



Fondolugar

CODE OF ETHICS

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Code of Ethics · Version 1.0

Fondolugar

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1 · FOREWORD

1.1 Message from Management

This Code of Ethics (hereinafter the "Code") outlines the values, principles and standards of conduct that Fondolugar, S.L. and its subsidiaries (hereinafter the "GROUP") undertake to implement resolutely and unequivocally, ensuring compliance within every domain of its activities. It shall be respected at all times, with all members of the GROUP and any associated third parties fully understanding it, internalising it and applying it to all of the GROUP's operations.

The GROUP undertakes to behave in an honest, upright and ethical manner in all its endeavours, and the provisions of the Code are binding for all partners, directors, managers and employees of the GROUP, as well as any entities or people who work with it.



1.2 The Company

Fondolugar, S.L. is an entity founded in 2024 as the parent company of a family business group, which it supports and manages. The group consists of the following companies:

- Cafés Candelas, S.L.U. and Cafés Candelas Canarias, S.L.U., dedicated to the distribution of roasted coffee and supplementary products, such as packaged sugar, teas, chocolates, biscuits, etc.
- As Gándaras Coffee Factory, S.L.U., dedicated to the production of roasted coffee.
- Innocaf Tech, S.L.U., dedicated to research and innovation in the world of coffee.
- Servihostel Solutions, S.L.U., dedicated to the provision of aftersales services to provide added value, such as barista training or technical services.

Coffee is our world at the GROUP and the objective of all our activities is to offer the best blends and our extensive experience to an increasingly demanding public.

Our values at the GROUP include quality, experience, efficiency, teamwork, ethics and integrity.



1.3 Purpose of the Code

The purpose of this Code is to ensure understanding, internalisation and application of professional, ethical and responsible conduct, guaranteeing regulatory compliance on the part of all employees within the GROUP when performing their duties, regardless of their duties or position.

The internalisation and practical application of the Code is therefore seen as an essential part of our internal control corporate policy and a protection measure to prevent legal, economic or reputational risks resulting from our day-to-day business activities.

The Code establishes a framework with clear guidelines, along with tools to help us resolve any ethical issues that may arise, enabling all of our employees to conduct themselves in accordance with the ethical values, commitments and good practices that align with the GROUP's corporate culture, which prioritises the training and personal and professional development of our workforce.

It serves the following purposes:

- Defining the principles and values that should be applied to all business activities within the GROUP.
- Establishing market practices and behavioural standards and guidelines that should govern all of the GROUP's relationships with its employees, customers, suppliers and distributors, as well as public officials and authorities.
- Outlining the procedure for reporting and rectifying any irregular conduct.

1.4 Scope of application of the Code

The Code applies to all the companies that make up the GROUP, which are listed in section "1.2". Consequently, it must be followed by all partners, directors, managers and employees, regardless of their position or duties.

The Code may apply to any individual and/or legal entity that maintains relations with the GROUP, particularly when they carry out commercial activities in the name of the GROUP, provided that it is feasible as regards the nature of their relationship..

1.5 Adoption of the Code

Partners, directors, managers and any other individuals who represent the GROUP, when required as a result of their relationship, must confirm in writing their commitment to comply with this Code, which involves applying it to all their relations with employees, public administrations, external contacts of all kinds, partners and the company as a whole.

1.6 Distribution of the Code

The Code shall be distributed broadly and extensively throughout the GROUP, made accessible in both electronic and physical form for all parties related to the GROUP, both internally and externally.

The Code shall therefore always be available on the company website and be distributed via the corporate portals used by our work-

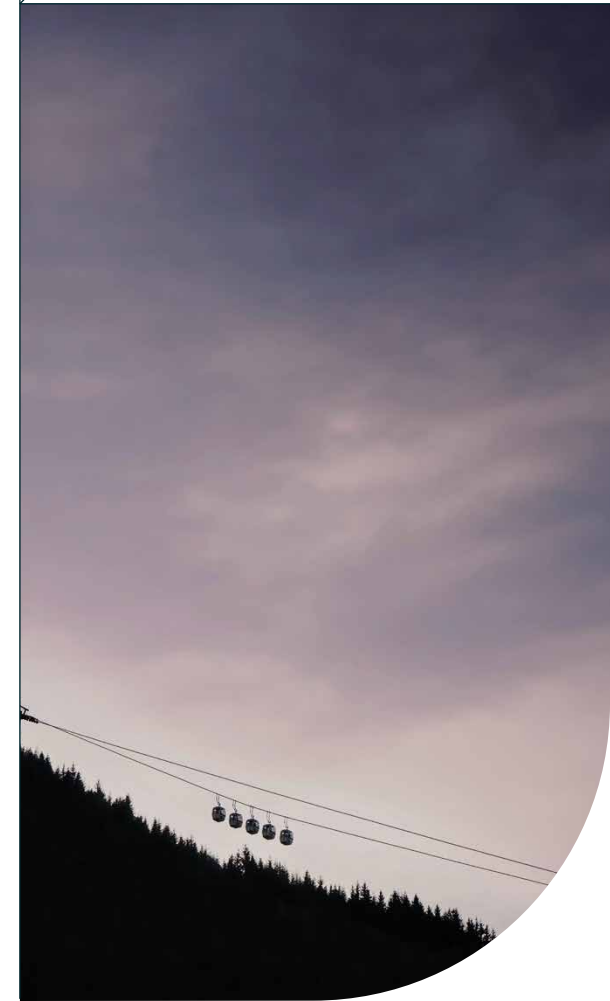
force and other professionals to access information regarding their activities carried out within the company.

We shall also provide training sessions and distribute the Code on a regular basis to ensure it is fully understood, implemented, monitored and updated as needed.

1.7 Monitoring and updates to the Code

he GROUP shall closely monitor compliance with the Code via the “Regulatory Compliance Committee”, employing information, prevention, monitoring and control tools and intervening where necessary with appropriate corrective measures, which may include disciplinary action.

The Code shall be updated whenever, in light of regulatory changes, new business activities or proposals or reports from the Compliance Committee, Management at the GROUP considers that its directives are no longer sufficient for the company’s activities or structure.



2 · PRINCIPLES AND GENERAL DUTIES

The GROUP's commitment to regulatory compliance involves the following duties for its partners, directors, managers and employees:

- Strict compliance with all laws in force where they carry out their activities.
- Total respect for the company's obligations to third parties in terms of its contractual relationships and compliance with appropriate uses and good practices in the market.
- Conduct in line with the spirit and content of this Code of Conduct, as well as the corresponding regulations.

The GROUP shall carry out all its activities in an ethical, sustainable and responsible manner, in accordance with the following:

- Total compliance with the Universal Declaration of Human Rights and all Employment Rights recognised by national and international legislation, expressly rejecting all forms of forced labour, child labour and violations of human dignity.
- A commitment to perform its activities in a sustainable manner, within the scope of the UN Sustainable Development Goals, endeavouring to protect the environment in particular and committing itself to sustainable management of natural resources.

Likewise, all individuals and legal entities that maintain any professional, economic or social relations with the GROUP, whether directly or indirectly, shall be treated with dignity and respect.



3 · STANDARDS AND GUIDELINES OF CONDUCT

3.1 Partners and Directors

The GROUP's partners and directors must set an example by fully complying with all corporate regulations and ensuring the compliance of all company employees and the organisation as a whole. They must therefore:

- Promote and manage the establishment and appropriate application of effective prevention measures to avoid, wherever possible, criminal and/or illegal activities committed by anyone within the business organisation.
- Ensure that the company and all its employees comply with their ethical duties and the principle of good faith in all their relationships within the company and with third parties, establishing and implementing prevention measures and applying disciplinary measures in the event of non-compliance.
- Maintain high ethical standards in the hiring and promotion of personnel, applying criteria based on objectivity, competence, merit and professionalism to guarantee equal opportunities and to ensure that the GROUP's workforce operates with the highest level of skill and competence. They shall also ensure that all employees are committed to conveying a culture of regulatory compliance to the rest of the company.
- Promote occupational safety among employees, guaranteeing compliance with occupational safety standards and respecting the rights of employees, particularly as regards the right to unionise and the right to strike.

3.2 Employees

When performing their duties, all GROUP employees must respect and apply the company's commitment to regulatory compliance, in addition to the procedures put in place to ensure compliance.

In particular, in their daily activities they must observe the principles, behavioural guidelines and obligations outlined below:

PRINCIPLES

- **RESPECT:** Management of human resources and relations among employees and with all associated parties shall be governed by the principles of trust and mutual respect, and respect for human dignity, and do not permit any form of harassment in the workplace, whether physical, psychological or moral.

All employees must be treated in a respectful, professional and friendly manner, to create a pleasant and safe work environment so they can achieve their goals and meet the demands of their roles.

- **EQUAL OPPORTUNITIES, IMPARTIALITY AND NON-DISCRIMINATION:** abuse of authority is expressly prohibited in all professional relationships, as is any type of discrimination based on race, religion, age, nationality, gender or any other characteristic or personal or social circumstances that are unrelated to merit and the abilities of each employee, with particular consideration to the professional integration of people with any form of disability.

- **INTEGRITY:** Employees are obliged to act in accordance with the provisions of this Code and its regulations, as well as in accordance with the law, in their relations with other employees or third parties in the workplace, avoiding and preventing any criminal behaviour.

CONDUCT GUIDELINES

- **HEALTH AND SAFETY:** employees are responsible for strictly complying with health and safety standards in the workplace, and for safeguarding their own safety and that of anyone else affected by their professional activities.

Employees are forbidden from consuming any substances that may hinder their ability to carry out their professional duties.

- **REPUTATION:** our employees must avoid any activities outside the GROUP that may endanger the reputation of the GROUP or interfere with its corporate interests.
- **CONFLICT OF INTEREST:** our employees must avoid all situations involving conflict of interest, where personal interests or the interests of a third party compete with or are incompatible with the corporate interests of the GROUP.

OBLIGATIONS

- **NON-COMPETITION:** employees must never enter into competition with the company, nor may they benefit personally from any commercial opportunities that arise as a result of their professional duties related to the GROUP.
- **CONFIDENTIALITY:** during the course of their professional

duties, and after they leave the company, employees are forbidden from using corporate information or revealing confidential information or secrets belonging to the GROUP, or allowing them to be divulged. Confidential information refers to all information not in the public domain, including trade secrets, product recipes, sales and business plans, designs, registers, databases, financial information related to the GROUP or any unpublished information as outlined in the GROUP's policies.

When handling this confidential information, employees must use due diligence to avoid unintentional release of information by themselves or by third parties.

- **SAFEKEEPING:** employees must actively protect all goods, equipment, work tools, personal protection equipment and devices belonging to the GROUP and only use them as intended and in accordance with the instructions provided by company management. They should also protect all brands, designs and distinctive marks for company products that are owned by the GROUP and ensure their commercial use by customers and third parties corresponds with their intended purpose, never endangering the reputation of the GROUP.
- **INFORMATION SECURITY AND ACCURACY:** Employees must use information systems with the utmost care, observing all internal standards related to this domain. In particular, they must ensure the accuracy and integrity of the documents and data they use and manage in their relations with the company, avoiding any fraudulent or unlawful modification or alteration.
- **CONTROL:** any manager or supervisor who, when performing their duties or within the scope of their managerial responsibilities for the GROUP, becomes aware of any action or conduct involving a subordinate or an individual over whom

they have authority or are responsible for supervising that may involve non-compliance with the law or the provisions of this code of conduct and/or criminal risk prevention standards, or which may potentially incur any form of legal risk, have the obligation to employ their corresponding managerial powers and to act immediately to prevent said activity or conduct.

3.3 Relations with customers

The GROUP guarantees that all the services and products it markets do not pose a risk to the health and/or safety of its customers. Consequently, all employees of the GROUP are obliged to strictly comply with the established standards and procedures for handling, transporting, labelling, quality control and properties of all products marketed by the company.

Employees also have the following responsibilities as regards to their conduct:

- **RESPECT:** when it comes to customer relations, employees must act in accordance with the principles of consideration, respect and dignity, avoiding all forms of unlawful discrimination in relation to race, religion, age, nationality, gender or any other personal or social characteristics.
- **INTEGRITY:** When carrying out their commercial activities, employees have the following obligations:
 - To promote and market the GROUP's products based on objective standards, without falsifying their properties or characteristics. Promotional activities shall be carried out in a transparent manner to avoid providing information that is false or deceitful or that may mislead customers or third parties.

- To record financial information in the GROUP's systems in a comprehensive and precise manner, reflecting the rights and obligations on the date in question, in accordance with applicable standards. All financial transactions made by the company shall be recorded transparently and accurately in accounting logs, providing an entirely faithful representation.

- **SECURITY OF PAYMENT METHODS:** employees are obliged to safeguard the security of payment methods used in relations with our customers, guaranteeing the functionality and traceability of invoicing and payment procedures, data protection and fraud prevention.
- **SAFEKEEPING:** in relations with customers, employees must protect assets belonging to the GROUP and use them as intended and in accordance with the guidelines issued by company management.

The GROUP is committed to combatting money laundering and financing of terrorism, adopting all appropriate measures and controls designed for its prevention through the corresponding identification of its customers and analysis of the purpose of transactions.

3.4 Relations with suppliers and distributors

In their relations with the GROUP's suppliers and distributors, GROUP employees must act in accordance with the principles of consideration, respect, dignity and lawfulness.

Product procurement and purchasing must strictly follow the guidelines set out by company management and all decisions within this area should be justifiable, provable and verifiable in

case they need to be checked by company management. GROUP employees are obliged to protect all commercial information related to the supply chain.

Suppliers and distributors that maintain commercial relationships with the GROUP must expressly commit to respect the Human and Employment Rights of all their employees, including a commitment to eradicate child labour and forced labour and to respect the basic rights of their workers. The GROUP shall accept no violation of these principles.

3.5 Market practices

The GROUP conducts itself fairly in the market, so it forbids its managers and employees from behaving in a dishonest, fraudulent or malicious manner. Accordingly, directors, managers and staff are required to:

- Avoid carrying out any form of fraudulent activity involving goods, assets or financial or accounting records belonging to the GROUP or a third party.
- Avoid offering or accepting gifts or handouts, favours, compensation, financial benefits or anything that is improper in nature for the purposes of obtaining business or favourable or differential treatment from a third party, or that may influence decisions related to their professional duties, whether it be directly or indirectly via third parties or other entities.
- Seek commercial information without infringing the rules of

free competition, and reject any information about competitors obtained improperly or in violation of confidentiality rules.

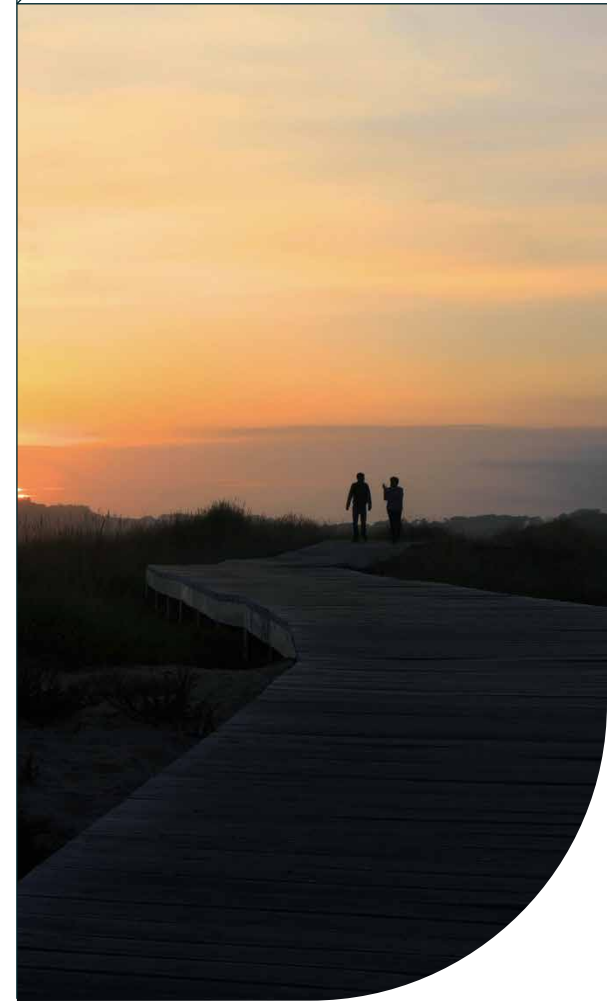
- Avoid disseminating any malicious, misleading or false information about competitors of the GROUP.
- Avoid modifying, altering or fraudulently manipulating any information or documentation obtained from customers.
- Maintain the confidentiality of information obtained in previous jobs.

3.6 Relations with authorities and public officials

All of the GROUP's interactions with Public Administrations, authorities and public officials shall be governed by the principle of transparency. Consequently, directors, managers and employees:

- Must act in accordance with the principles of consideration, respect, dignity and lawfulness in all their relations with authorities and public officials. Only expressly authorised employees may interact with public institutions on behalf of the GROUP.
- Shall avoid offering or accepting gifts or handouts, favours, compensation, financial benefits or any other form of benefits that are improper in nature from authorities and/or public officials. In all cases, standard practices for gifts and hospitalities, when permitted, should be evaluated and reported to GROUP management.

- Must avoid obtaining undue tax benefits for the GROUP and should ensure that all information declared to the authorities in this respect is accurate and faithfully reflects reality. They shall also ensure that all grants and subsidies received from public administrations are used appropriately, acting with transparency and never falsifying information to obtain them or using them for purposes contrary to that which they are intended.



4 · COMPLIANCE

4.1 Adherence to regulatory compliance

Adherence to GROUP regulatory compliance and the Code is an essential obligation for employees and partners of the GROUP.

Any violation of the provisions of the Code and its implementation shall constitute non-compliance with the aforementioned contractual obligations and may lead to (i) the application of sanctions and disciplinary measures established by current legislation, (ii) termination of professional relationships, (iii) the application of penalties and/or compensation for damage/losses incurred.

The Regulatory Compliance Manual and the Procedure for Preventing and Handling situations involving bullying, sexual harassment and gender-based harassment in the workplace are also essential elements of the Code, establishing response criteria and ethical standards that must be followed by the GROUP when performing its business activities.

4.2 Internal Whistleblower System

The GROUP provides an Internal Whistleblower System through which any related party may request guidance, clarification or assistance regarding the contents of this Code, its application, and any activities they carry out.

All employees or partners of the GROUP should use the aforementioned channel to report any activity or conduct they become aware of within the scope of the GROUP's activities that violates or may violate the following:

- The provisions of this Code and its application.
- Any applicable laws, in particular activities that may involve the commission of a crime or a serious or very serious administrative offence.
- The provisions of the Procedure for Preventing and Handling situations involving bullying, sexual harassment and gender-based harassment in the workplace at the GROUP.

The GROUP's Internal Whistleblower System enables informers to make reports anonymously and is committed to maintaining absolute confidentiality in regards to all reports received, protecting informants and recipients of the reports from any form of reprisal, as set out in current legislation.

The Internal Whistleblower System includes a Whistleblower Channel, available on the company website and internal company portals.

THANK YOU