

DE  RIG O

Code of Ethics

CODE OF CONDUCT DRAFTED PURSUANT TO AND
FOR THE EFFECTS OF ARTICLE 6 OF LEGISLATIVE
DECREE JUNE 8, 2001 NO.231

**Approved on 20 December 2010 by the Board
of Directors of De Rigo S.p.A.**

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1 Introduction

The present document, called the "Code of Ethics" (hereinafter the Code), approved directly by the Board of Directors, governs the context of rights, duties and responsibilities expressly undertaken by the company De Rigo S.p.A. and by the companies which it controls (hereinafter DE RIGO) in relation to the persons with whom it deals, ensuring the prevention of legal infringements and irregularities connected with the management of operations.

The present Code is addressed to the company bodies and their members, to employees, temporary workers, consultants and collaborators of any kind whatsoever, to its agents, authorised representatives and any other person acting in the name and on behalf of DE RIGO, hereinafter defined together as "Addressees of the Code". The Addressees of the Code are required to familiarise themselves with the material contained within the Code and to comply with the principles of the Code, which will be made available to them in the manner detailed below.

The Code is available and may be downloaded from the website of the Group (www.derigo.com) by all of its employees and collaborators.

The Code is subject to revision by the Board of Directors. The revisions are made with the collaboration of the employees and collaborators, either on the basis of their experience in another business environments or their direct experience applying the Code within the company.

The present Code represents the totality of fundamental principles and approaches which should inspire the business activities of DE RIGO and guide the behaviour of its employees and all other parties with whom it deals, to ensure that the proper management, trustworthiness and good image of DE RIGO is maintained.

In particular, and for purpose of illustration:

- the members of the Board of Directors also take account of the principles and values contained in the Code in establishing corporate business objectives;
- the managers give effect to the principles and values of the Code in taking on responsibilities externally and internally, reinforcing trust, cohesion and team spirit;

- the employees and collaborators act and conduct themselves in accordance with the spirit of the principles, values, objectives and commitments envisaged by the Code.

An ethical orientation is a necessary precondition of the trustworthiness of DE RIGO in its relations with its shareholders, with its customers and more generally with the whole social and economic environment in which DE RIGO operates. The adoption of a number of specific principles of conduct to be observed in the company's relations with the market, with third parties and with the Public Administration is also an expression of the commitment of DE RIGO in relation to the prevention of the offences referred to in Legislative Decree June 8, 2001 no.231 and subsequent modifications relating, *inter alia*, to the regulation of the administrative responsibilities of companies.

2 Adoption of Code of Ethics, scope and addressees

DE RIGO adopts the present Code, which refers to the totality of lines of conduct facilitating the implementation of the relevant principles in each aspect of the company's operations. Without prejudice to the specific regulatory, religious, cultural and social norms of any particular legal order, the Code is valid both in Italy and abroad, with the relevant necessary or appropriate adjustments or adaptations based on the different approaches applicable in the Countries in which DE RIGO may operate. In the event that any one of the provisions of the Code comes into conflict with the provisions of internal regulations or procedures, the Code shall prevail.

3 Relevant principles

The present Code refers to the totality of lines of conduct which facilitate the implementation of the relevant principles in each aspect of the operations of DE RIGO, whether carried out in Italy or abroad.

3.1 Propriety and transparency

To ensure the adoption of lines of conduct characterised by maximum fairness and transparency in relations with the central and local Public Administration, and with all persons with whom it deals, such as its customers and suppliers.

3.2 Impartiality

To avoid favouring any interest group or individual. To avoid any discrimination based on age, health, gender, religion, race, political and cultural opinions.

3.3 Confidentiality

To maintain the confidentiality of data and information belonging to the internal IT system, including personal and corporate data processed for purposes of carrying out the relevant activity. To ensure full and exact compliance with the relevant safety and protection measures.

3.4 Human resources

To safeguard the value of human resources, also through the continued development of technical and professional skills and competences.

DE RIGO acknowledges that the presence of a duly motivated and competent staff is an essential factor of competitiveness and customer satisfaction.

The principles laid down by the Code confirm the importance of respect for the individual and of fair treatment, and exclude all forms of discrimination.

3.5 Integrity of persons

To foster the physical and moral integrity of employees and collaborators by ensuring, respectively, working environments which are safe and healthy and working conditions which are consistent with the value of personal dignity.

3.6 Employment of minors

To reject the resort to child labour and the conclusion of contracts with suppliers or sub-suppliers who/which resort thereto.

The aim of the provision relating to the employment of minors is to ensure that DE RIGO products are not manufactured by persons who are denied the opportunity to receive an education and live a life which respects and upholds children's rights.

3.7 Business values

To manage the enterprise in accordance with criteria of cost-effectiveness and efficiency in order to provide solutions and services that reflect a high quality/cost ratio and to ensure full satisfaction of its customers.

3.8 Technological excellence and innovation

To ensure continued adaptation to the evolution of technology, thus guaranteeing the highest quality standards and the highest standards of services/products supplied. To identify the best opportunities afforded by national and international market in order to develop innovative solutions/services. The business activities of DE RIGO are always in absolute compliance with national legislation, EU rules and also the rules of those States where it may have its operations, and also with the present Code and with applicable corporate procedures. In no case may conduct which is inconsistent with the aforementioned rules be justified on the basis that it is in the interest of DE RIGO.

4 Business ethics

DE RIGO believes that compliance with ethical rules and transparency in the conduct of its affairs is a necessary condition – rather than simply representing a competitive advantage – for the achievement of its objectives, which consist of the creation and maximisation of value for its shareholders, for those employed in DE RIGO, for its customers and for the community as a whole. DE RIGO therefore supports the creation of an environment characterised by a strong sense of ethical integrity, in the conviction that this contributes decisively to the effectiveness of its control policies and systems, thus impacting on behaviour and conduct which might otherwise remain undetected by the most sophisticated supervisory procedures.

5 Administrative management and budget

DE RIGO, in drawing up its budget and any other kind of accounting documentation required, respects the laws and rules in force and adopts the most advanced accounting principles and practices.

The financial statements are a true and valid representation – based on criteria of clarity, truth and correctness – of the operations which have been carried by the company (operating results, capital and financial position of the company). The administrative/accounting systems enable an appropriate level of management of company operations and facilitate faithful representation of the transactions of the company, also for

purposes of identifying the reasons for the operation or transaction as well as the different levels of responsibility involved.

The keeping of irregular accounting books and the existence of an irregular administrative management shall be considered an infringement of the Code, and both are therefore illegal.

5.1 Internal controls

DE RIGO adopts a broad range of procedures and mechanisms which are necessary in order to address, manage and verify operational activities, with the aim of ensuring compliance with internal rules and procedures, protecting corporate assets, managing activities efficiently and providing true and full accounting and financial information and data.

The internal controls are divided into two distinct lines of intervention:

- "line control", which is effected by the individual operating units in relation to their own processes;
- "management control", effected by way of systematic sample checks and monitoring of the line controls.

Consequently, the internal controls:

1. verify the adequacy of the various corporate processes in terms of effectiveness, appropriateness, consistency, efficiency, and cost-effectiveness;
2. verify the compliance of conduct and behaviour with applicable rules, and with corporate directives and policies;
3. establish rigorous procedures to ensure that the choices made are based on careful economic assessments;
4. guarantee the reliability and correctness of the accounting records and the safeguarding of corporate assets;
5. provide clear, comprehensible and accurate documentation as required by the supervisory and control authorities.

6 Relations with shareholders

DE RIGO operates as an enterprise managed to create value for its shareholders, and its conduct is based on criteria of maximum transparency, as well as being based on the principles and values detailed above.

In this context, it provides its shareholders with appropriate, prompt and full information on the most important aspects of the management of the enterprise.

7 Relations with employees

7.1 Selection of personnel

Personnel are sought and selected on the basis of criteria of objectivity, competence and professionalism, and on a basis which guarantees equal opportunity, avoiding favouritism of any kind and ensuring that the Company is provided with the best skills and competences available on the market.

7.2 Personnel management and development

DE RIGO applies an integrated system of management and development of human resources which offers equal opportunities and professional development to all of its employees, based on criteria of merit. It makes suitable training programs available within the context of its company projects, thus promoting the abilities and competences of each individual.

DE RIGO puts in place all necessary measures to ensure the prevention of any form of harassment of its employees – whether psychological, physical or sexual.

7.3 Health, safety and environment

DE RIGO pays particular attention to creating and managing occupational environments and places of work which are appropriate from the point of view of the health and safety of its employees, in conformity with the relevant applicable national and international rules. Smoking is prohibited in the working environments of DE RIGO, but areas may be specifically designated for smoking.

Within the context of its activity, DE RIGO is committed to contributing to the development and well-being of the community in which it operates, by applying innovative and progress solutions to reduce its environmental impact.

7.4 Safeguarding of privacy

DE RIGO complies with the rules relating to confidentiality of personal data contained in the Data Protection Code referred to in Legislative Decree June 30, 2003 no. 196.

With reference to this Code and to the processing of the personal data of its employees, DE RIGO informs each of its employees of the nature of the personal data processed by DE RIGO, of the processing methods and of the relevant areas of

communication, and it adopts all suitable measures to ensure their confidentiality.

7.5 Diligence and good faith

Each employee and/or collaborator must act honestly and in good faith in the performance of his or her activities, respecting the obligations contractually agreed and ensuring a commitment to achieving the objectives laid down.

He/she must also be familiar with and comply with the present Code, ensuring that his/her conduct is characterised by respect, cooperation and a spirit of mutual collaboration.

In particular, in relation to collaborators, DE RIGO will make the present Code available to them in the context of their signature of the declaration stating that they are familiar with the said Code, undertaking not to engage in any conduct or behaviour which infringes the principles contained therein.

DE RIGO includes express termination clauses in the respective contracts, which refer to circumstances where serious infringements occur of the precepts of this Code. The employees of DE RIGO, without distinction on the basis of the function exercised and/or the level of responsibility undertaken, must be familiar and comply with the directions and procedures of the company, particularly those relating to the safeguarding of the environment, safety and privacy.

They must also keep an honest and up-to-date record of their own working activity, taking account of the fact that such information is important for customers and is of key importance for the fulfilment of all legal obligations.

7.6 Conflict of interest

Each employee and/or collaborator must perform his or her working activities in the exclusive interest of DE RIGO, avoiding any conflict between personal economic activities – including those connected to relatives – and corporate functions/duties which could prejudice the activities or operations of DE RIGO, damage its image or result in situations of unlawful benefit or advantage to him/her.

For example (for purposes of illustration only):

- accepting money, gifts, favours of any kind from persons, enterprises or entities which have business relations or are in negotiations with DE RIGO;

- using his/her corporate position or the information acquired in his/her work in a manner that has the effect of favouring his/her own private interests;
- concluding, completing or initiating negotiations and/or contracts in the name and/or on behalf of DE RIGO, where relatives or associates of the employee are involved, or involving companies or legal entities owned by him/her, or in which he/her has an interest on any basis whatsoever.

Each employee is required to notify the company in the following circumstances: prior to accepting a paid position of consultancy, management, administration or other position with another entity, or where any of the aforementioned situations of conflict of interest occurs.

7.7 Confidentiality

Employees and collaborators are required to maintain absolute confidentiality in relation to information, documentation, research, initiatives, projects, contracts, plans which come to their knowledge in the course of their duties, with particular reference to those which could compromise the image or interests of customers and of the company.

Information relating to the Group may be sought from Public Authorities or from third parties where specific agreements provide for the use of such information.

DE RIGO adopts measures to safeguard the information and data managed and processed and to ensure that these are not accessible to unauthorised personnel.

All the information, in particular information acquired in the context of activities carried out for customers, shall be considered confidential and may not be disclosed to third parties or used for purposes of personal advantage, whether direct or indirect.

Any situation which involves the potential for conflict of interest must be immediately communicated in writing to one's immediate supervisor, particularly where the person's impartial and objective judgement might be compromised in circumstances involving relations of a financial and/or commercial nature.

The confidentiality obligations shall remain valid and fully applicable even after the professional relationship with the company comes to an end or is interrupted.

7.8 The Safeguarding of corporate assets and use of company property

Each employee and collaborator is required to act diligently to safeguard company assets from improper or inappropriate uses.

In particular, in relation to IT applications and in consideration of the IT system managed by DE RIGO, each employee is required to scrupulously adopt and comply with corporate safety policies to ensure that the functionality and safeguarding of the IT systems are not compromised.

Each employee or collaborator is also required:

- to comply with the laws relating to copyright protection which protect industrial property rights;
- not to reproduce copyright-protected software and databases (even for personal use), save in relation to copies made for backup purposes;
- not to use unauthorised software or databases on the computers of the Company;
- to ensure that the corporate safety standards are complied with also in respect of activities carried out by collaborators or third-party enterprises operating under assignment from DE RIGO;
- to use the corporate e-mail and Internet facilities only for permitted purposes and to avoid sending e-mail messages which are insulting, threatening and/or harmful to the image of the company or the image of others;
- not to navigate on Internet sites containing paedophile/pornographic material, or material which is illegal or otherwise not relevant to the relevant job specification.

8 Relations with the Public Administration

Relations of DE RIGO with the Public Administration, with public officials or persons entrusted with a public service must strictly comply with all applicable legal and regulatory provisions, and they may not in any way compromise the integrity and reputation of DE RIGO.

The assumption of commitments or obligations and the management of relations of any kind

with the Public Administration, with public officials or persons entrusted with a public service are reserved exclusively to the relevant company departments in charge and to authorised personnel. In the context of relations established between DE RIGO and the Public Administration, public officials or persons entrusted with a public service, the Addressees of the Code are required to refrain from the following:

1. from offering to a public official, to his/her relatives or to persons or entities associated in any way whatsoever with the same - also through a third party - money or any other benefit which might also involve work opportunities or commercial opportunities;
2. from unlawfully seeking out or establishing personal relationships based on favour, influence or interference which could directly or indirectly affect the outcome of the relationship.

9 Relations with the Judiciary, with Supervisory Authorities and the police

DE RIGO acts in compliance with the law and, within the limits of its own competence, promotes the proper administration of justice (the course of which must not be hindered in its purpose of establishing the truth)

In carrying out its activities, DE RIGO operates in a lawful and proper manner, collaborating with the members of the judiciary, the police and any public official having supervisory powers.

DE RIGO requires that the "Addressees of the Code" make themselves available to the fullest possible extent in order to collaborate with any person carrying out inspections and controls on behalf of the National Social Security Institute, the Ministry of Health and Welfare and any other Public Administration.

In advance of a judicial procedure, an investigation or an inspection by the Public Administration, it is forbidden to destroy or alter records, minutes, accounting records and any type of document, or to lie or make false declarations to the competent authorities.

It is forbidden to attempt to persuade others to provide false or deceitful or misleading information to the competent authorities. It is

forbidden for any person to engage in economic activities with, or to hand out professional assignments or give or promise gifts, money or other advantages to any person carrying out assessments and inspections, or to the competent judicial authorities. Persons who, as a result of facts connected with their employment relationship, will be subject – also on a personal basis – to inspections and investigations or who will receive court summons, and/or persons who will receive notification of other judicial orders, must inform their own manager of the same or, alternatively, must directly inform the company department with supervisory functions in the company.

10 Relations with customers

It is a priority of DE RIGO to ensure that the needs of its contractual counterparts are fully satisfied, also in order to create a strong relationship inspired by the general values of propriety, honesty, efficiency and professionalism.

In this context, DE RIGO endeavours to assure the customer that the tasks entrusted by the latter to DE RIGO are carried out at the highest possible standards, and its consistent aim is to propose the most advanced and innovative solutions within the context of integration, efficiency and cost effectiveness.

All contracts signed with customers, all communications addressed to them and all advertising messages are characterised by criteria of simplicity, clarity and completeness, and any resort to deceitful or misleading and/or improper practices is avoided.

11 Relations with suppliers

11.1 Selection of suppliers

DE RIGO undertakes to ensure that all potential suppliers are granted an equal opportunity to participate in the stages for selection of the contractor –based on parity of conditions;

In order to guarantee integrity and independence in its relations with suppliers, it applies the standards of maximum transparency and efficiency in the purchasing process, particularly through:

- the separation of roles – where practically feasible – between the

company function which requests the supply and that which draws up the relevant contract;

- the adoption of formalities which ensure that the decisions made are properly documented (the so-called "traceability of purchasing process phases");
- the preservation of information and documents relating to suppliers.

It also ensures that the competent company departments and the company employees:

- do not induce suppliers to sign an unfavourable contract in the expectation of ensuing advantages;
- do enter into activities for valuable consideration only after the signature of the relevant contracts, or subject to specific acceptance in writing of an anticipated performance;
- do not receive handouts or gifts or any form of benefit which, in light of their intrinsic value, are not directly attributable to relations of normal courtesy.

Moreover, in order to ensure contractual fairness, DE RIGO undertakes:

- to ensure maximum transparency in relation to transactions carried out;
- to guarantee impartiality at all phases of the procedure;
- to maintain the confidentiality of information which should not be disclosed;
- to promptly report any existing or potential conflict of interest.

11.2 Principles of conduct in relations with suppliers at the contract implementation phase

DE RIGO obliges its company departments and employees:

- to scrupulously observe internal procedures relating to the management of relations with suppliers;
- to comply and ensure compliance with legal provisions applicable to relations with suppliers, as well as the relevant contractual conditions.

11.3 Application of ethical principles to suppliers

DE RIGO will make this Code available to suppliers so that they may take note of it, undertaking not to engage in any conduct which violates any of its principles. DE RIGO includes express termination clauses in the respective contracts, which refer to circumstances where serious infringements occur of the precepts of this Code.

11.4 Award of consultancy mandates

DE RIGO undertakes to adopt criteria for the award of professional mandates which are based on principles of competence, cost effectiveness, transparency and fairness, also ensuring that the ethical and professional integrity of the professional figures involved is evaluated.

More particularly, all remunerations and/or sums of money, on whatever basis these occur, which are paid to persons engaged to functions of a consultancy nature must be properly recorded and must also be proportionate to the activity carried out, also taking into account market conditions.

12 Gratuities to customers, suppliers and collaborators

It is forbidden to give or provide donations, benefits (whether direct or indirect), gifts or handouts, acts of courtesy or hospitality in the context of business relations with customers, suppliers and collaborators, save where their nature and value are such that they do not compromise the image of the company and cannot be interpreted as being intended to obtain favourable treatment not attributable to market rules.

13 Relations with institutions and mass media

In its relations with institutions, DE RIGO undertakes:

- to establish, without discrimination of any kind, permanent channels of communication with all parties with whom it deals at the international, EU and national level;
- to represent its own interests in a transparent, scrupulous and coherent manner.

14 Economic relations with parties, trade union organisations and associations

DE RIGO makes no contributions of any kind, whether directly or indirectly, to political parties, political and trade union movements, committees and organisations, or to their representatives or candidates in Italy or abroad, except for contributions provided for specific regulations.

Moreover, DE RIGO refrains from applying any direct or indirect pressure on political exponents which is aimed at encouraging recruitment, consultancy contracts or similar. Any reports received will be treated on the same basis as other reports.

The Addressees of the Code may not conduct political activities at the premises of DE RIGO or use the property or equipment of DE RIGO for such purposes. They must also make clear that any political opinions which they may express to third parties are strictly personal and do not therefore represent the opinions or standpoint of DE RIGO.

15 Contributions and sponsorships

DE RIGO may respond to requests for contributions only when they come from non-profit bodies and associations, or those having cultural or charitable status. Sponsorship activities may relate to the social, environmental, sporting, performance and artistic spheres.

16 Compliance with the Code

16.1 Mandatory compliance

Compliance with the rules of the Code of Ethics is an essential aspect of the contractual obligations undertaken by employees pursuant to and for the effects of articles 2104 and 2106 of the Civil Code. The obligation to comply with the present Code is contained in all applicable collaboration contracts. The infringement of the provisions of the Code of Ethics by workers (employees and collaborators) constitutes infringement of the relevant contractual obligations and may have the following effects, as appropriate:

- the application of the sanctions and disciplinary measures provided for by the applicable collective labour agreement;

- the annulment of the relationship;
- the application of penalties;
- the application of compensation for loss.

16.2 Reporting structures

No person may ever assume that the applicable rules may be ignored on the assumption that this is in the interests of the Company.

Moreover, no person within the Company has the authority to give orders or directions which infringe or are inconsistent with the present Code.

Each collaborator or employee is required to promptly report:

- any infringements of the present Code,
- any representation or request made involving the infringement of the present Code, by whomever it is made

to one's own direct supervisor or, alternatively, directly to the relevant company department identified.