

Code of *Ethics*

INTRODUCTION

Cieffe, Design for Beauty

Cieffe, a creative and manufacturing platform for “high-end” garments, positions itself as a leader in interpreting and realising the creative vision of its customers, the top brands in the fashion industry. Since 1985, Cieffe has been skilfully and reactively transforming the creative vision of customers into exclusive garments, through the collaboration of an ecosystem of people and a know-how that combines technology and superior industrial artisanship, according to a culture of responsible growth towards the environment and people. The Cieffe ecosystem is a short, integrated and responsive supply chain that allows the preservation of artisanal skills and the development of the communities it operates in, while minimising environmental impact.

The company's main purpose is the manufacture on behalf of third parties of high-end clothing and related activities.

CIEFFE adheres the ethical principles and rules of conduct of this Code of Ethics for all actions, operations, relationships and transactions carried out in the management of its various company activities.

The principles of legality, transparency and proper management, trust and cooperation with all stakeholders inspire and guide the Company's actions.

The attainment of the corporate purpose envisioned in the Articles of Association is pursued by all those who work in the Company with loyalty, seriousness, honesty, competence and transparency, in absolute compliance with the laws in force and all other regulations, administrative and otherwise, applicable to the sectors the Company competes in.

The conviction that one is acting in some way to the benefit of the Company does not justify any kind of conduct contrary to the aforementioned principles. All those who act for the Company, without distinction or exception, must observe and enforce these principles within the scope of their functions and responsibilities.

This Code of Ethics enumerates the values that all its collaborators must adopt. Whether they be directors, employees or contractors in various capacities, all assume personal responsibility both inside and outside the Company.

The Code of Ethics constitutes the fundamental premise of both the Organisation management and control model adopted pursuant to Italian Legislative Decree no. 231 of 2001, including any amendments, and of the disciplinary system, thus completing the regulatory system the Company is subject to.

The Company is committed to promoting the knowledge of and compliance with the Code of Ethics among all persons working within its sphere and commits to require such persons to comply with its rules, putting in place appropriate disciplinary and/or contractual sanctions in the event of non-compliance. These persons are therefore required to be familiar with the contents of the Code of Ethics and to comply with it, contributing to its implementation and reporting any issues and violations they may become aware of.

1. FUNDAMENTAL VALUES

1.1 Moral integrity and responsibility in accordance with laws and regulations.

The directors and employees of the Company, as well as those who work on its behalf for any reason, are required within the scope of their respective functions to know and observe the laws and regulations in force.

Moral integrity is a constant duty of all those who work for the company and underlies the conduct of the entire organisation.

Any dealings with the Authorities by those acting on behalf of the Company must be characterised by the utmost propriety, transparency and cooperation, in full compliance with the laws, regulations and their institutional purposes.

Employees must always be aware of the laws and consequent principles of conduct. If there is any doubt as to how to proceed, they should request more information. In working to achieve the Company's purposes, the recipients of this Code of Ethics must conduct themselves in a responsible manner.

1.2 Propriety

In the performance of their functions and duties, all actions and operations and the conduct of each of the recipients must be legal in both form and substance, in accordance with current regulations and internal procedures, as well as characterised by cooperation, loyalty and mutual respect.

Executives and Managers are required to set an example with their actions for all the human resources working in the organisation, complying with the principles underlying the Code of Ethics and with internal procedures and regulations in the performance of their duties, promoting the Code's circulation among employees and stimulating a proactive and collaborative attitude among them.

1.3 Transparency

The Company organises its activities with the utmost transparency.

People who have dealings with the Company must be put in a position to have complete and accurate information on the activities that concern them directly or that concern their relatives, and in particular all the information necessary to make informed choices must be provided.

1.4 Excellence and efficiency

The Company aims to carry out its operations according to criteria of excellence, i.e., effectiveness, efficiency and cost-effectiveness, making optimal use of available resources, pursuing quality in all its efforts and seeking to eliminate waste and undue burdens.

The endeavours of those working for the Company must be performed with professional commitment, moral rigour and managerial propriety, also in order to protect the Company's reputation.

1.5 Responsibility for people and the local region

The Company promotes and adopts socially responsible conduct and strives to be a supply chain leader, a point of reference for the local region and the communities it operates in, contributing to socio-economic growth and maintaining relations inspired by effective cooperation with local organisations.

2. MANAGEMENT AND DEVELOPMENT OF HUMAN RESOURCES

The Company recognises the importance of human resources and aims to promote their professional growth, considering them an essential component of its value.

It is a decisive condition for the achievement of the Company's objectives that directors, employees and contractors comport themselves with morality, honesty, loyalty, competence, professionalism, seriousness and dedication.

2.1 Development of professionalism

The organisation of work is oriented towards the development of the professional growth and skills of each employee, the development and preservation of skills and professionalism of high artisanship, to be promoted and passed on, also with respect to the application of incentive tools or training plans.

2.2 Selection and hiring policies

The Company's policy is aimed at selecting each employee, consultant or contractor according to the values and characteristics mentioned above, in order to achieve the Company's objectives and to ensure that these are pursued by all in compliance with the ethical principles and values that inspire it.

In compliance with the obligations arising from the provisions in force, personnel selection is subject to ascertaining the knowledge and skills of the candidates, making sure that they correspond to the professional needs of the Company, and is carried out respecting the principle of equal opportunity, avoiding any form of favouritism, patronage and any type of facilitation or discrimination based on race, sex, nationality, religion, language, trade union membership or political opinions.

Any form of favouritism or discrimination is also prohibited with respect to remuneration, promotions or dismissals.

It is prohibited for those in a position to influence the selection of personnel to take into account recommendations or reports, in any form, in favour of or to the detriment of participants that may influence the proper conduct of the selection process.

Personnel are hired with valid employment contracts. It therefore follows that any other form of employment relationship that circumvents or conflicts with the provisions in force is expressly prohibited. No form of unlawful work or exploitation of child labour shall be tolerated under any circumstances.

In compliance with the relevant provisions of the law, the Company commits not to establish any employment relationship with persons without a residence permit and not to take any action aimed at facilitating illegal immigrants' entry or stay in the Country.

2.3 Health and Safety in the workplace

The Company is committed to protecting the psychological and physical integrity of its employees.

To this end, the Company endeavours to disseminate a culture of safety at work, developing risk awareness and promoting the responsible conduct of all employees.

Furthermore, it promotes responsible and safe behaviour and adopts all the safety measures required by technological developments to ensure a healthy and safe working environment, in full compliance with current Occupational Health and Safety laws.

All employees or contractors must contribute to the good management of Health and Safety in the workplace, constantly working in compliance with applicable regulations, and the company must not subject employees and contractors to risks that may cause damage to their health or physical safety.

The company is committed to constantly pursuing the goals of improving the safety and health of workers as an integral part of its business.

Employees or contractors are required to take care of their own health and safety and that of other persons in the workplace impacted by their actions or omissions in accordance with the training, instructions and means provided by the employer.

2.4 Work environment

The Company is committed to promoting a work environment that ensures conditions that respect personal dignity for all those who work in said environment. It is furthermore committed to ensuring that the conditions necessary for the existence of a collaborative and non-hostile working environment, that is capable of preventing discriminatory behaviour of any kind, are met.

The Company is also committed to protecting the moral integrity of personnel, avoiding unlawful conditioning or unjust hardship through violence, threats, deception, abuse of authority, exploitation of a situation of physical or mental inferiority, or a situation of necessity. Sexual harassment or intimidating and hostile attitudes are not tolerated in internal or external labour relations. The Company is committed to ensuring compliance with current laws against smoking.

2.5 Duties of personnel

Personnel commit to respect the rules laid down in the Code of Ethics and to comply with the law in the performance of their work, acting in conformance with the principles of loyalty, propriety and good faith.

2.6 Company Assets

Employees must use and look after the property assigned to them for work in an attentive manner. Each employee is directly and personally responsible for the protection and proper use of the property and resources entrusted to them for the performance of their duties.

2.7 Conflicts of interest

Directors, employees and contractors of the Company in various capacities must refrain from any action that may involve a personal interest in contrast with that of the Company.

Such personal interests include one's own interests, those of a member of one's family, a relative, a cohabiting partner or a third party in some way connected to them.

The Company seeks to establish a relationship of absolute trust with its employees, in the context of which it is the essential duty of the employee to use the company's assets and their own working abilities for the achievement of the Company's interests, in keeping with the principles that represent the Company's values.

Directors, employees and contractors must therefore absolutely avoid making their functional position within the Company coincide with economic initiatives that are in their personal and/or family interest.

In the event of a violation, the Company shall take appropriate measures to bring the situation to an end.

In particular, each employee must avoid:

- Activities involving business dealings with the Company or competing with it.
- Accepting positions of responsibility, collaboration or similar with individuals, companies or organisations the Company has economic dealings with or that are in competition with it.
- Entering into contracts in a personal capacity on particularly favourable terms or accepting preferential treatment from companies or suppliers the Company has business dealings with, unless it falls within the scope of normal business practices.
- Accepting from parties other than the Company any benefits for services the employee is obliged to perform as part of their duties within the Company.

3. EXTERNAL RELATIONS

In the performance of the Company's business, it is expressly prohibited to entertain relations with natural or legal persons known to be engaged in unlawful activities.

3.1 Dealings with Public Administrations

The Company's dealings with public officials or those responsible for a public service, with public supervisory authorities and with other independent authorities must be conducted in absolute compliance with the laws and regulations in force and with the principles set out in the Code of Ethics and in internal procedures.

In order to ensure maximum transparency, institutional relations with such persons are only maintained by persons who have been expressly appointed by the Company and who have no conflict of interest with respect to the representatives of the institutions themselves.

During contacts with the Public Administration, no direct or indirect action must be taken that may propose opportunities from which benefits may be derived for oneself or others, for employees of the Public Administration or their relatives or kin.

3.2 Dealings with Judicial Authorities

In the event of requests from the Judicial Authority and in general in any contact therewith, the Company commits to provide the utmost cooperation, refraining from any conduct that may lead to obstruction, in absolute compliance with the law and in accordance with the principles of loyalty, propriety and transparency.

All Recipients involved in legal proceedings must provide genuine cooperation and make statements that are true, transparent and representative of the facts.

It is expressly prohibited to:

- Offer money, gifts or other benefits to persons involved in legal proceedings.
- Favour or harm one of the parties in the course of the proceedings.
- Persuade persons called to answer to the Judicial Authority to not make statements or to make false statements.

3.3 Dealings with political organisations, trade unions and associations

The Company does not directly or indirectly facilitate or discriminate against any political organisation or trade union.

The Company does not finance political parties, trade unions, movements, committees or organisations, nor their representatives or candidates.

3.4 Customer relations

The Company is committed to ensuring the achievement of elevated standards of innovation, quality and safety in the provision of products and services to its customers.

It also commits to deal and conduct business transactions with customers in a fair, loyal and professional manner, in compliance with specific laws, applicable rules, regulations and existing contracts.

The Company also commits not to discriminate against its customers, promoting a relationship characterised by high professionalism and marked by helpfulness, respect and the search for maximum cooperation.

The Company is committed to fostering proper customer relations through the prompt handling and resolution of any complaints.

It is expressly prohibited to use threats or violence in business operations or to initiate inappropriate or unlawful actions against customers.

The Company protects the privacy of customers in accordance with the relevant regulations, committing not to disclose or disseminate their personal, economic or consumer data, without prejudice to any legal obligations.

3.5 Dealings with suppliers

The Company commits to choose suppliers and to purchase goods and services of any kind in accordance with the principles of competition and on equal terms among those making offers and according to objective assessments based on the quality, usefulness, sustainability and price of the supply.

The selection is made by adopting objective and transparent criteria envisaged by current law, without precluding any company that meets the requirements from being awarded a contract.

When assessing suppliers, the Company shall also take into account the actual availability of means and organisational structures, the ability to guarantee a supply with adequate company quality levels, and the ability to meet confidentiality obligations. Any deviation from the above principles must be authorised and justified.

Suppliers agree to respect the principles of legality stated in this document. Any breach of the above principles shall constitute grounds for termination by law of the contract concluded.

3.6 Business dealings

The Company commits to conduct any business venture with competence, precision and efficiency, and to manage all related and consequent dealings with honesty, loyalty and transparency.

Furthermore, anyone acting on behalf of the Company must:

- Select business partners based on objective, transparent and documentable evaluation criteria.
- Select only business partners with a respected reputation in the market, whose corporate ethical culture is comparable to that of the Company.
- Cooperate with business partners only if they are engaged in lawful activities.
- Enter into agreements only under conditions of maximum transparency and avoid entering into any agreement that is contrary to the law.
- Maintain collaborative relations with business partners.
- Act only within the framework of applicable regulations and demand strict compliance with them.

3.7 Accounting transparency

Clarity, accuracy and truthfulness in accounts are fundamental values for the Company, also in order to guarantee the possibility for third parties to have a clear picture of the economic, asset and financial situation.

Persons entrusted with the task of keeping accounting records must make all entries accurately, completely, truthfully and transparently and allow audits by those assigned to perform them, including any external parties.

All actions concerning the Company's operations must be evidenced by complete records that allow for checks and controls on the decision-making, authorisation and execution process. In other words, every operation and transaction must be properly recorded, authorised, verifiable, legal, consistent and congruous.

Accounting records must:

- Allow the reconstruction of the relevant transaction, which must be supported by adequate documentation (complete, clear, truthful, accurate and valid), filed in the records for any subsequent verification.
- Be based on accurate, verifiable information and must fully comply with internal accounting procedures.

It is expressly prohibited to:

- Record false income or expenditures in company accounts or carry out transactions to conceal funds.
- Make payments that are wholly or partially intended for purposes other than those evidenced by the supporting documents.

In all cases of valuations of economic and financial elements, the relevant entry must comply with the criteria of reasonableness and prudence, clearly documenting the criteria that guided the determination of the values shown.

Anyone who becomes aware of any omissions, falsifications or irregularities in the keeping of the accounts or in the documents annexed thereto, or in any case of any violation of the principles laid down in the Code of Ethics and in the company procedures, is required to immediately report them to the Supervisory Body.

3.8 Economic and financial reporting

The Company ensures that those entitled, who are interested in learning the economic and financial facts of the Company and its outlook, have access to information and transparency with respect to the choices made, according to the methods and functions designated in the internal procedures.

Particular care and attention are taken in the dissemination of communications relevant to the Company's operations that may significantly affect its credibility and reliability with banks or other financial operators.

3.9 Dealings with the media

If a Company employee receives a request for information from members of the press or other media, they must inform the corporate functions responsible for external communications before making any commitment to respond to the request.

Any dealings with the press or any other media or with external interlocutors in general must only be conducted by persons expressly delegated to do so, in accordance with the procedures or rules adopted by the Company.

3.10 Confidentiality and management of company information

All those who work in any capacity on behalf of the Company must maintain the utmost confidentiality with regard to information learned in the performance of their duties, in accordance with laws, regulations and any other circumstances.

Confidential or secret information is considered to include all information of any kind (technical, commercial, organisational, news about other employees, etc.) learned in the course of or in connection with one's work, the dissemination and use of which could cause harm to the Company, the Customer or an undue benefit to the employee.

It follows that the breach of confidentiality duties by employees or contractors irreparably undermines trust with the Company and may lead to the application of disciplinary or contractual sanctions.

The obligation of confidentiality continues even after the termination of the employment relationship as long as the use or disclosure of information or news may prejudice the interests of the Company.

3.11 Confidentiality and protection of personal data

The Company commits to comply with the rules on the protection of personal data as set out in Regulation EU 2016/679 and Italian Legislative Decree 195/2003 (Privacy Code). When processing data, all directors, managers, employees, contractors and third parties (external data controllers) are required to observe the utmost care and attention so that the rights of data subjects are not infringed upon.

The Company commits to put in place a system of protection measures capable of preventing undue breaches of the data processed and to ensure that data subjects can exercise the rights granted to them by the aforementioned Regulation EU 2016/679.

3.12 Gifts, presents, promises of favours or other benefits

The Company expressly prohibits all those who work in its interest, in its name or on its behalf to directly or indirectly offer or promise money, gifts, goods, services, benefits or favours that are not due to public officials, government representatives, public service appointees, public employees or private individuals, customers or suppliers in order to influence their decisions with a view to more favourable treatment or undue benefits or for any other purpose. Acts of courtesy and hospitality are permitted to the extent and in accordance with normal business and courtesy practices, which by their nature and value are such that they do not compromise the integrity, image, independence and reputation of the parties.

3.13 Environmental relations

The Company considers the environment to be an indispensable value that must be protected.

In conducting its business, it is committed to ensuring that its operations are increasingly compatible with the protection of the local community and the surrounding environment. To this end, as far as practically possible, the Company undertakes to:

- Continuously promote improvements in its production processes in order to minimise its environmental impact.
- Introduce new technological and management solutions to achieve an increasingly efficient use of energy, prioritising the consumption of energy from renewable sources.
- Take appropriate precautions to prevent damage and danger to the environment.
- Prioritise the recovery and recycling of materials while avoiding the consumption of natural resources wherever possible.
- Promote a relationship of loyal cooperation characterised by maximum transparency and trust both internally and with the local community and its institutions in the management of environmental issues.
- Implement effective management systems to maintain high safety and environmental protection standards.

4. INFORMATION SYSTEMS AND COPYRIGHTS

4.1 Use of computer systems

Each Company operator is responsible for the security of all computer systems they use and is subject to applicable legal provisions, the terms of licence agreements and internal procedures.

Without prejudice to the provisions of civil and criminal laws, the improper use of company assets and resources includes using them for purposes other than for work or for sending messages that are offensive or that may damage the Company's reputation.

In any case, each employee must always make the necessary effort to prevent the possible commission of offences through the use of IT devices.

4.2 Access to external computer systems

In order to prevent unlawful conduct contrary to current IT regulations, it is expressly prohibited for employees and other persons working on behalf of the Company, including using third-party systems, to gain unauthorised access to a computer or online system protected by security measures.

4.3 Copyright protection

The Company uses assigned IT resources exclusively for the performance of its business, in full compliance with the regulations on the use and management of information systems.

It is expressly prohibited to install unlicensed software on the Company's computers or to use and/or copy documents and material protected by copyright (audio-visual, electronic, paper or photographic recordings or reproductions) without the express authorisation of the holder .

5. RULES OF CONDUCT

5.1 Compliance with procedures

Operating procedures govern the performance of the Company's main operations and ensure evidence of the principles of lawfulness, authorisation, consistency, congruity, correct recording and verifiability, including with regard to the use of financial resources.

In principle, each transaction must be supported by sufficient, clear and complete documentation that must be kept on file so as to allow checking the motives and characteristics of said transaction at any time and the precise identification of those who authorised, performed, recorded and verified it at the various stages.

Directors, employees and all those who work for the Company are required to strictly observe the procedures laid down, each within the scope of their responsibilities and functions.

5.2 Specific protocols

The Rules of Conduct and specific procedures are created to prevent detrimental events and consequent potential negative impacts on the Company and are inspired by this Code of Ethics.

Those who participate in the various operational processes must comply with the Rules of Conduct and adopt the specific procedures in the terms and manner specifically envisaged and described by the Company's competent functions.

Their proper implementation ensures the identification of those responsible for the process of decision-making, authorisation and conduct of operations.

5.3 Dealings with supervisory bodies

The Company manages its dealings with the supervisory body based on the principles of utmost diligence, professionalism, transparency, cooperation, availability and in full respect of its institutional role, punctually and promptly executing the instructions received and fulfilling any obligations required.

The data and documents submitted must be in a clear, objective and exhaustive language so as to provide accurate, complete, faithful and truthful information, avoiding or in any case reporting any conflicts of interest in the appropriate form and manner.

Preventing or obstructing the work of the supervisory body is expressly prohibited.

6. INTERNAL CONTROL SYSTEM

6.1 The Organisational and Management Model

In order to prevent the risk of committing the offences enumerated in Italian Legislative Decree no. 231/2001 as amended, the Company has adopted an organisational model that meets the requirements of said Decree.

In compliance with current regulations and with a view to planning and managing company operations in a manner that ensures efficiency, propriety, transparency and quality, the Company has put in place an Organisation, Management and Control Model that includes a series of measures and protocols aimed at preventing unlawful conduct and discovering and promptly eliminating risky situations.

With regard to internal controls, the Company has adopted a dedicated system aimed at verifying the exact application of the organisational and management models used, compliance with internal and external regulations, and the adequacy of accounting principles and records.

6.2 Dissemination of the Code of Ethics

The Company undertakes to promote and disseminate the Code of Ethics among its recipients. A paper copy of the Code of Ethics is distributed to all existing staff (and subsequently to each new hire).

It is the task of the Board of Directors to update the Code of Ethics in order to adapt it to any new relevant laws and evolving civil awareness.

Any amendments and/or additions must be approved by resolution of the Company's Board of Directors.

All internal and external interested parties are required to promptly report any non-compliance with this Code of Ethics or the 231 Organisational Model to their Supervisor and/or to the Supervisory Body pursuant to Italian Legislative Decree 231/01 either verbally or in writing (depending on the nature of the violation) and in a non-anonymous form.

The Company commits to protect whistle-blowers against any retaliation for reporting misconduct, keeping their identity confidential (without prejudice to legal obligations).

7. DISCIPLINARY SYSTEM

Compliance with the rules of the Code of Ethics must be considered an essential part of the contractual or official obligations of the directors, employees or contractors of the Company pursuant to and for the purposes of the Civil Code.

A serious and/or persistent breach of the rules of the Code of Ethics damages the relationship of trust established with the Company and constitutes a breach of the obligations arising from the employment relationship, with all contractual and legal consequences, also with regard to the relevance thereof as a breach of discipline and/or the preservation of the employment relationship.

The disciplinary measures that can be imposed on workers (in compliance with the procedures laid down in Article 7 of the Workers' Statute and any applicable special regulations) are those envisaged in the sanctions enumerated in the various national collective bargaining agreements (CCNLs) applicable to the Company's employees, the provisions of which are deemed to be fully referred to herein (e.g. verbal or written reprimand, fine, suspension from work and pay, dismissal with or without notice, etc.).

This without prejudice to the provisions of the CCNLs, specifically the obligations and procedures for challenging and issuing the measure, as well as the Company's obligations arising from the Workers' Statute or other legal provisions, which are deemed to be fully referred to herein.

For the purposes of this Code, the term "serious breaches" means all persistent breaches resulting in or potentially leading to sanctions or serious financial damage to the Company. This without prejudice to any other criminal, civil or administrative liabilities that conduct contrary to the provisions of this Code may entail for the offender.