



GRUPPO CIMBALI

Gruppo Cimbali Spa

Code of Ethics

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1. Introduction

This Code of Ethics (hereinafter also referred to as the “Code”) has been prepared according to the most important national and international standards, guidelines and documents on human rights, corporate social responsibility and corporate governance. In particular the Code refers to:

- the Universal Declaration of Human Rights of the United Nations, the Charter of Fundamental Rights of the European Union, the Italian Constitution;
- the “core labour standards” in ILO (International Labour Organisation) conventions, the Guidelines for Multinational Enterprises of the OECD (Organisation for Economic Co-operation and Development), the United Nations Global Compact, the principles of Social Accountability 8000 and the Charter of Business Values of the European Institute for Social Accounting;
- best practices for codes of ethics.

The Code is based on the Cimbalì Group’s Management Model, as a set of organisational values and conducts that guide people’s activities in achieving strategic goals.

In addition, also in light of Legislative Decree no. 231 of 2001, the Code outlines the rules of conduct adopted by Cimbalì to conduct its business operations.

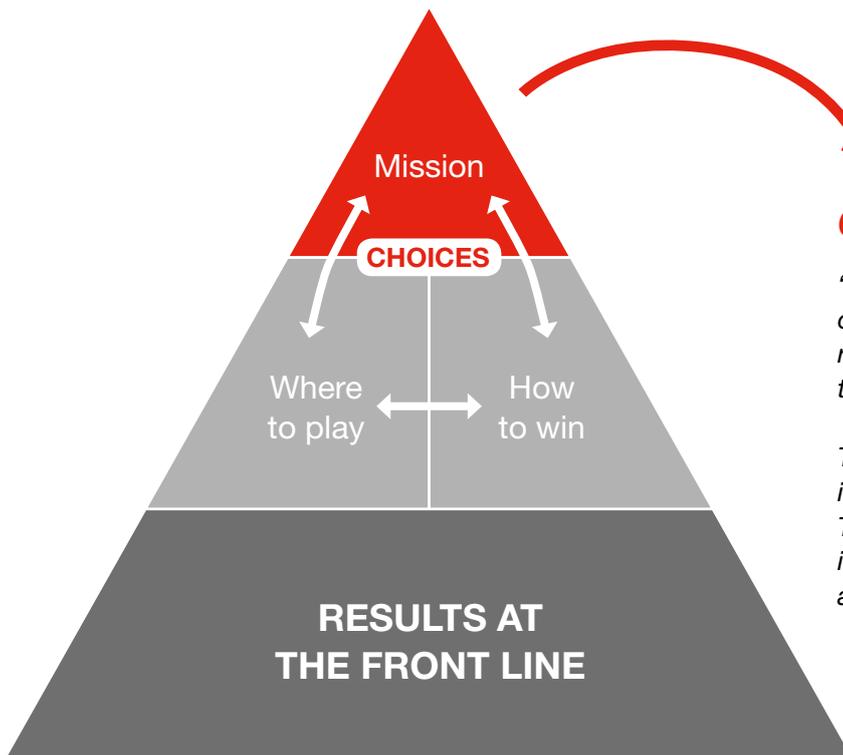
The adoption of this Code therefore meets the needs and expectations of all stakeholders, in order to establish transparency and compliance with standards for ethics and conduct that focus on excellence and reliability.

The Company, through its organisational structure, informs companies of the Cimbalì Group (hereinafter also referred to as “Group”) about the Code and all subsequent editions. This Code may be shared with all companies of the Group and adapted to the actual situation of the Cimbalì Group.

The Code of Ethics comprises three sections:

- mission and general principles;
- rules of conduct;
- implementation and compliance.

2. Mission and general principles



Our Mission

“To be a recognized leader in the world of professional espresso drink machines, representing its history and shaping its future through its brands.

*To anticipate market needs with superior quality innovative products and excellent service.
To develop our human capital in an environment increasingly focused on teamwork, integration and synergy.”*

Our Managerial model

Passion
People
Innovation
Customer focus
Excellence

These are the guiding values of the Cimballi Group, the way we think and work, what we are and what we believe in, where we want to go and how we want to get there.

Adherence to these values and to the expected behaviors guides the actions of our people and inspires them in achieving goals and targets.

General Principles

- **Passion:** Draw energy from being part of the Company and its Project, aware of representing the history and culture of espresso drink machines in the world.
- **People:** The Company recognizes the Individual as the expression and foundation of all values, and therefore the underpinning principle of all its activities. For this purpose, the Cimbalì Group undertakes to develop the skills of individuals and work teams and to protect without prejudices the personal and professional dignity of our people. We commit to valuing and respecting diversity with a view to creating an environment where people can express themselves and act in a spirit of organizational generosity for the achievement of shared objectives;
- **Innovation:** Find, promote and support unusual, original and applicable solutions aimed at achieving actual improvements in results. Respond rapidly to constantly changing situations, meeting the company's needs and experiencing changes as learning opportunities.
- **Customer focus:** Provide customers with specific solutions that will fully satisfy their needs
- **Excellence:** Constantly ensure the achievement of objectives, both in terms of results and of quality of the process used, with a view to the continuous improvement of our products and services in compliance with the highest quality standards;

3. Rules of conduct

This section outlines the areas of responsibility and conduct which addressees of the Code shall observe, in order to conform to Cimbali's values and style.

3.1 Partners

Business sustainability

Business risks are protected by a policy that is cautious, not speculative and focussed on safeguarding the solidity of the Company, with a mid-long term management policy timeframe, which also promotes economic competitiveness and operating efficiency.

Cimbali maintains high standards of corporate governance, to safeguard its own value and reputation, in the interest of all partners and stakeholders.

Transparency and fairness of intergroup operations

Cimbali guarantees all its partners fairness, openness and equal access to information, to prevent the improper use of information.

Cimbali performs intergroup transactions at fair market value, complying with criteria of substantial and procedural fairness, in order to ensure transparent and objective evaluations and compliance with regulations governing national and trans-national intercompany transactions.

Payments for the exchange of services and/or goods between Group companies are therefore defined according to market conditions and must always be justifiable.

3.2 Staff

Staff are all persons that work for Cimbali as employees or as outsourcers that work under Company personnel. This category also includes agents and external subjects “representing” Cimbali and who oversee relations with its stakeholders.

Ethical, honest and transparent conduct refers first and foremost to worthy, proper behaviour at work and the ethical management of conflicts of interest in personal and professional relations. Ethical conduct also includes compliance with all laws and regulations applicable to performing job duties and with this Code of Ethics.

Each member of staff should be familiar with the legal requirements of their function, so that they may know the possible risks and understand what type of conduct to adopt in risk situations.

Protecting physical and cultural integrity

Cimbali is committed to guaranteeing a working environment that conforms to current health and safety regulations, through the prevention, monitoring and management of occupational-related risks. The Company’s goal is to prevent occupational accidents or diseases and adopt all actions that are necessary or appropriate such as ongoing training for company personnel on activities carried out and on safety, continual investments in resources for the purchase of equipment conforming to the highest prevention and safety standards and constant maintenance of existing equipment, as well as the careful and diligent monitoring of staff’s compliance with legal requirements and company regulations.

The measures taken by the Company go hand in hand with the continual and attentive contributions made by all staff, who are required to duly observe and enforce all provisions applicable to their work activities.

In order to implement the principles stated above, the Company’s Board of Directors has adopted a “Safety Policy” whose rules are entirely incorporated in the Code of Ethics. Therefore, in conducting its business activities, the Company considers workplace safety, health and environmental protection as indispensable reference values and undertakes to:

- Provide a work environment compliant with safety and health standards;
- Implement the necessary prevention actions, monitoring and managing risks associated with the conduct of its business;
- Encourage the highest participation of its employees and contractors in prevention actions and the identification of sources of risk;
- Inform and educate all its workforce, at the different levels of responsibility within the organization, in the safety and health standards applicable to workplace activities, and train employees in emergency response in order to minimise possible damage.

Through its Organization and Structure, the Company undertakes to:

- Ensure compliance with OHSAS 18001 and with applicable regulatory provisions on workplace health and safety;
- Pursue the constant improvement of the Safety Management System's effectiveness;
- Ensure the prevention of accidents that may cause employees to suffer occupational injuries and diseases;
- Foster transparency and cooperation in relationships with all external parties involved in the Company's business activities in any capacity.

These commitments can be accomplished through the definition and achievement of specific goals and targets that take into account the general objectives set by the Company's Senior Management.

The Company believes that the pursuit of continuous improvement may only be triggered through the engagement of its human resources. This is why all the levels of the Organization are expected to promote and adhere to the provisions of the Company's Safety System, within the departments under their respective responsibility.

Cooperation and sharing

Cooperation and sharing are considered important behavioural models within the Company, as they create a positive and stimulating working environment, based on mutual trust and respect. As a consequence, a positive climate is established within the organisation and this enables staff to find valid, effective solutions for any problem which arises during work activities. Each person must try to contribute to activities targeting management, improved operating efficiency and excellence in performance.

Conflicts of interest

All decisions and actions taken during the working relationship shall be exclusively in the interests of the Company and shall not consider personal relations or benefits. All staff shall avoid situations where conflicts of interest may arise, and shall refrain from personally benefiting from possible business opportunities connected with the performance of their functions.

Conflicts of interest include but are not limited to the following:

- having economic or financial interests (holding a significant number of shares, professional appointments, etc.) even through family members, with clients, suppliers, competitors, the public administration sector;
- accepting/offering money, gifts or favours of any kind, from/to people, companies or organisations that have or intend entering into business relations with the Company;

- using their position at Cimballi, or information gained in their work in such a way that this may create a conflict between their own and the Company's interests.

Any person that comes across a conflict of interests while operating shall immediately inform their superior and refrain from performing the activity to which the conflict of interest refers. The superior will inform the Supervisory Committee of actions taken to guarantee that activities are performed in normal conditions.

Gifts and benefits

Cimballi's staff and their close family members may not receive or offer money, gifts or advantages or benefits from/to third parties (the public administration sector, clients, suppliers, etc.) to gain undue benefits for themselves or for the Company.

Any type of business courtesy shall be of a modest value and shall not infringe laws nor seem inappropriate. It is not allowed to offer or accept cash or other benefits that may be interpreted as a form of corruption or extortion.

Use of company resources

All of Cimballi's staff shall act with the diligence required to protect company resources, adopting a conduct which is responsible and in line with operating procedures established to regulate the use of resources, avoiding an improper use that may cause damage or reduce efficiency or which may go against the interests of the company.

Likewise, staff will protect company resources, and prevent their fraudulent or improper use which is to their, or third party or even the Company's advantage.

Transparent and correct information

All staff, in their working relationship with the Company, shall guarantee that documentation and information provided in performing activities in their remit are truthful, transparent, accurate and complete. In addition, all subjects performing operations and/or transactions concerning sums of money, assets or other utilities of an economic value, belonging to the Company, shall inform their superior to obtain authorisation and shall retain documentary evidence for any subsequent controls. Cimballi condemns any type of conduct which attempts to modify the accuracy and truthfulness of data and information in financial statements, in reports or in other company disclosures required by law, or distributed to the public and intended for staff, authorities, the board of auditors and independent auditors. In particular, staff involved in preparing accounting records or financial statements shall use due diligence to ensure that records and statements are truthful and correct.

Confidentiality of information

Cimballi's staff guarantee that confidential information is handled properly and shall refrain from disclosing this information to any subject within or outside the Company, unless required to do so by law, the company's bylaws or regulations. The improper use of confidential information is against company regulations and could constitute an infringement of the law.

Confidential information includes by way of example information referring to projects, prototypes of new machines, laboratory tests, business strategies, characteristics of the organisation and Cimballi's partners.

Protecting privacy

In performing its activities, Cimballi protects the personal data of its staff and third parties, avoiding the improper use of their information, in compliance with reference laws and internal procedures.

Recruiting, promoting and protecting staff

Cimballi is aware that loyal, qualified staff are an intangible asset of paramount value, necessary to achieve company objectives and to maintain optimal quality standards.

In this framework, the Company considers it important to establish and maintain a positive, proactive working environment, also by respecting the private lives of employees, and to protect equal opportunities, guaranteeing career paths based exclusively on personal merit and competencies, designed to consolidate the professional skills of each staff member.

Even during recruitment, Cimballi assesses candidates based on expected and actual profiles and transparent, verifiable merit ratings. It adopts suitable measures to avoid all types of discrimination and favouritism and will not allow for discrimination over nationality, skin colour, religious belief, political belief, trade union membership or gender.

The Company also guarantees its employees career development which combines needs for company growth with the training requirements of workers, and provides suitable means and resources for professional development.

3.3 Clients

Clients are all subjects that use, in various ways, Cimballi's products and/or services (which include but are not limited to roasting companies, distributors, hotel chains, bars and restaurants).

Efficient, quality products and services

Being an industry leader and client satisfaction are key goals for Cimballi, which steers its organisation towards continually improving its performance.

Cimballi has made a commitment to its clients to achieve and maintain the highest quality standards for its products and services, that are in line with the quality targets required by its clients and by laws in force, and to act to achieve excellence in its performance.

As demonstration of the above, Cimballi has a quality management system certified to ISO 9001:2000 and has obtained voluntary certification of conformity to high manufacturing standards.

Safety and product innovation

Cimballi is committed at all times to technological research so that it may supply innovative, reliable products. It guarantees end users the utmost safety in product use and informs clients of all the risks of handling products.

Fairness in negotiations and contracts

Contracts are stipulated with clients on the basis of simplicity, clarity and completeness, to avoid the use of misleading practices and thus establish and maintain solid relationships inspired by general values of fairness, honesty and professionalism. If unexpected events occur, the Company undertakes to not exploit the dependency or weakness of the other party.

Gifts and benefits

It is strictly forbidden to directly or indirectly offer or receive from clients gifts and/or benefits (money, objects, services, favours or other advantages) that may be interpreted by an impartial observer as intended to achieve an advantage, not necessarily economic, which goes against mandatory legal provisions, regulations and the principles of this Code.

Protecting personal data

To guarantee the protection of personal data, Cimballi undertakes to process data in compliance with reference laws and in particular according to principles of transparency, lawfulness, quality assurance and fairness.

3.4 Suppliers

Suppliers are all subjects that, in various ways, provide goods, services and resources necessary for the performance of activities and that contribute to determining the quality and efficiency of the end product.

Good faith

The Company establishes long-term relations with its suppliers, basing all agreements on the fairness of negotiations and transparency, and requires suppliers to operate so that they respect people and the environment.

Supplier selection

The supplier selection process is based on objective appraisals according to principles of fairness, quality, costeffectiveness, innovation, continuity, loyalty, punctuality and ethics, and, where possible, the promotion of local suppliers.

Ethics of supplies

Cimbali requires its suppliers to comply with commitments undertaken based on expected effectiveness/efficiency levels and with best practices for human rights and the environment, and to sign the principles in this Code of Ethics and commit to complying with them.

Cimbali undertakes to avoid situations of dependency that may affect the activities of the supplier. In a framework of trust and cooperation with its suppliers, Cimbali aims to achieve common economic and ethical goals.

Gifts and benefits

It is strictly forbidden by Cimbali to offer or receive gifts and/or benefits (money, objects, services, favours or other advantages) from suppliers and/or their representatives (potential or actual) that may give rise to unlawful conduct, or in any case that may be interpreted by an impartial observer as intended to achieve an advantage which is not necessarily economic. Payments shall be commensurate with the services indicated in contracts and may not be made to any party other than the counterparty, nor in any country other than that of the contractual parties or where the contract is performed.

Protecting the health and safety of suppliers

Cimbali undertakes to disseminate a health and safety culture among its suppliers, and in particular to protect the health and safety of suppliers that perform activities at its sites, by taking adequate organisational and technical preventive measures. Cimbali ensures that its contractors meet the requirements of company qualification systems and procedures over time.

Confidentiality of information and intellectual property

In compliance with relative laws, Cimbali maintains the utmost confidentiality about information which is strategic, confidential or relative to the intellectual property of its suppliers, and requires its suppliers to adopt the same conduct.

3.5 Financers

Financers are organisations that give financial support to Cimbali.

Transparent disclosure

Cimbali ensures the prompt, truthful disclosure of information required by financers, so that their investment decisions are based on a true and fair view of the financial position and results of the Company.

Respecting commitments

Cimbali honours its commitments for financing received, and observes agreed on payment dates.

3.6 The public administration sector

The Public Administration sector means all subjects governed by public law and private persons that perform a “public function” or a “public service”, with whom Cimbali and its staff interact. This includes but is not limited to the following: Local Public Authorities (Municipalities, Provinces, Regions, etc.), Social Security, Local Health Authorities, the Privacy Watchdog, the Financial Police, Food Fraud Units, the Fire Brigade, the Local Police, the National Institute of Occupational Safety and Prevention, certification.

Lawfulness, fairness and transparency in relations with the public administration sector

Cimbali bases and adapts its conduct in relations with the public administration sector to ensure fairness and transparency in negotiations.

Persons appointed to oversee negotiations, requests or institutional relations with the public administration sector shall not attempt to improperly influence decisions, or adopt an unlawful conduct, such as offering money or other benefits that may affect the impartial judgement of the public administration representative. Unlawful conduct includes using modified or forged statements or documents, or omitting information or in general resorting to ploys and deception in order to obtain concessions, authorisations, financing, subsidies from the European Union, the State or another public body.

If the Company uses a consultant or third party to represent it in relations with the public administration sector or public service agencies, the consultant or third party shall accept all rules in this Code in writing. In relations with the public administration sector or public service agencies, Cimbali shall not be represented by third parties that could have a potential conflict of interests or that are not reputable.

In relations with the public administration sector, it is also forbidden to alter the operation of a public administration computer or electronic system or to manipulate data contained therein, in order to obtain a wrongful profit.

Relations with former public administration employees

The employment of or any working relationship with former public administration employees that, in performing their functions have had dealings with the Company, or of their relatives and/or relatives by marriage, will take place conforming fully to the standard procedures defined by Cimbali for personnel recruitment, without the candidate's previous qualification affecting the final recruitment decision.

Subsidies and funding

Cimbali guarantees that documentation prepared to obtain subsidies, funding, authorisations and concessions from the public administration sector (European community, state, local authorities) is correct and complete.

It also guarantees that subsidies or funding obtained are used for the purposes for which they were requested and granted.

3.7 The community and the environment

These refers to all players whose interests are affected by the direct and indirect effects of Cimbali's activities, which include but are not limited to the local community, the mass media and the natural environment.

The economic and social context

To improve the social context it operates in, Cimbali is committed to important and sensitive issues for communities, such as employment and culture, through cooperation with local institutions.

Supporting social and cultural initiatives

In its support for social and cultural initiatives and sponsorship in general, Cimbali only considers events which are consistent with its own strategic goals and principles of environmental and social responsibility.

Cimbali does not fund political parties, their representatives or candidates or trade union organisations in Italy or abroad, nor does it sponsor related events.

Donations and gifts

As regards donations and gifts, Cimbali prefers initiatives that ensure quality assurance and stand out for the ethical message they convey and that contribute to social development.

The media

The disclosure of data or information to external sources shall be truthful, transparent, adequate, appropriate and consistent with Company policies, and shall only be handled by delegated functions. In this regard, staff shall refrain from adopting a conduct or issuing statements that may in any way damage the image and interests of Cimballi.

Environmental protection

Without prejudice to compliance with specific applicable laws, Cimballi adopts suitable measures to conserve the environment and communities, promoting the development of activities in line with this goal and taking part in initiatives to raise awareness. The Company's environmental policy is based on its belief that the environment is a common asset to be safeguarded. Cimballi is therefore committed to training its staff so that they are aware of the environmental aspects and impacts related to their activities and of reducing the effects of their actions.

Based on these principles and in view of the introduction of environmental offences within the regulatory framework of Legislative Decree no. 231/2001 (with specific reference to article 24(11)), the Cimballi Group has deemed it appropriate to update the special part of its Organizational and Management Model, identifying specific environmental risk areas in its business activities.

In particular, ad hoc procedures, to be strictly complied with by all the employees involved, have been introduced to prevent the commission of environmental offenses. Moreover, the Cimballi Group's disciplinary system now provides for adequate penalties for illicit conducts by the responsible parties.

4. Implementation and compliance

Cimballi's Code of Ethics demonstrates its support of the highest ethical standards which it recognises and believes in.

Cimballi's staff, namely its directors, employees and persons that irrespective of the legal status of the relationship, operate under the management or supervision of Cimballi, are required to observe and enforce the principles of this Code. Compliance with the principles of this Code is an essential part of the contractual obligations of the Company pursuant to and for the purposes of laws in force (article 2104 of the Italian Civil Code "diligence of employees").

5. Watchdog for implementation of the Code

Cimbali has appointed a Supervisory Committee as watchdog for compliance with and implementation of the principles in its Code of Ethics. The Supervisory Committee therefore:

- consults with competent functions in order to promote suitable training programmes;
- clarifies doubts over interpretations and situations concerning ethical dilemmas;
- receives reports of alleged infringements;
- carries out appropriate investigations, reporting findings to competent functions and ensuring that sanctions are adopted;
- guarantees the confidentiality of identity of the person reporting information, protecting them from any retaliation.

Information reported to the Supervisory Committee (such as information about alleged infringements, requests for clarification or opinions) shall preferably not be anonymous and may be sent by addressees and all other staff to:

E-mail: odv@cimbali.it

Address: For the attention of the Supervisory Committee
c/o Secretarial Department
Gruppo Cimbali SpA.

Cimbali undertakes to protect from intimidation or retaliation anyone who in good faith reports alleged or manifest infringements of the Code and to take disciplinary action applicable at the time against offenders.

Cimbali is also committed to ensuring this Code is enforced by applying the disciplinary sanctions indicated in applicable national collective labour agreements or in reference agreements stipulated with the relevant counterparties..

This Code is available on the Company's website and is distributed to addressees according to procedures considered most suitable for its effective disclosure.