

CODE OF ETHICS

FOREWORD

Simonelli Group (hereinafter also referred to as "SG" or the "Company") is one of the leading companies in the production of machines and equipment for espresso coffee and cappuccino. In pursuing its corporate purpose, SG is a company that has distinguished itself on the market for its ability to innovate its products and services, for its commitment to research and deepening of scientific knowledge.

In order to define the set of values that distinguish it, SG has prepared this Code of Ethics, which delineates the responsible conducts that inspire strategic thinking, as well as the management of company activities in pursuing the objectives of excellence in the market in which it operates.

The Code of Ethics (hereinafter referred to as the "Code") represents an essential element of the internal control system and the adherence to it allows SG to prevent the commission of irregularities or offenses against its internal and external interlocutors. The adoption of certain principles of conduct is an expression of the Company's commitment, also in view of the prevention of unlawful conduct in terms of Human Rights, corporate social responsibility and corporate governance.

Specifically, the code refers to:

- The United Nations Charter of Human Rights, the European Union Charter of Rights, the Italian Constitution.
- The principles and rules of conduct enshrined by the Legislative Decree No. 231 of 8 June 2001.
- The Core Labor Standards covered by the ILO (International Labour Organization) conventions, OECD's (Organisation for Economic Co-operation and Development) Guidelines for Multinational Enterprises, the United Nations Global Compact, the SA 8000 (Social Accountability) and the Charter of Corporate Values of the European Institute for Social Accounting.
- Current best practices on codes of ethics.

The purpose of this Code is to declare and disseminate the values and rules of conduct to which the Company intends to make constant reference in the course of its business activity.

All recipients are required to observe and, as far as they are concerned, ensure that the others observe the principles contained in the Code. In no way can the pursuit of SG's interests be separated from the observance of the aforementioned principles.

1. STRATEGIC PERSPECTIVE AND PARTICIPATORY APPROACH

This Code expresses the ethical commitments and responsibilities in the performance of business activities and corporate operations by the employees of SG and its subsidiaries, whether executives or employees of any sort of these enterprises.

1.1 VALUES, VISION & MISSION

Values	<p>Research & Innovation: SG is fully committed to advancing the knowledge on coffee through research activities. It translates this into innovation, highly-performing and efficient machines, raising the quality standards of the coffee industry.</p> <p>Sustainability: the company undertakes to be active in guaranteeing environmental, economic, and social sustainability.</p> <p>Education: SG's goal is to continuously disseminate coffee knowledge and culture to all partners and operators in the industry, through education programs that are able to increase the professionalism and quality of their services.</p>
Vision	We believe in conscious and sustainable innovation, enabling people to act ethically, with respect for the land and the environment.
Mission	We combine passion, dedication, creativity, and ingenuity to enable our clients to distill their very best potential into a single cup.

In our laboratories and seminars, we combine research and design to create high-performance machines that are innovative, sustainable, reliable, and beautifully designed.
From our home region, the Marche, we bring coffee culture to the world.

1.2 COOPERATIVE APPROACH TOWARDS STAKEHOLDERS

Simonelli Group aims to maintain and develop a relationship of trust with its stakeholders (such as shareholders, employees, customers, suppliers, business partners, communities, public and financial institutions, non-profit organizations, etc.), meaning those categories of individuals, groups or Institutions which play a role in the accomplishment of the company's mission or which have an interest in the pursuit of that mission, as well as those affected by the impact of Simonelli Groups's actions. In order to maintain the relationship of trust that it has with its stakeholders, Simonelli Group maintains a constant dialog with them and is committed to closely involving local communities.

2. VALIDITY, APPLICATION AND CONTRACTUAL VALUE OF THE CODE

2.1 RECIPIENTS OF THE CODE

The principles and provisions contained in this Code must inspire SG's activities and guide the conduct of its collaborators, partners, consultants and external professionals who cooperate or who have a collaborative relationship with the Company. Adherence to the provisions and principles contained therein constitutes an essential condition for the validity of existing contracts between SG and the parties mentioned above. The Code is applicable in all areas where SG operates.

2.2 COMMUNICATION AND TRAINING

The Code is brought to the attention of all internal and external subjects interested in the corporate mission through posting-up on the company noticeboard and appropriate communication activities. In order to ensure the correct understanding of this Code for all collaborators, the company will endeavor to promote knowledge

of ethical principles and standards. Training initiatives are differentiated according to the roles and responsibilities of the employees.

2.3 GENERAL COMPANY PRINCIPLES AND REFERENCES FOR RECIPIENTS

Every action, transaction, negotiation and, more generally, conduct implemented by the "recipients" of this Code while performing their duties must be in accordance with the principles below:

Legal Compliance	SG believes that the applicable law and regulation compliance in countries where the Company operates is a primary value and must be followed. Therefore, all Recipients must base their behavior on the duties they perform in the interest of the Company, with full compliance of the international laws applicable to the Company.
Responsibility and Conflict of Interest	SG requires recipients to act responsibly and professionally, entirely regarding ethical behavior, good faith, ethics, and mutual respect and collaboration. Recipients must abstain from any action in a conflict of interest with SG and avoid situations that may even only appear in a conflict of interest with the Company.
Honesty, Correctness, Fair competition and Transparency	The Company requires recipients to operate following principles of correctness, fair game, and transparency towards its workers, institutions, suppliers, distributors, customers, and every operator in the market.
Transparency	SG informs the stakeholders, clearly and transparently, of their situation and financial position and performance, without favoring any groups of interest or individual
Integrity	The recipients of this code are required to perform their duties with the diligence required by the assignment's nature, with professionalism and reliability. The Company considers ethics to be of primary interest. No conducts conflicting with applicable regulations or the Code are tolerated, even if appearing to promote SG. SG deplores all forms of patronage.
Equality of Opportunity, Respect for Diversity and Non-Discrimination (HR Management)	SG considers the growth of its workers crucial for company success and personal achievement and therefore undertakes to respect workers' rights. SG commits to drawing maximum value from all resources within its organization, taking full advantage of the multicultural approach, believing that its employee's different cultural characteristics should represent an advantage at an international level and help foster a climate that is conducive to express each individual's potential fully. Particularly, SG:

- Avoids and opposes all forms of discrimination based on age, gender, sexuality, health status, ethnicity, nationality, political and religious opinions, and harassment of its staff.
- It gives all workers the same opportunities, ensuring each one the benefit of fair treatment based on merit.
- Takes care of the selection and recruitment of staff, ensuring that such values as opportunity equality and merit are respected.
- It creates a suitable working environment ideal for the personal growth of its workers.
- Does not employ minors and avoids all types of labor exploitation.
- Ensures the protection of personal data privacy.
- Undertakes the non-establish of any labor agreement with individuals without a residence permit or with an irregular permit of stay, and not to carry out any activity favoring the unlawful entrance of illegal immigrants in Italy.
- Promotes a health and safety culture workplace.

Quality

SG pays excellent attention to the manufacturing of high performing products that meet the highest quality standards. In this regard, it commits to continually improve its processes, products, and services, while involving both the internal activities, as well as those carried out by its suppliers, which also ensure high-quality standards.

Health and Safety

SG builds its business model around the health and safety of its employees and all external personnel involved in work processes, promoting a strong safety culture through the direct involvement of every member of the organization and continuous training. The company provides detailed information on workplace risks and on the Personal Protective Equipment required for each activity. In collaboration with its Occupational Health Physician, SG also supports the health surveillance of its workers. Finally, it pursues continuous improvement objectives in line with the provisions of Italian Legislative Decree 81/08.

Environment

SG is committed to environmental sustainability and adopts appropriate measures to protect the environment, reduce harmful emissions, limit energy consumption, and, where possible, make use of renewable energy sources. The company also carries out a prior assessment of the environmental impact of all its activities. Furthermore, SG promotes appropriate measures to raise awareness among its partners and encourage initiatives aimed at environmental protection.

Social Responsibility

SG operates with due consideration for the needs of the community, actively contributing to the economic, social, and civil development of the communities in which it operates. The company is committed to implementing socially responsible sourcing practices based on behavior that is ethically expected,

while promoting and safeguarding human rights and the well-being of communities.

Approach to sharing	SG is oriented toward supporting all means of sharing and developing innovation, training, and sustainability, in line with the value system set out in Article 1.1. SG also promotes a positive organizational climate that encourages the expression of creativity.
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3. CRITERIA OF CONDUCT

3.1 TRANSPARENCY OF ACCOUNTING AND CORPORATE NOTICES

All actions, operations and transactions must be correctly recorded in the accounting system in accordance with legal requirements and applicable accounting principles and must also be properly authorized, verifiable, legitimate, consistent and reasonable. To ensure that the accounts meets the requirements of truth, completeness and transparency of recorded data, for each operation adequate and complete supporting documentation must be kept, to allow:

- the accurate recording of accounts;
- the immediate identification of the characteristics and underlying reasons for the operation;
- the timing and details of the operation can readily be reconstructed.

Each employee and collaborator shall perform their duties in order to ensure that any matters relating to the operations of SG are recorded accurately and promptly in the accounting records. SG provides a system of internal controls, respecting regulations and company procedures, in order to:

- verify the adequacy of the different business processes in terms of efficiency, effectiveness, congruity, consistency and cost-effectiveness;
- ensure the reliability and correctness of the accounting records and safeguard corporate assets;
- ensure compliance with the accounting and tax legal requirements and internal procedure of SG.

3.2 ANTI-MONEY LAUNDERING

Persons subject to the Code should not, in any way and under any circumstances, be involved in events related to money laundering, of money derived from illicit or criminal activities. Prior to establishing relationships or concluding contracts with not occasional suppliers and other business partners, the company and its employees and/or collaborators will have to be sure about the moral integrity, reputation and good name of counterparty. The Company undertakes to comply with all law and regulations, both national and international, on money laundering.

3.3 RELATIONS WITH COLLABORATORS

3.3.1 PERSONNEL SELECTION

SG's personnel selection process is based on verifying the alignment between the expected profiles and the candidates' qualifications, using transparent and verifiable merit-based considerations. SG adopts appropriate measures to prevent any form of discrimination or favoritism, not allowing distinctions based on nationality, skin color, religious beliefs, political or union affiliation, or gender.

3.3.2 DISCRIMINATION AND HARASSMENT

SG does not accept any discriminatory conduct, nor any form of harassment and/or personal or sexual offense. SG is committed to providing a work environment that prevents all forms of discrimination and harassment on race, gender, religion, nationality, age, sexual orientation, disability or other personal characteristics.

3.3.3 CONDUCTS PROHIBITED AT WORK

Workplace strictly forbidden any illegal conduct or any form of abuse, threats or attack to people or company assets. The employee are required to report on such conducts and, however, any suspected violation of standards, guidelines or procedures, to their manager who will report, with appropriate guarantees of confidentiality, the Human Resources function, which, after completing the necessary verifications and evaluations, will play an advisory role to the Board of Directors, providing an opinion on measures to be taken.

Given its focus on a positive corporate climate, SG is committed to identifying any behavior that could hinder or undermine the work environment and to implementing all necessary measures to ensure smooth and harmonious operations.

3.3.4 SAFETY AND HEALTH

SG is committed to spreading and consolidating a culture of safety, developing risk awareness, promoting responsible behavior by all collaborators, and ensuring working conditions in respect of individual dignity, within safe and healthy working environments, in compliance with laws on safety and health. SG also works to preserve, with preventive actions, the health and safety of workers, as well as other stakeholders' interest. Each employee, collaborator and anyone who works at the company offices and production sites is called to personally contribute to the maintenance of safety and quality of the working environment, by following the security system and all company procedures.

3.4 RELATIONS WITH SHAREHOLDERS

SG's conduct, principles and values are based on transparency. Within this context, it commits to provide the shareholders with appropriate, timely and complete information on the salient aspects of business management. SG's corporate governance system is compliant with current legal provisions and is oriented to:

- transparency;
- supervision of business risks;
- maximization of shareholder value in alignment with social, environmental, and sustainability considerations.

3.5 RELATIONS WITH CUSTOMERS

SG commits not to arbitrarily discriminate against its customers and to guarantee adequate quality standards of the offered products and services. SG's style of behavior towards customers is based on professionalism,

courtesy, respect and collaboration. In order to avoid misleading or unfair practices, all communications are clear and timely.

3.6 RELATIONS WITH SUPPLIERS, PARTNERS AND EXTERNAL COLLABORATORS

Supplier selection, including financial partners and consultants, and purchase conditions determination are based on objective and impartial criteria assessing quality, price and guarantees provided.

The conclusion of a contract with a supplier must always be based on extreme relationship clarity on SG's side. It is forbidden to perform services or recognize compensations of any kind, in favor of contractual partners or external collaborators, that cannot be adequately justified within the context of the relationship established with the partners themselves, or in relation to the type of assignment to be performed and current practices.

Agreements and collaborations must be concluded in written form with accurate definition of the conditions.

3.7 RELATIONS WITH THE PUBLIC ADMINISTRATION

Relations with public officials responsible for public service and with public and/or private contributions that provide public services, and, in any event any public relationship, must always be guided by the strictest compliance with the applicable law, principles of transparency, honesty and fairness, and can in no way compromise the integrity and reputation of SG. Managing relations with the public administration shall be reserved exclusively to authorized functions. Dealings with the public administration, the company shall not improperly influence decisions of administrative bodies concerned, especially officers dealing or deciding on their behalf. During any negotiation with the public administration, either in Italy or other countries, SG shall refrain from carrying out conducts that conflict with the principles set out above.

3.8 GRATUITIES, GIFTS AND BENEFITS

SG does not allow its employees or their close family members to receive or offer money, gifts, or benefits from/to third parties in order to gain undue advantage for themselves or the Company. Any acts of commercial courtesy must be of modest value and must never be personal in nature, but rather shared within the company.

3.9 CORRUPTION

SG condemns both active and passive corruption in all its forms, with regard to public and private parties, aiming to gain or produce an unfair advantage in negotiations.

In the relationship with the public administration, either in Italy or abroad, it is forbidden, to representatives and/or employees of the company, to give or offer, either directly or through third parties, money or other benefits to any kind and entities, be they public officials, government representatives, civil or private employees, in order to compensate or repay them for their services, or to achieve or delay the execution of an act contrary to the duties of their position.

3.10 PRIVACY AND CONFIDENTIALITY

In compliance with applicable regulations, SG maintains the highest confidentiality regarding strategic, confidential, or intellectual property-related information of its shareholders, from whom it expects the same conduct. SG informs each collaborator on the nature of the personal data being processed by the company, on treatment methods and communication purposes.

Collaborators are required to observe strict confidentiality regarding information, documents, studies, initiatives, projects, contracts, business plans, with particular reference to those that may compromise the image or interests of customers and the company. All company information must be considered confidential and cannot be disclosed to third parties or used to obtain direct or indirect personal advantages.

Each communication activity respects the laws, rules and practices of professional conduct, and is made with clarity, transparency and timeliness, safeguarding, among others, sensitive information and trade secrets.

4. IMPLEMENTATION PROCEDURES

A correct and effective application of the Code is possible only through commitment and collaboration of the entire SG structure, which must make each individual behavior consistent with the ethical principles of the code itself and collaborate with the body responsible for the implementation and control process, that is with the Board of Directors.

4.1 VIOLATIONS AND DISCIPLINARY CONSEQUENCES

The recipients of this code must report any violation to the Board of Directors, which will promptly evaluate the report and the correctness of supposed violations, including by contacting the person responsible for the alleged violation and any person potentially involved. The Board of Directors undertakes to ensure the confidentiality of the identity of the reporting party, without prejudice to legal obligations.

SG also ensures the possibility to make detailed anonymous reports. These reports are subsequently summarized in an annual report, which identifies the actions taken with a view to improving behavior and, where necessary, updating the Code itself.

Any breach of the Ethical Code may constitute a failure to fulfill obligations and, consequently, SG may take appropriate disciplinary measures, proportionate in relation to the degree of fault, in compliance with the provisions contained in the applicable national collective employment contracts.