk on floating rate loans and borrowings. The same team that manages currency risks manages this risk centrally.

The bonds are fixed rate, while the remainder of the Group's financial debt at 31 December 2025 was floating rate.

The purpose of interest rate risk management is to assess the mismatch between financial assets and liabilities and ensure there are no significant gaps between them, which could impact borrowing costs in the event of an upward shift in the interest rate curve.

Sensitivity analysis

When estimating the potential impact of a hypothetical, sudden material change in interest rates (+/- 1% in market rates) on the cost of the Group's debt, only those items forming part of net financial position which earn/incur interest at floating rates have been considered and not any others (meaning total net assets of €785.4 million on a total of €770.0 million in net debt at 31 December 2025 and total net assets of €727.0 million on a total of €643.2 million in net debt in 2024).

It is estimated that a +/- 1% change in interest rates would have an impact of +/- €7,9 million before tax at 31 December 2025 recognized entirely in the income statement (+/- €7,3 million before tax at 31 December 2024).

Interest rate and currency exchange hedges at 31 December 2025

At 31 December 2025 the Group has a number of derivatives, hedging both the fair value of underlying instruments and exposure to changes in cash flow.

For accounting purposes, derivatives that hedge expected future cash flow are treated in accordance with hedge accounting as called for in IFRS 9.

Derivatives that hedge foreign currency payables and receivables are reported with changes in their fair value reported in the income statement. These instruments offset the risk on the hedged item (which is a recognized asset or liability).

The fair value of the outstanding derivatives at 31 December 2025 is provided below:

	Fair Value at 31/12/2025
FX forward agreements	177
Derivatives hedging foreign currency receivables/payables	177
FX forward agreements	2,254
Derivatives covering expected cash flows	2,254
Total fair value of the derivatives	2,431

Forward agreements to hedge against a change in trade flows:

The following table lists the foreign exchange derivative transactions outstanding as of December 31, 2025, entered into as anticipatory hedges for 2026 commercial cash flows:

Currency	Notional amount (in thousands)			Fair value (in €/000)	
	Purchases	Sales	Total	Current assets	Current Liabilities
EUR/CHF*	-	22,500	22,500	156	(30)
EUR*/RON	-	66,353	66,353	846	-
EUR/USD*	(1,491)	21,300	19,809	209	(11)
EUR*/USD	(3,300)	-	(3,300)	32	-
EUR/AUD*	-	6,870	6,870	-	(24)
EUR/CNY*	-	58,900	58,900	-	(25)
EUR/THB*	-	47,850	47,850	-	(17)
EUR/NZD*	-	1,310	1,310	7	-
EUR/PLN*	-	130,000	130,000	-	(243)
EUR/GBP*	-	12,180	12,180	62	(36)
USD/CAD*	-	44,300	44,300	125	(130)
HKD/CNY*	(395,000)	-	(395,000)	491	-
AUD*/HKD	-	64,000	64,000	-	(495)
EUR*/AUD	(1,090)	-	(1,090)	-	(13)
HKD/JPY*	-	2,550,000	2,550,000	1,035	-
HKD/KRW*	-	11,000,000	11,000,000	374	(5)
USD*/GBP	(33,300)	-	(33,300)	163	(217)
				3,500	(1,246)

* risk currency

With reference to the aforementioned anticipatory hedging contracts covering foreign exchange risk on commercial flows, a Cash Flow Hedge Reserve has been recognized in equity. As of December 31, 2025, this reserve shows a positive balance of €683 thousand, net of a tax effect of €218 thousand (as of December 31, 2024, the same reserve was positive for €4,645 thousand, net of a tax effect of €1,172 thousand).

During 2025 the Group reversed to the income statement a net amount of €4,645 thousand from the positive cash flow hedge reserve at 31 December 2024.

This amount was reported in the following lines of the income statement:

	2025	2024
Increase (reduction) in revenues	7,897	(1,473)
(Increase) reduction in materials consumed	(2,400)	268
Net financial income (expenses)	320	20
Taxes	(1,172)	229
Total recognized in income statement	4,645	(956)

Hedges against foreign currency receivables and payables:

Currency	Notional amount (in thousands)			Fair value (in €/000)	
	Purchases	Sales	Total	Current assets	Current Liabilities
AUD*/HKD	(49,600)	49,500	(100)	124	(143)
AUD/NZD*	-	8,290	8,290	43	-
AUD*/CHF	-	340	340	-	(1)
EUR/NZD*	-	1,500	1,500	3	-
EUR*/CHF	(1,210)	-	(1,210)	1	(1)
EUR/AUD*	-	8,341	8,341	-	(29)
EUR*/AUD	(330)	-	(330)	-	(2)
EUR/CHF*	(26,340)	16,682	(9,658)	47	(55)
EUR/CZK*	(23,000)	259,459	236,459	5	(29)
EUR/GBP*	(45,242)	12,385	(32,857)	251	(68)
EUR*/GBP	(1,220)	5,230	4,010	37	(4)
EUR/HKD*	-	8,300	8,300	-	(2)
EUR/CNY*	(65,000)	95,500	30,500	34	(71)
EUR*/HKD	(9,790)	2,990	(6,800)	8	(5)
EUR/HUF*	(2,171,000)	2,460,016	289,016	17	(20)
EUR/JPY*	-	45,060	45,060	3	-
EUR/MXN*	(83,800)	20,000	(63,800)	20	(2)
EUR/PLN*	(240,400)	242,587	2,187	126	(126)
EUR/RON*	(486,007)	55,330	(430,677)	212	(91)
EUR*/RON	(57,500)	8,400	(49,100)	-	(102)
EUR/RUB*	(1,466,000)	1,533,100	67,100	452	(89)

Currency	Notional amount (in thousands)			Fair value (in €/000)	
	Purchases	Sales	Total	Current assets	Current Liabilities
EUR/SEK*	(141,894)	134,100	(7,794)	81	(69)
EUR/USD*	(779,103)	73,340	(705,763)	347	(1,698)
EUR*/USD	(230,400)	2,100	(228,300)	660	-
EUR/THB*	-	26,000	26,000	5	-
GBP*/CHF	(4,800)	220	(4,580)	23	(1)
GBP/USD*	(5,500)	7,100	1,600	46	(27)
HKD/CNY*	(694,000)	49,600	(644,400)	402	(21)
HKD/JPY*	(450,000)	2,051,000	1,601,000	120	(28)
HKD/KRW*	(1,195,000)	4,700,000	3,505,000	18	(60)
HKD/MXN*	-	237,000	237,000	-	(49)
USD/MXN*	-	123,300	123,300	-	(21)
SGD*/HKD	(10,345)	-	(10,345)	9	-
USD*/HKD	(40,000)	-	(40,000)	14	-
USD/CAD*	(7,500)	40,800	33,300	11	(106)
USD*/CHF	-	58,800	58,800	87	(12)
CHF*/RON	(810)	-	(810)	1	-
USD*/RON	(13,870)	-	(13,870)	16	-
USD/ZAR*	(24,600)	180,400	155,800	19	(133)
				3,242	(3,065)

* risk currency

IRS (Interest Rate Swap) hedging interest rate risk on loans:

As of December 31, 2025, the fair value of the derivatives—measured in accordance with IFRS 13 – Fair Value Measurement—hedging the interest rate of a subsidiary's loan (notional amount of €1,174 thousand), is negligible.

During 2025 the Group reversed to the income statement a net amount of €4 thousand from the negative cash flow hedge reserve at 31 December 2024.

43. Tax position

Regarding the tax situation, there are no significant outstanding issues to report as of the date of this report. With regard to the position of De' Longhi Appliances S.r.l., already described in the previous Annual Financial Report as of 31 December 2024, it should be noted that it has been settled through the dispute resolution procedures provided for by the Italian legal system.

44. Transactions and balances with related parties

Appendix 3 contains the information concerning transactions and balances with related parties required by CONSOB Circulars 97001574 dated 20 February 1997, 98015375 dated 27 February 1998 and DEM/2064231 dated 30 September 2002 relating to related party transactions; all transactions fell within the Group's normal scope of operations and were settled under arm's-length terms and conditions.

Transactions and balances between the parent company and subsidiaries are not reported since these have been eliminated upon consolidation.

45. Operating segments

As a result of the Eversys/La Marzocco business combination, the Group's organizational structure and governance were changed due to the identification of two new operating segments which qualify as such under IFRS 8. These are the Household and Professional divisions, each of which generate revenues and costs (including the revenues and costs relating to transactions with other Group entities) and their operating results are examined periodically by top management. The Group's activities have been divided between the two divisions based on relevancy.

Information relating to operating segments is presented below:

Income Statement data

2025	HOUSEHOLD	PROFESSIONAL	Intersegment eliminations ^(**)	Total
Total revenues^(*)	3,318,616	488,186	(5,344)	3,801,458
EBITDA adjusted^(***)	491,776	133,359	(58)	625,077
EBIT				458,145
Profit (loss) before taxes				450,006
Taxes				(108,586)
Profit (loss) for the year				341,420
Profit (loss) pertaining to minority				25,095
Profit (loss) pertaining to Group				316,325

2024	HOUSEHOLD	PROFESSIONAL	Intersegment eliminations ^(**)	Total
Total revenues^(*)	3,166,128	334,730	(3,303)	3,497,555
EBITDA adjusted^(***)	487,603	72,155	(1)	559,757
EBIT				430,801
Profit (loss) before taxes				429,373
Taxes				(104,424)
Profit (loss) for the year				324,950
Profit (loss) pertaining to minority				14,213
Profit (loss) pertaining to Group				310,737

Data from statement of financial position

31 December 2025	HOUSEHOLD	PROFESSIONAL	Intersegment eliminations (**)	Total
Total assets	3,283,775	1,031,371	(154,638)	4,160,508
Total liabilities	(1,831,782)	(259,112)	154,638	(1,936,256)

31 December 2024	HOUSEHOLD	PROFESSIONAL	Intersegment eliminations (**)	Total
Total assets	3,382,823	980,299	(26,996)	4,336,126
Total liabilities	(1,899,528)	(199,201)	26,996	(2,071,733)

(*) The revenues for each segment include revenues generated by both third parties and other Group operating segments.

(**) Eliminations refer to intersegment transactions generated and eliminated on a consolidated basis.

(***) Adjusted EBITDA is calculated by excluding non-recurring items and costs related to stock-based incentive plans, consistent with the figures presented in the Report on Operations, to which reference should be made for further information.

46. Subsequent events

Subsequent to December 31, 2025, and up to the date of approval of this financial report, no events have occurred that could have a significant impact on the financial position and results of operations presented, as defined by IAS 10 - Events after the Reporting Period.

In the days immediately preceding the date of this document, the international geopolitical scenario has been characterized by a significant escalation of tensions in the Middle East. These developments are identified as non-adjusting events in accordance with IAS 10.

The current climate of uncertainty nonetheless requires a cautious approach, including in the preparation of economic forecasts. Indeed, it cannot be ruled out that, following an intensification of the conflict, certain logistical difficulties and a generally critical market scenario may arise. Any further deterioration of the situation could also affect future growth prospects, impacting the general economy and financial markets.

Aside from the above, no other significant events have occurred subsequent to the end of the financial year.

Treviso, 13 March 2026

De' Longhi S.p.A.

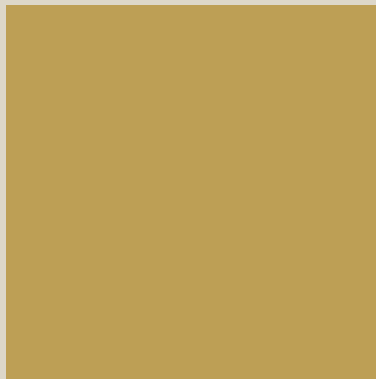
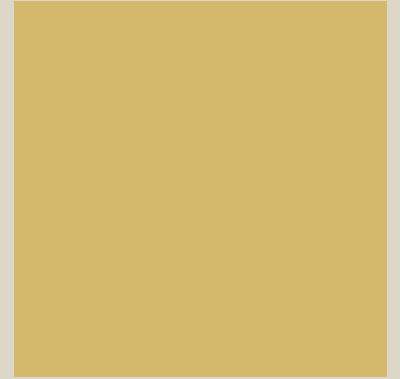
President and Chief Executive Officer

Fabio de' Longhi

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GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS

Appendices





Appendices

These appendices contain additional information to that reported in the explanatory notes, of which they form an integral part.

This information is contained in the following appendices:

1. List of consolidated companies
2. Statement of consolidated cash flows in terms of net financial position
3. Transactions and balances with related parties:
 - a) *Income statement and statement of financial position*
 - b) *Summary by company*
4. Fees paid to the external auditors
5. Certification of the consolidated financial statements pursuant to art. 81-ter of CONSOB Regulation 11971 dated 14 May 1999 and subsequent amendments and additions
6. Certification of the Sustainability Report pursuant to art. 81-ter, first paragraph, of CONSOB Regulation 11971 dated 14 May 1999, and subsequent amendments and additions

APPENDIX 1

List of consolidated companies

Company name	Registered office	Currency	Share capital ⁽¹⁾	Interest held at 31/12/2025	
				Directly	Indirectly
DE'LONGHI APPLIANCES S.R.L.	Treviso	EUR	200,000,000	100.0%	
DE'LONGHI AMERICA INC.	Upper Saddle River	USD	600,000		100.0%
DE'LONGHI FRANCE SAS	Clichy	EUR	2,737,500		100.0%
DE'LONGHI CANADA INC.	Brampton	CAD	1		100.0%
DE'LONGHI DEUTSCHLAND GMBH	Neu-Isenburg	EUR	2,100,000	100.0%	
DE'LONGHI BRAUN HOUSEHOLD GMBH	Neu-Isenburg	EUR	100,000		100.0%
DE'LONGHI ELECTRODOMESTICOS ESPANA S.L.	Barcellona	EUR	3,066		100.0%
DE'LONGHI CAPITAL SERVICES S.R.L. (2)	Treviso	EUR	53,000,000	11.3%	88.7%
E- SERVICES S.R.L.	Treviso	EUR	50,000	100.0%	
DE'LONGHI KENWOOD A.P.A. LTD	Hong Kong	HKD	73,010,000		100.0%
TRICOM INDUSTRIAL COMPANY LIMITED	Hong Kong	HKD	171,500,000		100.0%
PROMISED SUCCESS LIMITED	Hong Kong	HKD	28,000,000		100.0%
ON SHIU (ZHONGSHAN) ELECTRICAL APPLIANCE CO.LTD.	Zhongshan City	CNY	USD 21.200.000		100.0%
DE'LONGHI-KENWOOD APPLIANCES (DONG GUAN) CO.LTD.	Qing Xi Town	CNY	HKD 285.000.000		100.0%
DE LONGHI BENELUX S.A.	Luxembourg	EUR	101,342,720	100.0%	
DE'LONGHI JAPAN CORPORATION	Tokyo	JPY	450,000,000		100.0%
DE'LONGHI AUSTRALIA PTY LTD.	Prestons	AUD	28,800,001		100.0%
DE'LONGHI NEW ZEALAND LTD. (3)	Auckland	NZD	16,007,143		100.0%
DE'LONGHI LLC	Mosca	RUB	3,944,820,000		100.0%
KENWOOD APPLIANCES LTD.	Havant	GBP	30,586,001		100.0%
KENWOOD LIMITED	Havant	GBP	26,550,000		100.0%
KENWOOD INTERNATIONAL LTD.	Havant	GBP	20,000,000		100.0%
KENWOOD APPL. (SINGAPORE) PTE LTD.	Singapore	SGD	500,000		100.0%
KENWOOD APPL. (MALAYSIA) SDN.BHD.	Subang Jaya	MYR	1,000,000		100.0%
DE'LONGHI-KENWOOD GMBH	Wr Neudorf	EUR	36,336	100.0%	
DE'LONGHI SOUTH AFRICA PTY.LTD.	Constantia Kloof	ZAR	100,332,500		100.0%
DE'LONGHI KENWOOD HELLAS SINGLE MEMBER S.A.	Atene	EUR	452,520		100.0%
DE'LONGHI PORTUGAL UNIPESSOAL LDA	Matosinhos	EUR	5,000		100.0%
ARIETE DEUTSCHLAND GMBH	Dusseldorf	EUR	25,000		100.0%
CLIM.RE. S.A.	Luxembourg	EUR	1,239,468	4.0%	96.0%

Company name	Registered office	Currency	Share capital ⁽¹⁾	Interest held at 31/12/2025	
				Directly	Indirectly
ELLE S.R.L.	Treviso	EUR	10,000		100.0%
TASFIYE HALINDE DE'LONGHI BOSPHORUS EV ALETLERI TICARET ANONIM SIRKETI	Istanbul	TRY	3,500,000		100.0%
DE'LONGHI PRAGA S.R.O.	Praga	CZK	200,000		100.0%
DE'LONGHI SWITZERLAND AG	Baar	CHF	1,000,000		100.0%
DL HRVATSKA D.O.O.	Zagabria	EUR	2,650		100.0%
DE'LONGHI BRASIL - COMÉRCIO E IMPORTAÇÃO Ltda	São Paulo	BRL	44,457,581		100.0%
DE'LONGHI POLSKA SP. Z.O.O.	Varsavia	PLN	50,000	0.1%	99.9%
DE'LONGHI APPLIANCES TECHNOLOGY SERVICES (Shenzen) Co. Ltd	Shenzen	CNY	USD 175.000		100.0%
DE'LONGHI UKRAINE LLC	Kiev	UAH	549,843		100.0%
DE'LONGHI KENWOOD MEIA F.ZE	Dubai	USD	AED 2.000.000		100.0%
DE'LONGHI ROMANIA S.R.L.	Cluj-Napoca	RON	140,000,000	10.0%	90.0%
DE'LONGHI KOREA LTD	Seoul	KRW	900,000,000		100.0%
DL CHILE S.A.	Santiago del Cile	CLP	3,079,065,844		100.0%
DE'LONGHI SCANDINAVIA AB	Stockholm	SEK	5,000,000		100.0%
DE'LONGHI MEXICO SA DE CV	Bosques de las Lomas	MXN	53,076,000		100.0%
DE'LONGHI APPLIANCES (SHANGHAI) CO. LTD	Shanghai	CNY	USD 14.245.000		100.0%
DE' LONGHI MAGYARORSZÁG KFT.	Budapest	HUF	34,615,000		100.0%
DE' LONGHI US HOLDING LLC	Wilmington	USD	50,100,000		100.0%
DE LONGHI LLP	Almaty	KZT	500,000		100.0%
DE LONGHI BENELUX II S.àr.l.	Luxembourg	CHF	76,272,000	100.0%	
LA MARZOCCO, EVERSYS & CO S.àr.l.	Luxembourg	EUR	112,979,231		69.9%
DE' LONGHI PROFESSIONAL S.R.L. (4)	Milano	EUR	100,000		69.9%
I DUE LEONI S.R.L.	Milano	EUR	10,000		69.9%
THE TWO LIONS INDUSTRIES CORP.	Dover	USD	10,000		69.9%
LA MARZOCCO, EVERSYS & CO. INTERNATIONAL HoldCo LLC	Wilmington	USD	1,053,462,938		61.5%
LA MARZOCCO, EVERSYS & CO. US HoldCo LLC	Wilmington	USD	332,672,505		61.5%
EVERSYS S.A.	Sierre	CHF	2,500,000		61.5%
EVERSYS INC	Toronto	USD	77		61.5%
EVERSYS INC DELAWARE	Wilmington	USD	200,000		61.5%
EVERSYS UK LIMITED	Crawley	GBP	70,000		61.5%
EVERSYS IRELAND LIMITED	Dublin	EUR	100		61.5%
EVERSYS DIGITRONICS AG	Münsingen	CHF	100,000		61.5%
ELLITEC GMBH	Stans	CHF	20,000		61.5%
LA MARZOCCO SRL	Firenze	EUR	52,000		59.1%

03

Company name	Registered office	Currency	Share capital ⁽¹⁾	Interest held at 31/12/2025	
				Directly	Indirectly
LA MARZOCCO INTERNATIONAL LLC	Seattle	USD	68,273,529		61.5%
LA MARZOCCO EXPERIENCE, LLC	Seattle	USD	-		61.5%
LMI BUILDING, LLC	Seattle	USD	-		61.5%
LA MARZOCCO USA LLC	Seattle	USD	-		61.5%
LA MARZOCCO AUSTRALASIA LIMITED	Auckland	NZD	-		61.5%
LA MARZOCCO AUSTRALASIA GP LTD	Abbotsford	AUD	1,000		61.5%
LA MARZOCCO AUSTRALASIA LP	Abbotsford	AUD	993,015		61.5%
LA MARZOCCO UK LIMITED	Londra	GBP	100		61.5%
LA MARZOCCO SPAIN SL	Barcelona	EUR	10,000		61.5%
LA MARZOCCO DEUTSCHALAND GMBH	Markgröningen	EUR	25,000		61.5%
LA MARZOCCO SHANGHAI CO. LTD	Shanghai	CNY	6,566,792		31.4%
ELECTRO SYSTEM SRL	Firenze	EUR	60,000		30.1%
BREWTECH PTY LTD	Kensington	AUD	100		36.9%
LA MARZOCCO MIDDLE EAST FZCO	Dubai	AED	50,000		59.1%
LA MARZOCCO SEA PTE LTD	Singapore	EUR	-		61.5%
LA MARZOCCO FRANCE SAS	Parigi	EUR	10,000		59.1%
LA MARZOCCO EQUIPMENT TRADING L.L.C.	Dubai	AED	200,000		59.1%
LA MARZOCCO (THAILAND) CO. LTD.	Bangkok	THB	9,000,300		61.5%
CAPITAL BRANDS HOLDINGS, INC.	Wilmington	USD	44		100.0%
CAPITAL BAY, LIMITED (3)	Hong Kong	USD	-		100.0%
CAPBRAN HOLDINGS, LLC	Los Angeles	USD	-		100.0%
CAPITAL BRANDS, LLC	Los Angeles	USD	-		100.0%
CAPITAL BRANDS DISTRIBUTION, LLC	Los Angeles	USD	-		100.0%
BULLET BRANDS, LLC	Los Angeles	USD	-		100.0%
HOMELAND HOUSEWARES, LLC	Los Angeles	USD	-		100.0%
BABY BULLET, LLC	Los Angeles	USD	-		100.0%
NUTRIBULLET, LLC	Los Angeles	USD	-		100.0%
NUTRILIVING, LLC	Los Angeles	USD	-		100.0%

INVESTMENTS VALUED IN ACCORDANCE WITH THE EQUITY METHOD

Company name	Registered office	Currency	Share capital ⁽¹⁾	Interest held at 31/12/2025	
				Directly	Indirectly
DL-TCL HOLDINGS (HK) LTD.	Hong Kong	HKD	USD 5,000,000		50%
TCL-DE'LONGHI HOME APPLIANCES (ZHONGSHAN) CO.LTD.	Zhongshan City	CNY	USD 5,000,000		50%
TCL-DE'LONGHI ELECTRICAL APPLIANCES HK CO. LTD.	Hong Kong	HKD	USD 300,000		50%
NPE S.R.L.	Treviso	EUR	1,000,000		20%
H&T-NPE EAST EUROPE S.R.L.	Madaras	RON	14,707,600		20%
SONGWA ESTATE GMBH	Emmerich	EUR	45,000		20%

⁽¹⁾ Figures at 31 December 2024, unless otherwise specified.

⁽²⁾ The articles of association, approved by the extraordinary shareholders' meeting held on 29 December 2004, give special rights to De'Longhi S.p.A. (holding 89% of the voting rights) for ordinary resolutions (approval of financial statements, declaration of dividends, nomination of directors and statutory auditors, purchase and sale of companies, grant of loans to third parties); voting rights are proportional as far as other resolutions are concerned, except for the preferential right to receive dividends held by the shareholder Kenwood Appliances Ltd.

⁽³⁾ Dormant.

⁽⁴⁾ Company name changed on 16 February 2026.

Statement of consolidated cash flows in terms of net financial position

(€/000)	2025	2024
Net Result	341,420	324,950
Income taxes for the period	108,586	104,424
Amortization	131,045	117,622
Net change in provisions and other non-cash items	47,661	(4,389)
Cash flow generated by current operations (A)	628,712	542,607
Change in assets and liabilities for the period:		
Trade receivables	(24,427)	(39,908)
Inventories	(10,771)	(59,442)
Trade payables	29,256	115,363
Other changes in net working capital	38,581	26,965
Payment of income taxes	(117,186)	(99,203)
Cash flow absorbed by movements in working capital (B)	(84,547)	(56,225)
Cash flow generated by current operations and movements in working capital (A+B)	544,165	486,382
Investment activities:		
Investments in intangible assets	(30,111)	(17,841)
Other cash flows for intangible assets	-	-
Investments in property, plant and equipment	(59,044)	(85,637)
Other cash flows for property, plant and equipment	2,493	1,570
Investments in leased assets	(16,845)	(26,047)
Other cash flows for leased assets	2,397	552
Net investments in financial assets and in minority interest	295	(273)
Cash flow absorbed by ordinary investment activities (C)	(100,815)	(127,676)
Cash flow by operating activities (A+B+C)	443,350	358,706
Business combination La Marzocco (D)	-	(326,779)
Fair value and cash flow reserves	(4,911)	5,408
Change in currency translation reserve	(59,634)	39,255
Purchase of treasury shares	(60,586)	
Exercise of stock option	5,028	12,712
Dividends paid	(186,715)	(101,017)
Dividends paid to minority interests	(9,806)	(7,650)
Other changes with minority interests	32	-
Cash flows absorbed by changes net equity (E)	(316,592)	(51,292)
Cash flow for the period (A+B+C+D+E)	126,758	(19,365)
Opening net financial position	643,235	662,600
Cash flow for the period (A+B+C+D+E)	126,758	(19,365)
Consolidated closing net financial position	769,993	643,235

Transactions and balances with related parties

(€/000)	2025	of which with related parties	2024	of which with related parties
Revenue from sales	3,744,642	585	3,445,635	398
Other revenues	56,816	642	51,920	984
Total consolidated revenues	3,801,458		3,497,555	
Raw and ancillary materials, consumables and goods	(1,546,191)	(28,818)	(1,515,164)	(30,231)
Change in inventories of finished products and work in progress	4,594		83,484	
Change in inventories of raw and ancillary materials, consumables and goods	2,055		(11,342)	
Materials consumed	(1,539,542)		(1,443,022)	
Payroll costs	(539,538)		(484,707)	
Services and other operating expenses	(1,104,072)	(1,025)	(996,252)	(685)
Provisions	(29,116)		(25,151)	
Amortization	(131,045)		(117,622)	
EBIT	458,145		430,801	
Net financial income (expenses)	(8,139)	(214)	(1,427)	(266)
PROFIT (LOSS) BEFORE TAXES	450,006		429,374	
Taxes	(108,586)		(104,424)	
CONSOLIDATED PROFIT (LOSS)	341,420		324,950	
Profit (loss) pertaining to minority	25,095		14,213	
CONSOLIDATED PROFIT (LOSS) AFTER TAXES	316,325		310,737	

Transactions and balances with related parties

ASSETS (€/000)	31.12.2025	of which with related parties	31.12.2024	of which with related parties
NON-CURRENT ASSETS				
INTANGIBLE ASSETS	1,223,798		1,323,326	
- Goodwill	636,623		694,208	
- Other intangible assets	587,175		629,118	
PROPERTY, PLANT AND EQUIPMENT	523,070		560,606	
- Land, property, plant and machinery	314,614		300,339	
- Other tangible assets	116,526		152,312	
- Right of use assets	91,930		107,955	
EQUITY INVESTMENTS AND OTHER FINANCIAL ASSETS	70,964		142,198	
- Equity investments	5,622		5,223	
- Receivables	4,999		5,721	
- Other non-current financial assets	60,343		131,254	
DEFERRED TAX ASSETS	83,601		74,177	
TOTAL NON-CURRENT ASSETS	1,901,433		2,100,307	
CURRENT ASSETS				
INVENTORIES	605,950		621,850	
TRADE RECEIVABLES	351,569	723	336,145	971
CURRENT TAX ASSETS	9,011		11,341	
OTHER RECEIVABLES	49,302	2	52,659	412
CURRENT FINANCIAL RECEIVABLES AND ASSETS	244,795		194,113	
CASH AND CASH EQUIVALENTS	998,448		1,019,711	
TOTAL CURRENT ASSETS	2,259,075		2,235,819	
Non-current assets held for sale	-		-	
TOTAL ASSETS	4,160,508		4,336,126	

Transactions and balances with related parties

NET EQUITY AND LIABILITIES (€/000)	31.12.2025	of which with related parties	31.12.2024	of which with related parties
NET EQUITY				
GROUP PORTION OF NET EQUITY	2,026,451		2,076,741	
- Share Capital	226,942		226,820	
- Reserves	1,483,184		1,539,184	
- Profit (loss) pertaining to the Group	316,325		310,737	
MINORITY INTEREST	197,801		187,652	
TOTAL NET EQUITY	2,224,252		2,264,393	
NON-CURRENT LIABILITIES				
FINANCIAL PAYABLES	430,559		505,771	
- Banks loans and borrowings (long-term portion)	191,166		227,988	
- Other financial payables (long-term portion)	171,762		193,581	
- Lease liabilities (long-term portion)	67,631	10,734	84,202	14,968
DEFERRED TAX LIABILITIES	98,260		112,758	
NON-CURRENT PROVISIONS FOR CONTINGENCIES AND OTHER CHARGES	139,200		138,196	
- Employee benefits	59,642		63,197	
- Other provisions	79,558		74,999	
TOTAL NON-CURRENT LIABILITIES	668,019		756,725	
CURRENT LIABILITIES				
TRADE PAYABLES	856,693	12,746	873,139	9,986
FINANCIAL PAYABLES	103,034		196,072	
- Banks loans and borrowings (short-term portion)	35,877		94,246	
- Other financial payables (short-term portion)	40,418		75,617	1,658
- Lease liabilities (short-term portion)	26,739	4,392	26,209	4,154
CURRENT TAX LIABILITIES	90,148	59,697	75,821	37,242
OTHER PAYABLES	218,362		169,976	
TOTAL CURRENT LIABILITIES	1,268,237		1,315,008	
TOTAL NET EQUITY AND LIABILITIES	4,160,508		4,336,126	

Transactions and balances with related parties

Summary by company

In compliance with the guidelines and methods for identifying significant transactions, especially those with related parties covered by the De' Longhi S.p.A. rules on corporate governance, we shall now present the following information concerning related party transactions during 2025 and related balances with mainly commercial nature at 31 December 2024:

(€/million)	Revenues	Costs	Financial Income (Expense)	Trade and other receivables	Trade and other payables	Financial payables - IFRS 16
Related companies:						
TCL-DE'LONGHI HOME APPL. (ZHONGSHAN) CO.LTD	-	5.2	-	-	1.7	-
HeT-NPE EAST EUROPE SRL	-	3.8	-	-	1.8	-
NPE SRL S.r.l.	0.5	19.9	-	0.3	9.2	-
GAMMA SRL	0.7	0.8	(0.2)	0.4	-	15.1
DE LONGHI INDUSTRIAL S.A	-	0.2	-	-	59.7	-
Other related parties	-	-	-	-	-	-
TOTAL RELATED PARTIES	1.2	29.8	(0.2)	0.7	72.4	15.1

Following the application of IFRS 16 Leases, payables owed to Gamma S.r.l., along with the relative right-of-use assets, stemming from the leases for two locations in Italy were recognized; interest expenses owed for the period was also recognized.

The Parent Company De' Longhi S.p.A. and a few Italian subsidiaries adhered to the national tax consolidation regime (Presidential Decree. n. 917/1986 – "TUIR"- articles 117 through 129, and Decree of 1st March 2018), as part of a tax group formed by De Longhi Industrial S.A. for the period 2025 – 2027. The €59.7 million included in tax payables is comprised of the taxes payable by the members of the tax group through De Longhi Industrial S.A..

Please, refer to the yearly "Annual Report on Remuneration and Compensation Paid" for information relating to the compensation of directors and statutory auditors.

Fees paid to the external auditors

Disclosure pursuant to art. 149-duodecies of the Consob Issuer Regulations

Type of service	Party performing the service	Recipient	Fees earned during the year
Auditing	PwC S.p.A.	De' Longhi S.p.A. (parent company)	414
	PwC S.p.A.	Italian subsidiaries	356
	Network of parent company auditor	Foreign subsidiaries	1,632
Other services	PwC S.p.A.	De' Longhi S.p.A. (parent company)	110
	Network of parent company auditor	De' Longhi S.p.A. (parent company)	19
	PwC S.p.A.	Italian subsidiaries	59
	Network of parent company auditor	Foreign subsidiaries	553

(Euro/000)

Certification of the consolidated financial statements pursuant to art. 81-ter of CONSOB Regulation 11971 dated 14 May 1999 and subsequent amendments and additions.

The undersigned Fabio de' Longhi, Chief Executive Officer, and Stefano Biella, as Officer Responsible for Preparing the Company's Financial Report of De' Longhi S.p.A., attest, also taking account of the provisions of paragraphs 2, 3 and 4, art. 154-bis of Decree 58 dated 24 February 1998:

that the accounting and administrative processes for preparing the consolidated financial statements during 2025.

- have been adequate in relation to the company's characteristics and
- have been effectively applied.

It is also certified that the consolidated financial statements at 31 December 2025:

- have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union under Regulation (EC) 1606/2002 of the European Parliament and Council dated 19 July 2002 and with the measures implementing art. 9 of Decree 38/2005;

- correspond to the underlying accounting records and books of account;
- are able to provide a true and fair view of the issuer's statement of financial position and results of operations and of the Group of companies included in the consolidation.

The report on operations contains a reliable account of performance and of the results of operations and of the situation of the issuer and the Group of companies included in the consolidation, together with a description of the principal risks and uncertainties to which they are exposed.

Fabio de' Longhi
Chief Executive Officer

Stefano Biella
Officer Responsible for Preparing the Company's Financial Report

APPENDIX 6

Certification of the Sustainability Report pursuant to art. 81-ter, first paragraph, of CONSOB Regulation 11971 dated 14 May 1999 and subsequent amendments and additions

The undersigned Fabio de' Longhi, Chief Executive Officer, and Stefano Biella, Officer Responsible for Preparing the Financial Reports of De' Longhi S.p.A., certify, pursuant to art. 154-bis, paragraph 5-ter, of Decree 58 dated 24 February 1998, that the sustainability report included in the report on operations was prepared:

- a) in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and Council dated 26 June 2013, and Legislative Decree n. 125 of 6 September 2024;
- b) as specified in art. 8, paragraph 4, of Regulation (EU) 2020/852 of the European Parliament and Council dated 18 June 2020.

Fabio de' Longhi
Chief Executive Officer

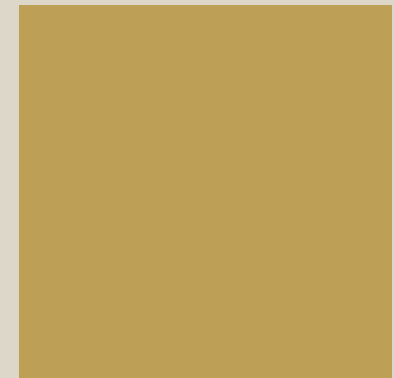
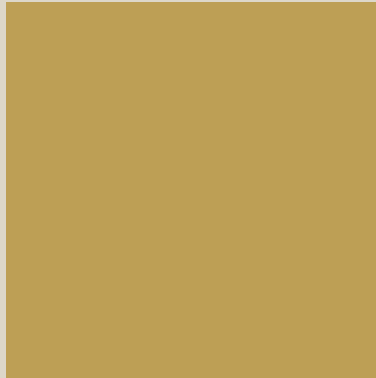
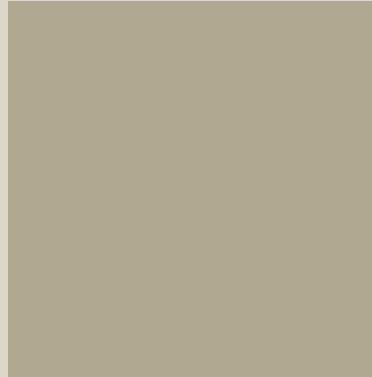
Stefano Biella
Officer Responsible for Preparing the Company's Financial Report



03

GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS

External auditors' report on the consolidated financial statement



Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of

De' Longhi SpA

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of De' Longhi Group (the "Group"), which comprise the statement of financial position as of 31 December 2025, the income statement, the statement of comprehensive income, the statement of changes in net equity, the statement of cash flow for the year then ended, and explanatory notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of this report. We are independent of the company De' Longhi SpA (the "Company") pursuant to the regulations and standards on ethics and

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independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters

Auditing procedures performed in response to key audit matters

Recoverability of the value of indefinite-lived intangible assets

Notes 11 and 12 to the Consolidated financial statements

The consolidated financial statements of De' Longhi SpA include indefinite-lived intangible assets, which are not amortised but tested for impairment at least annually.

Indefinite-lived intangible assets comprise goodwill for Euro 637 million and trademarks for Euro 399 million; the latter comprise the "De' Longhi" trademark for Euro 80 million a perpetual license on the "Braun" brand for Euro 95 million, the "Nutribullet/Magic Bullet" trademark for Euro 113 million, the "Eversys" trademark for Euro 39 million and the "La Marzocco" trademark for Euro 72 million.

For the purpose of the impairment testing, goodwill was allocated to the following cash-generating units ("CGUs"): De' Longhi, Kenwood, Braun, Capital Brands, Eversys and La Marzocco.

To estimate the recoverable amount of the individual CGUs, management calculated value in use using the discounted cash flow method: value in use is calculated as the present value of the future cash flow over the explicit forecast horizon and a terminal value obtained applying a long-term growth rate to that flow. The recoverable amount of each CGU to which goodwill has been allocated was compared with the

As part of our audit of the consolidated financial statements as of December 2025, we performed the procedures illustrated below.

We obtained the impairment exercises prepared by management to determine the recoverable amounts of the CGUs identified and trademarks. The impairment tests were approved by the board of directors on 13 March 2026.

Our audit approach was based on analysing the method used by the directors to prepare the tests and included the following procedures:

- We understood and evaluated the Group's internal control over the process of testing the recoverability of indefinite-lived assets;
- We analysed the reasonableness of management's considerations about the identification of the CGUs and the process of allocation of assets to the individual CGUs;
- We analysed the estimated future cash flows from the CGUs to which goodwill was allocated and, with regard to trademarks, the royalty flows, which were used in the impairment test models, specifically verifying the reasonableness of the assumptions used, in light of the past results of individual CGUs and individual brands and comparing the growth rates used by management

net invested capital of the individual CGU.

Moreover, trademarks were tested for impairment. The method adopted for testing, in order to determine the fair values of these assets, consisted in discounting to present value the royalties that the Group would be able to earn by transferring the right to use the trademark in question to a third party on a permanent basis.

This method involves estimating the sales volumes that can reasonably be expected from the trademarks being tested, the royalty flows and the discount rate. The recoverable amounts thus obtained were compared with the carrying amounts of the trademarks.

The impairment tests shown recoverable amounts higher than carrying amounts.

In the course of our audit of the consolidated financial statements as of 31 December 2025, we focused on these items as a key audit matter in consideration of the magnitude of the balances and the fact that the assets' recoverability was verified by the directors based on assumptions that are sometime complex, specifically with reference to the estimation of the future cash flows expected to be generated from each CGU and of royalties from each CGU and of royalties from trademarks, and the determination of the long-term growth rates and discount rates applied.

with external sources.

With the support of business valuation experts from the PwC network, we verified that the valuation methods used for the impairment tests were consistent with the IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and with prevailing practice. The key valuation parameters adopted were analyzed in terms of reasonableness. We verified that the method of calculation of discount rates, royalty rates and determination of medium-long term growth rates, has been determined by the Group in accordance with IFRS, with prevailing practice and based on available market figures. Moreover, we verified the sensitivity analyses prepared by management.

We verified the mathematical accuracy of the calculations of the impairment tests and of the carrying amounts of net invested capital of the CGUs identified, determined in accordance with accounting standard IAS 36 as of 31 December 2025 that were used for comparison with value in use.

Lastly, our procedures included an analysis of the notes to the consolidated financial statements to assess the adequacy and completeness of disclosures.

Responsibilities of the directors and the board of statutory auditors for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern

basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate De' Longhi SpA or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;

- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional disclosures required by article 10 of Regulation (EU) 537/2014

On 19 April 2018, the shareholders of De' Longhi SpA in general meeting engaged us to perform the statutory audit of the Company's and the consolidated financial statements for the years ending 31 December 2019 to 31 December 2027.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on compliance with other laws and regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

The directors of De' Longhi SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Commission Delegated Regulation") to the consolidated financial statements as of 31 December 2025, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the consolidated financial statements as of 31 December 2025 have been prepared in XHTML format and have been marked up, in all significant respects, in compliance with the provisions of the Commission Delegated Regulation.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998

The directors of De' Longhi SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of De' Longhi group as of 31 December 2025, including their consistency with the relevant consolidated financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the consolidated financial statements;
- express an opinion on the compliance with the law of the report on operations, excluding the section on the consolidated sustainability reporting, and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;
- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the consolidated financial statements of De' Longhi group as of 31 December 2025.

Moreover, in our opinion, the report on operations, excluding the section on the consolidated sustainability reporting, and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are prepared in compliance with the law.



With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Our opinion on compliance with the law does not extend to the section of the report on operations relating to the consolidated sustainability reporting. The conclusions on the compliance of that section with the rules governing its preparation and on compliance with the disclosure requirements established by article 8 of Regulation (EU) 852/2020 are expressed by ourselves in the report prepared in accordance with article 14-bis of Legislative Decree 39/2010.

Treviso, 27 March 2026

PricewaterhouseCoopers SpA

Signed by

Filippo Zagagnin

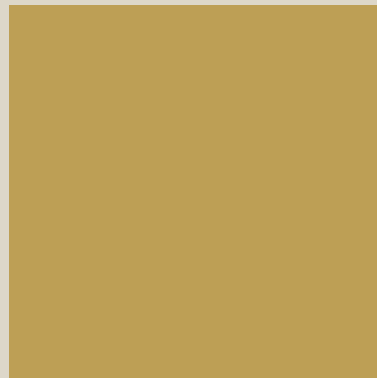
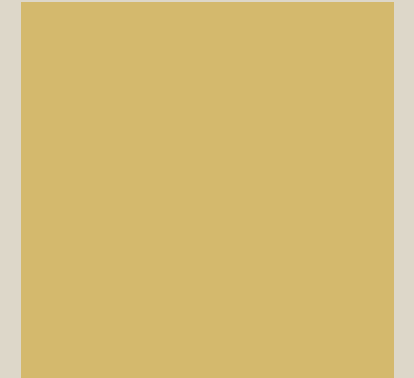
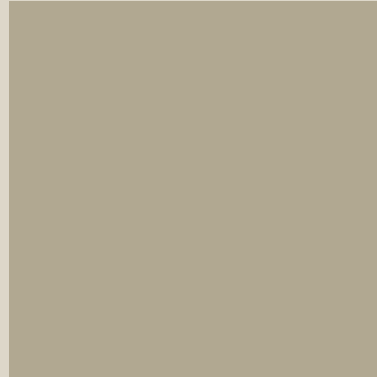
(Partner)

As disclosed in "Contents" section, the accompanying Consolidated financial statements of De' Longhi SpA constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

03

GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS

External auditors' report on the Sustainability Report





Independent auditor's limited assurance report on the consolidated sustainability report in accordance with article 14-bis of Legislative Decree 39/2010

To the Shareholders of

De' Longhi SpA

Conclusion

In accordance with articles 8 and 18, paragraph 1, of Legislative Decree 125/2024 (the "Decree"), we have undertaken a limited assurance engagement on the consolidated sustainability report of the De' Longhi group (the "Group") for the year ended 31 December 2025 prepared in accordance with article 4 of the Decree, presented in the specific section of the consolidated report on operations.

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability report of the De' Longhi group for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with the reporting criteria adopted by the European Commission pursuant to Directive (EU) 2013/34/UE ("European Sustainability Reporting Standards", also the "ESRS");
- the information set out in paragraph "The EU taxonomy" of the consolidated sustainability report is not prepared, in all material respects, in accordance with article 8 of Regulation (UE) 852/2020 (the "Taxonomy Regulation").

PricewaterhouseCoopers SpA

Sede legale: Milano 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 7785240, Capitale Sociale Euro 6.890.000,00 I.v. C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 12979880155 Iscritta al n° 119844 del Registro dei Revisori Legali - Altri Uffici: Ancona 60131 Via Sandro Totti 1 Tel. 071 2132311 - Bari 70122 Via Abate Gimma 72 Tel. 080 5640211 - Bergamo 24121 Largo Belotti 5 Tel. 035 229691 - Bologna 40124 Via Luigi Carlo Farini 12 Tel. 051 6186211 - Brescia 25121 Viale Duca d'Aosta 28 Tel. 030 3697501 - Catania 95129 Corso Italia 302 Tel. 095 7532311 - Firenze 50121 Viale Gramsci 15 Tel. 055 2482811 - Genova 16121 Piazza Piccapietra 9 Tel. 010 29041 - Napoli 80121 Via dei Mille 16 Tel. 081 36181 - Padova 35138 Via Vicenza 4 Tel. 049 873481 - Palermo 90141 Via Marchese Ugo 60 Tel. 091 349737 - Parma 43121 Via Pisacane 1B Tel. 0521 275911 - Pescara 65127 Piazza Ettore Trollo 8 Tel. 085 4545711 - Roma 00154 Largo Fochetti 29 Tel. 06 570251 - Torino 10122 Via Santa Maria 11 Tel. 011 556771 - Trento 38122 Viale della Costituzione 33 Tel. 0461 237004 - Treviso 31100 Viale Felissent 90 Tel. 0422 696911 - Udine 33100 Via Poscolle 43 Tel. 0432 25789 - Varese 21100 Via Albuzzi 43 Tel. 0332 285039 - Verona 37135 Via Francia 21/C Tel. 045 8263001.

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Basis for conclusion

We conducted our limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under this standard are further described in the “Auditor’s responsibilities for the limited assurance conclusion on the consolidated sustainability report” section of this report.

We are independent in accordance with the principles of ethics and independence applicable to assurance engagements on consolidated sustainability report under Italian law.

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.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the directors and the board of statutory auditors of De’ Longhi SpA for the consolidated sustainability report

The directors of De’ Longhi SpA are responsible for developing and implementing the procedures adopted to identify the information included in the consolidated sustainability report in accordance with the provisions of the ESRS (the “materiality assessment process”) and for describing those procedures in the note “Description of the process to identify and assess material impacts, risks, and opportunities ” of the consolidated sustainability report.

The directors are also responsible for preparing the consolidated sustainability report, which contains the information identified through the materiality assessment process, in accordance with the provisions of article 4 of the Decree, including:

- its compliance with the ESRS;
- its compliance with article 8 of the Taxonomy Regulation of the information set out in paragraph “The EU taxonomy”.

That responsibility involves designing, implementing and maintaining, in the terms prescribed by law, such internal control as they determine is necessary to enable the preparation of a consolidated sustainability report in accordance with article 4 of the Decree that is free from material misstatement, whether due to fraud or error. That responsibility also involves selecting and applying appropriate methods for processing the information, as well as developing hypotheses and estimates about specific items of sustainability information that are reasonable in the circumstances.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

Inherent limitations in the preparation of the consolidated sustainability report

As reported in paragraph “Disclosures in relation to specific circumstances”, for the purpose of reporting forward-looking information in accordance with ESRS, the directors are required to prepare such information on the basis of assumptions, described in the consolidated sustainability report, about future events and possible future actions by the Group. Because of the uncertainty connected with any future event, in terms both of occurrence and of the extent and timing of occurrence, variances between actual results and forward-looking information may be significant.

As reported in paragraph “Disclosures in relation to specific circumstances”, the disclosure about Scope 3 emissions is subject to greater inherent limitations compared with Scope 1 and 2 emissions, because of the lower availability and accuracy of the information used to define both qualitative and quantitative information related to the value chain.

Auditor's responsibilities for the limited assurance conclusion on the consolidated sustainability report

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability report is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that contains our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated sustainability report.

As part of our engagement designed to achieve limited assurance in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia), we exercised professional judgement and maintained professional scepticism throughout the engagement.

Our responsibilities include:

- Performing risk assessment procedures to identify the disclosures where a material misstatement, whether due to fraud or error, is likely to arise;
- Designing and performing procedures to verify the disclosures where a material misstatement is likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Directing, supervising and performing a limited assurance engagement on the consolidated sustainability report and assuming full responsibility for the conclusion on the consolidated sustainability report.

Summary of the work performed

An engagement designed to obtain limited assurance involves performing procedures to obtain evidence as a basis for our conclusion.

The procedures performed were based on our professional judgement and included inquiries, primarily of personnel of De' Longhi SpA responsible for the preparation of the information presented in the consolidated sustainability report, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

We performed the following main procedures:

- We understood the Group's business model and strategies, and the environment in which it operates with reference to sustainability issues;
- We understood the processes underlying the generation, collection and management of the qualitative and quantitative information included in the consolidated sustainability report;
- We understood the process implemented by the Group to identify and assess the material impacts, risks and opportunities, in accordance with the double materiality principle, related to sustainability issues and, based on the information thus obtained, we considered whether any contradictory items emerged that could point to the existence of sustainability issues not considered by the Company in the materiality assessment process;
- We identified the disclosures where a material misstatement is likely to arise;
- We defined and performed procedures, based on our professional judgement, to address the risks of material misstatement identified;
- We understood the process implemented by the Group to identify the eligible economic activities and to determine whether they are aligned in accordance with the provisions of the Taxonomy Regulation, and we verified the related disclosures in the consolidated sustainability report;
- We reconciled the information reported in the consolidated sustainability report with the information reported in the consolidated financial statements in accordance with the applicable



financial reporting framework, or with the accounting information used for the preparation of the consolidated financial statements, or with management accounting information;

- We verified the structure and presentation of disclosures included in the consolidated sustainability report in accordance with the ESRS;
- We obtained management's representation letter.

Treviso, 27 March 2026

PricewaterhouseCoopers SpA

Signed by

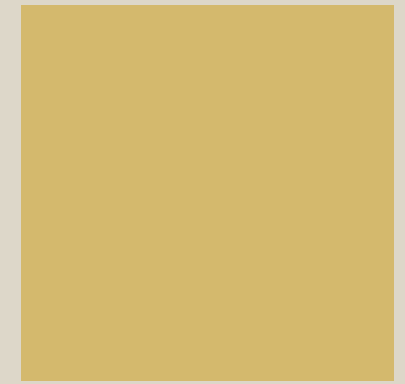
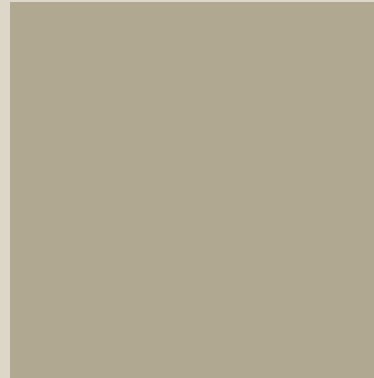
Filippo Zagagnin

(Partner)

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

04

REPORT ON OPERATIONS ON SEPARATE FINANCIAL STATEMENTS



Review of the income statement

(€/million)	2025	% revenues	2024	% revenues
Revenues	18.9	100.0%	17.9	100.0%
<i>Change</i>	1.0	5.8%		
Materials consumed	(0.1)	(0.3%)	(0.1)	(0.4%)
Services and other operating expenses	(20.9)	(110.2%)	(23.0)	(128.8%)
Payroll	(14.1)	(74.8%)	(18.8)	(105.2%)
EBITDA adjusted	(16.1)	(85.3%)	(24.0)	(134.4%)
<i>Change</i>	7.9	32.8%		
Non-recurring expenses/stock option costs	(11.4)	(60.1%)	(0.9)	(5.1%)
EBITDA	(27.5)	(145.4%)	(24.9)	(139.4%)
Amortization	(0.5)	(2.5%)	(0.5)	(2.6%)
EBIT	(28.0)	(147.9%)	(25.4)	(142.0%)
<i>Change</i>	(2.6)	10.3%		
Dividends	249.7	1,319.8%	289.2	1,617.8%
Net financial income (expenses)	(5.8)	(30.7%)	-	0.1%
Profit (loss) before taxes	215.9	1,141.1%	263.9	1,475.9%
Taxes	3.8	19.9%	5.8	32.4%
Net Result	219.7	1,161.0%	269.7	1,508.3%

De' Longhi S.p.A, the parent of the De' Longhi Group, performs holding company activities involving the management and supply of centralized services to its subsidiaries. The income statement, therefore, reflects the dividends received from the subsidiaries, other chargebacks for services provided, as well as operating (payroll costs and the cost of services) and financial expenses.

In 2025 dividends amounted to €249.7 million (€289.2 million in 2024).

Net profit came to €219.7 million (€269.7 million in 2024).

Review of the statement of financial position

The reclassified statement of financial position is presented below:

(€/million)	31.12.2025	31.12.2024	Change	Change %
- Tangible assets	0.7	0.9	(0.2)	(20.0%)
- Financial assets	961.2	961.1	0.1	-
- Deferred tax assets	4.8	0.6	4.2	759.4%
Non-current assets	966.7	962.5	4.2	0.4%
- Trade receivables	10.1	14.9	(4.8)	(32.2%)
- Trade payables	(5.2)	(7.7)	2.5	(32.8%)
- Other receivables (net of payables)	(9.2)	(7.0)	(2.2)	31.8%
Net working capital	(4.3)	0.2	(4.5)	(2,432.9%)
Total non-current liabilities and provisions	(3.5)	(0.8)	(2.6)	328.3%
Net capital employed	959.0	961.9	(2.9)	(0.3%)
Net financial position	228.8	218.2	10.5	4.8%
Total net equity	730.2	743.7	(13.5)	(1.8%)
Total net debt and equity	959.0	961.9	(2.9)	(0.3%)

The negative net financial position amounted to €228.8 million at 31 December 2025 (€218.2 million at 31 December 2024), broken down as follows:

(€/million)	31.12.2025	31.12.2024	Change
Cash and cash equivalents	-	4.1	(4.1)
Other financial receivables	188.5	290.7	(102.3)
Current financial debt	(55.3)	(97.3)	42.0
Net current financial position	133.1	197.5	(64.4)
Non-current net financial debt	(361.9)	(415.8)	53.8
Total net financial position	(228.8)	(218.2)	(10.6)
<i>of which:</i>			
- positions with banks and other financial payables	(228.1)	(217.4)	(10.7)
- lease liabilities	(0.7)	(0.9)	0.2





The net financial position at 31 December 2025 also includes the impact of IFRS 16 adoption which resulted in the recognition of €0.7 million in "Lease payables" (€0.9 million at 31 December 2024).

Net of these items, the net financial position with banks was €228.1 million at 31 December 2025.

The statement of cash flows, reclassified on the basis of net financial position, is summarized as follows:

(€/million)	2025	2024
Cash flow by current operations	(21.6)	(24.9)
Cash flow by changes in working capital	4.0	8.1
Cash flow by investment activities	249.3	(56.7)
Cash flow by operating activities	231.7	(73.4)
Purchase of treasury shares	(60.6)	-
Dividends paid	(186.7)	(101.0)
Cash flow by changes in cash flow hedge reserves	-	(1.6)
Stock options exercise	5.0	12.7
Cash flow generated (absorbed) by changes in net equity	(242.3)	(89.9)
Cash flow for the period	(10.5)	(163.3)
Opening net financial position	(218.2)	(54.9)
Closing net financial position	(228.8)	(218.2)

Net operating cash flow was positive at €231.7 million (compared to a negative €73.4 million in 2024), representing a positive variance of €305.1 million compared to the previous year. This change was primarily affected by the capitalization carried out in 2024 in favor of the subsidiary De' Longhi Benelux II S.à r.l., as part of the business combination for the new Professional division (La Marzocco/Eversys).

Cash flow to net equity reached a negative €242.3 million (negative €89.9 million in 2024), explained by the payment of dividends for €186.7 million, partially offset by the exercise of stock options for €5 million.

Reconciliation of net equity and profit (loss) for the year

Below is a concise reconciliation between net equity and profit of the parent company, De' Longhi S.p.A., and the figures shown in the consolidated financial statements:

(€/000)	Net equity 31.12.2025	Profit for 2025	Net equity 31.12.2024	Profit for 2024
De' Longhi S.p.A. financial statements	730,223	219,685	743,692	269,655
Share of subsidiaries' equity and results for period attributable to the Group, after deducting carrying value of the investments	761,871	126,338	703,451	66,337
Allocation of goodwill arising on consolidation and related amortization and reversal of goodwill recognized for statutory purposes	796,168	1,740	874,890	1,481
Elimination of intercompany profits	(64,226)	(6,303)	(57,920)	(12,514)
Other adjustments	216	(40)	280	(9)
Consolidated financial statements	2,224,252	341,420	2,264,393	324,950
Minority	197,801	25,095	187,652	14,213
Consolidated financial statements-Group portion	2,026,451	316,325	2,076,741	310,737



Annual remuneration report

Please refer to the yearly Report on Remuneration for all relevant information not contained in the present report.

Human resources and organization

The company had 66 employees at 31 December 2025 (65 at 31 December 2024).

The following table summarizes the average number of employees during 2025 compared with 2024:

	2025	%	2024	%	Change
White collars	45	67%	41	68%	4
Managers	22	33%	19	32%	3
Total	67	100%	60	100%	7

Research and development

As a holding company, the Company does not carry out any research and development directly. These activities are carried out by employees of the individual subsidiaries. More details can be found in the paragraph on "Research and Development" found in the Report on Operations accompanying the consolidated financial statements.

Report on corporate governance and ownership structure

Company's Report on Corporate Governance and Ownership Structure drawn up in accordance with art. 123 - bis of the Uniform Finance Act can be found in a report not included in the Report on Operations, published at the same time as the latter and available on the company's website www.delonghigroup.com (section Home > Governance > Corporate bodies > Shareholders' Meeting 2026).

Pursuant to art. 16.4 of the Market Regulations please note that the Company is not subject to the direction and control of the parent company De Longhi Industrial S.A., or of any other

party, pursuant to and in accordance with articles 2497 et seq of the Italian Civil Code, insofar as (i) the Group's business, strategic and financial plans, as well as the budget, are approved independently by the Company's Board of Directors; (ii) the financial and funding policies are defined by the Company; (iii) the Company conducts its relationships with clients and suppliers in full autonomy; and (iv) in accordance with the principles of the Corporate Governance Code, important strategic, economic, equity and financial transactions are examined by the board and approved exclusively by the Board of Directors.



Risk management and internal control system relating to the financial reporting process

Introduction

The Company's Internal Control System consists in the set of rules, procedures and organizational structures set in place to ensure that company strategies are adhered to and, based on the corporate governance standards and model included in the COSO report (Committee of Sponsoring Organizations of the Treadway Commission), to guarantee:

- a) efficient and effective company operations (administration, production, distribution, etc.);
- b) reliable, accurate, trustworthy and timely economic and financial information;
- c) compliance with laws and regulations, as well as the corporate articles of associations, rules and company procedures;
- d) safeguarding of the company's assets and protection, to the extent possible, from losses;
- e) identification, assessment, management and monitoring of the main risks.

The controls involve, with different roles and within their respective competencies, the top administrative bodies of the Parent Company De' Longhi S.p.A. (Board of Directors, Control and Risks, Corporate Governance and Sustainability Committee, Director in charge of the internal control and risk management system), the Board of Statutory Auditors, the CFO/Manager in charge of preparing the company's financial reports, the Head of the Internal Audit function, the Supervisory Body, and all De' Longhi personnel, as well as the Directors and Statutory Auditors of the subsidiaries controlled by the Issuer: everyone complies with the indications and principles contained in the Guidelines.

The Internal Control System that is subject to examination and periodic audits, taking into account changes in the company's operations and reference context, makes it possible to

address the main risks to which the Issuer and the Group are exposed to over time, in a timely manner, as well as to identify, assess and control the degree of the exposure of the Issuer and all the other companies of the Group – particularly the strategically important subsidiaries – to the different types of risk, and also makes it possible to manage the overall exposure taking into account:

- (i) the possible correlations between the different risk factors;
- (ii) the probability that the risk materializes;
- (iii) the impact of the risk on the company's operations;
- (iv) the overall impact of the risk.

An integral and essential part of the De' Longhi Group's Internal Control and Risk Management System is the risk management and internal control system existing in relation to the financial reporting process (administrative and accounting procedures for the preparation of the separate and consolidated financial statements and other reports and communications of an economic, equity, and/or financial nature prepared in accordance with the law and/or regulation, as well as for monitoring the effective application of the same), prepared with the coordination of the CFO/Manager in charge of preparing the company's financial reports.

The Head of the Internal Audit function—who is responsible for verifying that the internal control and risk management system operates efficiently and effectively—draws up an annual work plan that is presented to the Board of Directors, which approves it after receiving the opinion of the Control and Risks, Corporate Governance and Sustainability Committee and having consulted the Board of Statutory Auditors and the Director in charge of the internal control and risk management system, also based on the indications received from the CFO/Manager in charge of preparing the company's financial reports and the provisions of Legislative Decree 262/05. Among other things, they report to the Control and Risks,

Corporate Governance and Sustainability Committee on the results of the activities carried out with reference to the issues identified, the improvement actions agreed upon, and the results of the testing activities. They also provide a summary report to allow the CFO/Manager in charge of preparing the company's financial reports and the delegated administrative body to assess the adequacy and effective application of the administrative procedures for the preparation of the financial statements.

Description of main characteristics

The Company makes use of a risk management and internal control system relating to the financial reporting process pursuant to Art. 123-bis paragraph 2 letter b, TUF (Consolidated Law on Finance), which is part of the broader internal control system. The Group has adopted a system of administrative and accounting operating procedures to ensure an adequate and reliable financial reporting system; this system includes the update of regulatory news and accounting principles, consolidation rules, and periodic financial reporting, as well as the necessary coordination with its subsidiaries.

The Company's central Corporate functions are responsible for the management and dissemination of these procedures to the Group companies.

The activity of assessment, monitoring, and continuous updating of the internal control system on financial reporting is carried out in consistency with the COSO model as part of the activities carried out according to Law 262/2005. Within this framework, processes and sub-processes presenting critical aspects were identified, primarily through the identification of relevant companies based on quantitative and qualitative parameters of the relevance of financial information (companies relevant from a size perspective and companies relevant only to specific processes and risks).



Based on this identification, mapping was then carried out, identifying the main manual and automatic controls and assigning a high-medium-low priority scale; these controls are then subject to testing activities.

The scope of the companies included within the aforementioned mapping for the purposes of Law 262/2005 has been modified over the years to adapt it to the Group's changes in both quantitative and qualitative terms, and this scope was also considered for the definition of companies considered strategic.

The general managers and administrative managers of each Group company are responsible for maintaining an adequate internal control system and, as managers, must issue a certification confirming the correct operation of the internal control system.

The Internal Audit Department additionally provides, within its audit plan, for checks through self-assessment checklists of internal controls.

Regarding the fulfillments pursuant to Consob Regulation 20249 of December 28, 2017, and subsequent amendments concerning market discipline ("Market Regulation"), it is specified that the Company controls, directly or indirectly, seventeen companies incorporated and regulated by the laws of non-EU states, which hold significant importance pursuant to Art. 151 of the Issuers' Regulation.

Taking into account the fulfillments established by Art. 15 of the Market Regulation, it is specified that:

- the mentioned companies have, in the Issuer's opinion, an administrative-accounting and reporting system suitable for regularly providing the Management and the auditor of De' Longhi S.p.A. with the economic, equity, and financial data necessary respectively for the preparation of the consolidated financial statements and for auditing activities;
- they provide the auditor of De' Longhi S.p.A. with the information necessary for the auditor to conduct the control activity of the parent company's annual and interim accounts;
- the Issuer has the Articles of Association and the composition of the corporate bodies, with the related powers, of the mentioned companies, and is constantly updated on any changes made to them;
- the accounting situations of the mentioned companies, prepared for the purpose of drafting the De' Longhi Group's consolidated financial statements, have been made available in the manner and terms established by the legislation in force. It is specified in this regard that the identification and analysis of risk factors contained in this report were also conducted in consideration of the variation of strategic companies as resolved by the Board of Directors.

In order to identify and manage the main corporate risks, with particular attention to areas of corporate governance and

adjustment to regulatory and legislative standards (including, in particular, the recommendations dictated by the Corporate Governance Code for Listed Companies), the Company has provided for the development and monitoring of a structured Enterprise Risk Management (ERM) model.

The implementation of this ERM project is aimed at strengthening the control and risk management system by mapping the main corporate risks based on the Company's value chain, identifying the inherent risk and the relative residual risk, as well as identifying and implementing intervention proposals for their elimination and/or mitigation.

Furthermore, a list of risks related to the theme of sustainability has been integrated within the ERM.

This activity is part of the process of progressive integration of environmental, social, and governance sustainability issues within the corporate strategy, risk management, and remuneration processes, aimed at promoting a systemic and transparent approach that respects the principles provided by the Group's Code of Ethics, which is also capable of ensuring respect for the principles of plurality, equal opportunity, equity, and non-discrimination of any kind. Among these risks, the one relating to "climate change" is particularly highlighted.

ERM activities include analyses of risk scenarios determined through comparison with the main markets and production plants. In addition, a large group of managers from the international network was involved to review and update the most

imminent and significant risk elements. In parallel, the Management Team of the companies involved in the activity was engaged in reviewing risk exposures and collecting their perceived most critical risks.

The Company highlighted concerns regarding the macroeconomic and geopolitical context combined with protectionist maneuvers in the USA (and the consequent imposition of tariffs), possible logistical and market discontinuities due to regional conflicts, as well as challenges posed by technological innovations. In this uncertain economic context, the Group has demonstrated strong resilience thanks to contingency plans and strategic reviews to support sales growth in key categories; product and promotional strategies have been adapted with the aim of strengthening the market position despite uncertainties.

Over the years, operational progress has generated significant advantages, facilitating timely decisions in response to global uncertainties; furthermore, the Company has been able to count on fundamental initiatives such as the digitalization of processes, its strong international presence, the strength of its brands, and its production and purchasing platform. The significant strengthening of the Group's operational resilience was highlighted by the prompt reaction to the challenges posed by the current macroeconomic and geopolitical situation and by the excellent economic and financial results of 2025.

To further strengthen risk monitoring, the Internal Audit Department constantly maintains close vigilance over risk factors, develops the ERM system, and periodically conducts a risk review. The improvement of specific tools and the launch of new initiatives intended to increase awareness of the risks themselves are fundamental to achieving these goals.

Risk factors

In relation to the risk factors to which the Company is exposed, a summary of the most relevant risk factors or uncertainties that may significantly affect the activity of the De' Longhi Group is highlighted below.

These risk factors also take into account the results of the aforementioned ERM project and the analyses conducted in the current and previous years, also through in-depth studies shared with, among others, the Control and Risks, Corporate Governance and Sustainability Committee and with the Board of Statutory Auditors of De' Longhi S.p.A.

In relation to the main risks highlighted below, the Company pays continuous attention and monitoring to the situations and evolutions of macroeconomic and geopolitical trends, the market, and demand to be able to implement any necessary and timely strategic actions.

It is also specified that in addition to the risk factors and uncertainties highlighted in this document, additional risks and uncertain events, currently unforeseeable or currently considered unlikely, could likewise influence the activity, economic and financial conditions, and prospects of the Company.

1 - Risks relating to macroeconomic/geopolitical trends and global crises

The main risk factors include:

- consumer trends;
- the cost of raw materials;
- interest rate trends and foreign exchange markets;
- any policy changes introduced in important markets (including the application of tariffs by the US);
- supply chain interruptions due to regional conflicts;
- possible disturbances, uprisings and strikes or other sorts of protests;
- epidemics and/or serious health issues.

The Company operates in a context of general macroeconomic instability and geopolitical tensions, added to by the tariff maneuvers by the USA.

Macroeconomic uncertainty remains critical in some of the Group's key markets. In Romania, the high public deficit and persistent inflation have pushed for an increase in tax pressure and the gradual suppression of the energy price cap. In China, consumption is very sensitive to local support policies. Germany is facing a situation of stagnation. In the UK, despite growth in demand, consumption suffers from a reduction in disposable income due to recent legislative changes. Inflation remains very high in Russia.

In parallel, from a geopolitical point of view, tensions and conflicts in some key regions contribute to creating significant uncertainty in some markets.

The Company carries out periodic monitoring of these economic trends and the geopolitical scenario in order to implement any strategic actions promptly.

To mitigate these risks, the Company has adopted flexible strategies and an organizational model, as well as a structured and proactive approach to anticipate risks and seize opportunities by strengthening monitoring with dedicated task forces and optimizing internal processes, ensuring greater resilience.

Nevertheless, the continuation of such situations could lead to the limitation of the Company's activity with an impact on economic and financial results.

2 - Exchange rate fluctuation risks: the Company does business in many foreign markets and is exposed to the risk of fluctuations in currencies.

For the purposes of protecting its income statement and statement of financial position from such fluctuations, the Company adopts a suitable hedging policy and tools, free from speculative connotations. Hedging is carried out centrally by a special team on the basis of information obtained from a detailed reporting system, using instruments and policies that comply with international accounting standards.

The main currencies to which the Company is exposed are the US dollar and the HK dollar.

Despite the Company's effort to minimize the abovementioned risk, sudden currency fluctuations could have an adverse impact on the Company's results and business prospects.

3 - Risks relating to human resources management: the Company's success largely depends on the ability of its executive directors and other members of management to effectively manage the Company and the individual areas of business and on the professionalism of the human resources that it has been able to attract and develop.

The main risks relating to the human resources area are linked to the Company's ability to attract, develop, motivate, retain, and empower personnel with the necessary attitudes, values, specialized professional and/or managerial skills, in relation to the evolution of the Company's needs.

The loss of the services of these subjects or other key resources without adequate replacement, as well as the inability to attract and retain new and qualified resources, could therefore



have negative effects on the Company's business prospects, as well as on economic results and/or its financial situation.

Regarding the ability to attract valuable resources, it is noted that the Company's main companies plan initiatives aimed at improving both the professional life quality of their employees and collaborators and the Company's external image (communication, relations with schools and universities, testimonials, company internships, etc.), in some cases using specialized service companies with proven experience and professionalism.

On the front of human resources development and motivation, some of the actions taken include strengthening managerial as well as more specialized, business, and regulatory skills, with initiatives involving managers and collaborators from different business areas.

Reward systems for personnel at various organizational levels are also provided, from factory workers in production plants to top management and key figures, linked to the achievement of short-term and/or medium-long term results through a salary review process.

Specific investments are aimed at training and development of the most qualified internal resources, and at improvement of living and working conditions within the different plants (canteen service, recreational activities, dedicated spaces for leisure, internet access).

4 - Risks relating to IT systems / risk of increases in cyber fraud and cyber threats: The information systems of a complex international group are an important and delicate part of the company's processes.

Risks relate to events that may threaten the continuity of service delivery, data integrity, and the obsolescence of telecommunications and processing technologies.

Cyberattacks represent a threat to any sector, and in general, there is a progressive increase in so-called cyber crime; in this context, Cyber Risk assumes increasing importance, meaning any risk of financial loss, disruption, or damage to the reputation of an organization arising from accidental events (e.g., server shutdown) or malicious events (e.g., theft of sensitive data) against the information system.

The Company has put in place the necessary actions to limit the aforementioned risks, activating a multi-year Cyber risk management project supported by significant investments.

Furthermore, the usual security devices have been implemented to protect lines and applications, along with various levels of physical security (from equipment duplication to outsourcing to specialized companies). Continuous technological updating is also ensured by the prevalent use of the SAP platform. Although the Company has put in place all necessary actions to minimize these risks, the occurrence of catastrophic events with related problems to information systems cannot be excluded.

5 - Liquidity, financing and interest rate risks: the liquidity risk possibly faced by the Company is the risk of not having the funds needed to fulfil payment obligations arising from operating and investment activities and from the maturity of financial instruments. The Company holds assets and liabilities that are sensitive to interest rate changes and that are necessary to manage its liquidity and financial needs.

In relation to fundraising activities and risk hedging, it is Company policy to maintain a portfolio of counterparties of international standing and in a sufficiently large number.

In order to monitor and manage this risk, the Company adopts specific policies and procedures, including centralized cash management (liquidity management, the activity of raising medium and long-term financing sources on the capital market, and the provision of short-term credit lines such as to broadly guarantee the room for maneuver required by the trend of working capital and financial flows).

In relation to the risk connected to interest rate trends, as of 31 December 2025, the Company has a positive net financial position, significant liquidity, and exposure mainly to the medium-long term implemented to exploit financial market trends. It also has short-term bank credit lines (typically with annual renewal), potentially intended for covering working capital financing needs and other operational requirements.

The management of this risk related to interest rate changes is nonetheless carried out centrally and using the same structures employed for managing exchange rate risks.

Nevertheless, sudden interest rate fluctuations could have a limited negative impact on the Company's business prospects, as well as on its economic results and/or its financial situation.

6 - Compliance and corporate reporting risks

A. Financial reporting: risks associated with the reliability of financial reporting, particularly that the information contained in the annual and interim financial reports might not be correct, warrant particular attention, especially for a listed company.

In fiscal year 2025, monitoring of the effective application of the risk management system relating to financial reporting, as well as its periodic assessment, was carried out continuously with the coordination of the designated functions.

In order to ensure a reliable internal control system relative to financial reporting, the Company has adopted a system of administrative and accounting operating procedures that include instructions, principles, and updates of accounting policies, as well as other procedures for the preparation of consolidated financial statements and periodic financial reporting.

The Company's central corporate functions are responsible for the management and dissemination of these procedures to Group companies.

Control bodies (internal and external) carry out the relative verification activity within their areas of competence.

Any deficiencies in maintaining adequate administrative-accounting and management processes and controls could lead to errors in the Company's financial reporting.

In addition to financial reporting, the Company prepares Sustainability Reporting based on ESRS principles and sends, on an annual basis, appropriate instructions to subsidiaries and competent functions for the reporting of the required non-financial indicators.

B. Risks relating to the administrative liability of legal: in compliance with EU directives, Decree 231/2001 has introduced into Italian law special rules applying to the liability of entities for certain offences, where "entities" mean limited liability business enterprises, partnerships or associations, including those without legal status.

In application of this legislation and its amendments and integrations, the main Italian companies of the Company have adopted, according to the provisions of Art. 6 of Legislative Decree 231/2001, the "Organization, Management, and Control Model" suitable to avoid the onset of such liability against them and the relative "Code of Ethics," intended to be applied both regarding the Italian companies of the Group and, as far as applicable, with reference to foreign subsidiaries, as the Company is called to answer, pursuant to Art. 4 of Legislative Decree 231/2001, also for crimes committed abroad, in order to avoid the onset of such liability against it.

Therefore, the company's administrative liability ex Legislative Decree 231/2001 could exist if it were effectively ascertained following a possible lawsuit brought against one of the Group companies, including foreign subsidiaries, and in such a hypothesis, besides the consequent application of relative sanctions, negative repercussions on the Company's operations and economic, equity, and financial situation cannot be excluded.

7 - Related parties: the Company has had and continues to have transactions of a commercial nature with related parties. Such transactions carry conditions that are in line with market ones.

A procedure aimed at governing the Company's operations with Related Parties has been adopted, in accordance with the principles established by the Supervisory Authority with Consob Regulation no. 17221 of 12 March 2010.

The procedure identifies transactions subject to specific rules for the investigation and approval of transactions with related parties, graduated according to their greater (or lesser)

relevance. The procedure is characterized by a strong emphasis on the role of Independent Directors, who must always issue a prior opinion on the proposed transaction (if the transaction is of greater relevance, the opinion is binding on the Board); among other things, Independent Directors must be involved in the "investigative" phase preceding the approval of transactions of greater relevance.

It is believed that this procedure constitutes a further safeguard to guarantee the transparency of the Company's operations.

Information on related party transactions is summarized in Appendix 4 to the Explanatory Notes.

8 - Risks relating to the need to update processes increasingly subject to change.

The Company has implemented its processes with a view to supporting expansion and improving operating efficiency. In an increasingly dynamic and competitive context, however, continuous updating is essential to guaranteeing agility, integration and scalability.

More information about the company's risk management can be found in the Explanatory notes.

Number and value of shares

At 31 December 2025 share capital comprised 151,294,737 ordinary shares, for a total of €226,942 thousand.

Treasury shares

On 19 April 2024, the Shareholders' Meeting resolved to renew – following the revocation of the previous shareholders' resolution – the authorization for the purchase and disposal of treasury shares up to a maximum of 14.5 million ordinary shares and, in any case, not exceeding one-fifth of the share capital, also taking into account shares held directly or indirectly.

In compliance with current legal provisions, the authorization was approved for a maximum period of 18 months (and, therefore, until 19 October 2025).

On 30 April 2025, the Shareholders' Meeting again resolved to renew – following the revocation of the unexecuted portion of the previous shareholders' resolution – the authorization for the purchase and disposal of treasury shares up to a maximum of 14.5 million ordinary shares and, therefore, not exceeding one-fifth of the share capital, extending the term for a further 18 months (i.e., until 30 October 2026).

Starting from 16 January 2025, the Company launched a treasury share buyback program under the terms authorized by the aforementioned Shareholders' Meetings, which concluded on 17 April 2025; for further information regarding the program, please refer to the Annual Financial Report as of 31 December 2024.

During 2025, as part of the share buyback plan, the Company purchased 1,986,426 shares for a total value of €60,586 thousand.

During the same period, 214,913 treasury shares were used to cover the exercise of an equal number of options relating to the share-based incentive plan titled "2020-2027 Stock Option Plan".

As of 31 December 2025, the shares held in portfolio amounted to 1,771,513 for a total value of €54,031 thousand.



Tax consolidation

The Company exercised, jointly with the consolidator De Longhi Industrial S.A., the option to adhere to group taxation, referred to as "Domestic Tax Consolidation", as permitted under articles 117 - 129 of the Consolidated Income Tax Act (TUIR) as per Presidential Decree n. 917 of 22 December 1986, and the Decree of the Ministry of Economy and Finance of 1 March 2018, for the three-year period 2025-2027.

Related party transactions

Related party transactions fall within the normal course of the company business.

Information on related party transactions is summarized in Appendix 4 to the Explanatory Notes.



Alternative performance indicators

In addition to the information required by IFRS accounting principles issued by the International Accounting Standards Board, this document presents other financial measures which provide further analysis of the Company's performance. These indicators must not be treated as alternatives to those required by IFRS.

More in detail, the non-GAAP measures used include:

- **EBITDA:** the Company uses these measure as financial targets in internal presentations (business plans) and in external presentations (to analysts and investors), since it is a useful way of measuring operating performance besides EBIT.

EBITDA is an intermediate measure that derives from EBIT after adding back depreciation, amortization of property, plant and equipment and intangible assets. EBITDA is also presented net of non-recurring items, which are reported separately on the face of the income statement.

- **Net working capital:** this measure is the sum of inventories, trade receivables, current tax assets and other receivables, minus trade payables, current tax liabilities and other payables.

- **Net capital employed:** this measure is the sum of net working capital, intangible assets, property, plant and equipment, equity investments, other non-current receivables, and deferred tax assets, minus deferred tax liabilities, employee severance indemnity and provisions for contingencies and other charges.
- **Net financial debt/(Positive net financial position):** this measure represents gross financial liabilities less cash and cash equivalents and other financial receivables; the net financial position with banks, net non-banking items, is also reported. The individual line items in the statement of financial position used to determine this measure are analysed later in this report.

The figures contained in the present document, including some of the percentages, have been rounded relative to their full Euro amount. As a result, some of the totals in the tables may differ from the sum of the individual amounts presented.



Sustainability Reporting

Legislative Decree n.125/2024, in implementation of the Directive 2022/2464, establishes the mandatory publication of a Sustainability Report. For further information refer to the Report on Operations included in the Consolidated Annual Report.

Subsequent events

Subsequent to 31 December 2025, and up to the date of approval of these financial statements, no events have occurred that could significantly impact the reported financial position and results of operations, as defined by IAS 10 – Events After the Reporting Period.

In the days immediately preceding the date of this document, the international geopolitical landscape has been characterized by a significant escalation of tensions in the Middle East. These developments are identified as non-adjusting events in accordance with IAS 10.

Nevertheless, the current climate of uncertainty necessitates a cautious approach, including in the preparation of economic forecasts.

Indeed, it cannot be ruled out that further escalation of the conflict may lead to logistical difficulties and a generally critical market scenario.

Any further deterioration of the context could also impact future growth prospects, reflecting on the broader economy and financial markets.

Beyond what is stated above, no other significant events have occurred subsequent to the end of the financial year.



Proposed resolutions for the Annual General Meeting

1) Proposed resolution relating to item 1 of the Agenda for the Annual General Meeting convened on 23 April 2026 (“Approval of the separate financial statements at 31 December 2025, together with the Directors’ Report on Operations, the Board of Statutory Auditors’ Report and the External Auditors’ Report. Presentation of the Consolidated Annual Report at 31 December 2025 and the Legislative Decree 125/2024 Consolidated Sustainability Report. Related and consequent resolutions”).

Dear Shareholders,

in submitting the Annual Report at 31 December 2025 to you for approval during the Annual General Meeting, we propose that you approve the following resolution:

“The shareholders of De’ Longhi S.p.A.,

having examined the draft separate financial statements at 31 December 2025 of De’ Longhi S.p.A., the Board of Directors’ Report on Operations, the Board of Statutory Auditors’ Report and the other documentation called for under the law

resolve

to approve the Directors’ Report on Operations and the separate financial statements at 31 December 2025 of De’ Longhi S.p.A.”.

2) Proposed resolution relating to item 2 of the Agenda for the Annual General Meeting convened on 23 April 2026 (“Proposed allocation of the net profit for the year. Related and consequent resolutions”).

Dear Shareholders,

with regard to the allocation of the net profit for the year closed on 31 December 2025, which amounted to €219,684,720, we propose that you approve the following resolution:

“The shareholders of De’ Longhi S.p.A.,

having acknowledged the net profit for the year and the amount of the “extraordinary reserve” shown in the separate financial statements at 31 December 2025 and the Directors’ Report on Operations

resolve

- 1. to distribute a gross ordinary dividend of € 0.85 for each of the shares outstanding with dividend rights at the record date, as per art. 83-terdecies of Legislative Decree 58/98;*
- 2. to utilize, for the purpose mentioned in point 1 above, the profit resulting from the Financial Statements for the fiscal year 2025;*
- 3. to allocate the remainder of the earnings for the year to the extraordinary reserve;*
- 4. to establish that the payment of the dividend, on each share entitled to receive a dividend, will take place on 20 May 2026, with shares going ex-div on 18 May 2026, in accordance with Borsa Italiana’s calendar, based on the record date set in accordance with art. 83-terdecies of Legislative Decree No. 58/98 of 19 May 2026”.*

Treviso, 13 March 2026

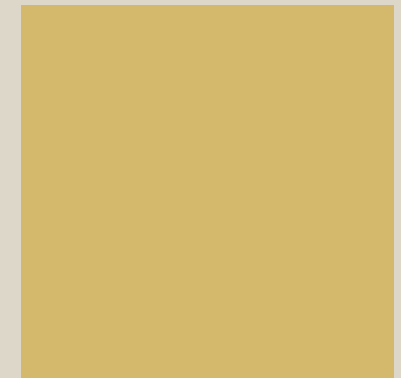
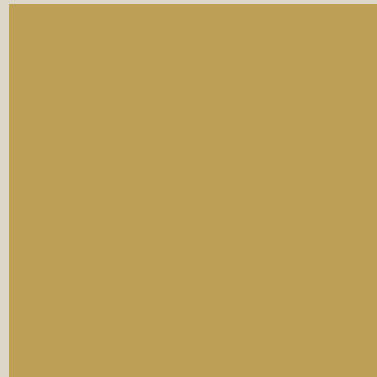
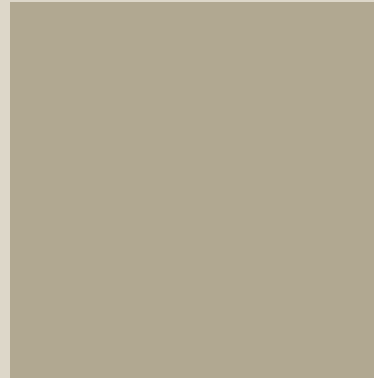
On behalf of the Board of Directors
Chairman and Chief Executive Officer
Fabio de’ Longhi

05

SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS

De' Longhi S.p.A. –
Separate financial
statements:

- Income statement
- Statement of comprehensive income
- Statement of financial position
- Statement of cash flow
- Statement of changes in net equity



Income statement

(Euro)	Notes	2025	of which non-recurring	2024	of which non-recurring
Other revenues	1	18,921,641		17,877,798	
Total revenues		18,921,641		17,877,798	
Raw and ancillary materials, consumables and goods	2	(63,435)		(64,247)	
<i>Materials consumed</i>		(63,435)		(64,247)	
Payroll costs	3	(25,521,820)	(2,258,752)	(19,714,249)	
Services and other operating expenses	4	(20,850,668)		(23,025,646)	(1,488,930)
Amortization	5	(479,607)		(460,821)	
EBIT		(27,993,889)		(25,387,165)	
Net financial income (expenses)	6	243,906,047		289,242,675	
PROFIT (LOSS) BEFORE TAXES		215,912,158		263,855,510	
Taxes	7	3,772,562		5,799,291	
PROFIT (LOSS)		219,684,720		269,654,801	

Appendix 4 reports the effect of related-party transactions on the income statement, as required by CONSOB resolution 15519 of 27 July 2006.

Statement of comprehensive income

(Euro)	2025	2024
Profit (loss)	219,684,720	269,654,801
Other components of the comprehensive income:		
- Change in fair value of cash flow hedges	-	(1,598,806)
- Tax effect on change in fair value of cash flow hedges and financial assets available for sale	-	383,712
Total other comprehensive income will subsequently be reclassified to profit (loss) for the year	-	(1,215,094)
- Actuarial valuation funds	9,150	3,127
- Tax effect of actuarial valuation funds	(2,196)	(750)
Total other comprehensive income will not subsequently be reclassified to profit (loss) for the year	6,954	2,377
Total components of comprehensive income	6,954	(1,212,717)
Total comprehensive income	219,691,674	268,442,084

Statement of financial position

ASSETS (Euro)	Notes	31.12.2025	31.12.2024
NON-CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT		711,994	890,145
- <i>Other tangible assets</i>	9	22,653	17,866
- <i>Right of use assets</i>	10	689,341	872,279
EQUITY INVESTMENTS AND OTHER FINANCIAL ASSETS		961,224,524	961,236,873
- <i>Equity investments</i>	11	961,184,577	961,076,577
- <i>Receivables</i>	12	39,947	160,296
DEFERRED TAX ASSETS	13	4,793,902	557,848
TOTAL NON-CURRENT ASSETS		966,730,420	962,684,866
CURRENT ASSETS			
TRADE RECEIVABLES	14	10,074,327	14,852,413
CURRENT TAX ASSETS	15	-	253,691
OTHER RECEIVABLES	16	4,982,040	9,087,193
CURRENT FINANCIAL RECEIVABLES AND ASSETS	17	188,460,648	290,748,527
CASH AND CASH EQUIVALENTS	18	38,114	4,118,319
TOTAL CURRENT ASSETS		203,555,129	319,060,143
TOTAL ASSETS		1,170,285,549	1,281,745,009

Appendix 4 reports the effect of related-party transactions on the statement of financial position, as required by CONSOB resolution 15519 of 27 July 2006.

Statement of financial position

NET EQUITY AND LIABILITIES (Euro)	Notes	31.12.2025	31.12.2024
NET EQUITY			
- Share Capital	21	226,942,106	226,820,477
- Reserves	22	283,596,203	247,216,450
- Profit (loss)		219,684,720	269,654,801
NET EQUITY		730,223,029	743,691,728
NON-CURRENT LIABILITIES			
FINANCIAL PAYABLES		361,958,597	415,897,219
- Banks loans and borrowings (long-term portion)	23	189,850,213	222,261,258
- Other financial payables (long-term portion)	24	171,762,701	193,192,337
- Lease liabilities (long-term portion)	10	345,683	443,624
NON-CURRENT PROVISIONS FOR CONTINGENCIES AND OTHER CHARGES		3,453,143	806,337
- Employee benefits	25	1,186,215	798,161
- Other provisions	26	2,266,928	8,176
TOTAL NON-CURRENT LIABILITIES		365,411,740	416,703,556
CURRENT LIABILITIES			
TRADE PAYABLES	27	5,183,690	7,718,696
FINANCIAL PAYABLES		55,322,536	97,339,542
- Banks loans and borrowings (short-term portion)	23	32,522,662	75,498,157
- Other financial payables (short-term portion)	24	22,456,852	21,421,538
- Lease liabilities (short-term portion)	10	343,022	419,847
CURRENT TAX LIABILITIES	28	1,987,563	2,650,000
OTHER PAYABLES	29	12,156,991	13,641,487
TOTAL CURRENT LIABILITIES		74,650,780	121,349,725
TOTAL NET EQUITY AND LIABILITIES		1,170,285,549	1,281,745,009

Appendix 4 reports the effect of related-party transactions on the statement of financial position, as required by CONSOB resolution 15519 of 27 July 2006.

Statement of cash flow

(Euro)	Notes	2025	2024
Profit (loss)		219,684,720	269,654,801
Income taxes for the period		(3,772,562)	(5,799,291)
Income from dividends receipt		(249,719,274)	(289,221,640)
Amortization		479,607	460,821
Net change in provisions and other non-cash items		11,769,711	(1,290)
Cash flow absorbed by current operations (A)		(21,557,798)	(24,906,599)
Change in assets and liabilities for the period:			
Trade receivables		4,778,086	(2,352,958)
Trade payables		(2,535,006)	(3,958,562)
Other changes in net working capital		4,285,038	14,446,730
Payment of income taxes		(2,539,924)	-
Cash flow generated by movements in working capital (B)		3,988,194	8,135,210
Cash flow absorbed by current operations and movements in working capital (A+B)		(17,569,604)	(16,771,389)
Investment activities:			
Investments in property, plant and equipment		(30,444)	-
Other cash flows for property, plant and equipment		-	9,883
Net equity investments and other financial assets		(108,000)	(345,560,448)
Dividends collection		249,719,274	289,221,640
Cash flow generated (absorbed) by investment activities (C)		249,580,830	(56,328,925)
Cash flow by operating activities (A+B+C)		232,011,226	(73,100,314)
Purchase of treasury shares		(60,586,098)	-
Exercise of stock option		5,026,655	12,713,591
Dividends paid		(186,481,615)	(101,017,542)
Payment of interests on loans		(11,007,573)	(23,690,861)
Repayment of loans and other net changes in sources of finance		16,957,200	187,582,382
Cash flow generated (absorbed) by changes in net equity and by financing activities (D)		(236,091,431)	75,587,570
Cash flow for the period (A+B+C+D)		(4,080,205)	2,487,256
Opening cash and cash equivalents	18	4,118,319	1,631,063
Cash flow for the period (A+B+C+D)		(4,080,205)	2,487,256
Closing cash and cash equivalents	18	38,114	4,118,319

Appendix 2 reports the statement of cash flows in terms of the net financial position.

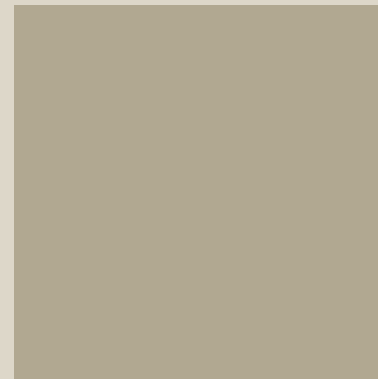
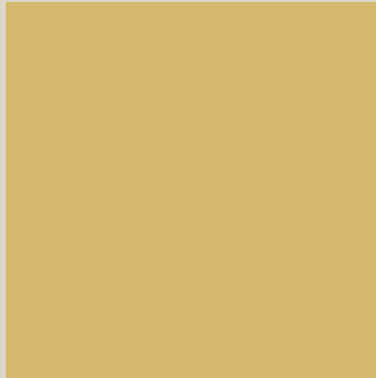
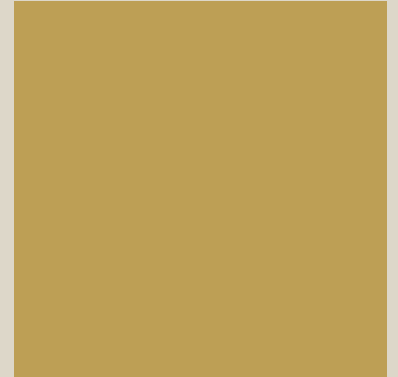
Statement of changes in net equity

(Euro)	Share capital	Share premium reserve	Legal reserve	Reserve for tax basis step-up, pursuant to law 197/2022	Extraordinary reserve	Treasury shares reserves	Cash flow hedge reserves	Stock option reserve	Actuarial evaluation reserve	Profit (loss) carried forward	Profit (loss)	Total net equity
Balance at 31 December 2023	226,590,000	40,077,883	45,318,000	-	201,413,290	(9,658,394)	1,215,094	5,694,599	(100,709)	10,441,324	36,578,046	557,569,133
Allocation of 2023 result as per AGM resolution of 19 April 2024												
- distribution of dividends					(64,439,496)						(36,578,046)	(101,017,542)
Fair value stock option								5,984,462				5,984,462
Exercise/cancellation of stock option	230,477	6,722,405				9,658,394		(3,897,684)				12,713,591
Movements from transactions with shareholders	230,477	6,722,405	-	-	(64,439,496)	9,658,394	-	2,086,778	-	-	(36,578,046)	(82,319,489)
Profit (loss) after taxes											269,654,801	269,654,801
Other components of comprehensive income							(1,215,094)		2,377			(1,212,717)
Comprehensive income (loss)	-	-	-	-	-	-	(1,215,094)	-	2,377	-	269,654,801	268,442,084
Balance at 31 December 2024	226,820,477	46,800,288	45,318,000	-	136,973,794	-	-	7,781,377	(98,332)	10,441,324	269,654,801	743,691,728
Balance at 31 December 2024	226,820,477	46,800,288	45,318,000	-	136,973,794	-	-	7,781,377	(98,332)	10,441,324	269,654,801	743,691,728
Allocation of 2024 result as per AGM resolution of 30 April 2025												
- allocation to reserves			70,421	153,963,631							(154,034,052)	-
- distribution of dividends					(71,093,936)						(115,620,749)	(186,714,685)
Treasury shares purchase						(60,586,098)						(60,586,098)
Fair value stock option								9,113,755				9,113,755
Exercise/cancellation of stock option	121,629	(33,491)				6,554,858		(1,616,341)				5,026,655
Movements from transactions with shareholders	121,629	(33,491)	70,421	153,963,631	(71,093,936)	(54,031,240)	-	7,497,414	-	-	(269,654,801)	(233,160,373)
Profit (loss) after taxes											219,684,720	219,684,720
Other components of comprehensive income									6,954			6,954
Comprehensive income (loss)	-	-	-	-	-	-	-	-	6,954	-	219,684,720	219,691,674
Balance at 31 December 2025	226,942,106	46,766,797	45,388,421	153,963,631	65,879,858	(54,031,240)	-	15,278,791	(91,378)	10,441,324	219,684,720	730,223,029

05

SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS

Explanatory notes



Company business

De' Longhi S.p.A., a company with its registered office in Treviso whose shares are listed on the Euronext Milan run by Borsa Italiana, is the parent company of the De' Longhi Group and performs holding company activities involving the management and supply of centralized services to its subsidiaries and the management of subsidiary undertakings.

Accounting standards

The financial statements of De' Longhi S.p.A. at 31 December 2025 have been prepared on the basis of the international accounting and financial reporting standards issued by the International Accounting Standards Board (IASB), including the SIC and IFRIC interpretations, as endorsed by the European Commission (at the date of 31 December 2025), pursuant to EC Regulation 1606 of 19 July 2002. The following documents have been used for interpretation and application purposes even though not endorsed by the European Commission:

- Framework for the Preparation and Presentation of Financial Statements (issued by the IASB in 2001);
- Implementation Guidance, Basis for Conclusions, IFRIC and other documents issued by the IASB or IFRIC to complement the accounting standards;
- Interpretations published by the Italian Accounting Board relating to how to apply IAS/IFRS in Italy.

The accounting policies and measurement bases used for preparing the financial statements at 31 December 2025 are the same as those used for preparing the financial statements at 31 December 2024; the new amendments and accounting standards, described below, had no significant impacts on the present financial statements.

The financial statements at 31 December 2025 comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of cash flows, the statement of changes in net equity and these explanatory notes.

The statement of financial position has been prepared on a basis that distinguishes between current and non-current items.

The income statement has been presented on the basis of the nature of expense, being a suitable structure for faithfully representing the Company's performance.

The statement of cash flows has been prepared using the "indirect method" allowed by IAS 7.

The present financial statements and notes are presented in Euro (the Company's functional currency) with all amounts in financial statements presented in Euro, as required by the Italian Civil Code, while amounts in explanatory notes are rounded to thousands of Euro, unless otherwise indicated.

The financial statements have been prepared in accordance with the historic cost principle, adjusted as needed for the valuation of a few financial instruments and under the assumption of going concern. Despite the considerable uncertainty stemming from the unpredictability as to the potential impact that the conflict in Ukraine and the inflationary pressures might have, in light of its financial solidity, the actions undertaken to mitigate risk and its business model, the Company believes that there are no elements which could compromise the business as a going concern as per paragraph 25 of IAS 1.

The risks and uncertainties relating to the business are described in a specific section of the Report on operations. The methods used by the company to manage financial risks are described in note 33. *Risk management* of the present Explanatory notes.

As part of the double materiality analysis, the Company has identified as significant both the impacts generated on climate change, in terms of GHG emissions produced by direct and indirect activities, and the related financial risks and opportunities, identified through a qualitative analysis.

Furthermore, in a subsequent phase, additional analyses were launched aimed at integrating the current qualitative approach with methodologies based on publicly available climate scenarios. For further details, please refer to the more extensive description provided in the Sustainability Reporting within the Management Report in the consolidated financial statements.

These financial statements, prepared in ESEF (European Single Electronic Format) format, were approved by the Board of Directors on 13 March 2026, which also authorized their publication.

International accounting standards adopted by the Company for the first time

In August 2023, the IASB published certain Amendments to IAS 21 - Lack of Exchangeability, adopted by the European Union through Regulation 2862/2024 of 12 November 2024, with the objective of clarifying whether a currency is exchangeable into another and how to determine the exchange rate in the absence of transactions. These requirements, applicable as of 1 January 2025, did not have a significant impact on the Company.

International financial reporting standards and/or not yet applicable

At the date of these financial statements, certain new standards and/or amendments to existing standards published by the IASB are not yet applicable.

The Company does not intend to opt for the early adoption of these new standards, where permitted.

The main updates applicable from the first financial year beginning after 1 January 2026, are described below.

In May 2024, the IASB published certain Amendments to IFRS 9 and IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments. This document aims to clarify the criteria for the recognition/derecognition of financial assets and liabilities and provides specific guidance regarding payments made through electronic systems. Furthermore, it defines the criteria for the classification of financial assets subject to ESG criteria, non-recourse loans, and contractually linked instruments. Disclosure requirements are also extended for equity instruments measured at fair value through OCI and for financial instruments with contingent features.

In July 2024, the IASB published the Annual Improvements to IFRS Accounting Standards – Volume 11 as part of its ordinary improvement activity, aimed at streamlining and clarifying existing standards. The annual improvements make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, and IAS 7 Statement of Cash Flows. These amendments were adopted by the European Union through Regulation 1331/2025 of 9 July 2025.

In December 2024, the IASB, through the document Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7), further amended IFRS 9 - Financial Instruments and IFRS 7 - Financial Instruments: Disclosures to improve the reporting of the financial effects of Power Purchase Agreements (PPAs) for electricity generated from natural sources. Since the amount of electricity generated under these contracts can vary due to uncontrollable weather-related factors, current accounting requirements might not adequately represent how such agreements affect company performance. In response, the IASB introduced the possibility of applying the 'own-use' exception to certain contracts and simplified the application of hedge accounting through new provisions that allow for the designation of a variable nominal volume of electricity as the hedged item.

The main updates applicable from the first financial year beginning after 1 January 2027, are described below.

In April 2024, the IASB published the new standard IFRS 18 - Presentation and Disclosure in Financial Statements, which defines the criteria for the presentation of the income statement, statement of financial position, and statement of changes in equity, as well as the disclosure requirements for the Explanatory Notes. The standard aims to improve the comparability of the income statement by defining its structure through the identification of categories and subtotals, increasing the transparency of performance measures, and establishing criteria for the aggregation/disaggregation of information.

In May 2024, the IASB also published the new accounting standard IFRS 19 - Subsidiaries without Public Accountability: Disclosures, which introduces reduced disclosure requirements for the financial statements of subsidiaries, where applicable.

Finally, in November 2025, the IASB published amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates to clarify the criteria for translating financial statements from a non-hyperinflationary currency into a hyperinflationary currency.

Disclosure by operating segments

Segment information is reported only with reference to the consolidated financial statements, as allowed by IFRS 8.

Principal accounting policies

Intangible assets

Other intangible assets

Other intangible assets purchased or internally generated are recognized as assets in accordance with IAS 38 Intangible assets, when it is probable that the future economic benefits attributable to their use will flow to the company and when the cost of the asset can be reliably measured.

These assets are valued at purchase or production cost and amortized, if they have a finite life, on a straight-line basis over their useful life, generally estimated in 4 years.



Property, plant and equipment

Land, property, plant and machinery

Property, plant and equipment owned by the Company are recorded at purchase or production cost and systematically depreciated over their residual useful lives.

The cost of assets qualifying for capitalization also includes the borrowing costs directly attributable to the acquisition, construction or production of the asset itself.

Subsequent expenditure is capitalized only if it increases the future economic benefits flowing to the enterprise.

Ordinary and/or routine maintenance and repair costs are directly expensed to the income statement when incurred. Costs relating to the expansion, modernization or improvement of owned or leased assets are capitalized to the extent that they qualify for separate classification as an asset or part of an asset under the component approach, whereby every component whose useful life and related value can be autonomously assessed must be treated individually. All other costs are expensed to income as incurred.

The useful lives, estimated by the Company for its various categories of property, plant and equipment, are as follows:

Other	4 – 5 years
-------	-------------

Right-of-use assets

In accordance with IFRS 16 the right-of-use asset is valued at cost plus the present value of future payments (discounted at the incremental borrowing rate, namely the interest rate that the lessee must pay over the term of the loan and similar guarantees), the initial costs incurred directly by the lessee, and any advance lease payments made. The asset value is systematically depreciated.

Impairment of non-financial assets

The Company tests, at least once a year, whether the book value of intangible assets and property, plant and equipment reported in the financial statements has suffered any impairment loss. If there is evidence of impairment, book value is written down to the related recoverable amount.

If it is not possible to estimate the recoverable amount of an individual asset, the Company assesses whether the cash-generating unit to which it belongs is impaired.

Financial instruments

Financial assets

Upon initial recognition, financial assets are classified based on the measurement methods used in one of the three categories found in IFRS 9. The classification depends on the nature of the contractual cash flows and the business model the Company uses to manage them.

The business model refers to the way in which the cash flows are generated which can be from the collection of contractual cash flows, the sale of assets or both.

A financial asset is classified among the assets valued at amortized cost if held as part of a business model where the objective is collecting contractual cash flows represented solely by payments to be made on certain dates, principal and interest. The valuation is made based on the effective interest rate.

A financial asset is classified among the assets valued at fair value with changes passing through the comprehensive income statement if held as part of a business model where the objective is collecting contractual cash flows and selling the assets and the cash flows contemplated under the contract refer solely to payments of principal and interest made on predetermined dates. For the assets included in this category, the interest receivable, the foreign exchange differences and losses in value are recognized in the income statement for the reporting period; other changes in fair value are recognized in the comprehensive income statement. Upon elimination, the cumulative change in fair value recognized as other comprehensive income is released to the income statement.

During the initial recognition phase, equity instruments may be included in the category of assets measured at fair value with changes recognized in the comprehensive income statement.

The category of assets valued at fair value with changes recognized in the income statement include assets held for trading, namely acquired to be sold in the short-term, and the assets designated as such.

Upon initial recognition, equity instruments not held for trading may be included in the category of financial instruments measured at fair value with changes recognized in the comprehensive income statement. This choice may be made for each asset and is irrevocable.

The trade receivables without a significant financing component are valued at the transaction price determined in accordance with IFRS 15.

Financial liabilities

Financial liabilities refer mainly to loans valued at amortized cost based on the effective interest rate. Financial liabilities are derecognized when the underlying obligation is extinguished, cancelled or fulfilled.

Trade payables are initially recognized at fair value and remeasured using the amortized cost method. Trade payables and other payables are presented as current liabilities unless payment is not expected beyond twelve months of the reporting period.

Lease liabilities

Lease liabilities equal the present value of the payments payable and not yet paid at the date of the financial statements discounted at the interest rate implicit in the lease, if easily determined, or alternatively, at the incremental borrowing rate which is the rate that the lessee would pay on a loan with a similar duration and conditions. In the event the lease term, purchase options, the residual value guaranteed, or variable payments based on indices or rates, are redetermined, the lease liability is restated.

Derivatives

Derivatives are used solely for hedging purposes, in order to reduce exposures to currency and interest rate risk. As allowed by IFRS 9, derivatives may qualify for special hedge accounting only when, at the inception of the hedge, the following conditions are satisfied:

- there is a formal designation that the instrument is a hedging one;
- there is formal documentation of the hedging relationship, which is expected to be highly effective;
- the effectiveness of the hedge can be reliably measured;
- the hedge is highly effective throughout the different financial reporting periods for which it was designated.

In accordance with IFRS 9, all derivatives are measured at fair value.

If financial instruments qualify for hedge accounting, the following treatment applies:

Fair value hedge – If a derivative instrument is designated as a hedge of the exposure to changes in the fair value of a recognized asset or liability that is attributable to a particular risk that will affect profit or loss, the gain or loss from remeasuring the hedging instrument at fair value should be recognized in the income statement. The gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and is recognized in the income statement.

Cash flow hedge – If a derivative instrument is designated as a hedge of the exposure to variability in cash flows attributable to a highly probable forecast transaction which could affect profit or loss, the effective portion of the gains or losses on the hedging instrument is recognized directly in the statement of comprehensive income. The effective portion of the cumulative gains or losses are reversed from net equity and reclassified to profit or loss in the same period in which the hedged transaction is reported in the income statement. Gains or losses associated with a hedge or part thereof that has become ineffective are reclassified to the income statement. If a hedging instrument or hedging relationship is terminated, but the transaction being hedged has not yet occurred,

the cumulative gains and losses, recorded up until then in the statement of comprehensive income, are reported in the income statement at the same time that the hedged transaction occurs. If the hedged transaction is no longer expected to occur, the unrealized gains or losses reported directly in net equity are immediately reclassified to the income statement. If hedge accounting cannot be applied, the gains or losses arising from the fair value measurement of the derivatives are transferred immediately to the income statement.

Employee benefit

Pension and other incentive plans

Net obligations relating to employee benefit plans, chiefly the provision for severance indemnities (for the portion retained in the company) and pension funds, are recorded at the expected future value of the benefits that will be received and which have accrued at the reporting date. The Company's obligation to finance defined benefit pension funds and the annual cost reported in the income statement are determined by independent actuaries using the projected unit credit method.



Equity based compensation

The Company grants additional benefits to the Chief Executive Officer, a limited number of executives and key resources under the form of stock options. Based on IFRS 2 Share-based payment, the current value of the stock option determined on the grant date is recognized on a straight-line basis in the income statement as a payroll cost in the period between the grant date and the date on which the rights granted to employees, executives and others who routinely provide services to one or more Group companies parties fully vest, with a corresponding increase in equity.

At each reporting date the Company will revise estimates based on the number of options that are expected to vest, independent of the fair value of the options. Any differences with respect to the original estimates will be recognized in the income statement with a corresponding increase in equity.

Once the stock option is exercised, the amounts received by the employee, net of transactions costs, will be added to the share capital in the amount of the nominal value of the shares issues. The remainder will be recognized in the share premium reserve.

The fair value of the stock options is determined using the Black-Scholes model which takes into account the conditions for the exercise of the right, the current share price, expected volatility, a risk free interest rate, as well as the non-vesting conditions.

The fair value of the stock options is included within the Stock option Reserve.

Provisions for contingencies and other charges

The Company recognizes provisions for contingencies and charges when (i) it has a present obligation (legal or constructive) to third parties (ii) it is probable that the company will need to employ resources to settle the obligation and (iii) a reliable estimate can be made of the amount of the obligation. Changes in these estimates are reflected in the income statement in the period in which they occur (also see the comments in the paragraph on "Estimates and assumptions").

Where the effect of the time value of money is material and the date of extinguishing the liability can be reasonably estimated, provisions are stated at the present value of the expected expenditure, using a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability.

An increase in the amount of the provision for the time value of money is accounted for in interest expense. Contingencies for which the probability of a liability is remote are disclosed in the notes but no provision is recognized.

Recognition of revenues

The item "Revenues" includes the consideration received for services rendered.

Revenues represent the consideration owed in exchange for the transfer of services to the customer, excluding amounts received on behalf of third parties. The Company recognizes the revenue when contractual obligations are fulfilled, namely when control of the service is transferred to the customer.

Based on the five-step model introduced in IFRS 15, the Company recognizes revenue after the following requirements have been met:

- a) the parties have approved the contract (in writing, orally or in accordance with other common commercial practices) and are committed to fulfilling the respective performance obligations; an agreement between the parties which creates rights and obligations regardless of the form of the agreement has, therefore, been created;
- b) the rights of each of the parties in relation to the services to be transferred can be identified;
- c) the payment terms for the goods or services to be transferred can be identified;
- d) the contract has commercial substance;
- e) it is probable that the Company will receive the consideration to which it is entitled in exchange for the services transferred to the customer.

If the consideration referred to in the contract has a variable component, the Company will estimate the amount of the consideration it will be entitled to in exchange for the services transferred to the customer.

Costs and expenses

Costs and expenses are accounted for on an accrual basis.

Dividends

Dividend distributions represent a movement in net equity in the period in which they are declared by the shareholders in general meeting.

Dividends received are reported when the Company is entitled to receive the payment.

Income taxes

Income taxes include all the taxes calculated on the Company's taxable income. Income taxes are recorded in the income statement, except for those relating to items directly debited or credited to net equity, in which case the associated tax is recognized directly in the statement of comprehensive income.

Deferred taxes are provided on the basis of global provision for the liability. They are calculated on all the temporary differences emerging between the tax base of an asset or liability and their book value, except for differences arising from investments in subsidiaries which are not expected to reverse in the foreseeable future. Deferred tax assets on the carry forward of unused tax losses and tax credits are recognized to the extent that it is probable that future taxable profit will be available against which these can be recovered. Current and deferred tax assets and liabilities may be offset when the income taxes are charged by the same tax authority and when there is a legal right of set-off.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realized or the liability settled.

Deferred taxes on reserves of distributable earnings in subsidiaries are recognized only if it is probable that such reserves will be distributed.

Any uncertainty regarding tax treatments is considered in the tax calculation in accordance with the recommendations of IFRIC 23 Uncertainty over Income Tax Treatments.

Estimates and assumptions

These financial statements, prepared in accordance with IFRS, contain estimates and assumptions made by the Company relating to assets and liabilities, costs, revenues and contingent liabilities at the reporting date. These estimates are based on past experience and assumptions considered to be reasonable and realistic, based on the information available at the time of making the estimate.

The assumptions relating to these estimates are periodically reviewed and the related effects reflected in the income statement in the same period; actual results could therefore differ from these estimates.

The following paragraphs discuss the principal assumptions used for estimation purposes and the principal sources of uncertainty, that have a risk of causing material adjustment to the book value of assets and liabilities in the future; details of book value can be found in the individual explanatory notes.

Employee benefits

The cost of defined benefit pension plans is determined using actuarial valuations, based on statistical assumptions regarding discount rates, expected returns on investments, future salary growth and mortality rates.

The Company believes the rates estimated by its actuaries to be reasonable for the year-end valuations, but cannot rule out that large future changes in rates could have a material impact on the liabilities recognized in the financial statements.

Recoverability of deferred tax assets

Deferred tax assets could include those relating to carry forward tax losses to the extent that there is likely to be sufficient future taxable profit against which such losses can be recovered.

Management must use their discretion when determining the amount of deferred tax assets for recognition in the financial statements. They must estimate the likely timing of reversal and the amount of future taxable profit, as well as the future tax planning strategy.

Provisions for contingencies

The company makes several provisions against disputes or risks of various kinds relating to different matters falling under the jurisdiction of different countries. The determination, probability and quantification of these liabilities involve estimation processes that are often very complex, for which management uses all the available information at the date of preparing the financial statements, including with the support of legal and tax advisors.



Comments on the income statement

1. Revenues

Revenues refer mainly to chargebacks to subsidiaries for operating costs (payroll costs and the cost of services) and financial expenses incurred which amounted to €18,864 thousand as shown in Appendix n. 4.

2. Raw and ancillary materials, consumables and goods

These are analyzed as follows:

	2025	2024	Change
Other purchases	63	64	(1)
Total	63	64	(1)

3. Payroll costs

The figures relating to the provisions made by the Company relative to severance and long-term benefits are summarized in note 25. *Employee benefits*.

The item includes €9,114 thousand in costs relating to the current stock option plans (€5,984 thousand at 31 December 2024); refer to note 22. *Stock option plans* and note 25. *Employee benefits* for more information.

In 2025, this item includes non-recurring restructuring costs amounting to €2,259 thousand.

4. Services and other operating expenses

These are analyzed as follows:

	2025	2024	Change
Insurance	4,810	5,333	(523)
Global marketing costs	4,242	3,889	353
Consulting services	2,784	4,090	(1,306)
Directors' emoluments	2,562	3,311	(749)
Travel	435	718	(283)
Statutory auditors' emoluments	177	170	7
Rentals and leasing	145	139	6
Telephone costs	42	45	(3)
ADV and Promotional expenses	-	2	(2)
Other sundry services	4,854	4,670	184
Total services	20,051	22,367	(2,316)
Sundry taxes	570	447	123
Other	230	212	18
Total other operating expenses	800	659	141
Services and other operating expenses	20,851	23,026	(2,175)

"Cost of services" includes the costs incurred by the Company to carry out its activities as a holding company and a few centralized costs shared by several Group companies that are subsequently charged back to the subsidiaries.

"Rentals and leasing" includes the operating costs for contracts that are not or do not contain leases (€108 thousand; €119 thousand at 31 December 2024), as well as the costs for leases of less than twelve months (€25 thousand; €20 thousand at 31 December 2024); for more information, please refer to note 10. *Leases*.

"Services and other operating expenses" include €3,235 thousand in costs from related parties, as reported in Appendix 4.



5. Amortization

These are analyzed as follows:

	2025	2024	Change
Amortization of intangible assets	-	31	(31)
Depreciation of property, plant and equipment	26	43	(17)
Depreciation of right of use assets	454	387	67
Total	480	461	19

For further information on amortization and depreciation, please see the tables showing changes in property, plant and equipment, and leases.

6. Financial income (expenses)

Net financial income and expenses are broken down as follows:

	2025	2024	Change
Dividends	249,719	289,222	(39,503)
Incomes (expenses) from equity investments	249,719	289,222	(39,503)
Income (expenses) on exchange hedging transactions	(1)	(120)	119
Exchange differences	3	107	(104)
Profits (losses) on net exchange rates	2	(13)	15
Net interest on loans	5,383	14,626	(9,243)
Financial income	5,383	14,626	(9,243)
Interest on m/l term loans	(8,244)	(11,008)	2,764
Interest expenses on bonds	(2,682)	(3,045)	363
Interest expenses on short-term loans and borrowings	(1)	-	(1)
Financial expenses	(10,927)	(14,053)	3,126
Interest for leasing	(28)	(18)	(10)
Other net financial income (expenses)	(243)	(521)	278
Other net financial income (expenses)	(271)	(539)	268
Net financial income (expenses)	243,906	289,243	(45,337)

“Financial income (expenses)” includes €255,120 thousand in income from related parties, as reported in Appendix 4.

Dividends relate primarily to amounts declared by the subsidiaries De Longhi Benelux S.A., De’ Longhi Appliances S.r.l., De Longhi Deutschland GmbH, De’ Longhi Benelux II S.à r.l., E-Services S.r.l., De’ Longhi Kenwood GmbH, and De’ Longhi Polska Sp.Zo.o.

The interest payable on loans includes the interest on the Company’s financial debt (recalculated using the amortized cost method).

For more information on leases, please see note 10. *Leases*.

7. Income taxes

These are analyzed as follows:

	2025	2024	Change
Current taxes	(466)	2,912	(3,378)
Advanced (deferred) taxes	4,239	2,887	1,352
Total	3,773	5,799	(2,026)

The Company exercised, jointly with the consolidator De Longhi Industrial S.A., the option to adhere to “Domestic Tax Consolidation”, as permitted under articles 117 et seq of Presidential Decree n. 917/86, renewed for the three-year period 2025-2027.

“Deferred income tax assets (liabilities)” report the taxes calculated on the temporary differences arising between the carrying amount of assets and liabilities and the corresponding tax base.

More information on deferred taxes can be found in note 13. *Deferred tax assets*.

Current taxes include the effects deriving from the application of the Pillar Two regulations, under which the Company qualifies as a Partially Owned Parent Entity. Based on information currently known or reasonably estimable, the Company’s exposure to Pillar Two income taxes as of 31 December 2025, is considered non-significant.

The Company will continue to assess the impact of the Pillar Two income tax regulations by monitoring future financial results.

Furthermore, current taxes include €1,872 thousand as a substitute tax for income taxes and IRAP, following the extraordinary step-up of revaluation surpluses, reserves, and tax-deferred funds pursuant to Article 14 of Legislative Decree No. 192/2024.

The reconciliation of the tax burden is provided below.

	2025	%	2024	%
Profit before taxes	215,912	100.0%	263,856	100.0%
Theoretical taxes	(51,819)	24.0%	(63,325)	24.0%
Permanent tax differences (dividends, net of disallowable costs) and other effects	55,592	25.7%	69,124	26.2%
Actual taxes	3,773	1.7%	5,799	2.2%



Comments on the statement of financial position: assets

Non-current assets

8. Intangible assets

These are analyzed as follows:

	31.12.2025		31.12.2024	
	Gross	Net	Gross	Net
Patents	2,244	-	2,244	-
Total	2,244	-	2,244	-

As of 31 cember 2025, intangible assets are fully amortized; no movements were recorded during the year.

9. Other tangible assets

These are analyzed as follows:

	31.12.2025		31.12.2024	
	Gross	Net	Gross	Net
Industrial and commercial equipment	25	-	19	-
Other	271	23	246	18
Total	296	23	265	18

The following table reports movements during 2025:

	Other	Industrial and commercial equipment
Net opening balance	18	-
Additions	25	6
Amortization	(20)	(6)
Net closing balance	23	-

10. Leasing

The Company's current leases refer primarily to property and automobiles leased for operational purposes.

The right-of-use recognized for leased goods and the changes in 2025 are detailed below:

	Land and buildings	Other	Total
Net opening balance	563	309	872
Additions	57	255	312
Disposals	-	(41)	(41)
Amortization	(303)	(151)	(454)
Net closing balance	318	371	689

In 2025, subsequent to the application of the IFRS 16 Leases, €454 thousand of depreciation were recognized in the income statement and €28 thousand of interest payable and while € 473 thousand of costs represented by the lease payments made were eliminated.

Financial liabilities for leases amounting to €689 thousand (of which €346 thousand expiring beyond 12 months) were recognized at 31 December 2025.

The financial liabilities for leases include amounts owed associates of €122 thousand (of which €2 thousand expiring beyond 12 months) as shown in Appendix 4.

The maturities of the undiscounted lease liabilities are shown below:

	Undiscounted flows at 31.12.2025	Payable within one year	Payable in 1-5 years	Payable in more than five years
Lease liabilities	717	346	371	-

11. Equity investments

These are analyzed as follows:

Equity investments in subsidiary company	31.12.2025	31.12.2024	Change
De' Longhi Benelux II S.à r.l.	484,893	484,785	108
De Longhi Benelux S.A.	175,513	175,513	-
De' Longhi Appliances S.r.l.	242,678	242,678	-
De' Longhi Deutschland GmbH	40,800	40,800	-
De' Longhi Capital Services S.r.l.	6,005	6,005	-
E-Services S.r.l.	5,264	5,264	-
De' Longhi Romania S.r.l.	3,078	3,078	-
De' Longhi Kenwood GmbH	2,900	2,900	-
Clim.Re S.A.	54	54	-
Total	961,185	961,077	108

The increase in the value of equity investments is due to a capital contribution of €108 thousand, made in favor of the subsidiary De' Longhi Benelux II S.à r.l..

The list of equity investments is summarized in Appendix 3.

Equity investments in subsidiaries are recognized at the acquisition or formation cost.

The impairment test carried out has not revealed any significant evidence that equity investments are impaired.

12. Non-current receivables

This balance is analyzed as follows:

	31.12.2025	31.12.2024	Change
Receivables from subsidiaries	23	144	(121)
Guarantee deposit	17	16	1
Total	40	160	(120)

Appendix 4 contains details of "Receivables from subsidiary companies".



13. Deferred tax assets

“Deferred tax assets” refers to the recognition of taxes calculated on temporary differences between the carrying amount of assets and liabilities and their corresponding tax base and on the income distributed by subsidiaries.

Details are as follows:

	31.12.2025			31.12.2024			Change
	Taxable amount	Tax rate	Total income taxes	Taxable amount	Tax rate	Total income taxes	
Provision for contingencies and other charges	2,209	24%	530	(52)	24%	(12)	542
Other temporary differences	17,650	24%	4,236	2,252	24%	540	3,696
Total deferred tax assets recognized in the income statement	19,859		4,766	2,200		528	4,238
Total deferred tax assets/tax liabilities recognized in the income statement	19,859		4,766	2,200		528	4,238
Actuarial valuation funds	120	24%	28	129	24%	30	(2)
Total temporary differences recognized in net equity	120		28	129		30	(2)
Total net closing	19,979		4,794	2,329		558	4,236

There are no reportable temporary differences or tax losses against which deferred tax assets were recognized.



Current assets

14. Trade receivables

These are analyzed as follows:

	31.12.2025	31.12.2024	Change
Trade receivables within 12 months	10,074	14,852	(4,778)
Total	10,074	14,852	(4,778)

"Trade receivables" include €10,074 thousand in receivables from related parties, as reported in Appendix 4.

Trade receivables do not include any amounts due beyond 12 months.

15. Current tax assets

These are detailed as follows:

	31.12.2025	31.12.2024	Change
Direct tax receivables	-	254	(254)
Total	-	254	(254)

In 2025 the Company exercised the option to adhere to "Domestic Tax Consolidation" as permitted under Title II Section of Presidential Decree n. 917/86, in order to optimize the financial management of relationships with the tax authorities.

16. Other receivables

These are analyzed as follows:

	31.12.2025	31.12.2024	Change
Transfer of IRES credits for the purposes of Domestic Tax Consolidation	2,286	5,639	(3,354)
Prepaid insurance costs	1,597	1,369	228
VAT	910	1,876	(966)
Other	189	203	(14)
Total	4,982	9,087	(4,105)

In 2025 the Company exercised the option to adhere to "Group VAT liquidation" pursuant to Ministerial Decree n. 13/12/1979; the item "VAT credits" reflects the relative credit.

"Other receivables" includes €2,286 thousand in amounts due from related parties, as reported in Appendix 4.

None of the other receivables is due beyond 12 months.

17. Current financial receivables and assets

These are analyzed as follows:

	31.12.2025	31.12.2024	Change
Financial receivables	188,460	290,749	(102,289)
Fair value of derivatives	1	-	1
Total	188,461	290,749	(102,288)

"Financial receivables" refers to receivables to the subsidiary company De' Longhi Capital Services S.r.l., relating to the cash pooling agreement.

"Current financial receivables and assets" includes amounts payable by related parties of €188,461 thousand, as reported in Appendix 4.

More details on the fair value of derivatives can be found in note 33. *Risk management*.

None of the current financial receivables is due beyond 12 months.

18. Cash and cash equivalents

This balance consists of surplus liquidity on bank current accounts.

Comments on the statement of financial position: net equity and liabilities

Net equity

The primary objective of the Company's capital management is to maintain a solid credit rating and adequate capital ratios in order to support its business and maximize value for shareholders.

On 30 April 2025, the Shareholders' Meeting of De' Longhi S.p.A. resolved the distribution of a gross dividend amounting to Euro 1.25 per eligible share, to be paid as follows:

- Euro 0.83 per share as a gross ordinary dividend, with an ex-dividend date of 19 May 2025, in accordance with the Borsa Italiana calendar, a record date of 20 May 2025, and a payment date of 21 May 2025;
- Euro 0.42 per share as a gross additional dividend, with an ex-dividend date of 22 September 2025, in accordance with the Borsa Italiana calendar, a record date of 23 September 2025, and a payment date of 24 September 2025.

Total approved dividends resolved amounted to € 186,715 thousand, of which € 186,482 thousand were paid during 2025.

Movements in the equity accounts are reported in one of the earlier schedules forming part of the financial statements; comments on the main components and their changes are provided below.

19. Treasury shares

On 19 April 2024, the Shareholders' Meeting approved the renewal - following the revocation of the previous authorization granted by shareholders - of the authorization to purchase and dispose of treasury shares for up to a maximum of 14.5 million ordinary shares or an amount which does not exceed one fifth of the share capital, including any shares held by the Company or any of its subsidiaries.

The buyback program was approved, in accordance with the law, for a period of up to a maximum of 18 months (i.e., until 19 October 2025).

On 30 April 2025, the Shareholders' Meeting again approved the renewal - following the revocation of the unexecuted portion of the previous resolution - of the authorization to purchase and dispose of treasury shares up to a maximum of 14.5 million ordinary shares (not exceeding one-fifth of the share capital), extending the term for a further 18 months (i.e., until 30 October 2026).

Starting from 16 January 2025, the Group announced a share buyback program under the terms authorized by the aforementioned Meetings, which concluded on 17 April 2025; for further information regarding the program, please refer to the Annual Financial Report at 31 December 2024.

During 2025, as part of the share buyback program, the Group purchased 1,986,426 shares through the parent company De'Longhi S.p.A. for a total amount of €60,586 thousand.

During the same period, 214,913 treasury shares were used to cover the exercise of an equal number of options relating to the share-based incentive plan titled "2020-2027 Stock Option Plan".

As of 31 December 2025, the treasury shares held in portfolio amounted to 1,771,513 for a total value of €54,031 thousand.

20. Share-based incentives plans

At 31 December 2025 two share-based incentive plans were in place, referred to as the "Stock Option Plan 2020-2027" and the "Performance Shares Plan 2024-2026".

The "Stock Option Plan 2020-2027" was approved by the shareholders of De' Longhi S.p.A. during the Shareholders' Meeting held on 22 April 2020.

In the face of the plan, the Shareholders' Meeting decided on a further increase in the share capital of nominal maximums Euro 4,500,000 to be carried out through the 3,000,000 ordinary shares, having the same characteristics as ordinary shares outstanding on the date of issue, with regular enjoyment, intended, if the shares in the portfolio do not were capacious.

The aim of the plan is to encourage the loyalty of the beneficiaries, encouraging their stay in the Group, linking their remuneration to the implementation of the company strategy in the medium to long term.

The overall duration of the plan is about 8 years and in any case the deadline is set for 31 December 2027.

The beneficiaries were identified by the Board of Directors based on the proposal of the Remuneration and Appointments Committee or the Chief Executive Officer, after having consulted with the Board of Statutory Auditors.

The options are granted free of charge: the beneficiaries, therefore, will not be expected to pay any sort of consideration upon assignment. Conversely, exercise of the option and the resulting subscription of the shares will be subject to payment of the exercise price.

Each option grants the right to subscribe one share at the conditions set out in the relative regulations. The exercise price shall be equal to the arithmetic average of the official market price of the Company's shares recorded on the "Euronext Milan" managed by Borsa Italiana S.p.A. 180 calendar days prior to the date on which the 2020-2027 Plan and the relative regulations were approved by shareholders during the Annual General Meeting. This period of time is sufficient to limit the impact that any volatility caused by the Coronavirus crisis could have on the stock price.

The options may be exercised by the Beneficiaries – on one or more occasions – solely and exclusively during the exercise period, namely during the following timeframes:

- between 15 May 2023 and 31 December 2027 for up to a total maximum amount equal to 50% of the total options assigned each beneficiary, without prejudice to the black-out periods referred to in Art. 12 of the Regulations;
- between 15 May 2024 and 31 December 2027 for the remaining 50% of the total options assigned each beneficiary, without prejudice to the black-out periods referred to in Art. 12 of the Regulations.

Any option not exercised by the end of the exercise period will be automatically expire and the beneficiary will have no right to any compensation or indemnity.

All shares will have regular dividend rights and, therefore, will be the same as all other shares outstanding at their issue date, and will be freely transferrable by the beneficiary.

However, on the 55% post 'sell-to-cover' share portion, the Plan provides for a so-called holding period (starting from the date the option is exercised) of 24 months for options relating to the first exercise period and 12 months for those relating to the second exercise period, during which a portion of the shares purchased and/or subscribed by the beneficiary is subject to restrictions on sale and/or transfer.

Please refer to the *Annual Report on the Remuneration Policy and Compensation Paid* for more information on the Plan.

For the purposes of valuation under IFRS 2 – Share-based payments, two different tranches were defined for each award which contain the same number of options broken down equally into the plan's two exercise periods. The fair value of each tranche is different.

The fair value of the stock options at the assignment date is determined using the Black-Scholes model which takes into account the conditions for the exercise of the right, the current share price, expected volatility, a risk-free interest rate, as well as the non-vesting conditions.

Volatility is estimated based on the data of a market information provider and corresponds to the estimated volatility of the stock over the life of the plan.

The fair value of the options assigned on the date of this Report and the assumptions made for

its evaluation are as follows:

	Award (05.04.2020)	Award (05.14.2020)	Award (05.15.2020)	Award (05.20.2020)	Award (11.05.2020)
First tranche fair value	4.43	4.59	4.46	4.46	12.40
Second tranche fair value	4.38	4.54	4.40	4.40	12.03
Expected dividends	2.8%	2.8%	2.8%	2.8%	2.8%
Estimated volatility (%)	35.0%	34.0%	33.0%	32.0%	28.0%
Historic volatility (%)	37.0%	37.0%	37.0%	37.0%	37.0%
Market interest rate	(0.2%)	(0.2%)	(0.2%)	(0.2%)	(0.2%)
Expected life of the options (years)	7.70	7.70	7.70	7.70	7.70
Exercise price (Euro)	16.98	16.98	16.98	16.98	16.98

As of 31 December 31 2024, options relating to the "2020-2027 Stock Option Plan" amounted to 340,999; during 2025, this number decreased to 45,000 following the exercise of 295,999 options, which was carried out by using 214,913 treasury shares held in portfolio and by issuing 81,086 new shares for the remainder.

The "Stock Option Plan 2024-2026" was approved by the shareholders of De' Longhi S.p.A. during the Shareholders' Meeting held on 19 April 2024.

The Plan is reserved for the Chief Executive Officer and Managing Director of De'Longhi S.p.A., and a limited number of managers with strategic responsibilities selected by the Board of Directors based on the proposal of the Remuneration and Appointments Committee, after having consulted with the Board of Statutory Auditors.

The purpose of the plan is to incentivize achievement of the Group's medium/long-term performance targets, by creating a rewarding, equitable and sustainable remuneration system, consistent with the regulatory framework and stakeholders' expectations.

Based on the Plan the options are assigned free of charge for up to a total of 1,200,000 options which entitles the beneficiary to 1 De' Longhi share for each option assigned, subject to achieving certain performance targets (measured at the end of the three-year vesting period 2024-2025-2026 and linked to value creation and the De' Longhi' Group's medium/long-term profitability), as well as based on the mechanisms and conditions in the plan itself.

Treasury shares may be used to service the Plan or, if not sufficient, shares issued as a result of free capital increases may also be used, including in more than one tranche for up to a maximum nominal amount of €1,800,000 and 1,200,000 shares, for which the Shareholders has granted the Board of Directors a specific mandate.

The shares will be transferred after the Shareholders' Meeting to approve the separate annual financial statements and examine the Group's consolidated Annual Report at 31 December 2026.

The Plan will expire in 2029, once the 24-month lock-up period on 50% of the shares assigned has ended.

For the purposes of valuation under IFRS 2 – Share-based payments, a single fair value was determined based on the option's value at the assignment date determined using the Black-Scholes model which takes into account the conditions for the exercise of the option, the current share price, expected volatility, a risk-free interest rate, as well as the non-vesting conditions.

Volatility was estimated based on the data of a market information provider and corresponds to the estimated volatility of the stock over the life of the plan.

The fair value of the options assigned and the valuation assumptions used are shown below:

	First Award
Average Fair value	27.68
Expected dividends	2.45%
Historic volatility (%)	34.63%
Market interest rate	3.1%
Expected life of the rights (years)	3.15
Exercise price (Euro)	-

At 31 December 2025, based on the information available, an estimated 861,473 rights were outstanding.

Please refer to the Annual Report on the Remuneration Policy and Compensation Paid for more information on the Plan.

21. Share capital

The share capital at 31 December 2024 comprised 151,213,651 ordinary shares for a total of €226,820 thousand.

During 2025 a total of 81,086 new shares were issued to service the options exercised under the "Stock Option Plan 2020-2027"; at 31 December 2025, therefore, the share capital comprises 151,294,737 ordinary shares for a total of €226,942 thousand.

22. Reserves

These are analyzed as follows:

	31.12.2025	31.12.2024	Change
Share premium reserve	46,767	46,800	(33)
Legal reserve	45,388	45,318	70
Other reserves:			
- Extraordinary reserve	65,880	136,974	(71,094)
- Stock option reserve	15,279	7,781	7,498
- Reserve for treasury shares	(54,031)	-	(54,031)
- Actuarial valuation reserve	(91)	(98)	7
Profit (Loss) carried forward	10,441	10,441	-
- Reserve for tax basis step-up, pursuant to Law 197/2022	153,963	-	153,963
Total	283,596	247,216	36,380

Following the IPO and subsequent listing on Milan's MTA, today Euronext Milan, on 23 July 2001, a share premium reserve was constituted and subsequently reduced following the demerger of DeLclima S.p.A.. This reserve amounted to €46,800 thousand at 31 December 2024 after the exercise of options relating to the "2020-2027 Stock Option Plan".

In 2025 the reserve decreased by €33 thousand to €46,767 thousand following the exercise of 295,999 options under the Stock Option Plan.

The 'Legal reserve' increased by a total of €70 thousand, following the allocation of the 2024 profit as resolved by the Shareholders' Meeting of De' Longhi S.p.A. on 30 April 2025.

The 'Extraordinary reserve' decreased by a total of €71,094 thousand, due to its distribution as part of the allocation of the 2024 profit, as resolved by the Shareholders' Meeting on 30 April 2025.

The 'Stock option reserve' refers to the share-based incentive plans titled "2020-2027 Stock Option Plan" and "2024-2026 Performance Shares Plan", already described in Note 20. Share-based incentive plans.

As of 31 December 2025, the reserve amounted to €15,279 thousand, representing the fair value of the options determined at the grant date, recognized on a straight-line basis over the period between the grant date and the vesting date.

Regarding the "2020-2027 Stock Option Plan", the reserve, which stood at €2,163 thousand as of 31 December 2024, amounted to €547 thousand as of 31 December 2025, due to the exercises that took place during the period.

Regarding the "2024-2026 Performance Shares Plan", the reserve, which stood at €5,618 thousand as of 31 December 2024, increased to €14,732 thousand during 2025, as a result of recognizing the related fair value on a straight-line basis over the vesting period.

The 'Treasury shares in portfolio reserve', negative for €54,031 thousand as of 31 December 2025, represents the total value of 1,771,513 treasury shares purchased under the buyback program, net of the shares used to cover the exercise of options.

The following table provides information on the permitted distribution of reserves:

Nature / Description	Amount	Tax restriction	Permitted use	Available amount
Share capital	226,942	56,884		
Capital reserves:				
- Share premium reserve	46,767		A.B.C	46,767
- Reserve for treasury shares	(54,031)			
Earnings reserves				
- Legal reserve	45,388	1,257	B	
- Extraordinary reserve	65,880		A.B.C	65,880
- Stock option reserve	15,279			
- Actuarial valuation reserve	(91)			
- Revaluation reserve	10,441		A.B.C	1,866
- Reserve for tax basis step-up, pursuant to Law 197/2022	153,963	153,963	A.B.C	
Total	510,538	212,104		114,513

Key:

- A: to increase share capital
- B: to cover losses
- C: distribution to shareholders

It should be noted that the amounts indicated in the 'Tax constraint' column refer, for €58,141 thousand, to the constraint applied following the bonus share issue through the use of tax-deferred reserves carried out in 1997 and to the constraint applied for revaluation operations to higher statutory values performed in 2000 and 2005; and, for €153,963 thousand, to the constraint applied to the reserve of earnings stepped-up (affrancati) pursuant to Law 197/2022.



Liabilities

23. Bank loans and borrowings

Bank loans and borrowings are analyzed as follows:

	Payable within one year	Payable in 1-5 years	31.12.2025	Payable within one year	Payable in 1-5 years	31.12.2024
Current bank loans and borrowings	4	-	4	8	-	8
Loans, short term portion	32,519	-	32,519	75,490	-	75,490
Total bank loans and borrowings	32,523	-	32,523	75,498	-	75,498
Loans (one to five years)	-	189,850	189,850	-	222,261	222,261
Total banks loans and borrowings	32,523	189,850	222,373	75,498	222,261	297,759

In 2025 no new loans were taken out. On 30 June 2025 a medium-term floating rate loan was extinguished.

None of the financial covenants in current loan agreements, based on the net financial debt/net equity and net financial debt/EBITDA before non-recurring/stock option costs ratios (based on the consolidated financial statements), had been breached at 31 December 2025.

Most of the bank debt is floating rate; as a result of the hedge on one of the medium/long-term loans, the floating rate debt was swapped for fixed rate debt. The fair value of the loans, calculated by discounting future interest flows at current market rates, does not differ significantly from the amount of debt recognized in the financial statements.

24. Other financial payables

This balance, inclusive of the current portion, is made up as follows:

	31.12.2025	31.12.2024	Change
Private placement (short-term portion)	21,415	21,408	7
Other short term financial payables	1,042	14	1,028
Total short-term payables	22,457	21,422	1,035
Private placement (one to five years)	21,399	42,832	(21,433)
Total long-term payables (one to five years)	21,399	42,832	(21,433)
Private placement (beyond five years)	150,364	150,360	4
Total long-term payables (beyond five years)	150,364	150,360	4
Total	194,220	214,614	(20,394)

The bond loan refers to the issue and placement of €150 million in unsecured, non-convertible notes with US institutional investors (the "US Private Placement") completed in 2017 and an additional €150 million placed in 2021.

In both instances the securities were issued in a single tranche.

The first issue matures in 10 years, in June 2027, and has a weighted average life of 7 years at issuance. The notes will accrue interest from the subscription date at a fixed rate of 1.65% per annum. The notes will be repaid yearly in equal instalments beginning June 2021 and ending June 2027, without prejudice to the Company's ability to repay the entire amount in advance. The second issue matures in 20 years, in April 2027, and has an average life of 15 years. The securities are unrated and are not intended to be listed on any regulated markets.

The second issue matures in 20 years, in April 2041, and has an average life of 15 years. The notes will accrue interest from the subscription date at a fixed rate of 1.18% per annum. The notes will be repaid yearly in equal instalments beginning April 2031 and ending April 2041, without prejudice to the Company's ability to repay the entire amount in advance.

Both issues are unrated and are not intended to be listed on any regulated markets.

The issues are subject to half-yearly financial covenants consistent with those applied to other loans. At 31 December 2025 the covenants based on the net financial debt/net equity and net financial debt/EBITDA adjusted (based on the consolidated financial statements), had not been breached.

Neither issue is secured by collateral of any kind.

"Other short term financial payables" refers mainly to amounts owed the affiliate De' Longhi Capital Services S.r.l., explained for €809 thousand by financial services rendered.

More details on the fair value of derivatives, hedging both exchange rate and interest rate risk, can be found in note 33. *Risk management*.

The balance includes €809 thousand in payables from related parties, as reported in Appendix 4.

Net financial position

Details of the net financial position are as follows:

	31.12.2025	31.12.2024	Change
A. Cash	38	4,118	(4,080)
B. Cash equivalents	-	-	-
C. Other current financial assets	188,461	290,749	(102,288)
D. Cash, cash equivalents and other current financial assets (A+B+C)	188,499	294,867	(106,368)
E. Current financial liabilities	(22,809)	(21,834)	(975)
<i>of which lease liabilities</i>	<i>(343)</i>	<i>(420)</i>	<i>77</i>
F. Current portion of non-current financial liabilities	(32,523)	(75,498)	42,975
G. Current financial liabilities (E+F)	(55,332)	(97,332)	42,000
H. Current net financial liabilities (D+G)	133,167	197,535	(64,368)
I.1. Other non-current financial assets	23	145	(122)
I. Non-current financial liabilities	(190,196)	(222,705)	32,509
<i>of which lease liabilities</i>	<i>(346)</i>	<i>(444)</i>	<i>98</i>
J. Debt instruments	(171,754)	(193,192)	21,438
K. Trade payables and other non-current liabilities	-	-	-
L. Non-current net financial liabilities (I.1+I+J+K)	(361,927)	(415,752)	53,825
M. Total financial liabilities (H+L)	(228,760)	(218,217)	(10,543)
<i>Fair value of derivatives</i>	<i>1</i>	<i>(8)</i>	<i>9</i>
Total net financial position	(228,759)	(218,225)	(10,534)

Details of the net financial position are shown in accordance with CONSOB Bulletin DEM/6064293 of 28.07.2006; in order to provide a better representation, the other non-current financial assets (item K1) are shown separately; for more information refer to note 12. *Non-current receivables*.

Details of financial receivables and payables with related parties are reported in Appendix 4.

For a better understanding of the changes in the net financial position, refer to the statement of cash flows, appended to these explanatory notes and the details provided in the *Report on Operations*.

25. Employee benefits

These are analyzed as follows:

	31.12.2025	31.12.2024	Change
Provision for severance indemnities	406	408	(2)
Other long term benefits	780	390	390
Total	1,186	798	388

Provision for severance indemnities

The provision for severance indemnities includes amounts payable to the Company's employees and not transferred to alternative pension schemes or the pension fund set up by INPS (Italy's national social security agency). This provision has been classified as a defined benefit plan, governed as such by IAS 19 Employee benefits. Severance indemnity, as an unfunded obligation, does not have any assets servicing it.

This plan is valued on an actuarial basis to express the present value of the benefit payable at the end of service that employees have accrued at the reporting date.

Movements in the year are summarized below:

Net cost charged to income	31.12.2025	31.12.2024	Change
Interest cost on defined benefit obligation	12	11	1
Total	12	11	1

Change in present value of obligations	31.12.2025	31.12.2024	Change
Present value at 1 January	408	387	21
Benefits paid and others	(5)	13	(18)
Interest cost on defined benefit obligation	12	11	1
Actuarial gains & losses recognized in the comprehensive income statement	(9)	(3)	(6)
Present value at reporting date	406	408	(2)

The principal assumptions used for determining the obligations under the plan described are as follows:

Assumptions used	Severance indemnity 2025	Severance indemnity 2024
Discount rate	3.4%	3.2%
Future salary increases	2.0% - 3.0%	2.0% - 3.0%
Inflation rate	2.0%	2.0%

"Other long-term benefits" includes the amount accrued in the reporting period for the incentive plan. This plan was approved by the Board of Directors for a limited number of the Company's key resources; for further details please refer to the *Report on Remuneration*.

The composition of the company's workforce is analyzed in the following table:

	31.12.2025	Average 2025	31.12.2024	Average 2024
White collars	44	45	46	41
Managers	22	22	19	19
Total	66	67	65	60

26. Other provisions

The 'Other provisions' item includes €2,259 thousand for the provision made during the year related to restructuring costs.

27. Trade payables

The balance of €5,184 thousand refers to amounts payable to third parties and related parties for services rendered. The amounts payable to related parties are broken down in Appendix 4.

Trade payables do not include any amounts due beyond 12 months.

28. Tax payables

This item represents the Company's liability for direct taxes due to the tax authorities.

	31.12.2025	31.12.2024	Change
Direct tax liabilities	1,988	2,650	(662)
Total	1,988	2,650	(662)

This item primarily refers to the liability for the substitute tax on income taxes and IRAP pursuant to Art. 14 of Legislative Decree No. 192/2024, amounting to €1,404 thousand, and to the liability for Pillar Two income taxes, amounting to €233 thousand, relating to the balance for the 2024 tax period.

The item includes €936 thousand in amounts due after more than twelve months.

29. Other payables

These are analyzed as follows:

	31.12.2025	31.12.2024	Change
Employees	5,830	5,647	183
Payables to related companies	2,027	2,461	(434)
Withholdings payables	1,772	2,251	(479)
Social security institutions	864	1,309	(445)
Other	1,664	1,973	(309)
Total	12,157	13,641	(1,484)

The "Payables towards related parties" mostly refer to amounts owed as a result of the Company's decision to pay VAT on a group basis, under the Ministerial Decree dated 13 December 1979, as described in note 16. *Other receivables*.

"Withholdings payable" relate to withholdings made by the company and payable to the tax authorities after the reporting date.

"Social security institutions" include €441 thousand in payables to Italy's principal social security agency (INPS), and €420 thousand in payables to pension funds.

Details of payables with related parties are reported in Appendix 4.

There are no other payables due beyond 12 months.

30. Commitments

These are detailed as follows:

	31.12.2025	31.12.2024	Change
Guarantees given for the benefit of:			
De' Longhi Capital Services S.r.l.	132,000	132,000	-
De' Longhi Kenwood A.P.A. Ltd.	15,088	15,099	(12)
De' Longhi Appliances S.r.l.	14,849	12,361	2,489
De' Longhi Kenwood Korea Ltd.	1,150	1,404	(255)
De' Longhi Brasil Ltda.	-	661	(661)
De' Longhi Deutschland GmbH	400	401	(1)
De' Longhi Kenwood MEIA FZE	348	393	(46)
De' Longhi South Africa Pty Ltd.	345	350	(5)
De' Longhi America Inc.	-	327	(327)
De' Longhi Japan Corp.	163	183	(20)
De Longhi Benelux S.A.	142	142	-
De' Longhi Canada Inc.	62	67	(5)
Total De' Longhi Group companies and related parties	164,546	163,388	1,159

The guarantees given in the interest of Group companies and related parties refer primarily to credit lines which have been partially drawn down and to short-term loans.

In addition to the above:

- as part of its factoring of trade receivables without recourse, the total exposure for which amounted to €205,303 at 31 December 2025 (€180,357 at 31 December 2024), the Company issued a surety and a credit mandate in the interest of its subsidiaries and related parties involved;
- the Company also issued a guarantee in the interest of subsidiaries and related parties relative to currency hedging, the positive fair value of which amounted to €2,431 thousand at 31 December 2025 (positive for €5,881 at 31 December 2024);
- the Company also issued third party guarantees totalling €4 thousand.

No elements of risk as defined by IAS 37 have been noted to date.

31. Classification of financial assets and liabilities

Financial assets and liabilities are classified below in accordance with IFRS 7 using the categories identified in IFRS 9.

at 31 December 2025	Total Value	Assets		
		Amor-tized cost	Fair value in Profit&Loss	Fair value in OCI
Non-current assets				
Equity investments (*)	-	-	-	-
Receivables	40	40	-	-
Other non-current financial assets	-	-	-	-
Current assets				
Trade receivables	10,074	10,074	-	-
Current tax assets	-	-	-	-
Other receivables	4,982	4,982	-	-
Current financial receivables and assets	188,461	188,460	1	-
Cash and cash equivalents	38	38	-	-

at 31 December 2025	Total Value	Liabilities		
		Amor-tized cost	Fair value in Profit&Loss	Fair value in OCI
Non-current liabilities				
Bank loans and borrowings (long-term portion)	(189,850)	(189,850)	-	-
Other financial payables (long-term portion)**	(171,763)	(171,763)	-	-
Current Liabilities				
Trade payables	(5,184)	(5,184)	-	-
Bank loans and borrowings (short-term portion)	(32,523)	(32,523)	-	-
Other financial payables (short-term portion)**	(22,457)	(22,457)	-	-
Current tax liabilities	(1,988)	(1,988)	-	-
Other payables	(12,157)	(12,157)	-	-

(*) Interests in subsidiaries, associates and joint ventures are not included (IFRS 9 - 2.1 a).

(**) Lease liabilities to which IFRS 16 Leases is applied (IFRS 9 - 2.1 b) are not included.

The value of financial assets/liabilities at amortized cost does not differ significantly from their fair value.



at 31 December 2024	Total Value	Assets		
		Amor- tized cost	Fair value in Profit&Loss	Fair value in OCI
Non-current assets				
Equity investments ^(*)	-	-	-	-
Receivables	160	160	-	-
Other non-current financial assets	-	-	-	-
Current assets				
Trade receivables	14,852	14,852	-	-
Current tax assets	254	254	-	-
Other receivables	9,087	9,087	-	-
Current financial receivables and assets	290,749	290,749	-	-
Cash and cash equivalents	4,118	4,118	-	-

at 31 December 2024	Total Value	Liabilities		
		Amor- tized cost	Fair value in Profit&Loss	Fair value in OCI
Non-current liabilities				
Bank loans and borrowings (long-term portion)	(222,261)	(222,261)	-	-
Other financial payables (long-term portion) ^(**)	(193,192)	(193,192)	-	-
Current Liabilities				
Trade payables	(7,719)	(7,719)	-	-
Bank loans and borrowings (short-term portion)	(75,498)	(75,498)	-	-
Other financial payables (short-term portion) ^(**)	(21,422)	(21,414)	(8)	-
Current tax liabilities	(2,650)	(2,650)	-	-
Other payables	(13,641)	(13,641)	-	-

^(*) Interests in subsidiaries, associates and joint ventures are not included (IFRS 9 - 2.1 a).

^(**) Lease liabilities to which IFRS 16 Leases is applied (IFRS 9 - 2.1 b) are not included.

The value of financial assets/liabilities at amortized cost does not differ significantly from their fair value.



32. Hierarchical levels of financial instruments measured at fair value

The following table presents the hierarchical levels in which the fair value measurements of financial instruments have been classified at 31 December 2025. As required by IFRS 13, the hierarchy comprises the following levels:

- level 1: quoted prices in active markets for identical assets or liabilities;
- level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- level 3: inputs for the asset or liability that are not based on observable market data.

Financial instruments measured at fair value	Level 1	Level 2	Level 3
Derivatives with positive fair value		1	

There were no transfers between the levels during the year.

33. Risk management

The Company is exposed to the following financial risks as part of its normal business activity:

- **credit risk**, mainly arising from the investment of surplus cash;
- **liquidity risk**, arising from the need to have adequate access to capital markets and sources of finance to fund its operations, investment activities and the settlement of financial liabilities;
- **exchange rate risk**, associated with the exposure to currencies other than the Company's functional currency;
- **interest rate risk**, relating to the cost of the Company's debt.

Credit risk

Credit risk consists of the Company's exposure to potential losses arising from failure by a counterparty to fulfil its obligations.

Trade credit risk is associated with the normal course of business and is monitored using formal procedures to assess customers and extend them credit, define credit limits, as well as monitor expected inflows, including with a view to credit collection.

Positions are written down when there is objective evidence that they will be partially or entirely uncollected, bearing in mind that a significant proportion of receivables are covered by insurance policies with major insurers.

This is not a material risk for the Company, whose principal credit exposures are to Group companies.

As far as financial credit risk is concerned, it is the Company's policy to maintain a sufficiently large portfolio of counterparties of high international repute for the purposes of satisfying its financing and hedging needs.

Liquidity risk

Liquidity risk is the risk of not having the funds needed to fulfil payment obligations arising from operating and investment activities and from the maturity of financial instruments.

The Company complies with specific group policies and procedures for the purposes of monitoring and managing this risk, including:

- centralized management of financial payables and cash, supported by reporting and information systems and, where possible, cash pooling arrangements;
- raising of medium and long-term finance on capital markets;
- diversification of the type of financing instruments used;
- obtaining of short-term credit lines such as to ensure wide room for manoeuvre for the purposes of managing working capital and cash flows;
- monitoring of current and forecast financing needs and distribution within the Group.

The Company has short and medium-term credit lines used to finance working capital and other operating needs (issuing guarantees, foreign exchange transactions, etc.), or relative to the current loan transactions described in this report.

These credit lines, along with cash flow generated by operations, are considered sufficient to satisfy the Company's annual funding requirements for working capital, investments and settlement of payables on their natural due dates.

Note 31. *Classification of financial assets and liabilities* presents the book value of financial assets and liabilities, in accordance with the categories identified by IFRS 9.

The following table summarizes the due dates of financial liabilities at 31 December 2025 and at 31 December 2024 on the basis of undiscounted contractual payments.

	Undiscounted cash flows at 31.12.2025	Payable within one year	Payable in 1-5 years	Payable in more than five years	Undiscounted cash flows at 31.12.2024	Payable within one year	Payable in 1-5 years	Payable in more than five years
Bank loans and borrowings ^(*)	(232,026)	(39,073)	(192,954)	-	(312,218)	(83,294)	(228,924)	-
Other financial payables ^(**)	(213,191)	(24,771)	(44,011)	(144,409)	(236,245)	(24,096)	(50,644)	(161,505)
Trade payables	(5,184)	(5,184)	-	-	(7,719)	(7,719)	-	-
Current tax payables and other payables	(14,145)	(14,145)	-	-	(16,291)	(16,291)	-	-
Total	(464,545)	(83,171)	(236,965)	(144,409)	(572,473)	(131,400)	(279,569)	(161,505)

^(*) The corresponding balance reported in the financial statements is €222,373 thousand at 31 December 2025 and €297,759 thousand at 31 December 2024. See note 23. *Bank loans and borrowings*.

^(**) The corresponding balance reported in the financial statements amounted to €194,220 thousand at 31 December 2025 and €214,614 thousand at 31 December 2024. For further details refer to note 24. *Other financial payables*.

With regard to lease liabilities in accordance with IFRS 16, please refer to note 10. *Leases*.

Exchange rate risk

The Company is exposed to the risk of fluctuations in currencies (other than its functional one) in which ordinary trade and financial transactions are denominated. For the purposes of protecting its income statement and statement of financial position from such fluctuations, the Company adopts a suitable hedging policy that eschews speculative ends.

Details of the policies, instruments and purpose of hedging at Group level can be found in the notes to the consolidated financial statements.

Sensitivity analysis:

The potential impact, in terms of change in fair value, of a hypothetical, sudden +/-5% change in year-end exchange rates was estimated in light solely of receivables/payables in unhedged currencies insofar as the impact on the income statement of the receivables/payables in hedged currencies is mitigated or offset by the respective hedges.

A +/- 5% change in year-end exchange rates of the principal exposed currencies (USD and HKD) is estimated to produce a change in fair value of around +/- €43 thousand (+/- €102 thousand at 31 December 2024). As most of the receivables/payables in question are due beyond twelve months the change in fair value would impact the income statement of the following year.

Interest rate risk

The Company is exposed to interest rate risk on floating rate loans and borrowings. This risk is managed centrally by the same team that manages currency risks.

At 31 December 2025, the Company's fixed rate debt stems from bonds while the remainder is floating rate.

The purpose of interest rate risk management is to assess the mismatch between financial assets and liabilities and verify that there are no relevant gaps such that could impact the cost of funding if the yield curve were to steepen.

Sensitivity analysis:

When estimating the potential impact of a hypothetical, sudden material change in interest rates (+/- 1% in market rates) on the cost of the Company's debt, only those items forming part of net financial position which earn/incure interest have been considered and not any others (meaning total net liabilities of €33.9 million on a total of €228.8 million in net debt at 31 December 2025 and total net liabilities of €3.3 million on a total of €218.2 million in net debt in 2024). In the absence of hedges, any change in interest rates would directly impact the cost of that portion of debt resulting in an increase/decrease in financial expenses.

A +/-1% change in interest rates would have an impact of +/- €339 thousand before tax at 31 December 2025 recognized entirely in the income statement (+/- €33 thousand before tax at 31 December 2024).

Interest rate and currency exchange hedges at 31 December 2025

For accounting treatment purposes, derivatives hedging the risk on expected cash flows are accounted for in hedge accounting (cash flow hedge), as for the provisions of IFRS 9.

Derivatives that hedge foreign currency payables and receivables are reported with changes in their fair value reported in the income statement. These instruments offset the risk on the hedged item (which is a recognized asset or liability).

Contracts to hedge exchange rate risk on credits and debts

In order to protect balance sheet items from exchange rate fluctuations, the company adopts a hedging policy that uses procedures and tools suitable for this purpose and free from speculative connotations.

Hedging derivatives details on payables and receivables in foreign currency are as follows:

Currency	Notional amount (in €/000)			Fair value (in €/000)	
	Purchases	Sales	Total	Current assets	Current Liabilities
USD/EUR	640	(945)	(305)	1	-
Total				1	-

Derivatives hedging payables and receivables in foreign currency, however, are recorded at fair value with direct attribution to the income statement. These instruments offset the risk being hedged (already recorded in the balance sheet).

34. Transactions and balances with related parties

Appendix 4 contains the information concerning transactions and balances with group companies and related parties required by CONSOB Regulations 97001574 dated 20 February 1997, 98015375 dated 27 February 1998 and DEM/2064231 dated 30 September 2002; all such transactions have fallen within the Group's normal operations, except as otherwise stated in these notes, and have been settled under arm's-length terms and conditions.

35. Subsequent events

Subsequent to 31 December 2025, and up to the date of approval of these financial statements, no events have occurred that could significantly impact the reported financial position and results of operations, as defined by IAS 10 – Events After the Reporting Period.

In the days immediately preceding the date of this document, the international geopolitical landscape has been characterized by a significant escalation of tensions in the Middle East. These developments are identified as non-adjusting events in accordance with IAS 10.

Nevertheless, the current climate of uncertainty necessitates a cautious approach, including in the preparation of economic forecasts.

Indeed, it cannot be ruled out that further escalation of the conflict may lead to logistical difficulties and a generally critical market scenario.

Any further deterioration of the context could also impact future growth prospects, reflecting on the broader economy and financial markets.

Aside from the above, no other significant events have occurred subsequent to the end of the financial year.

36. Proposed shareholder resolutions

1) Proposed resolution relating to item 1 of the Agenda for the Annual General Meeting convened on 23 April 2026 (“Approval of the separate financial statements at 31 December 2025, together with the Directors’ Report on Operations, the Board of Statutory Auditors’ Report and the External Auditors’ Report. Presentation of the Consolidated Annual Report at 31 December 2025. Presentation of the Legislative Decree 125/2024 Consolidated Sustainability Report. Related and consequent resolutions”).

Dear Shareholders,

in submitting the De’ Longhi S.p.A.’s Annual Report at 31 December 2025 to you for approval during the Annual General Meeting, we propose that you approve the following resolution:

“The shareholders of De’ Longhi S.p.A.,

having examined the draft separate financial statements at 31 December 2025 of De’ Longhi S.p.A., the Board of Directors’ Report on Operations, the Board of Statutory Auditors’ Report and the other documentation called for under the law

resolve

to approve the Directors’ Report on Operations and the separate financial statements at 31 December 2025 of De’ Longhi S.p.A.”.

2) Proposed resolution relating to item 2 of the Agenda for the Annual General Meeting convened on 23 April 2026 (“Proposed allocation of the net profit for the year and the payment of a dividend. Related and consequent resolutions”).

Dear Shareholders,

with regard to the allocation of the net profit for the year closed on 31 December 2025, which amounted to €219,684,720, we propose that you approve the following resolution:

“The shareholders of De’ Longhi S.p.A.,

In light of the earnings for the year and amount of the “extraordinary reserve” reported in the separate financial statements at 31 December 2025 and having acknowledged the Directors’ Report on Operations

resolve

- 1. to distribute a gross ordinary dividend of € 0.85 for each of the shares outstanding with dividend rights at the record date, as per art. 83-terdecies of Legislative Decree 58/98;*
- 2. to utilize, for the purpose mentioned in point 1 above, the profit resulting from the Financial Statements for the fiscal year 2025;*
- 3. to allocate the remainder of the earnings for the year to the extraordinary reserve;*
- 4. to establish that the payment of the dividend, on each share entitled to receive a dividend, will take place on 20 May 2026, with shares going ex-div on 18 May 2026, in accordance with Borsa Italiana’s calendar, based on the record date set in accordance with art. 83-terdecies of Legislative Decree No. 58/98 of 19 May 2026”.*

Treviso, 13 March 2026

De’ Longhi S.p.A.

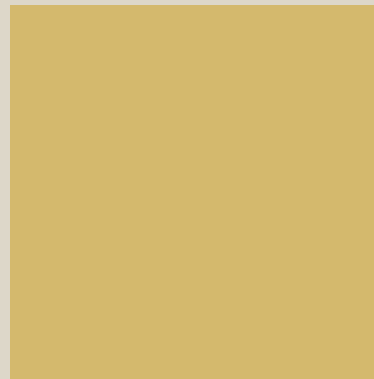
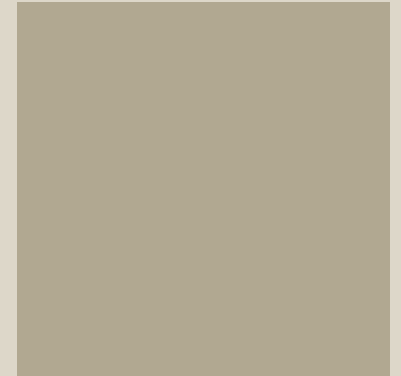
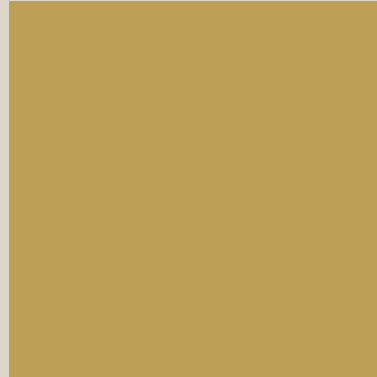
Chairman and Chief Executive Officer

Fabio de’ Longhi

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SEPARATE ANNUAL REPORT AND FINANCIAL STATEMENTS

Appendices





Appendices

These appendices contain additional information to that reported in the explanatory notes, of which they form an integral part.

This information is contained in the following appendices:

1. Certification of the financial statements pursuant to art. 81-ter of CONSOB Regulation 11971 dated 14 May 1999 and subsequent amendments and additions.
2. Statement of cash flows in terms of net financial position.
3. List of subsidiary companies and changes in equity investments.
4. Transactions and balances with related parties:
 - a) *Income statement and statement of financial position*
 - b) *Summary by company*

APPENDIX 1

Certification of the financial statements pursuant to art. 81-ter of CONSOB Regulation 11971 dated 14 May 1999 and subsequent amendments and additions

The undersigned Fabio de' Longhi, Chief Executive Officer and Stefano Biella, as Officer Responsible for Preparing the Company's Financial Report of De' Longhi S.p.A., attest, also taking account of the provisions of paragraphs 2, 3 and 4, art. 154-bis of Decree 58 dated 24 February 1998:

that the accounting and administrative processes for preparing the financial statements during 2025:

- have been adequate in relation to the company's characteristics and
- have been effectively applied.

It is also certified that the financial statements at 31 December 2025:

- have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union under Regulation (EC) 1606/2002 of the European Parliament and Council dated 19 July 2002 and with the measures implementing art. 9 of Decree 38/2005;

- correspond to the underlying accounting records and books of account;
- are able to provide a true and fair view of the issuer's statement of financial position and results of operations.

The report on operations contains a reliable account of performance and of the results of operations and of the situation of the issuer, together with a description of the principal risks and uncertainties to which they are exposed.

Fabio de' Longhi
Chairman and Chief Executive Officer

Stefano Biella
Officer Responsible for Preparing the Company's Financial Report

Statement of cash flows in terms of net financial position

(€/000)	2025	2024
Profit (loss)	219,685	269,655
Income taxes for the period	(3,773)	(5,799)
Income from dividends receipt	(249,719)	(289,222)
Amortization	480	461
Net change in provisions and other non-cash items	11,770	(1)
Cash flow absorbed by current operations (A)	(21,557)	(24,906)
Change in assets and liabilities for the period:		
Trade receivables	4,778	(2,353)
Trade payables	(2,535)	(3,959)
Other changes in net working capital	4,284	14,446
Payment of income taxes	(2,540)	-
Cash flow generated by movements in working capital (B)	3,987	8,134
Cash flow absorbed by current operations and movements in working capital (A+B)	(17,570)	(16,772)
Investment activities:		
Investments in property, plant and equipment	(30)	-
Investments in leased assets	(312)	(334)
Other cash flows for property, plant and equipment	-	10
Other cash flows for leased assets	41	-
Net equity investments and other financial assets	(108)	(345,560)
Dividends collection	249,719	289,222
Cash flow generated (absorbed) by investment activities (C)	249,310	(56,662)
Cash flow by operating activities (A+B+C)	231,740	(73,434)
Purchase of treasury shares	(60,586)	-
Dividends paid	(186,715)	(101,018)
Exercise of stock option	5,027	12,714
Cash flow reserves	-	(1,599)
Cash flows absorbed by changes net equity (D)	(242,274)	(89,903)
Cash flow for the period (A+B+C+D)	(10,534)	(163,337)
Opening net financial position	(218,225)	(54,888)
Cash flow for the period (A+B+C+D)	(10,534)	(163,337)
Closing net financial position	(228,759)	(218,225)

APPENDIX 3^(*)

List of equity investments in subsidiary companies (art. 2427 of the Italian Civil Code)

(Amount in Euro)

Company name	Registered office		Share capital		Net equity		Latest reported profit or (loss)	Latest reported profit or (loss)	Book value (€/000)
Subsidiary companies:									
De' Longhi Benelux II S.à r.l. ⁽²⁾	Luxembourg	Chf	76,272,000	Chf	762,693,140	Chf	8,122,291	100%	484,893
De Longhi Benelux S.A. ⁽¹⁾	Luxembourg	Eur	101,342,720	Eur	317,147,480	Eur	127,639,474	100%	175,513
De' Longhi Appliances S.r.l.	Treviso	Eur	200,000,000	Eur	417,749,800	Eur	142,479,545	100%	242,678
De' Longhi Deutschland GmbH ⁽²⁾	Neu Isenburg	Eur	2,100,000	Eur	44,096,609	Eur	15,669,063	100%	40,800
De' Longhi Capital Services S.r.l. ⁽³⁾⁽⁴⁾	Treviso	Eur	53,000,000	Eur	75,304,975	Eur	5,286,702	11.32%	6,005
E-Services S.r.l.	Treviso	Eur	50,000	Eur	3,024,045	Eur	2,495,649	100%	5,264
De' Longhi Romania S.r.l. ⁽²⁾⁽⁴⁾	Juc-Herghelie, Cluj	Ron	140,000,000	Ron	1,021,537,480	Ron	164,110,063	10%	3,078
De' Longhi Kenwood GmbH ⁽²⁾	Wr. Neudorf	Eur	36,336	Eur	1,993,329	Eur	1,705,073	100%	2,900
Clim.Re S.A. ⁽¹⁾⁽⁴⁾	Luxembourg	Eur	1,239,468	Eur	2,875,596	Eur	224,522	4%	54
De' Longhi Polska Sp.Zo.o. ⁽²⁾⁽⁴⁾	Warszawa	Pln	50,000	Pln	24,156,168	Pln	23,671,749	0.1%	-
Total									961,185

^(*) Statutory figures at 31 December 2025, unless otherwise specified.

⁽¹⁾ Statutory figures at 31 December 2024.

⁽²⁾ Figures used for the purposes of consolidation at 31 December 2025.

⁽³⁾ The articles of association, approved by the extraordinary shareholders' meeting held on 29 December 2004, give special rights to De' Longhi S.p.A. (holding 89% of the voting rights) for ordinary resolutions (approval of financial statements, declaration of dividends, nomination of directors and statutory auditors, purchase and sale of companies, grant of loans to third parties); voting rights are proportional as far as other resolutions are concerned.

⁽⁴⁾ The residual interest is held indirectly.

Changes in equity investments

(Amount in thousands of Euro)

Equity investments	Book value at 31.12.2024	Acquisitions, subscriptions and recapitalizations	Demerger	Net impairment losses and reversals	Book value at 31.12.2025
Subsidiary companies:					
De' Longhi Benelux II S.à r.l.	484,785	108	-	-	484,893
De Longhi Benelux S.A.	242,678	-	-	-	242,678
De' Longhi Appliances S.r.l.	175,513	-	-	-	175,513
De' Longhi Deutschland Gmbh	40,800	-	-	-	40,800
De' Longhi Capital Services S.r.l.	6,005	-	-	-	6,005
E-Services S.r.l.	5,264	-	-	-	5,264
De' Longhi Romania S.r.l.	3,078	-	-	-	3,078
De' Longhi Kenwood Gmbh	2,900	-	-	-	2,900
Clim.Re S.A.	54	-	-	-	54
De' Longhi Polska Sp.Zo.o.	-	-	-	-	-
Total	961,077	108	-	-	961,185

Transactions and balances with related parties

Income statement

Income Statement pursuant to CONSOB resolution 15519 of 27 July 2006 (Amounts in thousands of Euro)	Notes	2025	of which with related parties	2024	of which with related parties
Other revenues	1	18,922	18,864	17,878	17,756
Total revenues		18,922		17,878	
Raw and ancillary materials, consumables and goods	2	(63)		(64)	
Materials consumed		(63)		(64)	
Payroll costs	3	(25,522)		(19,714)	
Services and other operating expenses	4	(20,851)	(3,235)	(23,026)	(2,928)
Amortization	5	(480)		(461)	
EBIT		(27,994)		(25,387)	
Net financial income (expenses)	6	243,906	255,120	289,243	303,748
PROFIT (LOSS) BEFORE TAXES		215,912		263,856	
Taxes	7	3,773		5,799	
PROFIT (LOSS)		219,685		269,655	

Transactions and balances with related parties

Balance sheet

Statement of financial position pursuant to CONSOB resolution 15519 of 27 July 2006 (Amounts in thousands of Euro)	Notes	31.12.2025	of which with related parties	31.12.2024	of which with related parties
NON-CURRENT ASSETS					
PROPERTY, PLANT AND EQUIPMENT		712		890	
- <i>Other tangible assets</i>	9	23		18	
- <i>Right of use assets</i>	10	689		872	
EQUITY INVESTMENTS AND OTHER FINANCIAL ASSETS		961,225		961,237	
- <i>Equity investments</i>	11	961,185		961,077	
- <i>Receivables</i>	12	40	23	160	145
DEFERRED TAX ASSETS	13	4,794		558	
TOTAL NON-CURRENT ASSETS		966,730		962,685	
CURRENT ASSETS					
TRADE RECEIVABLES	14	10,074	10,074	14,852	14,852
OTHER RECEIVABLES	16	4,982	2,286	9,087	5,639
CURRENT FINANCIAL RECEIVABLES AND ASSETS	17	188,461	188,461	290,749	290,749
CASH AND CASH EQUIVALENTS	18	38		4,118	
TOTAL CURRENT ASSETS		203,555		319,060	
TOTAL ASSETS		1,170,286		1,281,745	

Statement of financial position pursuant to CONSOB resolution 15519 of 27 July 2006 (Amounts in thousands of Euro)	Notes	31.12.2025	of which with related parties	31.12.2024	of which with related parties
NET EQUITY					
- Share Capital	21	226,942		226,820	
- Reserves	22	283,596		247,216	
- Profit (loss)		219,685		269,655	
NET EQUITY		730,223		743,692	
NON-CURRENT LIABILITIES					
FINANCIAL PAYABLES		361,959		415,897	
- Banks loans and borrowings (long-term portion)	23	189,850		222,261	
- Other financial payables (long-term portion)	24	171,763		193,192	
- Lease liabilities (long-term portion)	10	346	2	444	329
NON-CURRENT PROVISIONS FOR CONTINGENCIES AND OTHER CHARGES		3,453		806	
- Employee benefits	25	1,186		798	
- Other provisions	26	2,267		8	
TOTAL NON-CURRENT LIABILITIES		365,412		416,704	
CURRENT LIABILITIES					
TRADE PAYABLES	27	5,184	317	7,719	229
FINANCIAL PAYABLES		55,323		97,340	
- Banks loans and borrowings (short-term portion)	23	32,523		75,498	
- Other financial payables (short-term portion)	24	22,457	809	21,422	14
- Lease liabilities (short-term portion)	10	343	120	420	216
CURRENT TAX LIABILITIES	28	1,988		2,650	
OTHER PAYABLES	29	12,157	1,918	13,641	2,461
TOTAL CURRENT LIABILITIES		74,651		121,350	
TOTAL NET EQUITY AND LIABILITIES		1,170,286		1,281,745	

Transactions and balances with related parties - Summary by company

(€/million)	Revenues ⁽¹⁾	Consumption and costs for services ⁽¹⁾	Financial income (expenses)	Non-current financial receivables	Current financial receivables	Other receivables ⁽²⁾	Non-current financial payables	Current financial payables ⁽³⁾	Other payables ⁽⁴⁾	
Ultimate parent companies:										
DE LONGHI INDUSTRIAL S.A.	-	(0.1)	-	-	-	2.3	-	-	-	
Total ultimate parent companies (a)	-	(0.1)	-	-	-	2.3	-	-	-	
Subsidiary companies:										
DE' LONGHI APPLIANCES S.R.L.	12.8	(0.4)	106.1	-	-	7.7	-	(0.1)	(2.1)	
E-SERVICES S.R.L.	3.4	(0.9)	1.9	-	-	-	-	-	(0.1)	
DE' LONGHI KENWOOD A.P.A. LTD	1.7	-	-	-	-	1.7	-	-	-	
CAPITAL BRANDS HOLDINGS INC	0.3	-	-	-	-	0.3	-	-	-	
EVERSYS S.A.	0.1	-	-	-	-	0.1	-	-	-	
DE' LONGHI AMERICA INC	-	(1.8)	-	-	-	-	-	-	-	
DE LONGHI BENELUX II S.à r.l.	-	-	7.5	-	-	-	-	-	-	
LA MARZOCCO INTERNATIONAL LLC	0.1	-	-	-	-	-	-	-	-	
DE' LONGHI PROFESSIONAL S.R.L. (*)	0.3	-	-	-	-	0.3	-	-	-	
DE' LONGHI CAPITAL SERVICES S.R.L.	-	-	5.4	-	188.5	-	-	(0.8)	-	
DE' LONGHI - KENWOOD GMBH - AUSTRIA	-	-	1.9	-	-	-	-	-	-	
DE' LONGHI DEUTSCHLAND GMBH	-	-	12.3	-	-	-	-	-	-	
DE LONGHI BENELUX S.A.	-	-	120.0	-	-	-	-	-	-	
Total subsidiary companies (b)	18.7	(3.1)	255.1	-	188.5	10.1	-	(0.9)	(2.2)	
Related companies:										
GAMMA S.R.L.	0.1	-	-	-	-	-	-	-	-	
Total related companies (c)	0.1	-	-	-	-	-	-	-	-	
Total ultimate parent, subsidiary and related companies (a+b+c)	18.8	(3.2)	255.1	-	188.5	12.4	-	(0.9)	(2.2)	

⁽¹⁾ These mostly refer to dealings of a commercial nature and the supply of administrative services by company employees.

⁽²⁾ These consist of €10.1 million in "Trade receivables" and €2.3 million in "Other receivables".

⁽³⁾ This item includes €0.1 million in "Lease payables".

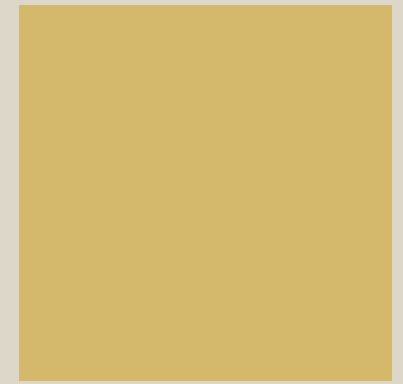
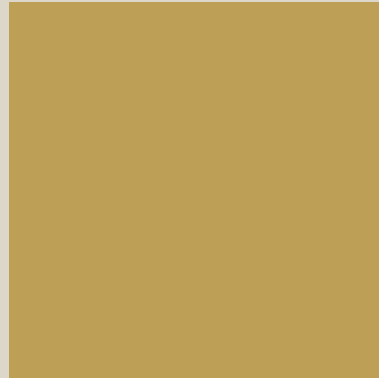
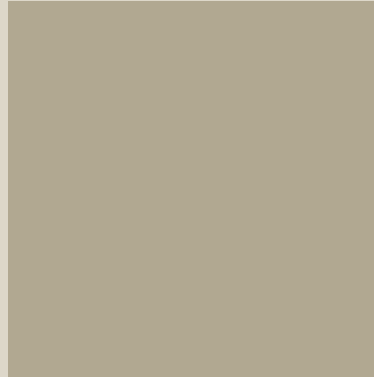
⁽⁴⁾ This item includes €0.3 million in "Trade payables" and €1.9 million "Other payables".

Please refer to the yearly "Report on Remuneration" for information relating to the compensation of directors and statutory auditors.

05

SEPARATE
ANNUAL
REPORT AND
FINANCIAL
STATEMENTS

External auditors' report
on the separate financial
statements





Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of

De' Longhi SpA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of De' Longhi SpA (the "Company"), which comprise the statement of financial position as of 31 December 2025, the income statement, statement of comprehensive income, statement of changes in net equity, statement of cash flow for the year then ended, and explanatory notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial

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statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

There are no key audit matter to disclose in this report.

Responsibilities of the directors and the board of statutory auditors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence



the economic decisions of users taken on the basis of the financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit.

Furthermore:

- We identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- We evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional disclosures required by article 10 of Regulation (EU) 537/2014

On 19 April 2018, the shareholders of De' Longhi SpA in general meeting engaged us to perform the statutory audit of the Company's and consolidated financial statements for the years ending 31 December 2019 to 31 December 2027.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on compliance with other laws and regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

The directors of De' Longhi SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Commission Delegated Regulation") to the financial statements as of 31 December 2025, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express an opinion on the compliance of the financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the financial statements as of 31 December 2025 have been prepared in XHTML format in compliance with the provisions of the Commission Delegated Regulation.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998

The directors of De' Longhi SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of De' Longhi SpA as of 31 December 2025, including their consistency with the relevant financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the financial statements;
- express an opinion on the compliance with the law of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;



- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the financial statements of De' Longhi SpA as of 31 December 2025.

Moreover, in our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Treviso, 27 March 2026

PricewaterhouseCoopers SpA

Signed by

Filippo Zagagnin

(Partner)

As disclosed in "Contents" section, the accompanying financial statements of De' Longhi SpA constitute a non-official version which is not compliant with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

This report is available on the corporate website:

www.delonghigroup.com

De' Longhi S.p.A.

Registered office: Via L. Seitz, 47 - 31100 Treviso

Share capital: EUR 226,942,106 (subscribed and paid-in)

Tax ID and Company Register no.: 11570840154

Treviso Chamber of Commerce no.: 224758

VAT no.: 03162730265

DēLonghi Group