

AEEFE SPA

CODE ETHICS

**Organization, Management and Control Model
pursuant to Decree 231/01**

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RECIPIENTS OF THE CODE OF ETHICS

The following persons are recipients (hereinafter, the “Recipients”) of this Code of Ethics of Aeffe S.p.A. (hereinafter, the “Company”), adopted pursuant to Decree 231/01, and agree to comply with its provisions:

- the directors and executives of the Company (*senior* decision-makers);
- the employees of the Company (internal persons *managed by others*);
- the directors, executives and employees of the other companies within the Aeffe Group.

Consequent to specific acceptances or under specific contractual clauses, the following external parties (hereinafter, “External Parties”) may be specifically obliged to comply with the contents of the Code of Ethics:

- agents, collaborators, consultants and, in general, persons who perform freelance activities;
- vendors and partners (including temporary associations of businesses and joint ventures).

The above definition of External Parties also includes those that, while subject to contractual relations with other companies in the Group, in substance carry out significant and/or ongoing work for or in the interests of the Company.

Adoption of the ethical standards of conduct described in the Code of Ethics is a moral duty of the Recipients, in order to pursue the business objectives in accordance with the principles of integrity, transparency, legality, impartiality and prudence, in full compliance with domestic and international regulations.

In particular, Recipients are requested to:

- conduct themselves in a manner consistent with the Code of Ethics;
- notify the Supervisory Body immediately about any violations of the Code, as soon as they become aware of them;
- request any necessary interpretations or clarification of the principles of conduct defined below.

CODE OF ETHICS PURSUANT TO DECREE 231/01

1. INTRODUCTION

The Aeffe Group operates at an international level in the fashion and luxury sector, producing and distributing a wide range of products that include *prêt-à-porter*, footwear and leather goods, lingerie and beachwear.

With a constant focus on uniqueness and exclusivity, the Group develops, produces and distributes collections for both its house brands, including “Alberta Ferretti”, “Moschino” and “Pollini”.

In addition, the Group has licensed the production and distribution of additional accessories and products to leading partners, in order to complete its range (perfumes, kids and junior lines, watches and eyewear).

The Company believes that compliance with the principles of conduct based on ethical values is of fundamental importance for its economic growth, reliable management and reputation.

This Code of Ethics (hereinafter, the “Code”) has been prepared in order to translate the ethical values into principles of conduct, which the Recipients are expected to follow in the conduct of business and the performance of their activities.

In addition, taken together, the principles set out in the Code are fundamental for the reasonable prevention of the illegal conduct identified in Decree 231/2001 and, therefore, formally comprise an integral part of the Organization, management and control model.

1.1 Ethical values in the activities of Aeffe S.p.A.

The Company pursues excellence in serving its customers, with a view to creating value for its shareholders and all other stakeholders (employees, collaborators, vendors, partners and all those with an interest in the activities of the Company), maintaining and developing relations based on the principles of integrity, transparency, legality, impartiality and prudence.

1.2 Knowledge of the Code of Ethics

The Code of Ethics is available on the website www.aeffe.com for all Recipients of the Code, including the External Parties that agree to comply with it consequent to specific acceptances or under specific contractual clauses.

2. THE ETHICAL VALUES OF AEF FE S.P.A.

For the achievement of its objectives, the Company is guided by the following values, which bind the Recipients of the Code of Ethics:

2.1 *Passion and Dreams*

We are moved by our passion for what we do, convinced that this energy drives ideas and creative thought, creating a workplace environment that stimulates collaboration and the sharing of ideas.

2.2 *Respect and Integrity*

We work with respect for others and with integrity in every aspect of our activities, promoting a workplace environment founded on listening and trust.

Our relations with stakeholders are sustained by the propriety and transparency of our actions.

2.3 *Quality*

We focus daily on the quality of our work: from ideas and processes to the details that distinguish our products.

2.4 *Creativity*

We infuse our daily activities with original ideas and solutions, observing situations and events from different standpoints to tease out the alternatives.

We are quick to adopt new tools and models when managing change and market developments, improving constantly.

2.5 *Sustainability and Innovation*

We strive to work in a sustainable manner and embrace innovation as an integral part of our business approach, developing practices and products that respond to current needs without sacrificing the future.

3. CODE OF CONDUCT: IN GENERAL

When carry out their business activities, Recipients must respect very clear principles of conduct, based on the ethical values described above.

Pursuit of the interests of, or advantages for, the Company or the Group cannot, under any circumstances, justify dishonest or illegal conduct.

3.1 Processing of information

At Aeffe, we process all information about our business counterparts with full respect for the confidentiality and privacy of the data subjects concerned.

For this purpose, specific data protection policies and procedures are applied and updated constantly.

3.2 Presents, gifts and benefits

It is forbidden to give or accept gifts of any kind that may be interpreted, correctly or otherwise, as excessive with respect to normal business practice or forms of courtesy or, in any case, that seek to obtain special treatment in the conduct of business that is linked to Aeffe in any way.

In particular, it is forbidden to give gifts, regardless of their form, to Italian or foreign public officials, or their family members, that might influence the independence of their judgment or induce them to recognize economic or other benefits. This rule governing gifts offered or given, including promises, must be applied without exception, even in countries where offering gifts of value to commercial partners is normal. The definition of "gift" includes all types of undue benefit.

In short, Aeffe never engages in practices not allowed by law, commercial practice or the codes of ethics - if known - of the businesses and entities with which the Group maintains relations.

All gifts offered - excluding those of modest value - must be documented appropriately in case of checks and authorized by the function manager, who arranges to notify the Supervisory Body of Aeffe about them.

In accordance with the relevant corporate procedures, the Recipients of gifts or benefits not included among the types allowed must notify the Supervisory Body of Aeffe, which will assess their size and value and arrange, if necessary, to inform their provider about the applicable Aeffe policy.

3.3 Protection of personal data

Aeffe strives constantly to align and harmonize corporate processes with the personal data protection regulations (Regulation (EU) 2016/679 and Decree 196 dated 30th June 2003), as

well as with best practices and the guidelines issued by domestic and European authorities. In particular, specific policies and internal procedures are adopted to ensure that the processing of personal data within the organization respects the rights, fundamental freedoms and dignity of the data subjects concerned.

Personal data is processed in compliance with the principles envisaged in arts. 5 and 6 GDPR, so that the data is:

- processed lawfully, fairly and in a transparent manner in relation to the data subject (“lawfulness, fairness and transparency”);
- collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes (these guarantees must also be applied and checked in relation to any sub-vendors that qualify as sub-processors);
- adequate, relevant and limited to what is necessary in relation to the purposes for which it is processed (“*data minimization*”);
- accurate and, where necessary, kept up to date; every reasonable step must be taken to erase or rectify without delay any data that is inaccurate, given the purposes for which it is processed (“*accuracy*”);
- kept in a form which permits the identification of data subjects for no longer than is necessary for the purposes for which the personal data is processed;
- processed in a manner that ensures appropriate security of the personal data, including protection against unauthorized or unlawful processing and against accidental loss, destruction or damage, using appropriate technical or organizational measures “*integrity and confidentiality*”;
- accessible solely by duly authorized parties and/or categories of party;
- protected against unauthorized modifications;
- processed in a manner that ensures authorized users have access to the information and associated architectural elements needed in the context of their roles and duties;
- processed in a manner that ensures, in all cases, that data is managed using secure and tested processes and tools;
- processed in a manner that guarantees the reliability of the channels used to gather the information;
- processed in a manner that guarantees its protection and control.

The Company adopts suitable technical and organizational measures, on a preventive basis, to avoid the risk of security breaches that might involve - accidentally or unlawfully - the destruction, loss, modification, unauthorized disclosure of or access to the personal data transmitted, retained or otherwise processed.

In this regard, specific internal procedures are adopted for the management of personal data breaches, being losses that compromise the confidentiality, integrity or availability of the data concerned, together with specific instructions that address the principal threats.

The Company has appointed a Data Protection Officer under a service contract, pursuant

to arts. 37, 38 and 39 of Regulation (EU) 2016/679. All activities that involve data processing subject to the personal data protection regulations are monitored and coordinated constantly by the DPO. The DPO is the point of contact between the Italian Data Protection Authority (Garante) and the Company, as well as for all data subjects.

3.4 External communications

Information disclosed externally must be true, transparent and consistent with the policies adopted by the Company. Only the competent business functions, or persons authorized by them, are permitted to maintain relations with the press and external counterparties.

In the absence of delegated powers, Recipients called upon to disclose news to outside parties must first obtain authorization from the competent business functions, in order to agree the content of such disclosures in accordance with Company policy.

Without prejudice to the above, Aeffe communications to counterparties:

- are founded on respect for the right to be informed; it is forbidden in all cases to disseminate false or misleading news or comments;
- comply with all laws, rules and accepted business practices;
- are made with clarity, transparency and timeliness, while safeguarding inter alia all price-sensitive information and industrial secrets.

It is forbidden to pressurize media organizations in any way or to acquire favorable coverage from them.

4. CODE OF CONDUCT: RELATIONS WITH EMPLOYEES AND COLLABORATORS

4.1 Selection of personnel

The profiles of candidates to be hired are assessed with respect to those needed in order to meet corporate requirements, while also guaranteeing the equal opportunity rights of all applicants. Candidates are only asked for the information strictly needed in order to assess their professional and psycho-attitudinal profiles, ensuring respect for their private lives and personal opinions.

To the extent of the information available, the Human Resources Department takes appropriate steps to avoid favoritism, nepotism or interested recommendations when selecting and hiring personnel.

4.2 Establishment of working relationships

Persons are hired on proper employment contracts. All forms of unofficial employment are forbidden. On the establishment of working relationships, including those with freelance personnel, all employees and collaborators receive precise information about:

- the characteristics of the function, the duties and/or the tasks to be performed;
- about the applicable regulations and their remuneration, as governed by the

relevant national collective bargaining agreement and/or the criteria established for calculating their pay;

- the rules and procedures adopted to avoid any health risks associated with their job and/or the tasks to be performed, as well as those adopted to prevent the commitment of significant offenses;
- the contents of the Aeffe Code of Ethics, with an extract included as an integral part of the documentation provided in connection with their employment or freelance relationship.

This information is presented to employees and/or collaborators so that their acceptance of the employment contract and/or appointment is based on a proper understanding of what is involved.

4.3 *Management of personnel*

The Company does not engage in any kind of discrimination towards employees or collaborators. The decisions made with regard to personnel selection, management and development are based on the consistency of individual profiles with the required profiles, and/or on merit-driven considerations.

Hiring and/or the assignment of tasks are also based on skill and ability. To the extent compatible with general workplace efficiency, the organization of work privileges the flexibility needed during pregnancy and when looking after children.

Employee appraisals are carried out by the competent business function, involving the managers of the persons assessed, the HR Department and, to the extent possible, others who have worked with them.

To the extent of the information available and the protection of privacy, the Human Resources Department strives to impede any form of nepotism.

4.4 *Enhancement and training of personnel*

Managers draw on and encourage all levels of professionalism within the organization, activating every available tool to facilitate the development and growth of all personnel.

Managers are required to focus on the individual characteristics of employees and collaborators, promoting the development of their potential and talent.

In this context, the provision of management feedback about the strengths and weaknesses of employees is particularly important, so that the latter can strive to improve their skills, not least via targeted training.

All managers must ensure that their relations with employees and collaborators are founded on fairness, propriety, reciprocal respect and good manners, avoiding situations that might require them to violate the Code of Ethics or legal requirements.

The Company makes information and training tools available to all employees, with a view to growing and enhancing their specific professional skills.

Periodic training is delivered at specific moments in the career of employees and continuous training is provided for operational personnel.

4.5 Involvement of employees and collaborators

All employees and collaborators are actively involved in the performance of their work and/or tasks, including participation by them in discussions and decisions directed towards the achievement of business objectives.

They participate on those occasions in a spirit of collaboration with the freedom to express independent opinions. By listening to various points of view, compatible with business needs, managers are better able to make the final decision. Employees and collaborators must, in all cases, pro-actively help to implement the decisions taken.

4.6 Health and safety

The Company complies with and requires compliance with the current occupational health and safety regulations, disseminating and consolidating a culture of safety, developing awareness about risks, promoting responsible conduct by all employees and collaborators, and safeguarding - primarily by preventive action - the health and safety of workers and the interests of other counterparties, having regard for the guidelines represented by ISO 14001 and OHSAS 18001, being the international standards that govern occupational health and safety.

For this purpose, the organization implements technical and organizational initiatives that address changes in the reference environment and, therefore, in the associated risks, by:

- adoption of a risk and safety management system;
- constant analysis of the risks and key issues inherent in the processes and resources to be protected;
- adoption of the best technologies;
- control and update of working practices;
- delivery of training and communication sessions.

4.7 Processing of personal data and protection of privacy

Aeffe guarantees that the personal data of employees and collaborators is processed solely for purposes associated with the legal and economic management of the working relationship, in compliance with Regulation (EU) 2016/679 and the principles of lawfulness, propriety, transparency and data minimization, as required by the Decision of the Italian Data Protection Authority (Garante) dated 5th June 2019 on "*requirements for the processing of special categories of data*", valid pursuant to art. 21, para. 1, of Legislative Decree 101 dated 10th August 2018.

Respect for the obligations envisaged in Law 300 dated 20th May 1970 (Workers' Statute) is

guaranteed whenever systems that monitor the activities of workers need to be activated in order to ensure business continuity.

Whenever, as part of their duties, employees/collaborators process personal identification or special data, whether using electronic equipment or otherwise, they must follow the instructions given to them by the Company. In particular, access to and the processing of personal data must be limited to completion of the specific tasks assigned. Consistent with the GDPR, which governs the processing of personal data, processing comprises “any operation or set of operations which is performed on personal data or on sets of personal data, whether or not by automated means, such as collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction”.

Authorized personnel, being persons with access to personal data who act under the authority of the Controller, must keep strictly confidential all personal information and data, whether relating to internal personnel or to customers/users or vendors, and - in general - to any natural person or contact person for a legal entity who comes into contact with the organization of their employer.

The Company also safeguards via specific agreements the processing of data deriving from the assignment of tasks to external organizations or professionals, as envisaged in art. 28 of Regulation (EU) 2016/679.

4.8 *Integrity and protection of individuals*

The Company strives to protect the moral integrity of employees and collaborators, guaranteeing their right to working conditions that respect their dignity.

For this reason, the Company protects workers from psychological violence and combat all attitudes or conduct that is discriminatory or damaging to persons, their convictions and their preferences.

Sexual harassment is forbidden in any form, even verbal, as is any other conduct that might upset individuals.

In addition, the Company strives to facilitate the integration and training of foreign workers with proper residence permits, avoiding all forms of “hidden” labor and unlawful immigration.

Employees and/or collaborators who believe they have been harassed or discriminated against for reasons linked to their age, gender, ethnicity, state of health, nationality, political opinions or religious beliefs must report the event to their direct superior, who will notify the Supervisory Body to determine whether or not the Code of Ethics has been violated.

4.9 Duties of employees and collaborators

Pursuant and consequent to legislative and contractual requirements, employees and/or collaborators must perform their work in compliance with the principles of good faith, diligence, efficiency, propriety and honesty, using the tools and time made available to them in the best possible way, accepting the responsibilities associated with their roles and avoiding activities that, even if only potentially, might conflict with the interests of the Company.

In addition, employees and/or collaborators must interact with other colleagues in a civil manner, respectful of others and avoiding any form of discrimination.

Each employee and/or collaborator must take care of corporate assets with the diligence of a good father of a family and respect the environment and related ecological aspects in their daily activities.

4.10 Conflicts of interest

All employees and collaborators must avoid situations in which conflicts of interest may arise, refusing to benefit personally from business opportunities that come to their attention in the performance of their functions and/or tasks.

For example, but without limitation, conflicts of interest may arise in the following situations:

- performing a top management role and having economic interests in common with vendors, customers or competitors, directly or via family members;
- maintaining relations with vendors while also performing work, even via a family member, for them;
- accepting money or favors from persons or companies that have or intend to enter into business relations with Aeffe. Should there even merely seem to be a conflict of interest, the employees and/or collaborators concerned must inform their supervisors and/or contact persons who, in accordance the established procedures, must inform the Supervisory Body so that the existence and importance of the situation can be evaluated on a case-by-case basis.

Employees and/or collaborators must also provide information about their activities outside of working hours, should these appear to be and/or actually are in conflict with the interests of the Company.

4.11 Use of business assets

All employees and collaborators must safeguard the assets of the business in a diligent manner, with responsible conduct in line with the operating procedures that govern their use, which must be documented with care.

In particular, employees and collaborators must:

- use the assets assigned to them sparingly and with great care, managing with

special attention any financial resources of the Company that are in their possession and/or available to them;

- avoid any improper uses of business assets that might cause damage or reductions in efficiency or, in any case, conflict with the interests of the Company.

All employees and/or collaborators are responsible for protecting the resources assigned to them and must inform the competent units promptly about any threats or events that cause losses for Aeffe.

The Company reserves the right to impede any unauthorized and/or improper use of its assets and facilities via the use of accounting systems, financial reporting procedures, and systems for the prevention and analysis of risks, all without prejudice to full compliance with current legislative requirements.

With regard to IT applications, all employees and/or collaborators must:

- follow corporate security policies scrupulously, to avoid compromising the functioning and security of the IT systems;
- use Aeffe IT equipment solely for business purposes, in the interests of the Company and to enhance their technical knowledge of the duties and/or tasks assigned or entrusted to them;
- avoid using IT resources, whether hardware, software or services not provided or expressly authorized by Aeffe, to visit websites unrelated to their assigned activities, including those that are immoral and/or contrary to public decency, or use those resources to disseminate - without the required authorizations - personal or confidential information, or any other materials owned by Aeffe.

4.12 Use of social media

When using their personal social media accounts, employees must take great care to ensure that their opinions or judgments about events, matters or persons cannot be in any way attributed directly to the Aeffe Group, or to any of the Brands owned or licensed by the Group, with the clarification that, in all cases, their contributions or comments must never damage the prestige, decorum or image of the Company or the management team.

When using corporate social media and, in any case, whenever the Aeffe Group is named, each Recipient must behave in a proper and transparent manner.

In particular, when using corporate social media Recipients must not:

- engage in conduct that damages the Company;
- pursue interests contrary to those of the Company;
- behave improperly and without the necessary authorizations;
- access their accounts from unauthorized devices (e.g. personal mobile phone);
- post the products, services and initiatives of other entities without express consent;

- engage in activities other than the promotion and sponsorship of the Company or its projects/collaborations. In particular, they are forbidden to post content on Aeffe Group websites or in their Aeffe Group social media profiles that advertise private interests or unlawful activities;
- post content on corporate social media accounts in breach of copyrights or that uses registered trademarks in an improper manner;
- post content on corporate social media accounts that:
 - is political in nature or represents propaganda of any type (including, but not limited to, posts in support of election campaigns);
 - may be offensive to the public (including, but not limited to, posts that incite violence or that are pornographic or may be deemed obscene in any way);
 - instigate discrimination based on gender, ethnicity, religion or sexual orientation;
- disseminate false news about the Company or competitors.

As a consequence, all Recipients must respect the following obligations:

- comply with all laws, regulations and corporate procedures when carrying out any activities that involve the use of social media;
- comply strictly with all the privacy protection regulations imposed by domestic and European legislators, and comply in all cases with the corporate procedures founded on those regulations;
- use corporate social media channels solely for business purposes and solely to the extent of the authorizations obtained;
- inform the Company promptly about hacking, phishing and similar incidents;
- comply with the principle of transparency in on-line communications.

Remember that the improper use of corporate social media may damage the image and reputation of the Company and top management, as well as expose the Company and top management to civil and criminal penalties.

5. CODE OF CONDUCT: RELATIONS WITH CUSTOMERS

Relations with customers must be founded on integrity, transparency, legality and impartiality.

To this end, the negotiations and commercial agreements reached with business customers, and the sales techniques adopted in relation to retail customers, must focus exclusively on product quality and the real ability to meet customer expectations, either directly or with contributions from partners. Promises and commitments made must be kept and respected in a diligent manner.

In particular, given their roles within the Company, Recipients must strive to meet the needs

of customers in the performance of their activities, avoiding personal advantage and the promotion of their own interests.

The conduct of employees and collaborators in dealings with customers must be founded on availability, respect and courtesy, in the context of a collaborative and highly professional relationship.

In this context, Recipients - to the extent of their responsibilities and in relation to the tasks assigned to them - strive not to discriminate arbitrarily against customers, to respect the commitments and obligations accepted, to provide complete, accurate and true information, and to be truthful in all advertising and other communications, avoiding any recourse to misleading, evasive or improper practices.

Aeffe customer service always responds to suggestions and complaints from customers and the associations that protect them, using appropriate and timely systems of communication.

The Company informs customers about the receipt of their communications and about the time needed to respond, which must always be short.

6. CODE OF CONDUCT: RELATIONS WITH FREELANCE WORKERS, VENDORS AND PARTNERS

Given their roles within the Company, Recipients must work with freelance personnel, vendors and partners with integrity, transparency, legality and impartiality.

Given their roles within the Company, Recipients must apply objective and documentable criteria when selecting and managing freelance workers, vendors and partners, seeking the maximum competitive advantage for the Company - based on the quality and price of the goods or services, as well as the related warranties and support - without discriminating against potential alternatives.

Recipients must not accept or seek to obtain benefits or other advantages that might influence their judgment when selecting freelance workers, vendors or partners.

Whenever specifically deemed important, Recipients must ensure that freelance workers, vendors and partners formally accept a commitment to comply with the Code of Ethics and, therefore, to work actively in a manner consistent with the provisions of the Code.

7. CODE OF CONDUCT: RELATIONS WITH SHAREHOLDERS AND THE FINANCIAL MARKETS

A primary objective of the Company is to enhance the quality of the investment made by its shareholders, by achieving an adequate return on capital invested and increasing the value of that investment over the long term.

The Company recognizes that relations with shareholders and the financial markets are founded on the values of integrity, transparency, legality and impartiality.

Given their roles within the Company, Recipients must maintain constant dialog with the shareholders and the markets by disclosing complete, clear and timely information about decisions made that might carry significant weight in the investment/divestment decisions of shareholders and the financial markets in general, while always ensuring that such information is made available to all parties at the same time.

8. CODE OF CONDUCT: RELATIONS WITH THE PUBLIC ADMINISTRATION

The relations of the Company with local, national, EU and international Public Institutions are managed solely by duly authorized Recipients, in compliance with current regulations and based on the general principles of integrity and legality.

In the case of calls for applications for grants or other assistance or, in general, when asking the Public Administration for benefits, the Company strives to operate in accordance with the law and best commercial practice, with the maximum transparency. Without prejudice to all obligations imposed by the relevant current regulations, Recipients are forbidden - in their relations with Public Institutions or Public Officials - to take (directly or indirectly) the following actions:

- consider or propose employment and/or commercial opportunities that might benefit personally the employees of Public Institutions or Public Officials, or generate benefits of any kind for them;
- offer or in any way provide, accept or encourage gifts, favors or commercial practices or conduct that are not founded on the most open transparency, propriety and fairness and, in all cases, that do not comply with the applicable current regulations;
- promise or offer to Public Officials, providers of Public Services or employees in general of the Public Administration or other Public Institutions, money, goods or, more generally, benefits of various kinds as consideration for the performance of their official duties, in order to promote or facilitate their interests or those of the Company, or obtain the performance of deeds contrary to their official duties;
- solicit or obtain confidential information that might compromise the integrity or reputation of both parties or, in any case, violate the equality of treatment and public disclosure procedures activated by the Public Institutions or Public Officials.

In general, in their relations with Public Institutions and the Public Administration, Recipients are required to comply with the law and operate with the maximum transparency, clarity and propriety in order avoid inducing the institutional parties, with which they work in various ways, to make partial, false, ambiguous or misleading interpretations of their intentions.

The declarations made to Public Institutions and the Public Administration must contain solely and exclusively the absolute truth; furthermore, they must be complete and based

on valid documents in order to ensure that the Public Institution or Public Administration concerned can evaluate them properly.

9. CODE OF CONDUCT: RELATIONS WITH THE SUPERVISORY AUTHORITIES

Given their roles within the Company and considering its participation in regulated financial markets that are subject to the supervision of specific Authorities, Recipients agree, in application of the values of integrity, transparency and legality, to:

- collaborate to the maximum extent with any audits or inspections carried out, making all documents requested by the authorized auditors fully available on a timely basis;
- avoid, in general, all conduct that impedes performance by the relevant public authorities of their supervisory functions, including inspections (express opposition, refusals based on pretexts, or even simply obstruction or failure to collaborate, such as delays in making communications or providing documentation).

10. CODE OF CONDUCT: PROCESSING OF CONFIDENTIAL OR PRIVILEGED INFORMATION

Given their roles within the Company and considering its participation in regulated financial markets, Recipients who become aware of confidential or privileged information in the course of their activities agree, in application of the values of integrity, transparency, legality and impartiality, to:

- comply with current regulations governing the protection and processing of personal data;
- comply with the requirements of the Code of Conduct on the disclosure of Corporate Information to the market and the Code of Conduct on internal dealing;
- avoid, in general, any conduct that uses privileged information, i.e. confidential information not available to the public, to purchase, sell or carry out (even via intermediaries) or recommend others to carry out transactions in financial instruments.

Recipients who, given their roles within the Company, become aware of confidential information must not communicate it to third parties, except as part of their duties or for professional reasons and, even then, only after obtaining authorization from their direct superior and in compliance with current regulations. In general, Recipients agree to align their conduct so that the internal and external circulation of documents containing confidential information is organized in a careful and scrupulous manner, in order to avoid adverse consequences for the Company and improper disclosures.

In general, all information not in the public domain must be treated as confidential and used by Recipients for the sole purpose of performing their business activities. In particular, it is forbidden for Recipients to consult or use confidential data for non-professional purposes.

11. CODE OF CONDUCT: RELATIONS WITH FINANCIAL ANALYSTS AND MEDIA REPRESENTATIVES

Given their roles within the Company and considering its participation in regulated financial markets, Recipients agree, in application of the values of integrity, transparency, legality and impartiality, to provide information to financial analysts, members of the press and media representatives in general, solely if authorized to do so by formal mandates or powers of attorney.

In particular, Recipients are forbidden to provide knowingly any form of collaboration or support intended to:

- publish or disseminate false news or engage in false transactions or other fraudulent or misleading conduct regarding the industrial and financial activities of the Company or the Group that might significantly influence the share price of the Company;
- spread, via the Internet or other means of communication, information, rumors or false or misleading news that provides or might provide false or misleading indications about the Company and the Group.

12. CODE OF CONDUCT: KEEPING THE ACCOUNTING RECORDS AND COMMUNICATING ECONOMIC AND FINANCIAL INFORMATION

The Company works to maintain a reliable administrative-accounting system in order to prepare and publish accurate and complete economic and financial information, presenting a clear, true and fair view of the results of operations, in application of the values of integrity, transparency, legality and prudence.

In addition, the Company works to implement and use suitable tools for the identification, prevention and management of risks of all kinds, fraud and improper conduct.

Given their roles within the Company and considering its participation in regulated financial markets, Recipients strive to ensure that accounting entries and related documents are always based on precise, complete and verifiable information and reflect the nature of the underlying transactions in compliance with external constraints (laws and accounting standards), as well as internal policies, regulations and procedures; the supporting documentation must be sufficient to allow objective analysis and verification.

All Recipients, howsoever involved in the preparation of financial statements and the other corporate communications required by law, must conduct themselves in a proper, transparent and collaborative manner, in compliance with the relevant laws, regulations and corporate procedures, in order to provide the shareholders, and the financial markets in general, with true and correct information about the economic and financial position of the Company and the Group.

13. METHODS OF IMPLEMENTATION AND PENALTIES

13.1 Implementation of the Code of Ethics

The Code of Ethics is adopted by resolution of the Board of Directors of the Company. Each update will be adopted by subsequent Board resolutions, perhaps acting on a recommendation from the Supervisory Body, following organizational changes within the Company, different external scenarios or the accumulation of experience over time.

a. Duties of the Supervisory Body

Among its various activities, the Supervisory Body is responsible for:

1. monitoring the dissemination, understanding and implementation of the Code of Ethics;
2. managing and reports received about situations or conduct that conflict with the principles expressed in the Code;
3. contributing to the definition of disciplinary measures/penalties for serious violations.

b. Reports received

The Recipients of this Code of Ethics are required to comply with the principles of conduct described herein.

Pursuit of the interests of the Company can never, under any circumstances, justify conduct in violation of and/or in contrast with these instructions.

Should Recipients become aware of situations or conduct in contrast with the principles described in the Code, they must inform the Supervisory Body immediately by sending an e-mail to the address created for that purpose (organismodivigilanza@aeffe.com).

The above e-mail address is available to all Recipients, as well as to other stakeholders, in order to report any violations of the Code of Ethics that may or might, directly or indirectly, generate an advantage for the Company or that are or may be carried out in its interests.

With regard to the transmission of reports by senior decision makers and persons managed by others, the obligation to inform the employer about any conduct contrary to the Code of Ethics is, in fact, part of the broader duties of diligence and loyalty required of employees and collaborators. Accordingly, proper compliance with the obligation to report placed on employees and collaborators does not result in the application of disciplinary penalties. Conversely, all inappropriate information, whether in terms of content or form, provided with the intent of blaming a person known to be innocent will be punished by suitable penalties.

In particular, the following requirements apply:

- all information and reports regardless of source, including those relating to violations or suspected violations of the principles embodied in the Code of Ethics, must be presented in writing and in a non-anonymous form. The Supervisory Body

takes steps to protect the authors of these reports from all forms of reprisal, discrimination or penalization or any other adverse consequences, assuring them that their identity will be kept confidential, without prejudice to legal requirements, the rights of the Company and those of persons who are accused wrongly and/or in bad faith;

- the author must send the information and reports directly to the Supervisory Body;
- the Supervisory Body evaluates the reports received; all persons with an obligation to report are required to collaborate with this Body, so that all necessary additional information can be collected for a proper and complete assessment of the situation.

c. Violations and penalties

All violations or conduct potentially in contrast with the Code must be reported to the Supervisory Body, which the control body responsible for monitoring application of the principles described in the Code and contributing to the definition of disciplinary measures/penalties for serious violations.

The application of penalties is unrelated to the start or outcome of any related criminal proceedings, since the Code of Ethics is binding on all Recipients and, for the purposes of compliance with the requirements of Decree 231/01, violations must be penalized regardless of the actual commitment of an offense or whether it is punishable.

Each violation of the above principles, if confirmed:

1. represents in the case of employees and executives, non-compliance with the contractual obligations deriving from their employment relationship pursuant to arts. 2104 and 2106 of the civil code;
2. represents in the case of directors, non-compliance with the duties imposed on them by the law and the Articles of Association pursuant to art. 2392 of the civil code;
3. represents in the case of External Parties, where applicable, non-compliance with their contractual obligations justifying termination of the contract, without prejudice to any claims for damages.

Action to levy the penalties discussed below takes due account of specific aspects deriving from the legal status of the person against whom the action is taken.

The Supervisory Body checks that specific procedures are adopted to inform all of the above parties, from the start of their relationship with the Company, about the existence and content of this system of penalties.

In the event of violations of the rules contained in this Code of Ethics, the Supervisory Body performs suitable investigations and makes appropriate assessments in order to confirm or otherwise their existence and to propose the adoption of suitable measures and the levy of related penalties.

The Company agrees to establish penalties that are proportionate to the violations of the Code of Ethics and consistent with the current regulations governing employment relationships, as well as to levy them in a consistent, impartial and uniform manner.

14. FINAL CONSIDERATIONS

The Board of Directors of the Company approves the Code of Ethics, as well as all significant changes/additions that are made.

The Board of Directors is responsible for the update and revision of the Code of Ethics, evaluating any changes/additions proposed by the Supervisory Body.

Group Companies also adopt the Code of Ethics by a local Board resolution, making any necessary adjustments to reflect local business specifics, consistent with their operational and organizational autonomy.

This Code of Ethics can also be consulted on the corporate website.