

PROCAFFE' S.P.A.

CODE OF ETHICS

Vers. 3.0

Studio Legale Associato BP & partners www.bp-partners.it

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1

INTRODUCTION

As already mentioned in the general section of the Organizational Model, Procaffè spa is in the business of importing, roasting and selling coffee and its by-products. The aforementioned General Section contains a brief history of the Company and how it has grown over the years.

The present corporate structure, aware of the ethical and historical principles the Company has spent decades developing, decided to adopt this Code of Ethics (hereinafter also referred to as the "Code" or the "CoE") to enshrine all of the core values and guiding principles at the heart of the Company. It aims to identify the fundamental moral principles that both individuals within the Company, and third parties that are in contact with the Company for any reason must respectfully take on board, by accepting the roles, rules and procedures implemented by the Company. Accordingly, they must accept responsibility in the event of breach of the provisions of the Organizational Model, also in cases where the breach does not lead to consequences of a criminal nature. With the adoption of this code, the Company also decided to identify behavioural and ethical standards that go beyond the principles of a purely criminal nature.

Procaffè is equally convinced that a set of sound and properly implemented ethical principles can act as a

means of support in terms of corporate interests in a broad sense and, in particular, also interests of a purely economic nature.

The adopted code of ethics, far from being a mere conceptual instrument, is geared towards achieving close collaboration and integration among the various people working with the Company for any reason, with the aim that all those involved, aware of their duties and role, always keep in mind the principles and rules which, in addition to those set out by the Legislator, must form the basis of corporate life.

Compliance with all parts of the Organizational Model is so important to Procaffè spa that it has provided for the application of penalties – which the reader can learn more about in the special section - for violations committed by both individuals working at the Company and third parties who maintain relations with the Company.

While the underlying basis of the Company's relationships with people in the Company, and with third parties, is respect for its ethical and moral principles and that all conduct needs to be based on good faith, it also insists that all stakeholders offer their technical, ethical and moral knowledge in the workplace and professional environment; only then can the organizational model be effectively implemented.

Within the framework of the adopted Model, a key element for the Company is, on the one hand, the

commitment to safeguarding the physical and mental wellbeing of its employees, and on the other hand, to enhance their skills and professionalism, in order to raise employee satisfaction and, accordingly, the commitment of each worker in performing their duties. Moreover, in the context of employment relations, the Company pays particular attention to recognising and rewarding personal merits.

In light of the foregoing and in accordance with Legislative Decree no. 231/2001, Procaffè has prepared and adopted this Code which incorporates the most important principles that will govern all aspects of company life.

2

DISSEMINATION OF THE CODE OF ETHICS

To ensure the correct application of the Code, or better, of the guiding principles of the entire Model, it is essential that it is disseminated appropriately on an ongoing basis. Clearly, it must not only be disseminated within the Company but also presented, as far as possible, to the outside world.

To this end, Procaffè on the one hand arranges to inform the general public on the adoption of the Model and of this Code by publishing the full text on the Company's website, and on the other hand, making employees, collaborators and third parties aware of the fact that the Model has been adopted, urging them to

comply with the procedures established therein and the moral principles included in the Code.

People working for the Company, not only have the right to know and understand the CoE, but also have the duty to apply and abide by the code. To ensure the proper application, recipients of the Model should not hesitate to ask Governance or the Supervisory Body for clarification on the correct interpretation and application of any areas that they may have questions about or are unsure how to interpret.

3

CONTRACTUAL VALIDITY OF THE CODE OF ETHICS

In addition to the specifications of the previous article, the Company would like to underline that the contents of this Code, within the framework of any contractual relationships it enters into, has "contractual" validity; Accordingly, any party who infringes the rules contained herein and, on a more general note, the rules and procedures contained in the Organizational Model during preliminary negotiations or in the course of performance of a contract runs the risk of the contract being terminated for breach which may result in the Company seeking compensation for damage.

In light of the above, it is clear to see the importance that Procaffè spa attaches to the adopted Code.

RECIPIENTS OF THE CODE OF ETHICS

The principles and rules envisaged in this CoE are intended for all parties who, in any capacity, maintain long-term or temporary relations or dealings with the Company and, therefore, includes top management, employees, collaborators and third parties. As a result thereof, each and every person indicated above must be familiar with the rules and regulations adopted by the Company under the CoE and must conform to them, thereby contributing to their correct application and dissemination.

Moreover, a *modus agendi* based on compliance with the aforementioned rules can actively contribute to a high degree of quality and professionalism in relations, providing benefits to both the Company and the parties it engages with. All of this will in any case help promote a high quality image of Procaffè spa.

In the above context, top management is responsible for carefully selecting the parties it will maintain relations with, favouring, without any form of discrimination as already pointed out, those who are able to guarantee or at least offer adequate assurance of seriousness, professionalism, and observance of the principles of legality mentioned in this CoE. Once a choice has been made, it is equally important that the Company remain vigilant in verifying that the recipient continues to

meet the aforementioned requirements and that complying with the adopted regulations remains a priority for him/her.

Recipients of the Model, no matter their relationship with Company, must comply with the following principles:

a) act in accordance with the regulations, procedures and practices that the Company has adopted or implemented;

b) act in a way that can set an example and be a lesson for work colleagues and third parties, thereby giving tangible expression to the rules and ethical principles mentioned in the CoE;

c) not act in contrast, not only with the law, but also the rules set out in the CoE and, more generally, the O.M.;

d) ask Governance, or the Supervisory Body (hereinafter also referred to as the SB) for clarifications with regard to the interpretation of the rules and regulations adopted by the Company;

e) regularly attend all training courses or internships organised by the Company;

f) report to the Board of Directors, SB or to the Board of Statutory Auditors any conduct that, even if only potentially, they believe is in conflict with the adopted Model, providing evidence, proof and anything else that may be helpful for the investigation to be conducted; the above report can be made directly - where appropriate in

anonymous form - to the SB's personal email at odv@procaffe.it;

g) as regards the Governance body and more in general top management: provide appropriate support for the correct application and dissemination of the Model; prevent conduct based on discrimination and abuse of power; strive to enhance human resources, fostering the professional growth of all individuals; offer to collaborate, as appropriate, with all corporate bodies providing the highest level of transparency and objectivity.

5

GENERAL PRINCIPLES AND RULES

a) Lawfulness, honesty and fairness.

Any conduct on the part of the Company must be based on the utmost respect for the principles of lawfulness, honesty and fairness in general and, in particular, compliance with the rules and regulations self-imposed by the Company.

This also applies to all parties outside of Procaffè spa who for any reason entertain relations with the Company, as the pursuit of anyone's interests can never justify conduct in conflict with the above principles, even if they are not enshrined in laws or internal regulations.

It is the Company's duty to take all measures it considers appropriate to ensure that the rules, both existing and those to be adopted, are adopted and regularly put into practice by the recipients of the CoE;

the Company strives to ensure that the above principles are properly applied and adhered to.

In addition to the above, it is Procaffè's duty to adopt a policy that ensures transparency and the provision of accurate information both inside the Company (among the various bodies, managers, employees, shareholders) and outside the Company (customers, representatives, public bodies, etc.)

b) Impartiality.

Any decision taken by the Company must be based on total impartiality; this applies to all employees, collaborators, customers and third parties in general. Any discrimination on grounds of gender, age, race, nationality, health status, political opinions or anything else that might be viewed as discriminatory is prohibited.

c) Transparency.

In making any decision, the Governance body or, more generally, top management must conduct themselves with transparency and consistent with this Code, allowing for the traceability and subsequent checks of the *modus operandi* implemented in all cases.

d) Free competition.

In the historical and current social context marked by a significant liberalisation of business and professional activities, the Company has adopted the principle and the concept of "healthy" competition. This is a fundamental building block to aid the development of economic growth. That being said, the Company is against all forms of

unfair competition and disruptive behaviour during negotiations, noting that such conduct shall be suppressed extremely severely. Everyone – no matter the position held – is called upon to promptly inform the Board of Directors or rather his/her immediate superior, or the Supervisory Body (hereinafter also referred to as the SB) if they become aware of any conduct which appears to be contrary to this paragraph.

e) Interpersonal relationships and relationships with superiors.

As already pointed out, the Company behave in a way that facilitates the protection and full realisation of human resources, understood as the commitment, work ability, professional training and development of all senior executives entertaining relations with the Company. The development of these resources is a key driver for the growth of both Procaffè spa, and of society in general. Therefore, the Company insists that the principle of fairness, transparency, equality and respect is always observed in relations between workers, collaborators and their immediate superiors. The Company does not tolerate, and as result thereof harshly condemns, any conduct aimed at damaging the dignity and personality of each worker and collaborator.

f) Protection of Workers.

The protection of human resources is another important issue that depends on implementing a workplace health and safety policy. To this end, the

Company strives to ensure that current legislation, starting with Legislative Decree no. 81 of 2008, is applied with the utmost respect, also taking care that professional training in the field of prevention and safety and in any other useful area is carried out on a regular basis by qualified instructors.

g) Conflict of interest.

A conflict of interest is a situation where a person, instead of pursuing interests that are institutionally compatible with the assigned job and activity, pursues their own interests or those of family members or third parties, thereby clearly abusing their work activities and, consequently, damaging the interests of the Company to the advantage of others.

It follows that the Company addresses any potential conflict of interest that could undermine the independence and the ability to evaluate and exercise sound judgement of a person to the detriment of the Company. For this reason top management, the control bodies, employees, collaborators, and third parties must bear in mind and effectively apply the principle covered in this paragraph, taking all steps to avoid taking advantage of his/her function by using it for purposes that are not in the Company's interests, which, instead, must be the sole aim of all actions, always, of course, in line with the rules and this Model.

In the event a person suspects that he/she may find him/herself in situation where a potential conflict with the

Company's interests exists, he/she must immediately refrain from taking any action, inform his/her immediate superior, or rather the BoD so that one of these parties can promptly provide for his/her replacement to avoid causing damage to the Company due to the interruption of the process to which the replacement was allocated.

If a person identifies or has doubts regarding an activity carried out involving a conflict of interest, he/she must immediately report the issue to his/ her immediate superior or the BoD or the SB or the Board of Statutory Auditors so that they, each within their remit, may adopt appropriate measures, it being understood that the Company may decide to initiate a disciplinary procedure against any person who fails to refrain from taking action where there is a conflict of interest.

h) Separation of duties.

Within the corporate environment, each person - from top management down to the lower positions - must have a precise area within which they are allowed to operate; in other words, each job should be identified in detail including information on the limits of the powers conferred, in order to avoid an indiscriminate *modus operandi*. This will make it relatively easy to trace any individual acting in a particular way and, especially, it will allow the heads of each sector to implement the necessary oversight and control activities so they are able to eliminate or at least minimise the risk of autonomous unlawful conduct.

6

PROTECTION OF THE ENVIRONMENT

The Company mainly does business in food items that can be defined as “exotic” with extremely close ties with the natural world. For this reason, Procaffè is particularly sensitive to environmental protection issues which impact numerous aspects regardless of the main type of foodstuff handled.

Against the background, Governance is resolute that all production activities must now, more than ever, take place in close harmony with the natural world surrounding it, taking the utmost care to avoid upsetting the delicate balance of the modern world. Human resources, too, only stand to benefit from the Company establishing an environmental protection policy.

In light of the foregoing, the Company focuses its efforts on corporate development within a framework of environmental sustainability, making choices which, when evaluating the interests at stake, pay special attention to issues relating to environmental sustainability.

In terms of energy, the Company aims to use the most energy efficient tools and equipment, and does its best to avoid wasting raw materials.

7

PRIVACY PROTECTION

The Company is extremely sensitive to issues regarding the confidentiality and protection of all sensitive and non-sensitive data. For this reason, all those who for any reason and in any capacity deal with Procaffè spa have the duty to consider and process all information and Company data which they obtain as strictly confidential and non-disclosable; the data in question are and will remain the exclusive property of the Company and may be solely and exclusively used in relation to the ongoing activity and, where appropriate, may be disclosed or otherwise used only after receiving the express written consent of the Company.

In turn, the Company assumes the responsibility to handle and maintain the data which it obtains in full compliance with current privacy regulations. It is also responsible for monitoring the actions of top management and other employees to ensure that the above law is duly applied at all times. In any case, Procaffè spa has a system and set of internal procedures in place to guarantee the protection of personal data and the protection of information it obtains, strictly prohibiting any conduct aimed at unlawfully obtaining third party data or, at any rate, data not connected with the institutional aims of the Company.

Conduct in breach of the principles and duties of confidentiality (e.g. improper use of data, disclosure

thereof, failure to categorise as confidential, etc.) by individuals at the Company is a serious violation of not only the above regulation but also of this code of ethics. Violations of this kind may lead to the application of disciplinary and/or contractual penalties.

In addition to the provisions laid down in the privacy law, the Company considers as confidential all cases where data and information pertains, for example, to its production technologies, contract-related issues, industrial and commercial strategies, accounting data and bank details etc. In these cases, therefore, the information must be processed with meticulous care and for the sole purpose of the task being performed at the time.

Within its organisational chart, the Company appoints a person to be in charge of the Privacy and IT Sector. This person is responsible for managing all privacy and IT related issues. Furthermore, in case of identified system failures or violations by persons from inside or outside the Company, this person is responsible for immediately notifying the Chair of the Board of Directors, as well as the Supervisory Body.

8

Whistleblower protection

Art. 6, point 2, letter "e" of Legislative Decree 231/2001 was recently amended by the Legislator to

create a suitable protection system for top management and others who, in order to safeguard the integrity of the Company, submit detailed reports on unlawful conduct that are important for the purpose of discovering a possible violation of the Organization Model.

The Legislator therefore requires that companies, when adopting or updating the Model, guarantee: the confidentiality of the whistleblower's identity, the adoption of a reporting channel able to guarantee the confidentiality of the identity of the whistleblower, the prohibition of any form of direct or indirect discrimination against the whistleblower, the adoption of suitable penalties to be applied both to those who attempt to retaliate against the whistleblower, and those who, whether intentionally or through gross negligence, make unfounded reports.

The new art. 6 point 2 letter "e" also provides for the possibility of informing the Labour Inspectorate of any discriminatory measures by the Company against the whistleblower, for any measures falling within the Inspectorate's remit; these reports may be submitted by the whistleblower or by the trade union designated by the latter.

Under paragraph 2 *quater* of the above article, the legislator has also specified that the dismissal of a whistleblower or any other retaliatory measures adopted against the whistleblower including changes to duties shall be deemed null and void. It is also established that

in the event of disputes concerning disciplinary sanctions or the demotion, dismissal etc. of the whistleblower subsequent to the reporting of a breach, the burden of proof lies with the employer to demonstrate that such measures are not linked in any way to the report made.

The Company, therefore, to protect its moral integrity and in accordance with the law introduced by the Legislator, undertakes to provide the broadest guarantees to top management and others who, owing to their work, reveal conduct in breach of the Organizational Model.

9

EMPLOYEES

As noted in different parts of this Code of Ethics, the Company revolves around a vital element: human resources. For this reason, the Company devotes special attention to its people. In this regard, the Company considers the education, professional skills, commitment, loyalty, reliability and the willingness to continue professional development of its personnel to be extremely important since these are key factors not only for Procaffè spa's growth and development but also that of the society in general. These aspects are a top priority for the Company; accordingly, it is committed to making the necessary investments in them.

All employment contracts must be made in writing and in compliance with the law, incorporating all elements that make it possible to properly classify the relationship

and the duties of the worker as well as his/her remuneration. Regarding the continuation of any type of employment or collaboration relationship, the Company is committed to doing its best to increase and enhance the work skills of each person, seeking to meet each person's expectations and providing the necessary motivations; to this end, special refresher courses are organised to help people increase their skills and abilities.

The Company strongly opposes any kind of discrimination or disruptive behaviour in the workplace. Each choice and decision concerning human resources is made solely and exclusively on the basis of evaluations that take into account merit-based criteria, professional skills and training, the commitment and the reliability of the worker, avoiding in any case any form of undue favouritism.

It follows that when selecting a worker, the Company adheres to the principles outlined above and acts with the utmost impartiality to ensure that each and every individual has equal access to the same job opportunities. Upon recruitment, formalised as specified above, the Company will place the employee in the most appropriate wage tier as agreed, informing the employee of all job-related aspects, all applicable legislation, all workplace safety and prevention issues, as well as their ranking within the Company's reporting line.

The working environment plays a key role in ensuring respect for and protection of each person's

dignity, personality and health, also guaranteeing the protection of all information and data affected by privacy regulations and preventing, at any rate, interference in anyone's private life.

In reporting lines, the Company requires management to be carried out in with the utmost professionalism and always bearing in mind the principles of fairness and courtesy that are considered fundamental in interpersonal relationships; all forms of abuse and pressure or any other conduct that could negatively affect an employee's or collaborator's peace of mind must be avoided, as should any request to perform acts or engage in conduct that are not compatible with the duties assigned. Likewise, superiors must refrain from asking that acts be performed which are outside of the Company's primary interests, as well as requesting any conduct in breach of the procedures provided for by the Model or the principles included in the Code of Ethics.

10

WORKER SAFETY AND PREVENTION

This issue is particularly important to the Company proven by the fact that it invests time and resources in the effective implementation of the provisions laid down in Legislative Decree 81/2008 to ensure that all people working for and with the Company in any capacity, systematically adhere to the procedures and conduct aimed at protecting the health of workers.

The Company, through the Employer, appoints the Head of the Prevention and Protection Service (hereinafter also referred to as the "RSPP"), a key figure of Legislative Decree no. 81/2008, which must be a professional with appropriate and qualified experience in the sector; naturally, the Company adopts all measures, tools and procedures required by the above Legislative Decree for employers, with a focus on training and refresher courses. In this regard, all workers are strongly urged or, in fact, required to attend all courses whether on-site or off-site that will be held or organised by the Company or on its behalf, as it is extremely important for the Company that each person remains current on workplace safety and prevention issues. The Company also notes that any unexcused absence from the aforementioned courses may warrant, with all the implications, the opening of disciplinary proceedings in accordance with this Model. This may lead to penalties being imposed as set out in the current National Labour Collective Agreement for employees, or rather the application of additional fines against the employee.

It is expressly prohibited for anyone to work on behalf of the Company, whether inside or outside the workplace, under the influence of alcoholic substances or narcotics; smoking in the workplace is also forbidden.

Given the extremely sensitive nature of the issue at hand, Procaffè spa requires that anyone observing shortcomings related to failure to apply the provisions set

out this article and in all occupational safety regulations must promptly report the issue to the Board of Directors and to the Supervisory Body.

To ensure the continued application of the relevant regulation, the Board of Directors allocates a budget for each financial year to be used for the sole purpose of expenditure related to safeguarding and the health and safety of workers; this may be used by the BoD autonomously or at the request of the Prevention and Protection Services Manager or the Supervisory Body.

11

PROTECTION OF CORPORATE ASSETS

“Corporate assets” means the set of movable and immovable property, infrastructures and know-how owned by the Company, some of which (e.g. capital goods) is made available to employees and collaborators from time to time; users specifically undertake to safeguard the integrity of the above assets by acting, where possible, in such a way that increases its value. Close attention must be paid to protecting the Company's know-how, developed throughout its decades-long history. This requires that the production techniques and the methodologies used are carefully protected and monitored in order to ensure the highest level of secrecy.

Equal attention should be paid to the use of techniques and IT tools, which sometimes represent the weakest link of the system, even if the Company employs

the most advanced protection systems on its proprietary network. More details on this topic are available in the protocols mentioned in the special section of the Model.

it is almost superfluous to mention that corporate assets must be used, strictly in connection with the specific duties of each person and exclusively for purposes related to the Company's interests. Any other use is expressly forbidden. Types of conduct that are strictly prohibited since they are clearly damaging to corporate resources include, but are not limited to:

- the use of corporate assets and tools for performing tasks outside of their responsibility,
- the use of corporate assets or tools for personal or family or third party purposes;
- tampering with or modifying the Company's IT system, i.e. the installation of unauthorised programs by the Head of IT;
- the use of IT tools such as email or the internet connection for recreational purposes.

12

DEALINGS WITH THE PUBLIC ADMINISTRATION

It is clear that dealings with the public administration are a delicate matter. However, it's worth noting that even if the Company does not work in the field of public procurement and is therefore not exposed to particularly special risks, it does maintain various forms of relations with the P.A.

Here, it should be noted that any person within the Company who has the opportunity to engage in relations with the Public Administration for any reason must conduct themselves in accordance with the laws, procedures and contents of this Code, always bearing in mind, since he/she is acting in the name of and on behalf of Procaffè spa, that he/she must protect the Company's moral integrity and reputation.

In order to minimise the risk of committing one or more offenses against the public administration, the Company, through its Board of Directors or, in any case, through the persons in charge of this issue, employ extremely precise methods to identify the persons authorised to maintain relations with the P.A., determining, as clearly as possible, the tasks and the limits of the powers that can be exercised during the above dealings. The person dealing with the PA is responsible for first clarifying his/her position within the Company, the title giving him/her the authority to represent and make decisions on behalf of the Company and the related limits of powers he/she has been granted.

By way of example, the Company's representative will have to take extreme care in dealings where the Company is involved in civil, criminal and administrative proceedings, in tax and social security litigation, in the management of pre-contractual and contractual phases that involve the Public Administration, i.e. public entities, in administrative procedures to obtain licenses,

authorisations, permits, concessions, public funding of any kind, subsidies, instalments, etc. The person working on behalf of Procaffè Spa will have to promptly report the above-mentioned dealings to his/her immediate superior or the Board of Directors.

It is strictly forbidden to engage in any conduct that, directly or indirectly, is intended to put pressure on a public official or a public service officer in order to compromise his/her impartiality and linearity of conduct, thus influencing his/her final decisions.

When dealing with the P.A., the agent must represent, in a fully transparent and truthful manner, all the historical aspects and the issues that will be dealt with, so that the public representative is able to have a more realistic overview of the issue. At the same time, persons working on behalf of Procaffè Spa must fulfil all requests made by the administration during preliminary inquiries in a prompt and thorough manner, so that the latter has a comprehensive overview of the case.

13

DEALINGS WITH THIRD PARTIES

a- Customers

The life of the Company is firmly rooted in pursuing and achieving the highest level of customer satisfaction by providing them with high quality in the products and services offered. The Company is well aware of the fact

that excellence is a key driver of success in today's business world.

People who, on behalf of the Company in any capacity, engage directly with customers, must adopt conduct marked by good manners, courtesy, helpfulness, competence and professionalism, making sure to use their best efforts in attempting to meet the needs of all customers equally, regardless of their size and without any form of discrimination.

If customers request technical or other information from employees, collaborators, agents of the Company, these requests must be processed in a timely and professional manner, always with the aim to provide the best service possible to its customers.

In order to fully optimise relationships with its customers, the Company carefully reviews all customers' suggestions with a view to improving the quality of its products and services; likewise, due consideration is given to all complaints, grievances and claims submitted in order to find a solution to the issue in the shortest period of time possible and to learn important lessons for the future.

The Company guarantees that it takes great care to ensure that of the wealth of information it has obtained over the years regarding its customers and suppliers is processed and stored with maximum confidentiality, avoiding the disclosure of any data.

As already mentioned, a basic principle of Procaffè spa is prohibiting all forms of discrimination. For this reason, it carefully evaluates both customers and suppliers in order to avoid dealing with people and companies whose moral and integrity standards are not in line with those adopted by the Company with this Code and that, instead, operate within the confines of law.

b – Suppliers.

In selecting its suppliers, the Company is free to engage in negotiations and close deals with any suppliers from Italy or abroad, always giving equal opportunities to all those involved in the negotiation, and working with fairness, impartiality and without any form of discrimination; Company decisions will be primarily based on objective parameters such as the quality of the goods or service offered, capacity, efficiency and experience; only then will the issue of cost-saving be considered. Procaffè Spa rejects any decision made based on personal contacts or favouritism.

During each transaction, the Company requires that its suppliers conduct themselves with the utmost respect for the principles and rules laid down in this Code, as the ethical integrity of its counterpart is of primary importance for the Company, as is the fact that all counterparties perform their activities in keeping with the principles adopted by Procaffè spa. Likewise, the Company pays close attention in choosing its partners by assessing, insofar as possible, their commitment to

protecting the environment and the health and safety of their workers.

The Company makes every effort to ensure that each supplier or external collaborator is fully aware of the fact that the Company has adopted an Organisational Model, thereby encouraging them to comply with the provisions therein.

The contracts entered into must comply with the requirements for completeness and clarity, in order to minimise any possible disputes, while at the same time the Company must ensure the traceability of the internal process followed in order to successfully conclude the agreement.

14

GIFTS

In accordance with the ethical principles adopted by the Company, it is forbidden to directly and indirectly offer or accept money, gifts, goods or services to or from private individuals or public officials aimed at influencing the choices to be made, with the subsequent aim to obtain or demand undue preferential treatment or undue benefits.

In connection with the above, after approval by the Board of Directors and having obtained the opinion of the Supervisory Board, gifts of a modest value given as a sign of common courtesy or for customary business or commercial practices are permitted, provided the purpose

is not connected with altering or influencing the assessments or choices of the beneficiary.

Under another aspect, the Company, once again after being approved by the Board of Directors and having obtained the opinion of the SB, can provide donations to humanitarian, social welfare, and sport institutions and organizations, as long as they are compatible with the image projected by Procaffè Spa to the outside world.

15

SUPERVISORY BODY

The Company has set up a Supervisory Body (also known as the "SB") which is responsible for verifying, on the one hand, updates and, on the other hand, compliance with the Code of Ethics, as well as the entire Organizational Model as a whole, as required by Legislative Decree no. 231/2001. The above body may have a two-tier structure or be comprised of a sole member who shall be a person from outside of the Company to ensure the highest degree of autonomy. This last aspect, in fact, is a fundamental element of the Supervisory Body, since only complete independence, freedom of action and investigation, as well as independent thinking, can ensure effective controls on the application of the Model, characteristics that, otherwise, would be potentially compromised if the SB was an internal party or subordinate to other corporate bodies.

The SB shall be elected by the Board of Directors, which shall also determine its duties. The SB shall remain in office for a period of three years.

Further details on the duties of the SB and its operating procedures may be found in the Special Section of the Model, however a brief summary of the main activities under the Body's responsibility is provided below:

- verifying whether the adopted Organizational Model is in fact suitable;
- calling on the Board of Directors to adopt amendments and additions to the Model resulting from changes in the Company's needs;
- calling on the Board of Directors to duly update the Model as a result of changes in legislation or case law;
- verifying the effective and actual implementation of the provisions laid down in the Model;
- monitoring the timeliness and quality of information flows by the Company to the SB;
- providing support in the interpretation and implementation of the Model;
- monitoring the dissemination and application of the rules adopted and contained in the Code of Ethics both inside and outside the Company;
- in the event that no different forms of reports have been implemented by the Body vis-à-vis Governance, preparing a six-monthly report on its work and on the progress made in implementing the Model;

- within the limits of its powers, determining a possible breach of the rules and principles contained in the Model;
- contributing in the initiation of disciplinary proceedings.

16

PENALTY SYSTEM

As already specified in this Code, if for a third party failure to comply with the ethical principles and rules of conduct that the Company enforces can result in termination of contract, then for top management, executives and any employees any violations will mandatorily result in the opening of a disciplinary procedure which, it should be noted, may also be initiated whether or not there is an alleged criminal offence; all of the above is independent of the possible termination of an existing contract and of submitting claims.

On the other hand, it should be underlined that the Legislator, in drafting Legislative Decree no. 231/2001 expressly called for the need to introduce a penalty system, with explicit mention thereof in art. 6, paragraph 2, lett. e), and 7, paragraph 4, lett. b).

Bearing this in mind, it is self-evident that having a suitable penalty system helps make the Model adopted by Procaffè spa more effective and gives it more bearing. In this way all stakeholders who engage with the Company will be well aware of the serious consequences in the

event of a breach of the rules, principles and procedures adopted by the Company.

While a more detailed discussion on the penalty procedure is included in the Special Part of the Model, it needs to be emphasised here that the Board of Directors, after a preliminary investigation is carried out by the Chairman of the Board in concert or separately with the Supervisory Body and after obtaining its opinion, is responsible for the adoption of the disciplinary procedure.

Approved in its different versions by the Board of Directors by resolution passed on 21.05.2012; by the Managing Director on 30.01.2013 and most recently by the Managing Director on 08.05.2018.

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