



## ETHICS CODE

FILA S.p.A.

### SECTION I – GENERAL PRINCIPLES

#### **1. Objectives of the Ethics Code**

FILA S.p.A. (hereafter also the “Company”), a successful enterprise operating on the market for approx. 90 years, is the leader in Italy and, through the subsidiary Dixon, in the United States of America and Mexico, in the production and sale of tools for colouring, design, modelling and writing, principally for play, study, work and figurative and graphic art.

FILA S.p.A. therefore exercises management and control over a group of Italian and overseas companies (hereafter the “Fila Group”).

The company, in order to illustrate the ethical **responsibilities** and **commitments** which govern its operations, has adopted the present Ethics Code (hereafter also the “Code”), outlining the principles, values and rules of conduct observed by the FILA Group, in addition to the ethical commitments and responsibilities and conduct which it undertakes and complies with in the course of business operations and which govern the conduct of all those working within or on behalf of the group.

#### **2. Contractual efficacy and scope**

##### *2.1. Legal content*

The Ethics principles and conduct standards assume legal application and obligatory efficacy under the Code. Knowledge and compliance with the provisions of the Code are a necessary requirement for the undertaking and pursuit of employment and collaboration with the company and with third parties, with whom the company commits to circulate all related information, in a fully transparent manner, with a view also to ensuring that all Addressees consider themselves as responsible for, and involved in, the effective and optimal application of the Code.

The violation of the principles of the Code damages the foundation of trust established with the company and therefore is dealt with thoroughly, in a timely manner and as priority, through penalties and adequate and proportional disciplinary procedures,

independently of any criminal considerations and/or the instigation of criminal process where an offense has been committed.

## *2.2. Addressees*

The Code applies to all those operating in the interests of the FILA Group, irrespective of whether in terms of administration, control or within subordinate roles with group companies. The shareholders, the directors, the members of the Corporate Boards and the employees of the company and its subsidiaries, in addition to all those who, even on an irregular or non-exclusive basis, operate in pursuit of the company's and the FILA Group's objectives, both in Italy and overseas, are considered addressees of the present Code.

## *2.3. Circulation*

The Code is circulated through provision or delivery of an electronic copy or through publication on the company intranet; a copy is held at the Administration department and is available for consultation on the company website.

In order to ensure its effective application and communication, the company, for its part, ensures maximum circulation of the Code and provides training and adequate information tools with regard to its content.

## *2.4. Penalties*

The Code has contractual efficacy and the rules contained therein inform the conduct that employees, directors and contracted third parties, within the duties assigned to them, are held to observe, also in compliance with Article 2104 and 2105 of the Civil Code and the fiduciary relationship which underlines each mandate and contract.

In the case of a violation of the provisions of the present Code, the penalties established by the company disciplinary system for directors, members of the corporate boards and for employees will be applied; for collaborators and other Addressees, specific clauses are included in their relative contracts which establish, for more serious violations, the option for the company to dissolve their contracts for non-fulfilment as per Article 1456 of the Civil Code.

## **SECTION II – CORPORATE ETHICS**

The company and the FILA Group operate and pursue their business objectives in compliance with applicable regulations. Compliance with applicable law, company rules and the Ethics Code is of fundamental importance for the optimal functioning and the good standing of the company with human resources, the Public Administration, third parties and the market in general.

In this context, the principles outlined below ensure mutual benefit for the parties involved, who are required therefore to apply comparable ethics standards.

### ***1. Integrity, correctness, good faith and legal compliance***

All parties operating within and in the interests of the company and the FILA Group are held to act in compliance with the principles of legality, correctness and integrity in the execution of their duties, internally and externally, also in protection of the image of the company and the fiduciary relations established in general with clients and with the market. Therefore, the Addressees of the Code are held to operate on the basis of correctness and integrity in the execution of their duties (a) with other members of the company and of the FILA Group, refraining from acting in a criminal or illegal manner, or from establishing conflicts of interests in order to gain from an undue advantage, on one's own behalf or for third parties and (b) in relations with third parties, refraining from any unfair or illegal conduct.

In no case may the interest or the advantage of the company or the FILA Group induce and/or justify dishonest and/or illegal conduct.

The company therefore does not tolerate any type of illegal activity nor the involvement in, collusion with or proximity to, even indirectly, national or international criminal organisations.

### ***2. Product quality***

The company places a particular focus on the satisfaction of its Client base, both existing and potential, and on their demands and expectations, in order to supply within the sector highly competitive products which ensure maximal professionalism, flexibility and high quality standards. The company pursues excellence in terms of quality, safety, health protection and environmental protection standards and therefore

requires all those involved in the creation of the products marketed by the company to commit entirely to the achievement of these additional values.

All disclosure or communication to public or private clients – even prospective – concerning FILA products must be true, complete and correct.

### ***3. Relations with the Public Administration (P.A.)***

The relations of the company and of the FILA Group, in Italy or in other countries, with public officials, those employed in the public service, public employees and outsourcers providing public services, are held to comply with the principles of legality, transparency, integrity and correctness. The management of relations, of any type, with the P.A. and/or of a public nature are reserved exclusively for the proposed and authorised company departments.

In the management of relations with the P.A., any person acting in the name of and/or on behalf of the company, is prohibited from aiding and abetting, applying pressure or engaging in other conduct to attain favourable provisions or other decisions for the company, in an illegal manner or against the principles of the present Code.

The Addressees of the Code are not authorised to offer, accept or promise to any party (public or private), on their own behalf or on behalf of others, any form of donation, compensation, benefit or service, of any nature, also of a non-financial nature, provided to influence, or, however, to gain from favourable treatment in the course of their duties. Acts of commercial courtesy are permitted, as long as concerning gifts of a moderate value and which may not be interpreted as provided to obtain improper or illegitimate advantage.

In the course of operations, the company and the FILA Group – where fulfilling the necessary requirements – may request and employ loans, subsidies and grants, of any type, issued by national or EU public bodies, restricted to the specific use for which they were granted and/or requested. For these purposes, in each case transparent and correct documentation on the company and on the project and/or service subject to the disbursement must be provided.

### ***4. Relations with the Oversight Authorities***

The company actively works with the legal and tax authorities, the police departments and public officials in the exercise of their duties in terms of inspections, controls, investigations or legal procedures and its members must refrain from offering

donations, money and other benefits, or from exercising undue pressure on the representatives of these authorities, who materially carry out inspections and controls, in addition to those persons called to testify in legal proceedings, with a view to influencing conduct or acting in a manner which seeks to impede the legal process.

## **5. External relations**

Relations with Clients and with third parties operating in the interest of the company are managed according to the principles of maximum collaboration, availability, professionalism and transparency, ensuring confidentiality and the protection of privacy in order to maintain solid and long-lasting relationships based on mutual trust and satisfaction.

Third parties operating in the interests of the company (agents, suppliers, partners, consultants, collaborators etc.) are identified and selected according to objective assessment criteria, in line with the pre-established internal procedures and based on the principles of benefit, correctness and transparency and the relative remuneration is established according to the criteria of proportionality and effective provision of service. In relations with Clients, the negotiating phase, the acquisition of orders and the execution of paid services are entirely governed by the principles of transparency, professionalism and good faith.

The company operates correctly in the offer of its products and does not undertake any conduct which may negatively influence or improperly alter the competitive structure between operators on the market.

## **6. Market disclosure and relations with the media**

### **6.1. Corporate Communications and Disclosure**

The company promotes the broadest possible involvement of shareholders in the company and in the exercise of shareholder rights, offering them, in compliance with the applicable regulation, complete disclosure in order to act in a knowledgeable and informed manner. The prime objective of the company is to develop the value of the investment of shareholders, also in order to enable them to knowledgeably employ their available resources.

Disclosure to shareholders and the market must therefore be carried out only by those parties expressly delegated such duties and in compliance with the requirements for

truth, clarity, completeness, transparency and timeliness, also in compliance with the applicable regulations, rules and professional best practice.

#### *6.2. Confidential Information on Price Sensitive Information*

The company, also in compliance with the “market abuse” provisions, governs access to Price Sensitive and Confidential Information in order to also ensure maximum transparency for the direct or indirect sale of FILA S.p.A. shares by its directors, statutory auditors or executives.

In any case, the Addressees and, more in general, those with access, within the course of their duties, to information not available to the public, are held to comply with the relative company procedures and, in any case, to communicate such information externally only where expressly authorised and in compliance with the principles of equal access and contextual disclosure.

Addressees must not in any manner utilise Confidential or Price Sensitive Information to make or suggest investments in the company or to gain directly, or through third parties, advantages of any type, whether direct or indirect, immediate or future, for capital or other gain.

#### *6.3. Relations with the Media*

Relations with media organisations must be transparent and in line with the company and FILA Group policy, in order to ensure the full image and brand protection. Relations with the press, with the communications and information media and, more generally, with external parties must be carried out exclusively by expressly delegated parties and in compliance with the specific procedures and provisions adopted by the company.

Other Addressees are in fact prohibited from providing information of any nature concerning the company or the FILA Group to representatives of the press or the mass media in general, and from any type of contact concerning the circulation of company news, ensuring to transfer any such requests to the relevant department.

### **SECTION III – OPERATIONAL CONDUCT PRINCIPLES AND RULES**

#### **1. Protection of company assets**

The company utilises resources and company assets in order to guarantee, increase and consolidate the company assets. All employees and collaborators of the company are directly and personally responsible for the protection and the conservation of assets, tangible and intangible, of resources, whether human, tangible or intangible, entrusted to them by the company and must utilise such in the interests of the company for exclusively professional objectives, in compliance with the applicable regulations and the company By-laws and in line with the principles of the present Code and with company procedures.

## **2. Company management**

The management and operational oversight of the company and its departments is obligatorily based on the following conduct principles and rules:

- maximum collaboration, transparency, correctness and efficiency in relations with the independent audit firm, the Board of Statutory Auditors and the Supervisory Board and also in relation to requests from shareholders and in relations with the public oversight authorities;
- diligence, expertise, correctness and accuracy in the preparation and verification of the data and information utilised for the preparation of the financial statements, the reports or other corporate communications established by law or however communicated externally;
- prohibition on damaging the integrity of the company assets in any form and through any means, with a particular prohibition, outside of the cases where expressly permitted by law to: (i) repay in any form shareholder contributions or absolve shareholders from settlement of such; (ii) allocate profits not effectively gained or allocated by law to reserves or legally non-distributable reserves; (iii) acquire or subscribe shares or units in the company or parent companies; (iv) carry out share capital reductions, mergers or spin-offs, in violation of rules put in place in protection of creditors; (v) fictitiously establish or increase the share capital; (vi) satisfy, on winding up, shareholder applications in damage of the company creditors; (vii) carry out any act, fake or fraudulent, to influence members of the Shareholders' Meeting in order to obtain the improper formation of a majority and/or influence a motion.

### **3. Accounting Documents**

#### *3.1. Truth, Transparency and Completeness of the Accounting Records*

The truth, transparency and completeness of the accounting records are core values of the company.

They ensure the correct representation of the economic and financial results of the company, in compliance with statutory and fiscal regulations, in order to guarantee transparent and timely audit.

The company communications, the financial statements, both annual and interim, the company books, and in general, reports and communications on the economic and financial position of the company, also consolidated, established by law, are documents prepared according to the principles of transparency and correctness, in line with the Civil Code and the applicable laws and principles.

The company does not approve of any conduct which alters the information and the accounting and corporate data communicated both internally and externally, to the oversight authorities or to the Stakeholders.

The company, through the Addressees, each of which within their own remit, ensures the proper, clear and accurate maintenance of the accounting records and therefore:

- guarantees transparent and timely disclosure to all interested boards and departments, in addition to the correct collaboration between such boards and departments;
- guarantees the truth, authenticity, correctness and originality of the documentation and information made available by the accounting disclosure process or in other corporate communications required by law and directed to shareholders, the public and the control bodies;
- favours the carrying out of the established controls by the relevant boards and departments;
- ensures that all operations are properly authorised and adequately documented and that the documentation is held in a manner that enables at all times the recording and identification of the various levels of responsibility, in addition to the accurate reconstruction of operations;
- guarantees that the motives for corporate and extraordinary operations are stated by the company and the FILA Group, also to monitor and

prevent the possibility that any transfer of funds may be linked to illegal activities, such as the support of criminal groups or associations, mafia groups or terrorist or subversive groups, from which the company firmly distances itself.

### *3.2. Anti-money laundering and controls of cash flows*

The company complies with all regulations, both national and international, in relation to the prevention of money laundering, the receipt of stolen goods and the employment in any manner of illegally gained capital in economic activities.

In line with that established by law and applicable company rules, the receipt of significant amounts in cash or through irregular payment means and the acquisition of goods from illegal or uncertain sources is prohibited.

The company thoroughly oversees the management of cash flows internally and within the FILA Group, in order to trace the origin and the destination of such and to avoid the use of such sums, even where only potentially sourced from illegal activities.

## **4. Human resource policy**

The company, considering human resources as an indispensable element for its operations and success and that of the FILA Group, adopts a policy which encourages the development of the skills and capacity of each employee, ensuring that their individual potential finds full expression in the pursuit of common objectives.

The company dedicates particular attention to the selection and hiring of employees and collaborators according to skill and merit-based criteria, ensuring equal opportunities, in line with the applicable legal conditions, the Workers' Law (Statuto dei Lavoratori) and the applicable National Labour Contract (CCNL).

The company exclusively utilises properly employed and contracted personnel, in line with the applicable regulation also in relation to foreign workers. Personnel are employed under regular labour contracts and the employment of minors is not tolerated.

The company is committed to developing a spirit of involvement and belonging and denounces any type of discrimination and/or abuse, whether in terms of internal or external relations. This is enforced to ensure that no members of the FILA Group discriminates based on age, gender, nationality, political opinion, religious belief or state of health.

### ***5. Workplace hygiene and safety protection***

In compliance with the laws in protection of physical and moral integrity, the company ensures its personnel dignified working conditions and safe and healthy working environments, in full compliance with the rights of the individual, the worker and the applicable sector regulations.

The company prevention and safety system establishes adequate conduct rules, incorporated also into company agreements, for directors and employees in order to prevent illnesses or accidents. The company and its employees closely collaborate in order to ensure the effective application of the highest safety standards, which must be continuously supplemented and improved to effectively prevent the risk of accidents or illnesses for Addressees or third parties.

All Addressees must be informed and updated on the prevention and safety system (as applicable to them) and the relative certifications and supplements and, in the case of any doubts, must contact their superiors and/or contact persons and consult the safety and hygiene documentation available at the company and at all production facilities.

### ***6. Confidentiality and privacy protection***

The company operates in full respect of the individual and the right to confidentiality, in line with the applicable regulations.

The company acquires and handles only the personal data necessary for and directly linked to its use, maintaining such data in a manner which prevents third parties from becoming aware of such, communicating it and exclusively circulating it according to internal procedures and with the prior authorisation of the appointed officer.

The company provides employees, collaborators and third parties with complete and updated prior disclosure on the handling of the data acquired by the company in the course of its activities, requesting the release of their informed consent, where necessary, exclusively for the purposes for which it is required.

### ***7. Intellectual property***

The company and the FILA Group rely on internal know-how or that made available for the development of operations.

Information, knowledge or data acquired or drawn up by Addressees during the course of their work or, however, in the execution of their appointment belongs to the company and may not be utilised, communicated or circulated without specific authorisation.

The members of the corporate boards and employees are prohibited from circulating details concerning technical-scientific knowledge and company management methods or from however utilising such in a manner which may unduly impact the company or other contractual parties.

### **8. *Environmental protection***

The company contributes to education upon environmental protection matters, managing operations in an eco-compatible manner, in compliance with applicable national and EU regulations, both at company facilities and offices and at any other location in which business operations are carried out.

For these purposes, the operating management must refer to, in relation to environmental prevention and protection, the most appropriate environmental protection, disposal of waste and energy efficiency criteria.

The relevant executive officer carries out the necessary coordination and control for the implementation of legal provisions, both national and international, with regards to the environment, construction, urban planning, pollution and waste disposal etc. by all company collaborators.

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The Ethics Code was adopted with FILA S.p.A. Board of Directors motion for the adoption of the Organisation, Management and Control Model as per Legislative Decree 231/2001 and, subsequently, with motions of the executive boards of all subsidiary companies.

*Approved by the BoD on 2/07/2015*