

CODE OF ETHICS GC GROUP S.P.A.

1. Introduction

This code (hereinafter the “**Code of Ethics**”) is the document, prepared by GC Group S.p.A. (hereinafter the “**Company**”), which describes a set of values, principles and rules of conduct that the Company follows in the conduct of its business, in the exercise of its activities and in the management of the relationships with its stakeholders and therefore it guides the behaviour of the Company’s employees, executives and members of corporate bodies, and all of those who do business or are in partnership (consultants, suppliers, etc.) with the Company (hereinafter “**Recipients**”).

The Recipients are required to conform their behaviour with the provisions of the Code of Ethics, which must be brought to their knowledge as appropriate. The Company prefers to deal with people who comply in their behaviour with ethical principles in line with those expressed in this Code of Ethics.

The Company believes that the compliance with the ethical principles set out in this Code of Ethics is an essential condition for achieving the objective of creating value for shareholders, for those who work in the Company, for customers and for the community as a whole.

The Company is committed to ensure the widest possible dissemination of this Code of Ethics and update it in line with the organizational and commercial developments of the Company. Therefore, the Recipients must actively contribute to the implementation of the Code of Ethics and report any potential issues or deficiencies to the administrative body of the Company.

The Code of Ethics consists of:

- General principles: make explicit the values and principles that inspire the activities of the Company;
- Standards of conduct and management of the business: highlight the rules of conduct to be followed in accordance with the values and principles of the Code of Ethics;
- Rules of implementation and monitoring of the Code of Ethics: describe the control system for the observance of the Code of Ethics.

2. General principles

2.1 Integrity and consistency

The Company commits to act in an honest, fair and transparent way, respecting the commitments taken from time to time, avoiding behaviours that could take unfair advantage from positions of disadvantage of third parties and acting in good faith in any task or decision.

The *management* should represent an example and a model for all the Recipients, demonstrating exemplary conduct in the exercise of their activities, constantly promoting a strong sense of integrity, spirit of cooperation, trust, mutual respect, cohesion and team spirit, in order to defend and systematically improve the Company climate, the image and prestige of the Company.

2.2 Legality and honesty

The Company considers essential principles of its activity the compliance with applicable laws and regulations in all those countries where it operates, as well as the fairness and the transparency in the conduct of its daily business. Under no circumstances the pursuit of the Company’s business interests can justify any conduct contrary to the principles of fairness, honesty and legality.

2.3 Protection and respect for the individual

The Company respects the fundamental human rights of individuals, protecting their physical and moral integrity and it is committed to ensure equal opportunities for all.

The Company rejects all forms of violence and discrimination, in particular those based on factors such as disability, sexual orientation, gender identity, age, political opinions, religious beliefs, ethnic and geographical origin, social and cultural status.

The Company rejects and is committed to oppose any form of harassment and offensive behaviour to personal dignity in the workplace. The Company promotes a working environment which is safe, peaceful and conducive to interpersonal relationships on the basis of equality, mutual fairness and respect.

The Company recognizes the health and safety in the workplace as a fundamental right of its employees.

2.4 Protection of the environment

In planning its activities, the Company aims at ensuring the best possible balance between economic initiatives and environmental protection, taking into account the rights of present and future generations and aiming at a sustainable development of its business.

3 Standards of behaviour

3.1 The stakeholders of the Company

The *stakeholders* are internal and external parties (individuals or groups, as well as organizations and institutions that represent them) whose interests are affected directly or indirectly by the Company's activities.

In particular, the Company has identified the following categories of stakeholders:

- employees;
- customers;
- suppliers;
- shareholders;
- public administration;
- the media.

Rules and *standards* of behaviour have been established for these stakeholders in line with the values and principles that the Company aspires to.

3.2 Employees

The Company recognizes the centrality of its employees and expects all its employees to adopt a conduct that is fair, transparent and in line with the principles of this Code of Ethics in the performance of their duties, hence contributing to the establishment and continuous improvement of the corporate reputation and the protection of the Company's value.

Personnel selection and development

In the selection, recruitment and career development of its employees assessments are carried out exclusively on the basis of transparent and objective analyses of merit. The Company is committed to provide equal opportunities in employment and professional development to all its employees according to their respective skills and performance.

Establishment of the employment relationship

All employees are hired under regular employment contracts in compliance with the laws in force in each country where the Company operates. The Company does not tolerate any form of unlawful employment. The Company does not hire foreign employees without a residence permit.

When hired each employee is made aware of the terms and conditions relating to his/her position. The Company is committed to provide fair and reasonable remunerations and working conditions to all its employees.

Moral and sexual harassment, mobbing

Sexual harassment, moral harassment or mobbing are not tolerated by the Company, in whatever form. Everyone must show sensitivity and respect toward others and refrain from any behaviour that could be considered offensive.

Protection of health and safety in the workplace

The Company guarantees its commitment to the prevention of occupational accidents and diseases, also by pursuing the continuous improvement of its safety measures.

Confidentiality and Privacy

Information that is confidential and the data and knowledge acquired, processed and managed by employees in the exercise of their work must remain strictly confidential and must not be obtained, used, communicated or disclosed, whether inside or outside the Company, except by authorized persons and in compliance with Company procedures.

3.3 Shareholders

The Company's shareholders acknowledge and agree that the Company's primary objective is to create sustainable value over time, thus rewarding entrepreneurial risk through a careful policy that safeguards the Company's solidity.

3.4 Customers

For the Company it is essential that the relationships with customers are based on the principles of fairness, honesty, professionalism and transparency.

The Company is committed to provide accurate and comprehensive information on the products offered and to give feedback to suggestions and complaints received.

The Company ensures that the products meet market requirements in terms of safety of materials and chemicals used in treating leathers and fabrics thus always pursuing quality and continuous improvement.

3.5 Suppliers

The Company requires its suppliers to comply with this Code of Ethics and, in particular, that they comply with the following principles:

- prohibit the child labour under the age of 15 years;
- prohibit the recourse, in whatever form, to slavery, debt bondage and the use of forced or compulsory labour, as well as to products or services created by such means, including any work or service imposed to an individual by the threat of any penalty or without receiving a salary and for which the person has not offered his/her service by his/her own initiative;
- prohibit any type of work which, by its nature or the circumstances in which it is exercised, may compromise the health, safety or morality of people;
- prohibit any conduct contrary to the dignity at work, in particular any practices contrary to social provisions, relating in particular to wages, work hours and working conditions;

- respect the right of representation and expression of workers;
- prohibit discriminations, in particular those based on racial, ethnic and/or gender grounds;
- prohibit any behaviour that may give rise to sexual harassment or mobbing;
- take appropriate measures for the effective application of the aforementioned principles to their suppliers;
- comply with the directly applicable environmental legislation and strive for the implementation of the 3 “global compact” principles on environmental protection:
 - apply the precautionary principle when dealing with problems related to the environment;
 - take initiatives aimed at promoting greater consciousness in relation to the safeguard of the environment;
 - encourage the development and diffusion of environmentally friendly technologies.

In the relationships with its suppliers, the Company promotes honest, diligent, transparent and cooperative behaviours.

The compensation payable to suppliers shall be exclusively proportionate to their performance and subject to the conditions set out in the contract and payments may not be made in favour of parties other than those agreed by the parties.

3.6 Public Administration

The Company cannot be represented in its relationships with the Public Administration by employees and/or by third parties who can create, even abstractly, a conflict of interest.

The Company condemns any abusive behaviour adopted on its behalf or in its interests aimed at promising or offering, directly or indirectly, money or other benefits to public officials and public service representatives, Italian or foreigner, or to their relatives or family members, which may procure to the Company an advantage or a benefit.

When public administration is a customer or supplier of the Company, the latter shall act in strict compliance with the laws and regulations that govern the relationship.

The Company does not deny, hide or delay any information or communication that may be required by public supervisory authorities and/or judicial authority, during any checks or inspections, and actively collaborate in any preliminary investigations.

3.7 Mass media

The Company external communications must be truthful, clear, transparent, neither ambiguous nor instrumental. The Company's websites will be developed in compliance with the Code of Ethics and the Company commits not to publish defamatory information or information not corresponding to reality.

4 Business management

4.1 Conflict of interests

The Company's employees are prohibited, without the written consent of the Company, from carrying out any work in favour of competitors of the Company, providing professional services to third parties as an employee or consultant as well as acting and working on behalf of a supplier or customer of the Company. By way of example, the following situations are considered a conflict of interest (the list is not exhaustive):

- having economic or financial interests regarding suppliers, customers and competitors;

- use their position in the Company or any information obtained during the normal working activity to their own benefit or to the benefit of third parties in conflict with the interests of the Company;
- doing working activities of any kind for customers, suppliers, competitors and/or third parties, in conflict with the interests of the Company;
- starting negotiations and/or contracts – in the name and/or on the behalf of the Company – by employees who have family members or partners as counterparty or legal entities of which the employee is the owner or in which he/she otherwise has an interest;
- accepting money, gifts or favours from individuals or legal entities who are or intend to enter into business relationships with the Company.

In relationships between third parties and the Company, Recipients must act in accordance with legal and ethical standards, with explicit ban on resorting to illegitimate favouritism, collusion and corruption.

4.2 Favours and gifts

In dealing with third parties, the Company does not allow anyone to promise or offer gifts and/or favours (e.g. money, objects, services, recommendations), even as a consequence of an illicit pressure, aimed at obtaining undue advantages or in any case aimed at acquiring or reserve favourable treatment in conducting any activity related to the Company. Likewise, the Company does not allow its employees to receive gifts and or favours from third parties able to influence their relationships with the Company.

Notwithstanding the above, acts of commercial courtesy are allowed, provided that they are of modest value and hence not able to compromise integrity and reputation or to influence the autonomy of judgment of those who receive them.

4.3 Competition

The Company undertakes to comply with *antitrust* regulations. The Company undertakes to compete with its competitors according to ethical principles of honesty and fairness. The Company will not employ illicit means to acquire business secrets or other confidential information regarding competitors.

4.4 Processing of personal data

The Company undertakes to process personal data in compliance with all applicable laws on confidentiality and privacy.

The Company ensures that personal data will not be used for secondary purposes without the prior written consent of the person involved.

4.5 Computer crimes

The Company condemns any unauthorized access to an information system, illegal possession and/or distribution of access codes, interception, illegal interruption of computer or telematic communications, damage to information systems and damage to information and data.

The Recipients must refrain from an unlawfully activity aiming at (i) entering into a protected online or information system, (ii) procuring, obtaining, reproducing or distributing means of access (passwords, authorization systems, etc.) to IT or online systems protected by security measures.

5 Entry into force of the Code of Ethics

The Company will carefully monitor the observance of the Code of Ethics by all the Recipients by providing suitable information, prevention and control tools, by ensuring the transparency of operations and behaviours adopted and by intervening, if necessary, with corrective actions and/or appropriate sanctions.

The Company ensures the widest possible dissemination of the Code of Ethics, bringing it to the attention of internal and external stakeholders through specific communication activities.

For any information relating to the Code of Ethics and in any situation in which there may have a doubt about the most appropriate behaviour and/or the need to report a code violation, the Recipients of the Company may contact their direct supervisor or the Company management through the at the following e-mail address: codiceetico@giannichiarini.com.

All reports will be promptly assessed for possible sanctions and all questions of clarification will be given a prompt response.

The Company guarantees privacy and confidentiality as to the identity of the person making the report and does not tolerate any form of retaliation against those who – in good faith – have reported possible violations of the Code of Ethics or have asked for clarification on its application.

Violation of the principles of this Code of Ethics damages the relationship of trust established with the Company and may lead to disciplinary, legal or criminal actions. The Company, in fact, intends to punish employees who do not comply with and/or do not respect the values and principles that constitute this Code of Ethics, according to the gravity of the infringements.

The compliance with the Code of Ethics is an essential part of the contractual obligations of the employees with the Company. Therefore, for the employees of the Company the violation of the Code of Ethics constitutes a breach of the obligations arising from the employment relationship and/or a disciplinary offence which may jeopardise their employment relationship even leading to actions for reimbursement of damages.

For the Recipients who are not employees, compliance with the Code of Ethics constitutes a prerequisite for the continuation of the professional/collaboration relationship with the Company; therefore, any violation of the rules of this Code of Ethics may constitute a breach of the contract, implying all the related legal consequences.

This Code of Ethics was approved by the Company's Board of Directors on Dec 20th, 2017