



ETHICS CODE

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1 PREMISSES

Founded in 1952, Mabo S.p.A is one of the leading Italian companies producing accessories for the European fashion market. The firm's organization is agile, dynamic, with an attitude to continuously invest in new products and technological innovation in order to anticipate and meet the changing demands of the market.

Mabo S.p.A.'s actions and behaviour are guided by enthusiasm, tenacity, honesty and dedication to work, as well as determination in quality, efficacy, team-work, correctness in customer relations and services, all values that the founders, Edoardo Signorelli and his wife Teresa Maria Manenti, have passed on to the following generations. The same values continue to inspire Mabo S.p.A.'s management and business choices; it is a family business destined to be passed on to future generations, it values solidity over immediate gain; pride in the name and the prospect of continuity prevail over the goal of growth at any cost, and the relations between property, management and staff are based on reciprocal respect and human relationships that go well beyond the terms of a contract.

By signing the DETOX commitment for a fashion free from hazardous chemicals, promoted by Greenpeace, in 2016 MABO S.p.A. formalised and made public for the first time some of the principles and values which make up the company's ethics, starting from:

- transparency with all stakeholders regarding the use, management and origin of chemical substances in its own processes and those of its supply chain,
- precaution in the use of chemical substances that may potentially be dangerous for health and for the environment,
- moral responsibility in supervising the environmental impact of the firm's activities, those of its suppliers and of its entire supply chain,
- moral responsibility in promoting responsible design and consumption models, in line with the principles of the producer's extended responsibility (EPR) and of circular economy.

By publishing this Ethics Code, MABO S.p.A. makes public and explicit to all stakeholders the system of ethical values and behavioural rules that it is committed to respect, in line with the goals of global sustainability that it pursues and in coherence with its moral responsibility to customers to ensure that its supply chain is ethical and sustainable.

2 TARGET AUDIENCE

MABO S.p.A's Ethics Code states all principles and rules of behaviour – beyond the laws

and regulations provided for by in civil and criminal law – that are to be observed by all managers, employees and consultants, suppliers and other third parties with which MABO S.p.A. has contracts or which perform services for MABO S.p.A. that involve performing activities in the name of MABO S.p.A. so that a trust relationship is established. In the achievement of the company's mission, the behaviour of all the intended targets of the Ethics Code must be inspired by the ethics of responsibility.

3 GENERAL PRINCIPLES

The General Principles of the Ethics Code reflect MABO S.p.A.'s basic principles and are the cornerstones for implementing the behaviour aimed at by the firm with its stakeholders.

MABO S.p.A. holds as essential principles:

- respecting all laws and regulations current in all the Countries in which it works, as well as the norms of international law. It pursues the attainment of its goals through company action that is performed in accordance the law, to the principles of loyalty and integrity, and by behaving correctly and honesty, in deference to fundamental human rights, inspired by clear and transparent rules in harmony with the outside environment and with the aims of the communities and territories in which it acts;
- involving suppliers and the whole production chain in achieving the aims of sustainability; monitoring their compliance to the principles of the Ethics Code in their activities in order to consolidate, and guarantee to their customers and other stakeholders, an ethical and sustainable production chain;
- listening to the stakeholders' legitimate expectations and making sure to including such expectations in the company's policies and strategies. In decisions that influence its relations with stakeholders, MABO S.p.A. recognises equal rights to all, without discrimination based on age, gender, health, race, nationality, political opinions or religious beliefs;
- transparency, completeness, accuracy, intelligibility and relevance of all information given to stakeholders, particularly information concerning the social and environmental impact of the company's activities and, concerning its relationship with suppliers and customers, clarity of contractual clauses regulating their relationship with the firm.
- On-going research for innovations that may reduce the negative environmental and social impacts of the activities of the entire production chain and thus guarantee a sustainable future.

4 SUSTAINABILITY PRINCIPLES

MABO S.p.A.'s path to sustainability is based on the company's values, mission and

vision, it implies the commitment to obtaining measurable results in a credible timeframe for achieving the objective of improving its sustainability performance. Coherence and cohesion between present and future projects constitutes the path to sustainability chosen by MABO S.p.A. as a business that is particularly attentive to its stakeholders' expectations, to the environment and to the communities and territories where it operates.

The principles on which MABO S.p.A.'s path to sustainability is based are:

- A managed, sustainable and transparent use of chemicals
- Paying attention to energetic efficiency in its plants and processes
- Using unsold stock and remainders in projects aimed at reuse
- An attentive management of the cycle of scraps and wastes
- Continuing research for raw materials with a low environmental impact
- Optimised water usage in order to reduce waste and improve the quality of refuse waters
- Attention to sustainable innovation
- A system of communication specifically devised for sharing the results obtained both within and beyond the company

5 BEHAVIOUR RULES

5.1 GENERAL NORMS

Observing the rules contained in the Code must be considered an essential part of the contract obligations on the part of its counterparts, according to and by effect of articles 2104 and 2105 of the Civil Code, for all MABO S.p.A. societies with headquarters in Italy, and in accordance with the corresponding applicable norms, for those societies with headquarters in countries other than Italy. Therefore, any violation of such norms may constitute a breach of the primary obligations of the work relationship, or a disciplinary offence, with lawful consequences, even in relation to the upholding of the very employment; it may also result in actions for the compensation of any damages resulting from such violation.

All the targets of this Ethics Code must uphold a position of freedom of judgement, integrity and impartiality, avoiding any decision or activity that may even apparently or potentially seem to result in a conflict of interests. Any activity contrasting with the correct performance of one's duties, or that may harm the interests or the image of MABO S.p.A. must be avoided.

MABO S.p.A. is committed to distributing its Ethics Codes internally and externally, using all its channels of in-company communication and in places accessible to all

personnel, and to publish it on the company's Webpage, so that each stakeholder may access it and become familiar with it; MABO S.p.A. also provides an adequate training and awareness course on the contents of the Ethics Code and any problematic issues connected to it.

Anyone becoming aware of violations of the principles or the rules of this Code, or who develops doubts concerning their application in the context of their own or others' actions, is held to inform his or her direct supervisor or to the Ethical Officer (email: ethical.officer@mabo.it)

Any form of retaliation against the person making a good-faith report on possible violations of the Code also constitutes a violation of the same Code.

MABO S.p.A. will not start or continue any relation with anyone who does not intend to conform to the principles of the Ethics Code. In no case is any behaviour that is out of line with the Ethics Code considered as justified.

5.2 RELATIONS WITH CUSTOMERS

MABO S.p.A. considers its company's reputation as a fundamental heritage for its success in its dealings with customers. The behaviours of the company, its management and all its employees and consultants towards customers must conform to the principles of truthfulness, correctness and honesty, by honouring all the commitments made and following the customer's interests in case of disputes or doubts.

In coherence with the moral responsibility of monitoring the production chain's compliance with the principles of the Ethics Code and of guaranteeing its customers – to the best of their abilities- with the respect of the ethical and sustainability prerequisites of the products it sells, MABO S.p.A. devises and periodically performs tests and analyses on the materials it uses along the production chain, with particular concern for the social and environmental impact of its production; it is further committed to undertaking remedial and improvement actions whenever such tests point to a departure from its ethical or environmental goals.

5.3 RELATIONS WITH WORKERS

Our employees' and co-workers' professionalism and competence are the pillars on which MABO S.p.A.'s reputation and credibility are founded; human resources are therefore a primary asset for the business.

MABO S.p.A. requires its associates to demonstrate experience, enthusiasm, tenacity, honesty and dedication to work, determination in the quality of their work and team-work in order to guarantee a flexible, supple and dynamic structure, which constantly invests in innovation for the sake of a global clientele and is respectful of people and the environment. In performing the activities they are in charge of, personnel and associates must keep up a behaviour marked by reciprocal correctness, with the upmost respect for everybody's dignity and morality.

Staff and associates are held to perform their work with courtesy, transparency and a sense of responsibility and absolute diligence, acting with a spirit of cooperation with their colleagues and third parties.

Staff and associates, in order to offer all those with whom they come into contact in the course of their duties the maximum levels of quality, must also take an active part in the life of the company and attribute value to their own professional growth by acquiring new skills and capacities.

Managers and supervisors of functions or organization units establish relations with the workers that are marked by reciprocal respect and cooperation, in coherence with the principles and values of a family business.

Each manager must support the professional growth of the resources assigned to them, keeping in consideration each person's inclinations in assigning tasks, in order to achieve a real efficiency in the operative context and contributing to the collective economic and social progress.

Health, security and physical and moral integrity of employees and associates are essential for MABO S.p.A., which is therefore committed to guaranteeing appropriate workspaces, in accordance with the current laws and regulations.

Any form of discrimination towards workers and associates on the grounds of age, gender, health, race, nationality, political opinions or religious faith, is forbidden.

Any form of intimidation and harassment of any nature is forbidden.

5.4 ENVIRONMENTAL PROTECTION

MABO S.p.A. believes that respect for the environment is an ethical value, as well as being a distinctive factor for competitiveness, and it is committed to promote a participatory dialogue with all Local Authorities, Institutions, and Consumer

Associations, in order to cooperate in safeguarding and improving the environment, both in the territories in which it operates and at the global level. Such commitment also extends to all actions and interventions, also beyond the scope of current legislation, which may contribute to the reduction of its environmental impact, in line with the vision expressed by signing the DETOX commitment promoted by Greenpeace.

All of MABO S.p.A.'s projects and activities are conducted in the spirit of respecting the environment and the current legislation on the matter, paying special attention to its evolution, both at the national and European levels.

To this end the company is committed:

- to respecting the current national and international laws concerning the environment, also by adopting adequate system of environmental management;
- to managing its productive activities so as to minimise their direct and indirect environmental impact, and to adopting a precautionary attitude concerning environmental impact;
- to promoting the development and diffusion of eco-efficient technologies;
- to defining specific environmental aims and improvement programmes, in order to minimise significant environmental impact;
- to raising awareness and training its management, staff and associates so that they are all aware of the environmental aspects and impacts of their activities and may develop work practices that are respectful of the environment as they strive to the achievement of their business objectives;
- to providing the local authorities with all the information necessary to understand any environmental risks linked to the firm's activities;
- to pursuing environmental policies.

The same commitment is expected from its suppliers, in order to create a production chain that is respectful of the environment along all its levels.

5.5 RELATIONS WITH THE COMMUNITY AND THE TERRITORY

MABO S.p.A., being aware of the influence of its activities on the conditions and general wellbeing of the communities and the territories in which it operates, has adopted a policy of monitoring and control over the application of the contents of the Ethics Code.

MABO S.p.A. will therefore monitor over all its employees and associates in the course of their work and in any case when any of their activities can be connected to MABO S.p.A, to ensure they adopt personal and organizational conducts that respect the indications contained in the Ethics Code, and such as not to produce damaging influences

on the communities or the territory.

5.6 RELATIONS WITH SUPPLIERS

MABO S.p.A., aware of its moral responsibility towards its customers and other stakeholders to ensure – within the limits of its possibilities – an ethical and sustainable production chain, works to promote awareness among its suppliers of the market requirements for ethics and sustainability, and monitors the realisation of its objectives of sustainability in the context of the daily work done for the Company.

The choice of supplier and the purchase of goods and services of any kind are always made in compliance to the principles of competition and on the basis of objective evaluations concerning competitiveness, quality, utility and price of the good supplied.

Relations with suppliers are governed by the rules contained in the Ethics Code. MABO S.p.A. has set up appropriate procedures to guarantee the utmost transparency in its processes for the selection of suppliers, and a constant control and monitoring of supplies.

MABO S.p.A. guarantees the traceability of the supply procedure through an accurate system of document production and filing.

Compliance of contracted services to the suppliers must be in line with the principles of equity, correctness, diligence, honesty and good faith, and it must observe the current legislation. A likewise rigorous attitude in respecting the terms of its contract agreement with MABO S.p.A. will be expected from suppliers.

5.7 TRASPARENCY

MABO S.p.A.'s administrators, managers, supervisors, employees and consultants are bound to provide stakeholders with transparent, complete, accurate, clear and pertinent information, particularly as regarding the social and environmental impact of the company's activities and, concerning its relationship with suppliers and customers, regarding the contract clauses that regulate their relationship with the company. Specifically:

- in drawing up its contracts, MABO S.p.A. takes care to specify to the contractor the behaviours to be held in all foreseen circumstances, it elaborates the clauses in a clear and understandable way and warrants the condition of equality with customers;
- concerning matters of environmental and social sustainability, MABO S.p.A. will periodically make publicly known all information about the disposal of dangerous

chemicals from its production and along its supply chain, as well as information about its further objectives in setting up a production chain that is completely free of dangerous chemical substances.

MABO S.p.A. recognises that in a few specific cases in which confidentiality agreements have been made with third parties, or in which there is a need to protect innovations by industrial secrecy, the diffusion of information may be limited. However, in no case can the principle of confidentiality be invoked to limit transparency concerning activities, materials or productive processes that represent a potential danger to the health of workers, customers or consumers.

5.8 PRIVACY

MABO S.p.A. guarantees that information and data acquired and managed by its personnel and consultants in the course of their work activities, and possibly added to a data base, are used within the limits set up by company procedures and in respect of national and European Union legislation on the protection of privacy.

MABO S.p.A. is also committed to protecting any information on its employees and associates, avoiding any improper use of such information.

5.9 CONFIDENTIALITY

Employees, associates and anyone entertaining a relationship with MABO S.p.A. must safeguard, according to the principle of confidentiality, the technical, financial, legal, administrative, personnel management and company's know-how; more generally, any information obtained concerning the tasks and assignments performed, which are to be considered as the property of MABO S.p.A.

5.10 RELATIONS WITH THE MEDIA

MABO S.p.A. manages its relations with the media through a designated structure which, in providing communication to the outside world, complies with the principles of truthfulness, transparency and clarity, guaranteeing that the information produced is coherent, accurate and always compliant to the company's policies and programmes.

Employees and associates must therefore abstain, except when expressly authorised, from releasing statements about MABO S.p.A.'s activities to press organs or other mass media.