

ANNEX 'B' AT INDEX NO.

**ARTICLES OF ASSOCIATION OF THE ASSOCIATION**

**"CENTER FOR CIRCULAR ECONOMY IN COFFEE -**

**THIRD SECTOR ENTITY"**

**1. Establishment of the Association**

1.1. An association is hereby established under the name below, pursuant to Legislative Decree No. 117 of 3 July 2017 (the Code regulating Third Sector entities, hereinafter also "the CTS"),

**"CENTER FOR CIRCULAR ECONOMY IN COFFEE -**

**THIRD SECTOR ENTITY"**

or, for short,

**"C4CEC - E.T.S."**

(hereinafter also the "Association").

This indication shall be used in documents, deeds, correspondence and communications addressed to the public.

1.2. The Association is governed by these Articles of Association (hereinafter also "the Articles of Association"), by the CTS, by the Italian Civil Code (hereinafter also "the Civil Code") and by any other applicable primary or secondary legislation (hereinafter also the "Applicable Law").

1.3. The Articles of Association are informed by the principle of fostering, insofar as possible, Members' participation in the Association's organisation and activity.

1.4. The Association's indicates, in its documents, deeds, correspondence and communications to the public, the particulars of

its registration in the Single National Register of Third Sector Entities.

1.5. The Association is of indefinite duration.

## **2. Objectives and Institutional Activities**

2.1. The Association, which is apolitical, non-denominational and non-profit-making, and whose general purposes are oriented towards the common good, pursues the objective of collecting and sharing good practices, solutions, research and data on the circular economy applied to the coffee supply chain, from cultivation to consumption to end of life (the "Supply Chain", below).

2.2. The Association is an independent and internationally authoritative reference point with expertise in the gathering of know-how related to the Circular Economy in the coffee sector and to make it available to companies, associations, universities and public bodies, in order to improve the economic, social and environmental performance of players in the Supply Chain and to connect experts who contribute to the development of the Circular Economy in the coffee sector and along the Supply Chain.

2.3. In order to achieve its purposes, the Association aims to promote, manage and carry out activities with a view to developing ideas and projects related to the Circular Economy in the coffee sector and along the Supply Chain.

2.4. More specifically, the Association's specific objectives are:

a) the provision of learning paths, the sharing of good practices, research and information related to the Circular Economy in the Supply Chain;

- b) the creation of a multi-stakeholder knowledge-sharing network aimed at the development and dissemination of good practices, research and information related to the Circular Economy in the Supply Chain;
- c) the creation of tools to connect producers of waste in the Supply Chain with companies/bodies competent to recover, treat and reintroduce it into a new production cycle;
- d) the provision of support to organisations that will seek the Association's assistance in developing ideas or that wish to share their know-how on sustainability projects in the Supply Chain and in the coffee sector.

2.5. The following entities may participate in the Association: Public and private entities such as universities, research centres, agencies and national and international companies that share the Association's aims and operate, or have expertise, in the area of the Association's activities, in Italy and/or internationally.

2.6. The Association shall be entitled to deploy employees and volunteers in conformity with Applicable Law, in implementing the foregoing.

### **3. Purpose and scope**

3.1. The Foundation is involved in non-profit activities for civic, solidarity and public interest purposes, and has as its main or exclusive purpose the following general interest activities referenced in Article 5(2) of the Code regulating Third Sector entities (CTS), which may be exercised in Italy and abroad:

- letter d): ***“education, formation and vocational training within the meaning of Law no. 53 of 28 March 2003 (as amended), as well as cultural activities of social interest for educational purposes; social interventions and services within the meaning of Article 1, paragraphs 1 and 2, of Law no. 328 of 8 November 2000, as amended, and interventions, services and performances referenced in Law no. 104 of 5 February 1992, and Law no. 112 of 22 June 2016, as amended”;***

- letter e): ***“interventions and services aimed at safeguarding and improving environmental conditions and at the prudent and rational use of natural resources, excluding the commonly exercised activity of collecting and recycling municipal waste and special and hazardous waste, and aimed at safeguarding animals and preventing the phenomenon of stray animals, pursuant to Law No 281 of 14 August 1991, and also aimed at the production, accumulation and sharing of energy from renewable sources for private consumption purposes, pursuant to Legislative Decree no. 199 of 8 November 2021”;***

- letter (g): ***“university and post-graduate education”;***

- letter (h): ***“scientific research of special social interest”;***

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- letter n): ***“development cooperation, pursuant to Law No 125 of 11 August 2014, as amended”;***

- letter o): ***“commercial, production, education and information activities, promotion, representation, licensing of certification***

*marks, carried out within or for the benefit of fair trade supply chains, to be understood as a commercial relationship with a producer operating in a disadvantaged economic area, generally located in a developing country, on the basis of a long-term agreement aimed at promoting the producer's access to the market and providing for the payment of a fair price, development measures in favour of the producer and the obligation on the producer to ensure safe working conditions, in compliance with national and international regulations, in order to enable workers to lead a free and dignified existence, and to respect trade union rights and also commit to combating child labour”;*

*- letter (u): “charitable activity, remote support, free transfer of food or products in accordance with Law no. 166 of 19 August 2016, as amended, or the disbursement of money, goods or services to support disadvantaged persons or activities of general interest within the meaning of this article;”*

*- letter w): “promotion and protection of human, civil, social and political rights, and of the rights of consumers and users of the general interest activities indicated in this article, promotion of equal opportunities and mutual aid initiatives, including the time banks referred to in Article 27 of Law no. 53 of 8 March 2000, and the solidarity purchasing groups referenced in Article 1(266) of Law No. 244 of 24 December 2007”.*

#### **4 Instrumental, ancillary and related activities**

4.1. The Association, in strict conformity with its non-profit goals, may

participate in international, European, national and regional projects, in competitions of ideas and in European Economic Interest Groups consistently with the Association's objectives. Such projects shall aim to ensure high impact, and additional spin-offs with respect to the institutional activities of the Association and of its members. When assessing projects to be subscribed to, the Association shall take into account the following, in particular:

- the project's conformity with the Association's strategic guidelines;
- the project's economic sustainability and feasibility, including financial feasibility;
- the project's costs in relation to the anticipated benefits, upholding principles of impartiality, comparison and transparency;
- the project's innovative aspects;
- the characteristics of the proposing party in terms of the latter's experience in the sector or in the implementation of similar initiatives.

4.2. The Association may welcome and avail of the expertise of visiting professors, researchers and operatives provided by its own members or supported by other external institutions and enterprises. The association may also welcome young scholars to engage in internships or a period of research and retired emeritus professors wishing to continue their research activities in fields linked to those of the Association and its members.

4.3. The Association's activities may be carried out in collaboration with public and private third parties provided that their purposes do not conflict with the Association's purposes and accord with the

Association's vocation.

4.4. In order to achieve its purposes, the Association may, among other things:

- a) apply for public and private contributions and funding;
- b) participate in public procedures aimed at the allocation of public resources and funding for the pursuit of its statutory purposes, carrying out any activity necessary for this purpose in compliance with applicable regulatory provisions;
- c) collaborate with third parties in order to implement the initiatives and projects for whose realisation the Association was established;
- d) enter into and sign contracts functional to its activities;
- e) acquire, administer and manage assets that are instrumental to the Association's purpose, as owner, lessor, bailee, or otherwise own or hold such assets and sign the related deeds, instruments and contracts;
- f) carry out - as ancillary activities instrumental to its institutional purposes - marketing of goods and services also in the publishing sector (within the limits of applicable laws) and in the audio-visual sector in general;
- g) carry out activities other than those mentioned above, provided that they are ancillary and instrumental to its general interest activities, in accordance with criteria and limits defined by law, with particular reference to the specific discipline. Accordingly, the Board of Directors is entrusted with identifying each ancillary and instrumental activity that may be carried out, while respecting the aforementioned limits and

criteria for achieving the purposes indicated in Article 2 above.

4.5. The Association may operate in Italy and abroad for the achievement of its purposes, within the scope of its activities and in the spirit that animated its establishment.

## **5. Head office**

5.1. The Association's headquarters are located in the Municipality of Turin (TO).

The Board of Directors has remit to decide upon any change of address within the same Municipality, subject to the majorities indicated in these Articles.

Within the following thirty days, a transfer of address report shall be filed with the competent office in accordance with the provisions of Article 48 of the CTS.

A change of address within the Municipality where the Association has its head office shall not constitute a change to these Articles.

5.2. Branch offices, delegations and offices may be established in Italy and abroad with a view to carrying out primary activities, as well as activities for the promotion and development of its institutional purpose.

## **6. Assets**

6.1. The Association's assets (hereinafter also referred to as "the Assets") consist of the following:

- a) membership fees;
- b) the initial assets contributed by the founding members (hereinafter also "the Founder Members") in money, movable and immovable property or other benefits;

- c) contributions in money, movables and immovables or other benefits or earnings that can be used for the achievement of the Association's purposes, made by Founder Members and by Associate Members (as defined below), which are expressly allocated to Assets;
- d) subsidies or grants from the public administration, including the State, European Union, regional and local authorities, other Public Bodies which are expressly allocated to Assets;
- e) donations, gifts or testamentary dispositions which are expressly allocated to Assets;
- f) contributions by private parties, whether natural or legal persons or entities other than Founder Members and Associate Members (as defined below) which are expressly allocated to Assets;
- g) net profits that under these Articles must be allocated to Assets;
- h) movables and immovables that are expressly allocated to Assets which the Association receives or will receive for any reason whatsoever, including those acquired by the Association in accordance with the provisions of these Articles;
- i) the proceeds of fundraising activities.

6.2. The Board of Directors shall act with the requisite skill, prudence and diligence in order to safeguard Assets.

6.3. The Board of Directors oversees any decreases of Assets and promptly adopts any measure necessitated by Applicable Law or called for based on criteria of expertise, prudence and diligence; more specifically, if Assets should decrease by more than one third as a result of losses, the Board of Directors (or, should it fail to take action,

the Audit Body) shall promptly resolve to replenish the minimum Assets or, alternatively, to transform or merge or dissolve the Association.

6.4. Should it become necessary or appropriate, the Board of Directors shall decide, according to criteria of expertise, prudence, and diligence, to allocate portions of the Association's assets to funding the Association's current activity.

6.5. It is forbidden to distribute, directly or indirectly, profits and operating surpluses, funds and reserves (however named) to Founder Members, Associate Members, workers and collaborators, directors and other members of the Association's corporate bodies, even in the event of withdrawal from the Foundation or dissolution of the individual associative relationship, on any other basis.

6.6. No contribution or payment, however named, that an Associate Member makes to the Association shall be recoverable by that member (or by his/her assignees, on any basis whatsoever) in any circumstances, especially in the event of the Association's dissolution or the Associate Member's death, termination, withdrawal or exclusion from the Association.

6.7. No contribution or payment, however named, that an Associate Member or any third party makes to the Association shall confer any entitlement to participate in the Association's organisation or activity, over and above the rights of participation in the Association that are conferred by the Articles of Association and by Applicable Law; nor, in particular, shall any contribution or payment confer any equity interest in the Association or in its assets, nor any share in the Association that

may be deemed to belong to the Associate Member or to the person who made the contribution or payment, or that may be transferred by them to third parties by virtue of particular succession in title or universal succession, or by deed *intra vivos* or by deed *mortis causa*.

## **7. Management Fund**

7.1. The Association's Management Fund is used to fund the operation of the Association and the realisation of its purposes. It consists of:

- a. annual membership fees to be paid periodically by Founder Members and Associate Members (as defined below) in the amount to be determined in accordance with these Articles and which may provide for differentiated amounts for particular categories of Founder Members and Associate Members (as defined below);
- b. contributions in money, movables and immovables or other benefits or earnings that can be used for the achievement of the Association's purposes, made by Founder Members and by Associate Members (as defined below), which are not expressly allocated to Assets;
- c. subsidies or grants from the public administration, including the State, European Union, regional and local authorities, other Public Bodies which are not expressly allocated to Assets;
- d. donations, gifts or testamentary dispositions which are not expressly allocated to Assets;
- e. contributions made by private parties, whether natural or legal persons or entities other than Founder Members and Associate Members (as defined below) which are not expressly allocated to Assets;

f. income and revenues deriving from the Association's Assets and activities;

g. income deriving from the exploitation of patents or of other industrial and intellectual property rights of the Association;

h. revenues from institutional, ancillary, instrumental and related activities.

7.2. The Management Fund shall be used for the ordinary management of the Association, i.e. to cover overheads, structural and organisational expenses. These contributions are determined annually in advance by the Board of Directors and approved by the Members' Meeting.

7.3. In case of special needs related to management costs incurred (or to be incurred) by the Association, the Board of Directors may request Founder Members and Associate Members to pay extraordinary contributions, in amounts which may also be differentiated between the various Members. The Members' Meeting shall unanimously resolve upon the amount of such contributions and to pay said contributions, on a proposal of the Board of Directors.

7.4. If certain Founder Members and/or Associate Members (as defined below) intend to implement or support one or more special projects that are not provided for in the plan approved by the Association's competent bodies and that are of specific interest to only some of them (hereinafter "Special Projects"), the Members' Meeting can resolve to implement or support such projects, provided that (i) the Special Project is consistent with the Association's purpose; (ii) the

costs involved are covered by extraordinary contributions made for this purpose by Founder Members and Associate Members interested in the Special Project, in proportion to their involvement; *(iii)* the Special Project has been approved in advance by the Scientific Board (as defined below) in order to assess its scientific viability and consistency with the Association's purposes.

## **8. Financial Year and Budget**

8.1. The financial year begins on 1 January and ends on 31 December of the each year.

8.2. By December of each year, the Board of Directors shall approve the provisional policy documents for the following financial year (also "the Budget", below).

8.3. Final accounts are drawn up for each calendar year, accompanied by mandatory documentation. These are submitted to the Members' Meeting for its approval together with the Audit Body's report and are filed with the Association's headquarters.

8.4. The Association shall, by 30 June of each year, file its corporate sustainability report with the Single National Register of Third Sector Entities, and publish it on its own website.

8.5. The Association's bodies shall be entitled, strictly within their respective remits, to undertake obligations only to the extent of the resources available within the Association's economic-financial planning strictures, and only for the implementation of objectives and programmes that have been approved.

8.6. Annual operating surpluses, if any, shall be allocated as a priority

to the replenishment of Assets, if they have been subject to previous losses.

8.7. All asset management transactions are reflected in the Association's accounts and annual balance sheet, in conformity with the accounting standards applicable to them.

8.8. If the conditions indicated in Article 14 of the CTS are met, the Association shall draw up its corporate sustainability report and carry out all the necessary compliance formalities.

## **9. Founder Members and Associate Members.**

9.1. The Association is open to the participation of new public or private persons/entities resident in Italy or abroad who, in the judgement of the Board of Directors and of the Members' Meeting, are in a position to contribute to the Association's aims in the manner indicated below, compatibly with the purposes indicated in the Articles of Association.

9.2. The Association's members are divided into Founder Members and Associate Members.

9.3. Founder Members are those who are present when the Association is formally established.

9.4. Founder Members contribute to the Association's Assets and to its Management Fund, as provided for in the Articles of Association.

9.5. The status of Associate Member is conferred by the Members' Meeting on public or private parties that share the Association's aims, with the favourable vote of at least 2/3 (two thirds) of votes thereof and on a proposal of the Association's Board of Directors, and discriminatory criteria of any kind are ruled out.

The status of Associate Member shall continue for the entire duration determined on the date when the Members' Meeting resolves to accept the Board's proposal, such term to be no less than three years.

The Members' Meeting may, upon a proposal of the Board of Directors, adopt special rules that subdivide Associate Members into categories, also based on their type, on the size of their contributions and also on the criteria for determining the duration of their status.

9.6. Associate Members contribute to the Association's Assets and to its Management Fund, as provided for in the Articles of Association.

## **10. Application for Admission to the Association**

10.1. Those who satisfy the requirements set out in Article 9 above and who wish to join the Association shall apply to the Chairperson of the Board of Directors for admission.

10.2. The application for admission must contain: a) the name, company name or trade name and the address or registered office of the applicant; b) documentation describing the applicant's activity and its development plans; c) the applicant's signature (and that of its legal representative where a legal entity is concerned); d) a declaration that the applicant is fully acquainted with the Association's Articles and accepts them; e) an indication of the type of programmes/activities that the applicant is potentially interested in participating in; f) any other matter that may be useful in assessing the application.

10.3. The application for admission as an Associate Member shall be submitted to the Board of Directors for its opinion and to the Members' Meeting for its approval, and the Members' Meeting shall resolve upon

the admission and related procedures with the favourable vote of at least 2/3 (two thirds) of votes thereof, and discriminatory criteria of any kind are ruled out.

10.4. A resolution rejecting any application for admission must be duly justified, and notified to the party concerned within 60 (sixty) days of the resolution.

10.6. The affected party may appeal against a rejection of the application by requesting the Audit Body to rule on the application; the provisions of Article 23 of the Code regulating Third Sector entities (CTS) are referenced for this purpose.

## **11. Exclusion and withdrawal**

11.1. The Members' Meeting shall resolve in a special session, subject to the majorities indicated in these Articles, to exclude Founder Members and Associate Members in the event of serious and repeated non-compliance with their respective obligations and duties under the said Articles, including the following (without limitation):

- a. non-fulfilment of the obligation to pay the membership fee and other contributions provided for by these Articles;
- b. non-fulfilment of the obligation to perform other asset-related obligations under these Articles;
- c. conduct incompatible with the duty to cooperate with other Members and with the organs of the Association.

11.2. Founder Member and the Participant may also be excluded for the following reasons:

- a. the termination of the organisation, for any reason whatsoever;

b. the commencement of voluntary or judicial liquidation proceedings and/or other insolvency proceedings, including out-of-court procedures aimed at the liquidation of the entity, with the exception of creditors' composition arrangements under business continuity;

c. the enactment of regulatory provisions that disallow the continuance of the founding and contractual relationship.

11.3. Founder Members and the Participant may also be excluded for grave violations of the rules of the Code of Ethics, where adopted by the Association.

11.4. Founder Members and Associate Members may withdraw from the Association at any time, without prejudice to their obligation to fulfil any obligations undertaken up to the effective date of the withdrawal. The withdrawal shall be communicated to the Board of Directors by registered letter or by certified email with at least 3 (three) months' notice.

11.5. The loss of status of Founder Member or Participant of the Association shall automatically entail the loss of rights of representation in the Association's bodies.

## **12. The Association's bodies**

12.1. The following are bodies and officers of the Association:

a. the Chairperson;

b. The Members' Meeting;

c. the Scientific Board;

d. the Board of Directors;

e. the Audit Body.

12.2. No remuneration for members of the Association's bodies is provided for, except for the Audit Body.

### **13. Chairperson of the Association**

13.1. The Chairperson of the Association is appointed by the Members' Meeting from among members of the Board of Directors.

13.2. The Chairperson is responsible for legally representing the Association before third parties and in legal proceedings.

The Chairperson is responsible for signing instruments and documents of external relevance, which the Articles or other organisational measures have not reserved to other Association bodies.

All subject to the limits of the powers conferred on the Chairperson, including in legal proceedings.

Any limitations of the Chairperson's power of representation shall be recorded in the Single National Register of Third Sector Entities.

13.3. Moreover, the Chairperson:

- signs documents and instruments and anything else necessary to implement any transactions or business decided upon;
- oversees the sound administration and smooth running of the Association;
- ensures compliance with the Articles of Association and spearheads their amendment as necessary;
- ensures the implementation of Board of Directors' resolutions and handles dealings with public and private entities.

13.4. The Chairperson has authority to appoint authorised representatives for the performance of individual acts or categories of

acts.

13.5. The Association's Chairperson convenes and presides over Board of Directors meetings and Members' Meetings, and approves the agenda.

13.6. If absent or indisposed, the Association's Chairperson is replaced by the Vice-Chairperson, if appointed, or alternatively by a member of the Board of Directors delegated by the Chairperson or, alternatively, by the most senior member of the Board of Directors.

13.7. The office of Chairperson is an unpaid position, but this officer shall be reimbursed any expenses incurred by reason of his/her office.

#### **14. Members' Meeting**

14.1. The Members' Meeting consists of all the Founder Members (represented by their legal representative or by a specially appointed official from time to time) and the Associate Members.

14.2. Each Founder Member and each Associate Member may be represented at the Members' Meeting by other Founder Members or Associate Members with a written proxy, to be kept by the Association. The proxy shall indicate the name of the representative and also the powers and any limits of the proxy.

Each Members' Meeting member may hold at most one proxy.

Proxies shall not be granted to non-members.

14.3. The Members' Meeting shall be responsible for all decisions on matters reserved to its competence by these Articles, and also on matters that one or more Directors or Founder Members or Associate Members representing at least one third of the Members, submit for its

approval.

More specifically, The Members' Meeting:

- a. decides on amendments to the Articles of Association (in the presence of a notary public), subject to the provisions below;
- b. approves the final accounts for each financial year prepared by the Board of Directors;
- c. decides on the amount of the annual membership fee, upon a proposal of the Board of Directors;
- d. appoints the members of the Board of Directors;
- e. appoints the Association's Chairperson;
- f. appoints the members of the Scientific Board, upon a proposal of the Board of Directors;
- g. decides on the admission and exclusion of Associate Members;
- h. decides to implement or support Special Projects referenced in Article 7.4. of the Articles;
- i. may propose non-binding guidelines to the Board of Directors on the Association's programmes;
- j. may propose special initiatives to the Board of Directors that further the Association's purposes;
- k. decides on the dissolution or transformation of the Association;
- l. decides on requests for the dissolution of the Association made to public authorities with remit provided for by law;
- m. appoints the Audit Body, where applicable.

## **15. Members' Meeting - Functioning**

15.1. The Members' Meeting is convened by the Association's

Chairperson - whenever the latter deems it necessary or whenever so requested by at least one tenth of Associate Members or by at least 2/3 (two thirds) of Board of Directors members or by the Audit Body - by a notice to the entitled parties sent by certified e-mail, e-mail, registered letter with proof receipt or by any other equivalent means (technological or otherwise) that ensure proof of receipt, at least 5 (five) days in advance of the meeting.

Board of Directors and Audit Body members (who, however, are not taken into account in calculating the *quorum* for valid meetings and for valid resolutions ) are also invited to attend Members' Meetings subject to 5 (five) days' advance notice, according to the same procedures as those applicable to Founder Members and Associate Members.

The call notice shall specify the place, day and time of the meeting and the list of items on the agenda to be discussed.

15.2. Even if these formalities are not observed, the Members' Meeting shall be deemed properly constituted with the presence of all the Founder Members (in person or by proxy) and the Associate Members, provided that no Member is opposed to having agenda items discussed on which the Members' Meeting is called to pass resolutions. In all other cases, the provisions of the Civil Code on shareholders' meetings of public limited companies shall be applicable.

15.3. The Members' Meeting may also be held exclusively with remote attendance, using audio- or video-conferencing facilities, provided that the collective meeting structure is observed and that the principles of good faith and equal treatment of shareholders are respected; the

following provisions must therefore be observed:

- a. the meeting Chairperson must be able (i) to ascertain the identity of those present and their entitlement to be present, (ii) to direct the proceedings of the meeting, and (iii) to ascertain and announce the voting results;
- b. the person taking the minutes must be able to clearly see, hear and follow the meeting proceedings being recorded;
- c. the meeting participants must be able to participate in discussing and simultaneously voting upon the agenda items and to receive, view and send documents;
- d. the notice of call for the meeting (unless it is in full session) must indicate the procedures for remote attendance using telecommunications means.

15.4. Each Founder Member and each Associate Member has one vote in the Members' Meeting.

15.5. The Members' Meeting is properly constituted if the majority of entitled members are present.

It passes resolutions by a majority of those present, except where the Members' Meeting is called on to amend the Articles of Association, in which case the resolution shall require the favourable vote of at least  $\frac{2}{3}$  (two-thirds) of those entitled to vote (unless different majorities are stipulated in these Articles for particular resolutions).

15.6. The Members' Meeting *quorum* for valid meetings and for valid resolutions shall be determined based on the sum of the total number of Founder Members and of Associate Members.

15.7. The Members' Meeting adopts resolutions in accordance with law and with these Articles, and they shall be binding on all Founder Members and Associate Members including those who are not in attendance or who dissent, without prejudice to the right of withdrawal (such right to be exercised in accordance with law and with these Articles).

15.8. The Members' Meeting shall be held at least once a year to approve the final accounts, within 120 (one hundred and twenty) days after the end of the financial year, or within 180 (one hundred and eighty) days if special needs so require.

15.9. The Members' Meeting is chaired by the Chairperson of the Board of Directors (who shall have no voting authority); if the latter is absent or indisposed it will be chaired by the Deputy-Chairperson, if appointed, or by the most senior Director; if these are not available, the Members' Meeting shall be chaired by another person appointed by majority vote of those present.

In order to ascertain that the Members' Meeting is properly constituted, the Members' Meeting Chairperson shall ascertain the identity of those present and their entitlement to be present, and also the validity of any proxies; the said Chairperson shall be responsible for conducting and regulating the meeting proceedings, and for ascertaining and proclaiming the voting results on resolutions.

15.10. The Members' Meeting Chairperson is assisted by a secretary, who is not a member of the Members' Meeting and who is appointed by those present, unless the minutes are required by law or by the

Chairperson to be drawn up by a notary public.

15.11. Members' Meeting resolutions must be recorded in minutes signed by the Chairperson and by the Secretary (or by the Notary Public if present). Specifically, the minutes shall indicate: (i) the date of the meeting; (ii) the identity of the attendees (also in an annex as appropriate); (iii) the results of the Chairperson's verifications; (iv) the voting procedures and results, indicating the Founder Members and Associate Members voting in favour, abstaining or dissenting; and (v) at the request of the Founder Members and Associate Members, a summary of their statements on the agenda. The minutes of Members' Meetings shall be promptly written into the members' resolutions minute book, even where drafted in a public instrument.

15.12. The written consultation procedure and the written consent procedure are regulated as follows: the Chairperson of the Board of Directors notifies the text of the proposed resolution to each member of the Members' Meeting (with copy to the Audit Body) and of the Board of Directors, setting a deadline of at least 8 (eight) days by which each member must send his/her consent to the said resolution; if no response is received by the said deadline, consent shall be deemed to be withheld.

Communications may be transmitted using any method (electronic or otherwise) that ensure their origin and receipt can be verified (also by an acknowledgement of receipt sent using the same communication method), including e-mail, and shall be kept by the Association. Members' Meeting resolutions adopted using these procedures shall

be recorded in minutes drafted by the Chairperson and entered in the Members' Meeting minutes book. The Chairperson shall ensure that all entitled parties receive the communication.

## **16. Board of Directors**

16.1. The Association is administered by a Board of Directors consisting of a minimum of 3 (three) and a maximum of 11 (eleven) members (also "Directors", below), appointed by the Members' Meeting.

16.2. A person cannot be appointed as a Director, and if appointed shall forfeit his/her office, if that person has been barred, disqualified or sentenced to a penalty that entails disqualification, even temporary, from public office or incapacity to exercise an executive or managerial role.

16.3. Directors shall observe the provisions of Article 2391 of the Italian Civil Code on conflicts of interest; therefore, the provisions of the said Article shall regulate such conflicts.

16.4. Directors shall hold office for 3 (three) years, and for no longer than 3 (three) financial years, or any shorter period that is resolved by the Members' Meeting. Their term of office shall expire at the date of the approval of the financial statements for the last financial year for which they are appointed. Members of the Board of Directors may be re-elected. The first Directors shall be appointed at the time the Memorandum of Association is first validated, and this instrument shall also indicate their term of office.

16.5. A Director who resigns from office shall give written notice thereof

to the Board of Directors and to the Audit Body.

16.6. The termination of the office of Directors due to expiry shall take effect when the new management body has been re-established i.e. the day on which the new body meets for the first time. If, within 30 (thirty) days following the expiry of their term of office, the Board of Directors has not convened a Members' Meeting to appoint a new management body, the Audit Body shall do so without further delay.

16.7. If one or more Directors should cease from office during the financial year, a resolution approved the Audit Body shall be required in order for other directors to replace him/her/them, provided that the majority of Directors remaining was appointed by the Members' Meeting. Directors shall be replaced in accordance with the provisions of these Articles of Association dealing with their appointment. Directors thus appointed shall remain in office until the next Members' Meeting. If the majority of Directors appointed by the Members' Meeting should cease to hold office, the entire Board of Directors shall cease from office; in this event, the Directors who remain in office shall urgently convene a Members' Meeting to appoint a new Board of Directors, and they shall confine themselves to the administration of current business only, until such time as the new Board of Directors takes office.

16.8. The Board of Directors may elect one or more Deputy Chairmen, who shall hold office for the entire duration of the Directors' term of office.

16.9. The liability of Directors is governed by Article 28 of the Code

regulating Third Sector entities (CTS).

## **17. Board of Directors - Functioning**

17.1. The Chairperson or the Deputy-Chairperson shall convene Board of Directors meetings, to be held at the registered office or elsewhere, whenever he/she considers it necessary or whenever he/she receives a written request to do so from the majority of Directors. The Chairperson sets the agenda, coordinates the proceedings of the Board of Directors and ensures that all Directors are adequately informed about the agenda items.

17.2. Board of Directors meetings are convened by registered letter with proof of receipt, or using any other method that permits the acknowledgement of receipt, including certified e-mail and e-mail, sent to the address for service of each Director and of the Standing Auditors at least 5 (five) days in advance of the meeting.

If urgent or necessary, a meeting call shall be made no later than 1 (one) day in advance of the meeting date, using any other communication method that permits acknowledgement of receipt.

A Board of Directors meeting may discuss and resolve upon any matter within its competence even if formal meeting call procedures are not followed, provided that all the Directors and all the Standing Auditors are present in the same place; each attendee shall still be entitled, nevertheless, to object to the discussion of agenda items about which he/she considers insufficient information has been provided in advance.

17.3. If provided for in the notice of call, Board of Directors meetings

may be held using video- or teleconferencing facilities on condition that all participants can be identified, and are able to follow the discussion and participate in real-time in dealing with the relevant agenda items. The meeting shall be deemed to be held in the place where the Chairperson is in attendance. The rules on the conduct of Members' Meeting using telecommunications facilities shall be applicable.

17.4. Board of Directors' resolutions may also be adopted using the written consultation procedure or the written consent procedure; in this case, the Chairperson of the Board of Directors or at least 3 (three) directors shall notify the text of the proposed resolution to all the other Directors, setting a deadline of up to 8 (eight) days by which each Director shall send their consent (as applicable) to the said resolution to the registered office; if no reply is received by the given time limit, the Director's consent shall be deemed to have been withheld; communications may be transmitted using any method (including email) that ensures that their origin and receipt can be verified (also by an acknowledgement of receipt sent using the same communication method), including e-mail, and shall be kept by the Association. The documents signed shall clearly indicate the subject matter of the resolution and the consent of each Director thereto. Members' Meeting resolutions adopted using these procedures shall be recorded in minutes drafted by the management body and written into the Board of Directors meeting minutes book, following verification that all entitled parties have received the relevant communication.

17.5. The Board of Directors is chaired by its Chairperson or, if the

latter is absent or indisposed, by the Deputy-Chairperson (where appointed). If the Chairperson is absent or indisposed, the Board of Directors shall be chaired by the most senior Director (in age). On a proposal of the Chairperson of the Board of Directors or his/her Deputy-Chairperson, the Board of Directors may appoint a secretary as required, who may also be chosen from outside the ranks of the Association.

17.6. A majority of serving Directors must be present in order for resolutions of the Board of Directors to be valid; resolutions are passed by an absolute majority vote of those present. In the event of a tie, the Chairperson's casting vote shall prevail. Resolutions on the matters indicated in Article 17.7(b), (d) and (n) below shall require the affirmative vote of all directors appointed by Founder Members.

17.7. The Board of Directors is vested with the broadest powers for the ordinary and extraordinary management of the Association.

The Board of Directors is empowered, in particular, to carry out all acts or actions it considers appropriate to implement and achieve the purposes of the Association, excluding only those reserved strictly by these Articles to the Members' Meeting.

Specifically, the Board of Directors:

- a. prepares the draft final accounts for each financial year to be submitted to the Members' Meeting for approval;
- b. approves the annual Budget, no later than 31 December of the previous financial year;
- c. approves the Association's long-term activity plan, based on

- strategic guidelines defined by the Scientific Board;
- d. determines the criteria for becoming an Associate Member and proposes such applications to the Members' Meeting;
  - e. defines investment policies for the Association's Assets, based on the Scientific Board's strategic guidelines;
  - f. resolves on the acceptance of inheritances, legacies and donations;
  - g. resolves upon the allocation of profits and surpluses in pursuit of the Association's institutional purposes;
  - h. approves Founder Members' and Associate Members' proposals on the portion of revenues, income and contributions that should be allocated to growing the Assets;
  - i. determines the portion of revenues, income and contributions - other than the above - that should be allocated to cover any annual or multi-year needs;
  - j. may authorise contributions from Founder Members which are not allocated to Assets and contributions from Associate Members to be allocated to specific public interest initiatives;
  - k. may propose amendments to the Association's Articles to be submitted to the Members' Meeting;
  - l. resolves upon the opening and closing of local units and sub-offices;
  - m. resolves upon the establishment of or participation in corporations, bodies, Foundations or Associations;
  - n. appoints representatives in the collective bodies of companies and organisations in which the Association participates;
  - o. proposes to the Members' Meeting the appointment of Scientific

Board members, chosen from among persons of standing in the national and international scientific community.

p. resolves upon the adoption and approval of the Code of Ethics, subject to the opinion of the Scientific Board;

q. carries out any other task assigned to it under these Articles and approves all other acts of ordinary and extraordinary administration not included in the above subsections.

17.8. The Board of Directors, on a proposal of its Chairperson, may also appoint a Scientific Director and/or an Executive Director, defining their functions and remunerations.

17.9. The Scientific Board reports to the Board of Directors at least every 90 (ninety) days on the company's general operating performance and outlook, and also on the Association's most significant transactions and operations.

17.10. The office of Director is an unpaid position, but he/she shall be entitled to the reimbursement of expenses incurred by reason of his/her office.

17.11. Board members who fail, without good reason, to attend 3 (three) meetings of the Board of Directors or of the Executive Committee (if appointed) in the course of one calendar year, shall forfeit their office and shall be replaced.

## **18. Audit Body and the External Statutory Audit**

18.1. The Members' Meeting may optionally appoint the Audit Body, unless legally required to do so pursuant to Article 30 of the Code regulating Third Sector entities.

18.2. The Audit Body may be a single-member or multi-member body, as resolved by the Members' Meeting when appointing it.

If multi-member, the Audit Body shall consist of three standing auditors (chosen from among non-Associate Members) and two alternate auditors.

If a single-member body, an alternate auditor shall be appointed.

Members of the Board of Directors cannot concurrently hold office as Audit Body members.

18.3. The Audit Body's term of office shall be three financial years, to expire on the date of the Members' Meeting convened to approve the financial statements for its third year in office.

Audit Body members may be re-elected for at most three terms.

18.4. The Audit body:

- oversees compliance with law, with the Articles of Association and with the principles of proper administration (also with reference to the provisions of Legislative Decree no. 231 of 8 June 2001, as applicable) and it also oversees the adequacy of the Association's organisational, administrative and accounting structure and its day to day operation;
- may perform the external statutory audit of the accounts if the limits indicated in Article 31(1) of the Code regulating Third Sector entities (CTS) are exceeded;
- monitors compliance with relevant civic, solidarity and public interest purposes, having particular regard to the provisions of Articles 5 (activities of general interest), 6 (miscellaneous activities), 7 (fundraising) and 8 (non-profit making and prohibition of profit

distribution) of the CTS, and certifies (where necessary) that the corporate sustainability report has been drawn up in accordance with the Guidelines referenced in Article 14 of the CTS.

18.5. Audit Body members (also individually) may at any time carry out inspections and audits and, to that end, may request Directors for information on the course of the Association's activities and operations or on specific matters or transactions. Audit Body members participate in Members' Meetings and in meetings of the Board of Directors, but without voting rights.

18.6. The provisions on the functioning of the Board of Directors pursuant to Article 17 above shall also apply to the functioning of the Audit Body, insofar as compatible.

18.7. The office of Audit Body member is an unpaid position, without prejudice to the reimbursement of expenses incurred by reason of his/her office.

18.8. The Members' Meeting can appoint an external statutory auditor as it sees fit, unless legally required under Article 31 of the Code regulating Third Sector entities.

18.9. If the Members' Meeting entrusts the external statutory audit to the Audit Body, the members of that body shall be chosen from among external statutory auditors enrolled in the relevant register.

## **19. Scientific Board**

19.1. A scientific steering body of the Association called the Scientific Board (hereinafter also the "SB") has been established.

19.2. The SB shall consist of at least 3 (three) members appointed by

the Members' Meeting, on a proposal of the Board of Directors. Each member shall hold office for 3 (three) years from the date of his/her appointment, such office to be renewable. If the Founder Members see fit, the first appointment shall take place at the time indicated in the Memorandum of Association.

19.3. The office of member of the SB is incompatible with any other office in the Association.

19.4. If the majority of its members should cease from office, the SB itself shall thereupon cease from office.

19.5. The SB:

1) provides the Board of Directors with strategic guidelines on the basis of which the Board of Directors approves the Association's multi-year plan;

2) implements the Association's multi-year plan, in conformity with the annual Budget approved by the Board of Directors;

3) proposes new initiatives consistent with the multi-year plan and with the annual Budget;

4) analyses the feasibility of new proposals and projects;

5) certifies that the contents drafted by the Association (or proposed to be drafted or published by the Association) are technically correct and consistent with the Association's purposes, particularly in relation to the issue of the circular economy applied to the coffee supply chain.

19.6. The Chairperson of the SB is elected from among its own members by majority vote. The Chairperson regulates the functioning of the SB, prepares its agenda and directs its proceedings.

19.7. The SB meets at least 3 (three) times a year. It may also meet whenever the Chairperson considers it necessary, or where one third of its members so request. The ways that members participate in SB meetings are regulated by resolution of the SB adopted at the first meeting.

19.8. The SB is properly constituted if the majority of its members are present, and it passes resolutions by an absolute majority of those in attendance. In the event of a tie, the Chairperson's vote shall prevail.

## **20. Accounting records, financial statements and books of the Association**

20.1. A corporate sustainability report shall be drawn up for each financial year, and filed in accordance with Applicable Law.

20.2. The Association's Chairperson shall ensure that Association members are sent - no later than 30 (thirty) days of its approval - a copy of the corporate sustainability report accompanied by a Report showing the operating result and by the Report of the audit firm.

20.3. The Association keeps accounting records that are required by Applicable Law.

20.4. The Association also keeps the following, in addition to keeping the other books prescribed by Applicable Law:

- a) the Register of Associate Members;
- b) the Register of Members' Meetings and related resolutions, which must also record any minutes that have been drawn up in a public instrument;
- c) the Register of Board of Directors' meetings and related resolutions;

d) The Register of the Audit Body's meetings and related resolutions.

20.5. The Register of Associate Members and the Register of Members' Meetings and related resolutions are kept by the Board of Directors, and may be examined by any Associate Member, who may take copies. The Board of Directors may approve rules regulating the inspection of such books and the taking of copies therefrom.

20.6. The Register of Board of Directors' meetings and related resolutions are kept by the Board of Directors, and may be examined by each Director and by each Audit Body member, who may take copies thereof. Associate Members are not entitled to examine this Register.

20.7. The Register of the Audit Body's meetings and related resolutions is kept by the members of the Audit Body. Associate Members and Directors are not entitled to examine this Register.

## **21. Code of Ethics**

21.1. The Association may adopt a special regulation containing ethical principles and rules of conduct.

21.2. The Code of Ethics is adopted by the Board of Directors with the opinion of the Scientific Board.

## **22. Applicable Law**

22.1. For any matters not specifically covered by these Articles, the provisions of applicable laws in force shall apply, in particular the provisions of the Code regulating Third Sector entities.

## **23. Winding up and liquidation**

23.1. In the event of the Association's dissolution, winding up or

liquidation, the Assets shall be transferred - provided that a reasoned approval to this course of action is forthcoming from the Office referred to in Article 45(1) of the Code regulating Third Sector entities and save as otherwise designated by law - to other Third Sector Entities, as resolved by the Members' Meeting.