

PEET'S COFFEE CODE OF CONDUCT AND ETHICS

PEET'S CODE OF BUSINESS CONDUCT AND ETHICS—OVERVIEW

Peet's is committed to the highest standards of business conducts and ethics.

This code of business conduct and ethics reflects the business practices and principles that support this commitment. All Peetniks are expected to read and understand the code and its application to their work.

Officers, managers and other supervisors are expected to promote a sense of commitment to the spirit and letter of the code. Managers are also expected to ensure that all vendors conform to standards when working for or on behalf of Peet's. A manager's ability to promote and develop compliance will be a significant factor in evaluating performance. In addition, employees who make exemplary efforts to implement and uphold Peet's legal and ethical standards will be recognized for their effort in their performance reviews. Nothing in the code alters Peet's at-will policy.

The code cannot possibly describe every practice or principle related to honest and ethical conduct. The code addresses conduct that is particularly important to proper dealings with the people and entities with whom we interact, including our coworkers, clients, contractors, vendors, investors, the governments that regulate our activities and members of our community, and establishes our commitment to the highest ethical standards. From time to time we may adopt additional policies and procedures with which employees, officers and directors are expected to comply. However, it is the responsibility of each employee to apply common sense, together with his or her own highest personal ethical standards, in making business decisions where there is no stated guideline in the code or in our other policies and procedures. Unyielding personal integrity is the foundation of corporate integrity. The integrity and reputation of Peet's depends on the honesty, fairness and integrity of every Peetnik. Conduct by members of your immediate family, significant others or other persons who live in your household may potentially result in ethical issues to the extent that they involve Peet's. For example, acceptance of inappropriate gifts by a family member from one of our suppliers could create a conflict of interest and result in a code violation attributable to you. Consequently, in complying with the code, you need to consider not only your own conduct, but also that of your immediate family members, significant others and other persons who live in your household.

We encourage you to ask questions and voice concerns without fear of any form of retaliation.

Violations of the code will not be tolerated. Any employee who violates the standards in the code may be subject to disciplinary action, up to and including termination of employment and, in appropriate cases, civil legal action or referral for criminal prosecution.

Respect for Peetniks of All Backgrounds

As a Peet's employee, you are critical to our success, and we will treat you with fairness and respect.

Peet's is an equal opportunity employer. We do not tolerate discrimination against applicants or employees based on race, religion, gender, age, marital status, national origin, sexual orientation, citizenship status, or disability. We prohibit discrimination in decisions concerning recruitment, hiring, compensation, benefits, training, termination, promotions, or any other condition of employment or career development.

We are committed to providing a work environment that is free from discrimination or harassment. We will not tolerate the use of discriminatory slurs, unwelcome unsolicited sexual advances or harassment, or any other remarks, jokes or conduct that creates or fosters an offensive or hostile work environment. Employees at all levels of the organization must act with respect and civility towards clients, coworkers and outside firms.

Being treated fairly means that managers will evaluate you according to your merits, not according to arbitrary factors.

Legal Compliance

Obedying the law, both in letter and in spirit, is the foundation of this code. Our success depends upon every Peetnik operating within legal guidelines and cooperating with local, national and international authorities. It is therefore essential that you understand the legal and regulatory requirements applicable to your business unit and area of responsibility. While we do not expect you to memorize every detail of the relevant laws, rules, and regulations associated with your employment, we want you to be able to determine when to seek advice from others. If you have a question in the area of legal compliance, it is important that you talk with your manager or a compliance officer.

Disregard of the law will not be tolerated. Violation of domestic or foreign laws, rules and regulations may subject an individual, as well as Peet's, to civil and/or criminal penalties. Be aware that conduct and records, including emails, are subject to internal and external audits, and to discovery by third parties in the event of a government investigation or civil litigation. It is in everyone's best interest to know and comply with our legal and ethical obligations.

Insider Trading

All non-public information about companies with which Peet's does business is considered confidential. To use material non-public information in connection with buying or selling securities, including "tipping" others who might make an investment decision on the basis of this information, is not only unethical, it is illegal. Employees must exercise the utmost care when handling material non-public information relating to publicly traded companies.

Even the appearance of an improper transaction should be avoided.

International Business Laws

Peetniks are expected to comply with the applicable laws in all countries to which they travel, in which they operate and where we otherwise do business, including laws prohibiting bribery, corruption or the conduct of business with specified individuals, companies or countries. The fact that in some countries certain laws are not enforced or that violation of those laws is not subject to public criticism will not be accepted as an excuse for noncompliance. In addition, we expect employees to comply with U.S. laws, rules and regulations governing the conduct of business by its citizens and corporations outside the U.S.

These U.S. laws, rules and regulations, which extend to all our activities outside the U.S., include:

- The Foreign Corrupt Practices Act, which prohibits directly or indirectly giving anything of value to a government official to obtain or retain business or favorable treatment, and requires the maintenance of accurate books of account, with all company transactions being properly recorded;
- U.S. Embargoes, which restrict or, in some cases, prohibit companies, their subsidiaries and their employees from doing business with certain other countries identified on a list that changes periodically (including, for example, Burma (partial), Cuba, Iran, Iraq, Libya, North Korea, Sudan and Syria) or specific companies or individuals;
- Export Controls, which restrict travel to designated countries or prohibit or restrict the export of goods, services and technology to designated countries, denied persons or denied entities from the U.S., or the re-export of U.S. origin goods from the country of original destination to such designated countries, denied companies or denied entities; and
- Anti-boycott Compliance, which prohibits U.S. companies from taking any action that has the effect of furthering or supporting a restrictive trade practice or boycott that is fostered or imposed by a foreign country against a country friendly to the U.S. or against any U.S. person.

If you have a question as to whether an activity is restricted or prohibited, please seek assistance before taking any action, including giving any verbal assurances.

Antitrust

Antitrust laws are designed to protect the competitive process. These laws generally prohibit:

- agreements, formal or informal, with competitors that harm competition or customers, including price fixing and allocations of customers, territories or contracts;
- agreements, formal or informal, that establish or fix the price at which a customer may resell a product; and
- the acquisition or maintenance of a monopoly or attempted monopoly through anti-competitive conduct.

Certain kinds of information, such as pricing, production and inventory and, particularly with respect to federal government procurement, competitors' bid and proposal information and "source selection information," may not be exchanged with competitors, regardless of how innocent or casual the exchange may be and regardless of the setting, whether business or social. We must conduct all interactions with competitors, including social activities, as if they were completely in the public view, because they may later be subject to probing examination and unfavorable interpretation.

Understanding the requirements of antitrust and unfair competition laws of the various jurisdictions where we do business can be difficult, and you are urged to seek assistance from your manager or a compliance officer whenever you have a question.

Conflicts of Interest

A conflict of interest occurs when a person's personal interest may interfere in any way with the performance of his or her duties or the best interests of Peet's. A conflicting personal interest could result from an expectation of personal gain now or in the future or from a need to satisfy a prior or concurrent personal obligation. Peet's expects all employees to be free from influences that conflict with the best interests of the organization. Even the appearance of a conflict of interest where none actually exists can be damaging and should

be avoided. Whether a conflict of interest exists or will exist can be unclear. Conflicts of interest are prohibited unless specifically authorized as described below.

If you have any questions about a potential conflict or if you become aware of an actual or potential conflict, and you are not an officer or director of Peet's, please discuss the matter with your manager or a compliance officer. Executive officers and directors may seek authorization only from the audit committee.

Please note that this section will not be applied in a manner to restrict any employee's rights under Section 7 of the National Labor Relations Act.

Factors that may be considered in evaluating a potential conflict of interest are, among others:

- whether it may interfere with the employee's job performance, responsibilities or morale;
- whether the employee has access to confidential information;
- whether it may interfere with the job performance, responsibilities or morale of others within the organization;
- any potential adverse or beneficial impact on our business;
- any potential adverse or beneficial impact on our relationships with our customers or suppliers or other service providers;
- whether it would enhance or support a competitor's position;
- the extent to which it would result in financial or other benefit (direct or indirect) to the employee;
- the extent to which it would result in financial or other benefit (direct or indirect) to one of our customers, suppliers or other service providers; and
- the extent to which it would appear improper to an outside observer.

The following are examples of situations that may, depending on the facts and circumstances, involve conflicts of interests:

- Employment by (including consulting for) or service on the board of a competitor, customer or supplier or other service provider. Activity that enhances or supports the position of a competitor to the detriment of Peet's is prohibited, including employment by or service on the board of a competitor. Employment by or service on the board of a customer or supplier or other service provider is generally discouraged and you must seek authorization in advance if you plan to take such action.
- Owning, directly or indirectly, a significant financial interest in any entity that does business, seeks to do business or competes with us. In addition to the factors described above, persons evaluating ownership for conflicts of interest will consider the size and nature of the investment; the nature of the relationship between the other entity and Peet's; the employee's access to confidential information and the employee's ability to influence Peet's decisions. If you would like to acquire a financial interest of that kind, you must seek approval in advance.
- Soliciting or accepting gifts, favors, loans or preferential treatment from any person or entity that does business or seeks to do business with us.
- Soliciting contributions to any charity or for any political candidate from any person or entity that does business or seeks to do business with us.
- Taking personal advantage of corporate opportunities.
- Conducting our business transactions with your family member, significant other or person who shares your household or a business in which you have a significant financial interest.

- Exercising supervisory or other authority on behalf of Peet's over a co-worker who is also a family member. The employee's supervisor and/or a compliance officer will consult with the human resources department to assess the advisability of reassignment.
- Loans to, or guarantees of obligations of, employees or their family members by Peet's could constitute an improper personal benefit to the recipients of these loans or guarantees, depending on the facts and circumstances.

Corporate Opportunities

You may not take personal advantage of opportunities that are presented to you or discovered by you as a result of your position or through your use of corporate property or information, unless authorized by your manager, a compliance officer or the audit committee, as described in "Conflicts of Interest." Even opportunities that are acquired privately by you may be questionable if they are related to our existing or proposed lines of business. You may not use your position with Peet's or its corporate property or information for improper personal gain, nor may you compete with us in any way.

Maintenance of Corporate Books, Records, Documents and Accounts; Financial Integrity

The integrity of Peet's records depends on the validity, accuracy and completeness of the information supporting the entries to our books of account. Therefore, corporate and business records should be completed accurately and honestly. The making of false or misleading entries, whether they relate to financial results or test results, is strictly prohibited. Peet's records serve as a basis for managing our business and are important in meeting our obligations to customers, suppliers, creditors, employees and others with whom we do business. Our accounting records are also relied upon to produce reports for our management, stockholders and creditors. As a result, it is important that our books, records and accounts accurately and fairly reflect, in reasonable detail, our assets, liabilities, revenues, costs and expenses, as well as all transactions and changes in assets and liabilities. We require that:

- no entry be made in our books and records that intentionally hides or disguises the nature of any transaction or of any of our liabilities, or misclassifies any transactions as to accounts or accounting periods;
- transactions be supported by appropriate documentation;
- employees comply with our system of internal controls; and
- no cash or other assets be maintained for any purpose in any unrecorded or "off-the-books" fund.

In addition:

- no employee may take or authorize any action that would cause our financial records or financial disclosure to fail to comply with generally accepted accounting principles or other applicable laws, rules and regulations; and
- all employees must cooperate fully with our accounting and internal auditing departments, as well as our independent public accountants and counsel, respond to their questions with candor and provide them with complete and accurate information to help ensure that our books and records are accurate and complete.

Any employee who becomes aware of any departure from these standards has a responsibility to report his or her knowledge promptly to a manager or a compliance officer.

Fair Dealing

We strive to outperform our competition fairly and honestly. Advantages over our competitors need to be obtained through superior performance of our products and services, not through unethical or illegal business practices. Acquiring proprietary information from others through improper means, possessing trade secret information that was improperly obtained, or inducing improper disclosure of confidential information from past or present employees of other companies is prohibited, even if motivated by an intention to advance our interests. If information is obtained by mistake that may constitute a trade secret or other confidential information of another business, or if you have any questions about the legality of proposed information gathering, please talk with your manager or a compliance officer.

You are expected to deal fairly with Peet's customers, suppliers, employees and anyone else with whom you have contact in the course of performing your job. No employee may take unfair advantage of anyone through misuse of confidential information, misrepresentation of material facts or any other unfair dealing practice.

Employees involved in procurement have a special responsibility to adhere to principles of fair competition in the purchase of products and services by selecting suppliers based exclusively on normal commercial considerations, such as quality, cost, availability, service and reputation, and not on the receipt of special favors.

Gifts and Entertainment

Business entertainment and gifts are meant to create goodwill and sound working relationships and not to gain improper advantage with customers or facilitate approvals from government officials. Unless permission is received from a manager, a compliance officer or the audit committee, entertainment and gifts may not be offered, provided or accepted by any Peetnik unless consistent with customary business practices and not (a) of greater than nominal or token value, (b) in cash, (c) consisting of travel or lodging, (d) susceptible of being construed as a bribe or kickback or (e) in violation of any laws. These principles apply to our transactions everywhere in the world, even where the practice is widely considered "a way of doing business." Under some statutes, such as the U.S. Foreign Corrupt Practices Act, giving anything of value to a government official to obtain or retain business or favorable treatment is a criminal act. Talk with your manager or a compliance officer any proposed entertainment or gifts if you are uncertain about their appropriateness.

Protection and Proper Use of Company Asset

All employees are expected to protect Peet's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on our profitability. Our property, such as office supplies, computer equipment and software, records, customer information, manpower, Peet's names and trademarks, physical plants and products, are expected to be used only for legitimate business purposes, although incidental personal use may be permitted. Peetniks need to be mindful of the fact that we retain the right to access, review, monitor and disclose any information transmitted, received or stored using our electronic equipment, with or without an employee's or third party's knowledge, consent or approval. Any misuse or suspected misuse of our assets needs to be immediately reported to your manager or a compliance officer.

Please note that this section will not be applied in a manner to restrict or otherwise interfere with any employee's rights under Section 7 of the National Labor Relations Act.

Confidentiality

Among Peet's most important assets are its trade secrets and other confidential business information. Employees who have received or have access to trade secrets or other private or confidential information belonging to Peet's or any third party must maintain the confidentiality of that information. Such confidential information may include business, marketing and service plans, financial information, engineering and manufacturing ideas, designs, databases, configuration of our computer systems, customer lists, pricing strategies, marketing materials, personnel data, personally identifiable information pertaining to our employees (e.g., salary, bonus or performance-review data), customers or other individuals (including, for example, names, addresses, telephone numbers and social security numbers), and similar types of information provided to us by our customers, suppliers and partners. This information may be protected by patent, trademark, copyright, and trade secret laws.

Except when disclosure is authorized or legally mandated, you may not share Peet's or Peet's customers' or suppliers' confidential information with third parties or others within Peet's who have no legitimate business purpose for receiving that information. Doing so constitutes a violation of the Proprietary Information and Inventions agreement that you signed upon joining Peet's. Unauthorized use or distribution of this information could also be illegal and result in civil liability and/or criminal penalties.

You also need to take care to not inadvertently disclose trade secret, private, or other confidential information. Materials that contain confidential information, such as memos, notebooks, computer disks and laptop computers need to be stored securely. Be cautious when discussing sensitive information in public places like elevators, airports, restaurants and "quasi-public" areas within Peet's, such as break rooms. All Peet's emails, voicemails and other communications are considered confidential and may not be forwarded or otherwise disseminated outside of Peet's, except where required for legitimate business purposes.

In addition to the above responsibilities, all employees must abide by any applicable privacy policy of Peet's.

Please note that this section will not be applied in a manner to restrict or otherwise interfere with any employee's rights under Section 7 of the National Labor Relations Act.

Media/Public Discussions

Peet's public relations agency, MFA, is its designated contact for media inquiries. All inquiries or calls to Peet's from the press should be referred to MFA at (212) 528-1691 or Peets@mfalt.com.

Waivers

Any waiver of this code for executive officers may be authorized only by the board of directors or a committee of the board.

Clarifying Questions and Reporting Possible Violations

Even the appearance of impropriety can be damaging. If you encounter a situation and its appropriateness is unclear, please discuss the matter immediately and fully with your manager or the chief financial officer.

If you are aware of a suspected or actual violation of code by others, you have a responsibility to report it. You are expected to promptly provide a compliance resource with a specific description of the believed violation, including information about the persons involved and the time of the violation. Whether you choose to speak with your manager,

human resources or the chief financial officer, you may do so without fear of any form of retaliation. Peet's will take prompt disciplinary action against any employee who retaliates against you, up to and including termination of employment.

Managers must promptly report any complaints or observations of code violations to the chief financial officer. All reported code violations will be investigated promptly and with the highest degree of confidentiality possible. Your cooperation in the investigation will be expected. As needed, the chief financial officer will consult with the human resources director and the audit committee of the board of directors.

If the investigation indicates that a violation of the code has occurred, Peet's will take action that we believe appropriate. If we determine that an employee is responsible for a code violation, he or she will be subject to disciplinary action up to, and including termination of employment and, in appropriate cases, civil action or referral for criminal prosecution. Appropriate action may also be taken to deter any future code violations.

Please note that this section will not be applied in a manner to restrict or otherwise interfere with any employee's rights under Section 7 of the National Labor Relations Act.

Whistleblower Policies & Procedures

Peet's Coffee has engaged a third-party service provider, Board of Directors Audit Committee, to receive and disseminate complaints and concerns from employees, business partners, investors, or shareholders. Any report, whether open, confidential or anonymous shall be made directly to 1-866-296-4162.

Peet's Coffee will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee in the terms and conditions of employment based upon the lawful actions of such employee with respect to good faith reporting of complaints.