

CODE OF ETHICS

Pursuant to Italian Legislative Decree no. 231/2001

SPORTSWEAR COMPANY S.p.A. – SPW S.p.A.

Sede legale in Bologna (BO) _ Galleria Cavour 4 _ CAP 40124
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1 _ Preamble

This Code of Ethics defines the set of values, behavioural rules and principles of corporate conduct as acknowledged by the Sportswear Company Group, on which all corporate decisionmaking processes are based.

The rules of conduct stated herein, duly observed by all Companies of the Group, help to implement the social accountability policy of Sportswear Company, in compliance with the fundamental human rights and dignity, and taking care of the protection of environmental resources and assets.

2 _ Our history

Stone Island was established in 1982, by chance, as we love to tell...

“One day a special material arrived: a thick truck tarpaulin, the outstanding feature of which was the colour: red on one side and blue on the other. What to do with it? To transform it into a piece of clothing, it was put in a washing machine with water and pumice stones and washed for a long time, to soften and break down its structure”.

At that time the company was named C.P. Company, as the brand it produced. And right in that context the father of all casual clothing brands was born, thanks to the creativity of its inventor.

The first prototype is surprising, but entirely outside the world of C.P. Company, it does not belong to it. It was therefore decided to create seven jackets in that unique fabric, called “Tela Stella”, and to give this product a name: **Stone Island**.

Stone Island has a marine feel, conjuring up old oilskins corroded by the sea and a military feel, which is drawn from the fund of research completed until that time. The name also evokes a love of the sea and that first treatment selected to “process” the garments. The badge, the fabric embroidered label that has distinguished Stone Island garments since the first season, showed a Compass Rose, displayed like a military badge.

3 _ Our philosophy

A culture of research, experimentation and function of use are the matrixes that have always defined Stone Island: the sportswear brand designed to become a symbol of extreme research on fibres and textiles, applied to an innovative design. Season after season, it is through the study of form and the “manipulation” of the matter that Stone Island has found its own language with the aim of establishing new boundaries in the world of garment making.

The study of uniforms and of work wear, and its evolution according to new requirements of use have become Stone Island’s observation post for defining a project in which the clothing item’s function is never just aesthetic.

Stone Island’s strength is also based on the unique ability to intervene on the finished item, through the continuous tests on dyeing and treatments carried out in the Sportswear Company’s laboratory of colour..

All the accumulated knowledge and experience, an inalienable heritage, on which great part of Stone Island’s know-how is based, is kept in the historical archive that collects the trial tests, and the recipes for textile dyeing and handling that have been developed by all those people who have worked on this project with passion.

A project that results, day after day, in a sound company thanks to social and ethical bases that permeate its development drivers, a flexible entity in continuous and steady growth like the raw material that it shapes and transforms, without losing its intrinsic identity: **a company with an ethical heart.**

4 _ Recipients

In this context, all actions, activities, relationships and transactions performed by the Sportswear Company Group (hereinafter the “Company”, “Sportswear” and “Group”) while managing the different corporate activities are based on the principles of this Code of Ethics, as subsequently identified in detail.

This Code of Ethics contains the guiding principles of the Group, which are binding on all the persons holding representation, management or direction functions and all those who manage and control, also de facto, the Companies of the Group or co-operate with them, at any title whatsoever, to reach the business targets thereof, as well as any and all employees, without exceptions, all partners (including, without being limited to these, consultants, agents, representatives, intermediaries, etc.) and any other person having business relationships with the Group (hereinafter the “Recipients”).

Recipients must be aware of the provisions of this Code of Ethics and the employees of the Company are also required to actively contribute to the strict compliance therewith.

In particular, the Directors of the Companies belonging to the Group are required to comply with the principles of this Code of Ethics in setting corporate targets, proposing investments and implementing projects, and any decision or action as to the management thereof. Similarly, in implementing the managerial activity within the Group Companies, managers and heads of corporate functions must adhere to the aforementioned principles, both inside the Company, thereby strengthening the cohesion and the spirit of mutual cooperation, and towards third parties entering into relationship with the Group for any reason whatsoever.

For such purpose, this Code of Ethics shall also be brought to the attention of collaborators and business partners, as well as to the attention of any other person in business relationship with the Group Companies.

Sportswear is therefore committed to ensuring the widest possible dissemination of this Code of Ethics, including through the use of appropriate tools intended for the knowledge, training and awareness-raising of the contents hereof.

In particular, this Code of Ethics and any updates thereof, as needed for its practical effectiveness and required by new business needs and legislation in force, are brought to the attention of the Recipients through distribution on paper, via e-mail or on the website of the Company.

5 _ Obligations of employees and freelances

Group’s employees perform the functions under their responsibility according to principles of honesty, integrity, commitment and professional rigour, and carry out the entrusted activities in compliance with all existing rules and regulations.

Each action, transaction, negotiation and, more generally, any activity performed by Sportswear

employees must conform to the rules of fair and proper management, transparency, completeness and truthfulness of information, and to corporate procedures.

Relationships among employees at all levels, and among them and third parties with whom they come into contact by reason of work activities, must be based on criteria of cooperation, loyalty and mutual respect.

In particular, employees are required to:

- duly comply with the provisions of this Code of Ethics, and refrain from any conflicting behaviour;
- report to the Supervisory Board any information concerning alleged violations of this Code of Ethics that may have occurred within the Company;
- provide full cooperation in investigating the possible and/or alleged violations of this Code of Ethics;
- notify the requirements of this Code of Ethics to third parties entering into relationship with the Company and request compliance thereof.

Sportswear freelances (including, but not limited to, consultants, agents, representatives, intermediaries, etc.) and anyone in business relationships with the Group are likewise required to comply with the principles contained in this Code of Ethics.

The Group is committed to providing, also through bulletin boards accessible to all staff and publication on the website, for the widest possible dissemination of this Code of Ethics and to consider and implement suitable sanctions for any breaches that may occur, with consistency, fairness and uniformity and, in each case, acting in compliance with any applicable provisions regulating labour contracts.

6 _ General Provisions

6.1 _ Ethical Principles

To achieve its objectives, the Company shall comply with the following principles (hereinafter also "Principles"):

- compliance with the laws and regulations as applicable in all countries in which Sportswear operates;
- fairness in treating employees, freelances and customers;
- transparency and reliability;
- honesty, fairness and good faith;
- confidentiality;
- value of persons and human resources;
- respect and protection of the environment.

The Principles which shall govern the activities of the Company and support the conduct of the Recipients are better specified here below.

6.1.1 _ Compliance with applicable laws and rules of conduct

While performing activities in the interests of the Company, Recipients shall behave according to principles of fairness and legitimacy according to existing rules and in compliance with the

strictest rules of conduct, in particular in relation with the Public Administration.

6.1.2 _ Fairness

While managing the different corporate activities and all relevant decisions (including, without being limited to these, selection of customers/business partners, staff management and work organisation, selection and management of suppliers, relationships with the community and the institutions representing it, etc.), Recipients must act impartially in the best interest of the Company by taking decisions with professional rigour and according to objective and neutral evaluation criteria.

6.1.3 _ Transparency and reliability

Recipients shall guarantee maximum transparency and reliability in the performance of work or professional activities, actions, transactions, negotiations and, more generally, in their behaviour.

In managing corporate activities, Recipients are required to provide transparent, truthful, complete and accurate information, always fulfilling any and all confidentiality obligations..

The Group promotes and disseminates the culture of control at any corporate level, by raising awareness among employees on the importance of the internal control system and of the compliance with applicable regulations and corporate procedures in the performance of any work activity.

As to activities required by any applicable law, the Company cooperates with internal and external Control Bodies through representatives specifically appointed for that purpose.

6.1.4 _ Honesty, fairness and good faith

Within the framework of the different relationships established with the Company, Recipients shall refrain from conducting activities that are contrary to the interest thereof, being aware that the pursuit of the overall Group's interests can not justify in any way conducts that are contrary to the Principles of this Code of Ethics.

Aware that a healthy and fair competition contributes to a better development of its corporate mission, the Company strictly observes any applicable rules on competition and refrains from engaging in and/or supporting behaviours that may represent unfair competition..

Any and all activities must be carried out with the utmost care, diligence and professionalism, in a spirit of mutual respect and collaboration.

Recipients are required to perform their tasks with adequate commitment as to the entrusted responsibilities, protecting both the image and reputation of the Company.

6.1.5 _ Confidentiality

The Company acknowledges that the confidentiality rule is a fundamental and necessary part of any conduct. As a consequence, Sportswear Company S.p.A. ensures confidentiality on any and all information in its possession and shall not make use of any confidential data, except in the case of express and informed consent and, in any case, strictly complying with any applicable Privacy Law.

Within the frame of the different relationships with the Company and its partners, Recipients must refrain from using information, either confidential or not in the public domain, which has come to their knowledge by reason of their duties and/or profession, for personal purposes or,

in any case, for aims other than those related to the entrusted work or professional activity or to the activity carried out in the interest of the Company.

No employee or freelance can take advantages of any kind whatsoever, either direct or indirect, personal or financial, from the use of confidential information, nor can s/he disclose such information to others or recommend or encourage others to use it.

Any disclosure to third parties is exclusively allowed to authorised individuals, however in compliance with corporate rules and regulations.

Sportswear Company S.p.a. applies and steadily updates policies and procedures intended for the protection of information.

6.1.6 _ Value of persons and human resources

The Group acknowledges the importance of human resources, being the key to the success of any business. In this context, the Group is committed to encouraging a work environment and behaviour based on:

- respect for the dignity and personality of individuals. In this regard, no form of irregular work is allowed;
- prevention of discriminations and abuses in order to guarantee equal opportunities for all, ensuring fair treatment based on merit;
- definition of roles, responsibilities, powers and availability of information as to ensure that each member can take decisions under his/her responsibility to the benefit of the Group;
- professional growth of human resources through both institutional training, as provided at certain times of the employee's corporate life, and ongoing training of operational staff scheduled on a periodical basis.

Every employee and any other member of the organisation shall:

- refer to the line manager or to the Supervisory Board in case of any need for clarification as to construing and implementing the rules contained in the Code of Ethics;
- avoid situations and decisions that may lead to real or apparent conflicts of interest with the Group;
- promptly notify to line manager any situation that may represent or result in a breach of this Code of Ethics.

Code rules are an essential part of the contractual obligations of the staff pursuant to and by effect of Art. 2104 of the Italian Civil Code. Any non-compliance with the provisions of the Code of Ethics shall be assessed by the Group from a disciplinary point of view, pursuant to any applicable rules, by applying proper sanctions according to the degree of seriousness of the facts occurred.

6.1.7 _ Respect and protection of the environment

The Group carries out its activities in terms of production, administration and business support by taking into consideration the need for environmental protection and sustainable use of natural resources in compliance with the current legislation on environmental matters. In particular, as to respect and protection of the environment, the Group shall:

- promote activities and processes as compatible as possible with the environment, through the use of criteria and high-tech solutions for environmental protection, energy efficiency and sustainable use of natural resources;
- ask to the suppliers to work respecting animal welfare and adopting healthy and humane practices towards animals based on best available technology and standards;
- assess the environmental impacts of all activities and processes;
- cooperate with stakeholders - either internal (e.g. employees) or external (e.g. institutions) - in order to optimise the management of environmental issues;
- manage any waste, both produced internally and by third parties, in compliance with current regulations, including those relating to authorisations, registrations or notices as required by the Public Administration, whilst working for the traceability of the process and the control of the whole supply chain;
- take all necessary measures as to strengthen the protection of human health and environment from and against the harmful effects of chemicals that may potentially pollute groundwater and the environment;
- duly manage any ozone depleting substances by supporting environmental protection in compliance with current regulations;
- make its choices as to development and investment by taking into account and reducing any potential impact on the territory and the environment.

Group condemns any type of action or behaviour that may be harmful to the environment and the territory.

6.2 _ Fairness and transparency of corporate information

Sportswear promotes and disseminates the culture of control at any corporate level, by raising awareness among employees on the importance of the internal control system and of the compliance with applicable regulations and corporate procedures in the performance of any work activity, in order to:

- verify the appropriateness of the various business processes in terms of efficiency, effectiveness and cost-effectiveness;
- ensure the reliability and accuracy of accounting records and the safeguarding of company assets;
- ensure the fulfilment of any accounting and tax obligations in compliance with the applicable law.

Each action, operation or transaction shall be properly recorded in the Company's accounting system according to the criteria as established by the law and any applicable accounting principles, as well as being duly authorised, verifiable, legitimate, consistent and appropriate.

In order to ensure that any recorded data meet the requirements of truthfulness, completeness and transparency, the records of each transaction shall be kept by Group Companies with an adequate and complete supporting documentation of the activity performed, as to allow:

- accurate accounting records;
- immediate identification of the characteristics and reasons underlying any transaction;
- an easier formal and chronological reconstruction of each transaction;
- the verification of decision-making, authorisation and implementation processes, as

well as the identification of the various levels of responsibility.

Each employee and freelance, to the best of his/her ability, shall act so as to ensure that any fact relating to the management of the Company is properly and timely recorded in the accounts of the relevant Group Company.

Every accounting record must accurately reflect the evidence of the relevant supporting documentation. Therefore, each employee and freelance, as appointed for such purpose, shall ensure that any supporting documentation is readily available and organised according to logical criteria.

The internal control systems include all control activities that each business function carries out on their processes in order to protect the Company's assets, effectively manage corporate activities and provide clear information on the financial and economical situation of the Group, as well as all those activities aimed at the identification and reduction of any business risk.

Moreover, employees and freelances are required, as long as within their responsibility, to responsibly keep and care for the corporate assets related to operating purposes, whether tangible or intangible, and not to make an improper use thereof.

6.3 _ Anti-money laundering

As to the various relationships established with the Group, Recipients shall not, in any way and under no circumstances, be involved in events related to money laundering from illegal or criminal activities.

Before establishing any relationships or entering into contracts with non-occasional suppliers and other business partners, the companies of the Group and the employees and/or freelances thereof shall make sure about the moral integrity, reputation and good name of the counterparties.

The Group shall comply with any and all anti-money laundering rules and regulations, either national or international.

6.4 _ Industrial and intellectual property protection

Applying the principle of law compliance, the Group shall adhere to any and all internal, EU and international rules on protection of industrial and intellectual property rights.

Recipients shall promote the proper use, for any purpose and in any form whatsoever, of trademarks, distinguishing marks and creative original works, including computer programs and databases, for the protection of author's copyright and moral rights.

Therefore, any conduct aimed at, in general, counterfeiting, altering, duplicating, reproducing or distributing third-party works, in any form and without being entitled to do so, is hereby forbidden.

6.5 _ Prevention of conflict of interest

While carrying out their activities, Recipients must avoid situations where the parties involved in transactions are, or may even only seem, in conflict of interest.

The conflict of interest applies to a party bound by this Code of Ethics in the event that s/he pursues an interest other than that of the Group or engages in activities that may, in any case, interfere with his/her ability to take decisions in the sole interest of the Group, or else takes personal advantages from the business opportunities of the Group.

Recipients shall refrain from carrying out activities contrary to the interests of the Group, being aware that the pursuit of such interest shall not, however, justify conducts contrary to the Principles of the Group.

In the event of any conflict of interest, the parties covered by this Code of Ethics shall promptly inform the competent corporate body, duly adhering to any decisions thereof in this regard.

6.6 _ Health and safety at work

In consideration of the core business, Group companies provide working conditions that respect the dignity of the individual and ensure a safe and healthy workplace in compliance with the applicable regulations on accident prevention and health and hygiene at work.

They strongly promote the culture of safety and awareness of the risks associated with work activities, prompting everyone, at any level, to behave responsibly in compliance with the adopted safety system and all the corporate processes being an integral part thereof.

The Sportswear Group shall:

- carry out safe activities to protect the health of employees of the Group Companies and of the community surrounding its offices, aligning its operational strategies with the corporate policy on safety, health and environment;
- ensure training and information to all those who carry out their work in offices and factories belonging to the Group Companies on the security risks which they are from time to time exposed to, providing them the means and the Personal Protective Equipment as required by law, according to the type of activity performed;
- periodically review and steadily monitor the performance and efficiency of its system managing any and all safety risks, as to maintain safe workplaces to protect the integrity of its staff, and to achieve the goals of continuous improvement of safety, health and environment matters.

Each employee, freelance and any other person carrying out working activities in offices, production site and stores of the Group Companies is required to personally contribute to maintaining safety and quality of the work environment in which s/he operates, strictly complying with the adopted security system and all corporate procedures being part thereof.

Therefore, according to the assigned roles and responsibilities, all employees and freelancers shall:

- be an active part of the process of identification of hazards and associated risks, as well as of the selection and application of control measures;
- be aware of the actual and potential consequences that their activities and their behaviour in the workplace may have on their health and safety and on those of other workers, as well as of the environment protection;
- apply all the Sportswear Company procedures as to health and safety at work;
- comply with any and all applicable rules and regulations.

The Company considers that the first applicable control measure is represented by the elimination of risks or the replacement thereof with minor ones; when this priority is not practicable, measures shall be taken in terms of technology, procedures and personal protective equipment.

7 _ Internal relationships

The Group protects and promotes the supreme value of the human being, who shall not be discriminated on grounds of age, sex, sexual orientation, race, language, nationality, political and trade union opinions, or religious beliefs.

Sportswear also recognises the centrality of human resources, believing that the most important factor in the success of any business is guaranteed by the professional contribution of the people who work therein, in an environment of fairness and mutual trust. Human resources are an indispensable and precious value for its very existence and future development.

The Group acknowledges the respect for the work, the professional contribution and commitment of everyone, the respect for any different opinions, regardless of seniority and experience, and the power of ideas as the fundamental principles of its corporate philosophy, in line with the international organisation which it belongs to.

In this regard, the Company ensures equal opportunities at all levels of the organisation, according to merit and without any discrimination.

In turn, employees and freelancers are required to commit themselves and to loyally act, as well as ensure their professional service and the commitments undertaken with the Company.

The Company shall also ensure that authority is exercised with fairness and integrity, avoiding any abuse. In particular, the authority shall never turn into the exercise of a power detrimental to the dignity and autonomy of employees and freelancers in a broad sense. The choices of work organisation shall safeguard the value of employees and freelancers.

The Company shall ensure the physical and moral integrity of its employees and assistants, as well as working conditions that respect the dignity of the individual and a safe and healthy workplace. In no event requests or threats aimed at inducing people to act against the law and this Code of Ethics, or at engaging in behaviours detrimental to the convictions or the moral and personal preferences of any person shall be tolerated.

Moreover, aware that professionalism is a value that is acquired through practice and experience together with specific training, the Group acknowledges the significant contribution of senior professionals and promotes the transfer of the knowledge and professional attitude thereof to the younger staff.

Sportswear pursues professionalism enhancement and promotes individual aspirations, learning expectations, as well as professional and personal growth of each person.

8 _ Third-party relationship

Sportswear particularly cares for developing a relationship of trust with any party, i.e. individuals, groups or institutions whose contribution is necessary to pursue its corporate mission, as well as with freelancers, customers, suppliers, business partners, Public Institutions, markets, political and social organisations, and trade unions whose interests may be either directly or indirectly affected by the activities of the Group.

In carrying out its activities, Sportswear conforms to the principles of honesty and fairness, and requires all those working on its behalf to behave honestly, transparently and in compliance with the law in each relationship, not tolerating corruption, collusion or undue favouritism.

Aware of the importance of the services provided, the Sportswear Group ensures transparent

actions and behaviours.

In particular, the Group refrains from illegal and improper conduct (including corruption practices, in any form whatsoever) as to achieve its business objectives and, therefore, it is forbidden to give/promise, receive/accept, either directly or indirectly, compensation of any kind, gifts, economic benefits or other benefits from or to a public or private entity and/or the entity directly or indirectly represented by it (including the relatives thereof) that:

- exceed a modest value and the limitations of reasonable practice of courtesy;
- may be construed as intended to unduly influence the relationships between the Group Companies and the aforementioned subject and/or entity directly or indirectly represented by it, regardless of the purpose of pursuing, even exclusively, the interest or advantage of the individual Company or of the Group.

No procedure that may be deemed as corrupting shall be justified or tolerated based on the fact that it is “customary” in the specific business field or in the activity performed. It is not allowed to impose or accept any activity that can be carried out only by compromising the values and principles of this Code of Ethics or by breaching any applicable regulations and procedures.

A specific monitoring is therefore implemented on corruption particularly in the following sensitive areas:

- gifts and entertainment expenses;
- sponsoring;
- donations/membership fees/no profit organisations;
- consultancy and brokerage;
- relationships with Business Partners and suppliers.

The main business areas where the Company engages in transactions with third parties are specified here below.

8.1 _ Relationships with customers

In line with its fundamental values, aware that each customer has different needs and expectations and that each of them represents, in any case, an opportunity for growth, each Group Company builds its relationships with all customers based on integrity, honesty, fairness, respect, and mutual trust, as well as professionalism, independence and impartiality.

8.2 _ Relationships with suppliers

Similarly, the Group manages the relationships with suppliers with fairness, honesty, and professionalism, by encouraging steady cooperation and strong and lasting relationships based on mutual trust.

The selection of suppliers and the determination of purchasing terms and conditions of goods and services are defined according to objective and impartial assessments, based on quality, price and provided guarantees.

In their relationships with suppliers, Group Companies adhere to the following principles:

- companies do not practice nor approve any form of “reciprocity” with suppliers: the goods/services looked for by Group Companies are selected and purchased exclusively on the basis of their value in terms of price and quality;

- any negotiation with a supplier, either current or potential, must only refer to the goods and services under negotiation;
the staff responsible for the purchase of goods and services must not be subjected to
- any form of pressure, from suppliers, for donations of materials, products and/or money in favour of charitable or solidarity associations or similar.

Commitments shall be undertaken and relationships with suppliers, either current or potential, shall be managed in compliance with the guidelines of the Group in terms of conflict of interest and business management.

8.3 _ Relationships with Public Institutions

Any relationships with Public Institutions, either at a national, European and/or international level, as well as with public officers or persons appointed to perform public services, entities, representatives, agents, spokespeople, members, employees, consultants, civil servants, Public Institutions, Supervisory Authorities and/or other Independent Administrative Authorities shall strictly comply with any and all applicable laws and regulations; the aforementioned relationships shall be managed only by those specifically authorised by virtue of valid mandates and powers of attorney as granted by each administrative body of the Group Companies.

Any relationships of the Group with the Judicial Authority and the Public Authorities in general are based on principles of correctness, completeness and truthfulness.

Sportswear shall maintain an attitude of full cooperation, transparency and fairness, while interacting, for any title, with the aforementioned subjects.

8.4 _ Relationships with the Public Administration

Any relationships with public officers in charge of public service and public and/or private entities providing public services (hereinafter generically "Public Administration") and, in any case, any relationship of public nature shall always be guided by the strict observance of applicable law provisions and of principles of transparency, honesty and fairness, and can not in any way compromise the integrity and reputation of the Group.

Relationships with the Public Administration or, in any case, at a public level are managed exclusively by the corporate functions specifically appointed and authorised for that purpose.

Group Companies shall not improperly influence the decisions of any Public Administration entities, in particular of officers who negotiate or decide on behalf thereof.

During a negotiation or in a business relationship, also of a commercial nature, with the Public Administration, either in Italy or in other countries, the Group Companies shall refrain from any conduct contrary to the principles as set out above, including, without being limited to:

- offering or giving job opportunities and/or commercial benefits to the Public Administration staff involved in negotiations or in the relationship, or to any family member thereof;
- offering or receiving gifts or other benefits;
- providing false information or failing to notify any relevant facts, where required by the Public Administration.

8.5 _ Relationships with Independent Administrative Authorities

The Group shall strictly comply with the regulations as established by any Public Supervisory Authorities and intended for the compliance with the rules applicable in areas related to their business.

Recipients shall comply with any requirements of Independent Administrative Authorities exercising their functions and provide full cooperation during the investigating procedures.

To ensure the highest transparency, Sportswear shall not be in conflict of interest with any officers/employees of Independent Administrative Authorities or with family members thereof.

In no event gifts of any kind intended to obtain a favourable treatment from the aforementioned authorities in the conduct of any activities connected to the Group shall be allowed. This provision relates to gifts both promised or offered and received, where gift shall mean any kind of benefit.

8.6 _ Relationships with other parties

Relationships between Group Companies and private entities, such as non-profit organisations, shall be guided by the strict observance of any applicable law provisions and can not in any way compromise the integrity and reputation of Sportswear.

Commitments shall be undertaken and relationships, of any kind, with private entities shall be managed exclusively by the corporate functions and the staff specifically authorised for that purpose by virtue of mandates and corporate procedures.

8.7 _ Relationships with political and social organisations and trade unions

Sportswear contributes to the prosperity and growth of the communities in which it operates. To this end, it carries out its activities by respecting local and national communities and fostering the dialogue with trade unions or other associations.

Relationships with political parties or representatives or candidates thereof are based on the strict compliance with applicable regulations and corporate directives.

The Company encourages and supports social, sporting, humanitarian and cultural initiatives, possibly through grants in favour of foundations, institutions, organisations or entities dedicated to the performance of social and cultural activities and, more generally, aimed at improving living conditions and the spread of a culture of peace and solidarity. Such contributions shall be granted in accordance with current regulations, as well as properly and adequately documented.

Sportswear neither promotes nor has any kind of relationship with organisations, associations or movements that seek, either directly or indirectly, any illegal or criminal purposes or any other aim prohibited by law.

Moreover, the Group condemns any form of participation of the Recipients to associations whose purposes are prohibited by law and contrary to the public order, and rejects any behaviour intended to even just facilitate activities or programs aimed at committing offences, even though such conduct is necessary to achieve a benefit.

8.8 _ External communications

Any disclosure of documents and information concerning Group Companies or other entities which they relate with must be in compliance with applicable laws, regulations and practices of

professional conduct. In any case, the following is forbidden:

- disclosure of any price-sensitive information acquired in the course of business;
- dissemination of false or misleading news regarding the Group and other entities which the Group Companies relate with in the course of business;
- any forms of pressure aimed at acquiring favours from communication/public information bodies.

To ensure completeness and consistency of information, the relationships of the Companies belonging to the Sportswear Group with mass media are reserved exclusively to the responsible corporate functions.

The content of product information shall or may always be documented. Exaggerated statements, universal and hyperbolic declarations and comparisons which cannot be demonstrated and lacking a clear objective basis shall not be allowed.

9 _ Final provisions

9.1 _ Infringement and resulting sanctions

In the event that any employee or freelancer becomes aware of potential breaches to this Code of Ethics or of behaviours that do not conform to the rules of conduct adopted by the Group Companies, s/he shall forthwith inform the Company contact person and/or the entities specially established according to current legislation. Such entities shall then ascertain any alleged violations, also by hearing, if appropriate, the reporting person and/or the alleged perpetrator.

The compliance with the provisions of this Code of Ethics is an essential part of the contractual obligations of all Sportswear Company's employees pursuant to and by effect of the applicable law.

Any non-compliance with the provisions of this Code of Ethics may represent a breach of the obligations under the employment relationship and/or a disciplinary offence, with all relevant legal consequences, even with regard to the preservation of the employment relationship, and may lead to liability for any resulting damage.

No Recipient shall be discriminated or punished in any way for refusing to take part in bribery or potential corruption, even if such refusal gave rise to the loss of a deal or other adverse consequences for the business.

9.2 _ Adoption of the Code of Ethics and relevant updates

This Code of Ethics was approved by the Board of Directors of Sportswear Company S.p.a. on 28/07/2014.

Any changes and/or updates shall be approved by the Board and promptly communicated to Recipients.

The Companies belonging to the Group shall adopt this Code by adjusting it - if necessary - to the specific characteristics thereof, consistently with their managerial autonomy.