

THE SAFILO WAY

WORLDWIDE BUSINESS CONDUCT MANUAL

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Why we need a Worldwide Business Conduct Manual?

In March 2014 Safilo introduced Purpose, Values, Principles & Competencies (PVPC) which are the cornerstone of Safilo's global governance architecture.

Our **purpose** is the very essence of who we are.

Our **values** are what we believe in as a company.

Our **principles** guide our behavior at all times and show us where not to compromise.

Our **competencies** define where each of us must excel to realize our purpose.

In order for PVPC to become the core of our business both locally and globally we need to have clear company standards on the various issues that affect business.

This unique body of standards which we have put together to translate PVPC into practice is the Worldwide Business Conduct Manual and defines the boundaries of our conduct and ensures correct and consistent application all over the world.

This manual establishes the worldwide reference standards that must be applied in each country.

Therefore, when standards in force in a given country are lower than those indicated in the manual, they must be adequately raised, if and when this is permitted by local legislation.

The Worldwide Business Conduct Manual aims to create transparent expectations for all employees, enabling them to understand whether their actions are consistent with PVPC and reminding them that Safilo is concerned not just about results but about how results are achieved.

This manual is a next step after PVPC and establishes, together with detailed corporate policies for each area, accountability and monitoring processes.

OUR PURPOSE

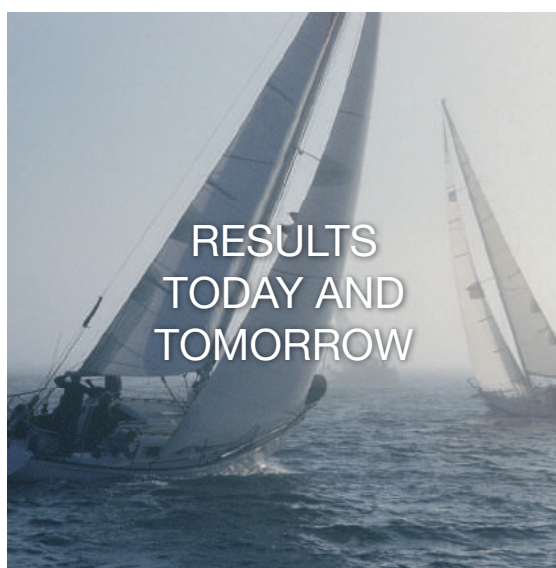
We are the globally leading Italian eyewear creator and trusted partner. Brand led, Design inspired.

We are passionate about creating unexpected, innovative eyewear brands firmly rooted in our unmatched savoir-faire of craftsmanship, selling them across the world reflecting each brand's unique identity and inspiring people the world over to desire and wear them with pride.

We cultivate long-term partnerships built on trust to create mutual value and consistently exceed expectations among ourselves as employees and with our customers and stakeholders, and ultimately deliver lasting superior shareholder value.



OUR VALUES



OUR PRINCIPLES

INTEGRITY

RESPECT

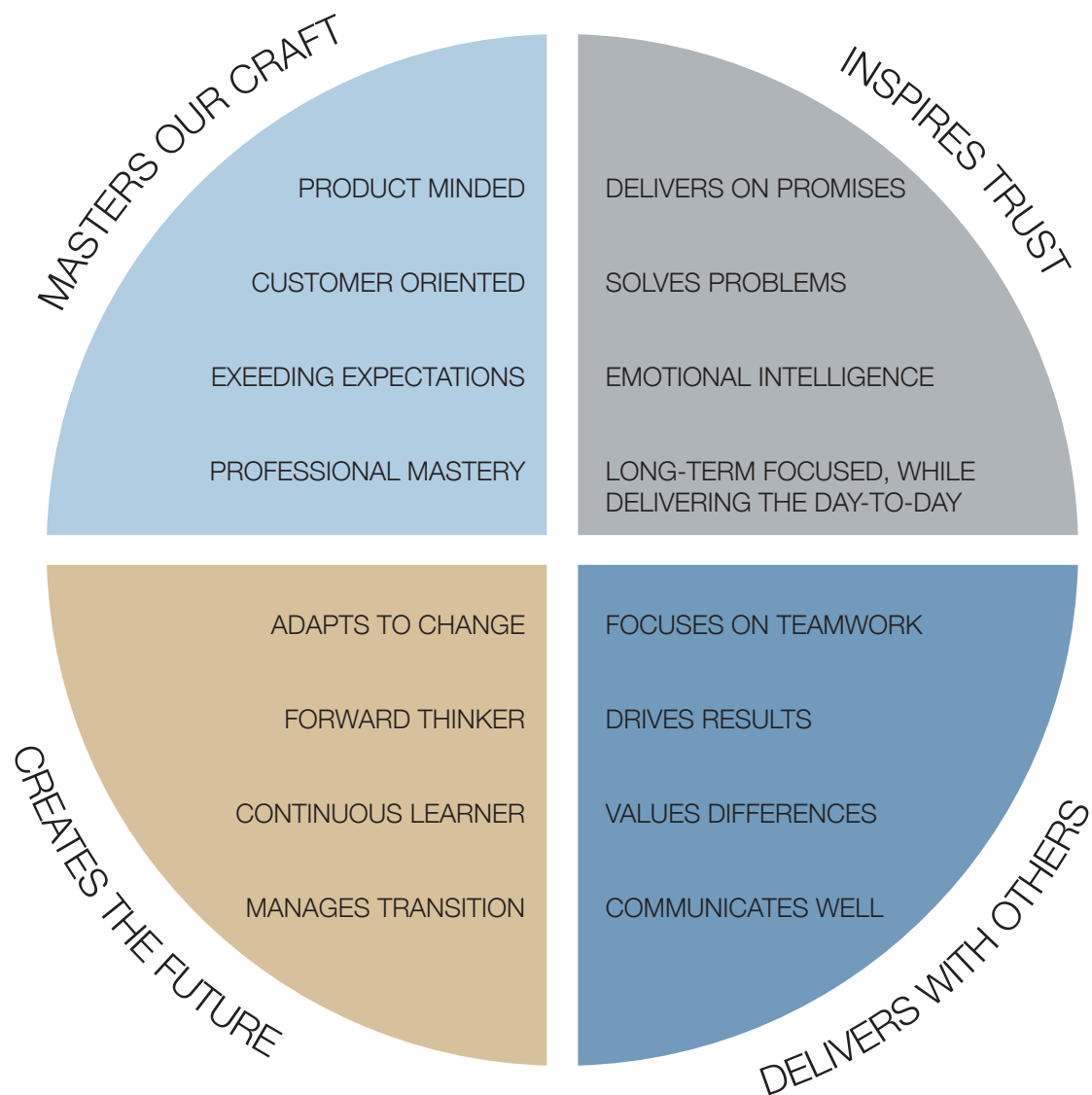
ACCOUNTABILITY

SIMPLICITY

INTERDEPENDENCE

SUSTAINABILITY

OUR COMPETENCIES





YOUR PERSONAL
RESPONSIBILITY

PERSONAL RESPONSIBILITIES

Upholding PVPC

PVPC is the foundation of who we are and how we do business and is the foundation for this manual.

Each employee is expected to behave in a way that is coherent with the essence of the Company's Purpose, Values, Principles and Competencies. The Manual is a tool to help us understand the global standards we must follow to ensure we uphold PVPC in our daily work.

What is expected of everyone?

Every aspect of your work must comply with the Worldwide Business Conduct Manual, Company policies, and the law.

Each one of us has a responsibility to act in a way that is consistent with our PVPC and Company policies when at work and in making business decisions. In addition, employees must uphold the specific laws and regulations of the countries in which they operate. The needs of the business may never be used to justify doing something that is against the law.

Without exception, this Worldwide Business Conduct Manual applies to all Company employees, including managers and members of the Global Leadership Team. No one at any level of our Company has the authority to require you to violate the Manual or any law or regulation. If anyone attempts to do so, you can follow the steps set out in "Raising concerns". It is also the responsibility of each employee to know and follow the principles of the Manual, as well as the specific policies and procedures that apply to your role.

You may and are strongly encouraged to report any situations that are within your responsibility and communicate to appropriate contacts any situations that cause concern. Failure to follow the law, the Manual or Company policy will subject you to discipline in line with local law, up to and including dismissal, and civil or criminal penalties may be imposed by a court or government agency.

Should exceptional circumstances warrant a waiver to the Company's standards, this waiver must be granted by prior written approval from the Chief Executive Officer or Board of Directors. Any such waiver must be legal.

What is expected of managers?

"If your actions inspire others to dream more, learn more, do more and become more, you are a leader." - John Quincy Adams

Leaders and managers must inspire trust and promote a culture of ethics.

Those who manage others have additional responsibility to lead by example and to be ambassadors of our values. Managers should always model appropriate conduct and must communicate to those who report to them the importance of ethics and compliance with the Worldwide Business Conduct Manual, applicable laws, and policies. Employees should never be encouraged to achieve business results at the expense of ethical conduct or compliance with the Manual or the law.

Managers must also strive to create a positive work environment in which employees feel comfortable asking questions about Company policies or the Manual, and can raise concerns about any situations that need to be addressed without fear of retaliation.



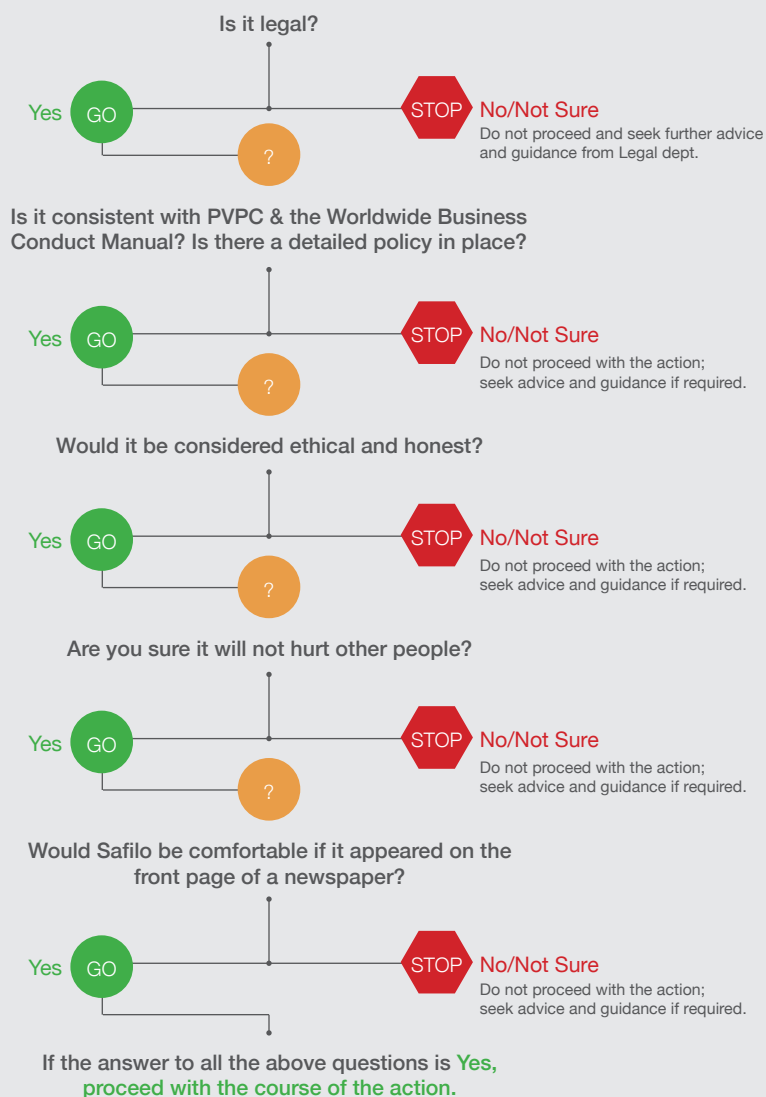
ADMINISTERING THE BUSINESS CONDUCT MANUAL

We all have a duty to uphold the ethical standards of the Worldwide Business Conduct Manual and use good judgment. This Manual cannot, however, describe every possible situation that may arise, but if in doubt about a course of business action or decision you should ask yourself the following questions:

- Is this course of action legal? Is it consistent with the Worldwide Business Conduct Manual and with PVPC?
- Could it be considered unethical or dishonest?
- Will it hurt other people (employees, investors, clients or consumers)?
- Could it harm Safilo's reputation or put the company at risk? How would it look on the front page of a newspaper?

If you are unsure about the answers to any of these questions, you should not proceed and should seek further guidance. The needs of the business may never be used to justify doing something that is against the law or inconsistent with the Manual and PVPC.

You can use the following decision tree to help you decide whether a course of action is correct when you cannot otherwise find the answer in the Worldwide Business Conduct Manual:



Raising Concerns

It is your responsibility to seek guidance and raise concerns when issues arise.

If you observe behavior by any Company employee, supplier or business partner that concerns you, or that may represent a violation of our Manual, you are strongly encouraged to raise the issue promptly to protect the reputation and integrity of the Company, brands and employees.

To seek guidance or report concerns you can contact any of the following:

- Your immediate manager or the next level manager – these are often the best people to approach first as they are aware of the particular situation of your business area.

If you do not feel comfortable approaching your line manager or the response you receive is not satisfactory you can contact:

- Ethicspoint hotline and website – www.safilogroup.ethicspoint.com;
- The Head of Global Internal Audit – ethicsandcompliance@safilo.com;

Reporting through the Ethicspoint hotline and website is allowed in some countries, and with regard to some or all of the issues covered by this Manual, according to the specific country. See the relevant country page of the website for the list of reportable issues. Ethicspoint gives you the opportunity to voice your concerns with an independent Safilo representative that you do not know.

Possible breaches of the Organizational Management and Control Model pursuant to Italian Legislative Decree 231/01 should be sent to the Supervisory Committee at the email address ODV@safilo.com (cannot be used for anonymous reporting).

If you have any questions or doubts about interpreting the Worldwide Business Conduct Manual, you can seek advice from any of the resources mentioned above.

Q. WHAT SHOULD I DO IF MY MANAGER ASKS ME TO PERFORM A TASK THAT I BELIEVE MAY VIOLATE THE MANUAL, OR THE LAW?

A. Raise your concerns openly with your manager. If you do not feel able to do this or the response does not satisfy you then seek another resource listed under “Raising concerns” You should never knowingly violate the Manual or the law at the request of your manager or because you did not seek guidance.

GUIDELINES FOR RAISING CONCERNS

It is never easy to raise concerns about possible misconduct. It requires significant courage and integrity. Listed below are some ideas on how to discuss your concern with your manager:

1. Schedule a specific time with your manager or one of the other appropriate channels indicated above under ‘Raising Concerns’ to discuss your issue.
2. Discuss your issue calmly and professionally.
3. Highlight the risks to the Company and the potential impact of the particular misconduct.
4. Acknowledge (when appropriate) that you may not have all of the information or facts relevant to the issue.
5. State any concerns that you may have about the confidentiality of your report. If you are concerned about confidentiality, be careful when sharing information with other colleagues who might inadvertently disclose information.
6. In certain countries you may choose to make a report anonymously, however you are encouraged to identify yourself as it may be difficult or impossible to investigate thoroughly reports that are made anonymously. Every reasonable precaution will be taken to ensure your identity is kept confidential, in compliance with the boundaries of law.

GUIDELINES FOR RECEIVING CONCERNS

Your reaction when an employee brings forward a concern is extremely important. Below are some ideas on how to respond to an employee raising a concern:

1. Ensure you have enough time to adequately discuss their concern, or schedule an alternative time to ensure the employee has your full attention. Choose a location that allows for a private conversation, such as your office or a meeting room.
2. Listen as much as possible. Try to avoid becoming defensive or attempting to cut off the discussion or defending the Company or individual before having heard all of the facts.
3. Remain calm and professional.
4. Ask for clarification and additional information, but do so in a way that does not make the employee feel intimidated or defensive. Useful additional information includes identification of individuals who share the concern or who may be aware of the situation, the number of instances the employee has observed the behaviour, documents available to support the concern.
5. Tell the employee that the Company takes reports of misconduct very seriously and that they will be contacted again about the issue.

Investigation of misconduct reports

The Company takes all reports of misconduct seriously and matters will be investigated promptly and thoroughly to determine if any law, regulation, policy or procedure may have been violated and to define any suitable corrective actions. In particular, those involved in investigating issues will:

- Act objectively in determining facts through interviews or documental review;
- Contact employees who may have witnessed or have knowledge about alleged incidents;
- Recommend remedial action or disciplinary measures as appropriate.

Employees who are being investigated for a potential violation of the Manual will have an opportunity to be heard prior to any final decision.

If you are involved in any internal or external investigations into allegations of misconduct, cooperate fully and provide honest, accurate and complete answers. Never alter or destroy documents or evidence in order to hinder or prevent investigations. The Company will protect any employee that raises a concern honestly and will avoid disclosing his/her identity if he/she does not agree, as long as such disclosure is not imposed under applicable laws, but it is a violation of the Manual to make an accusation in bad faith, to provide false information or to refuse to cooperate with those investigating concerns. Reporting a concern does not mean that you have to be right, but you have to believe that the information you are providing is accurate.

Consequences of violations

Individuals that fail to comply with the Manual, our policies or the law may result in disciplinary action, up to and including dismissal, depending on the nature and severity of the violation. All disciplinary actions will be applied in a manner consistent with local law.

Non-retaliation

No retaliation will be tolerated for anyone who reports a violation in good faith or cooperates with an investigation.

The Company values the help of employees who identify potential problems that the Company needs to address. The Company will not retaliate or permit retaliation against an employee who in good faith:

- Reports what he or she believes is a violation of our Values, our Conduct Manual, our policies, or the law;
- Raises a compliance question or seeks advice about a particular business practice, decision or action;
- Cooperates in an investigation of a potential violation.

Raising a concern honestly, or participating in an investigation, cannot be the basis for any adverse employment action, including separation, demotion, suspension, loss of benefits, threats, harassment or discrimination and the Company expressly commits to intervene and take disciplinary action in the event of any attempted retaliation. If you work with someone who has raised a concern or provided information in an investigation, you should continue to treat the person with courtesy and respect. If you believe someone has retaliated against you, report the matter immediately.

However, dishonest, bad faith, or otherwise abusive reports (such as false personal attacks aimed at specific individuals) are deemed violations of the Conduct Manual and may result in consequences.





INTEGRITY IN THE
WORKPLACE

CULTIVATING RESPECT IN OUR WORKPLACE

Respect is one of the Principles of Safilo and must be cultivated first and foremost in the workplace.

"Respect is a two-way street, if you want to get it, you've got to give it." - Richard Risch

Diversity

Each of us must respect the diversity, talents and abilities of others, valuing the input of each individual.

As a Company we value differences and we strive to attract, hire and retain a workforce that reflects, represents and is able to connect with the globally diverse market and consumers we serve. We believe that a diverse workforce can give us a long-term competitive edge.

We foster an inclusive working environment in which the unique strengths of each individual are leveraged for the benefit of the Company.

Employees can foster diversity & inclusion by:

- Role modelling an atmosphere of mutual trust and respect;
- Confronting prejudice and intolerance firmly;
- Valuing the input of others, listening and inquiring;
- Respecting the diversity of unique talents and experiences.

WHAT IS DIVERSITY?

Diversity can be defined as the set of unique characteristics that make up each one of us: personality, education, work experience, ethnic group, race, political views, sexual orientation, religion, gender, style, thought, approach, disability or other differences.

"To be one, to be united is a great thing. But to respect the right to be different is maybe even greater." – Bono

Non-discrimination

Employees must never discriminate or engage in any form of unlawful discrimination.

The Company is committed to providing equal opportunities in employment and to giving qualified individuals the opportunity to reach their full potential and contribute to the Company's success. This means that employment decisions (hiring, remuneration, access to training, promotion) must be based on merit, qualifications and performance with no consideration of non job-related characteristics such as race, gender, age, national origin, religion, marital status, citizenship, disability, political views, sexual orientation or any other legally protected factor.



Harassment-free environment

We do not tolerate harassment in the workplace.

Workplace harassment is behavior that creates an offensive, intimidating, humiliating or hostile work environment that unreasonably interferes with another person's work performance. Harassment may be physical or verbal, and may be done in person or by other means (such as harassing notes or emails).

Safilo is committed to providing a work environment that is free from physical, verbal and sexual harassment where all employees are respected and have an opportunity to reach their potential, and contribute to the success of the Company.

Employees should never act in a harassing manner or otherwise cause colleagues to feel uncomfortable in their work environment.

WHAT IS HARASSMENT?

Examples of harassing include intimidating behavior, physical or psychological violence, unwelcome verbal, visual, physical or other conduct such as sexual advances, offensive language and jokes, innuendos and disparaging comments.

If you feel that you or someone else has experienced harassment or discrimination, you should report the situation immediately following the indications given in the section "**Raising Concerns**".



ENGAGING IN FAIR EMPLOYMENT PRACTICES

Safilo is committed to creating excellence in people management. This includes protecting and promoting fundamental human rights, respecting international human right norms and national labour laws.

We also expect our suppliers and business partners to uphold these principles. Anyone who suspects a human rights violation within our operations or supply chain has a responsibility to speak up and report it.

Fair remuneration

Our global remuneration policy is designed to attract, develop, reward and retain highly competent talents.

Our job rates are set competitively compared to local market rates for comparable job content, and in accordance with all applicable laws, including minimum wage, overtime and maximum hour rules.

We pay individuals based on their performance, steered by a rigorous and transparent performance assessment process with an annual appraisal including multiple stakeholder feedbacks carried out and documented with every employee.

We are committed to talent development and progression from within, offering to our employees the opportunity to develop to their full potential by enhancing their skills and capabilities, rotating on the job across different roles, and advancing within the Company, consistent with the needs of the business. When we do not have suitable internal candidates for vacant roles, we seek talent externally according to our recruitment policy.

Prohibition of child or forced labour

We prohibit the use of child labour or any form of forced or compulsory labour. Unacceptable treatment of workers is not tolerated in any of our global operations or facilities. We respect all applicable laws relating to minimum age for employment.

Right to freedom of association

We respect the right of employees to choose to join or not to join a trade union, or to have recognized employee representation in accordance with local law.



ENSURING WORKPLACE HEALTH & SAFETY

“It is health that is real wealth and not pieces of gold and silver.” – Mahatma Gandhi

People are our most precious asset and we are committed to safeguarding the health and safety of our employees, visitors, clients and communities. Our health and safety policies and procedures are designed to enable all employees to work safely wherever they are, whether in the office, plant, warehouse or even while driving for work purposes.

Safe working conditions

We all have an individual responsibility to put safety first.

Our Company is committed to providing a healthy and safe working environment and we follow all applicable health and safety laws and regulations. Each employee has an individual responsibility to contribute to creating and maintaining a healthy and safe working environment and must follow all safety and security procedures and take all necessary precautions to protect themselves, colleagues, visitors, clients and people working on Group premises. In addition, while performing any driving as part of work, seat belts should be fastened and use of devices such as mobile phones should be avoided.

However important business is, there can be no justification for disregarding safety regulations.

Any accidents and unsafe working practices or conditions must be reported immediately, with the goal of continuously improving our performance in this area.

Safilo has several accreditations that testify to its commitment to promote a safe and healthy working environment, including the SA 8000 international standard for Social Accountability and the OHSAS 18001 Occupational Health & Safety Management System.

Alcohol & drug abuse

You must not work under the influence of alcohol or drugs.

Working under the influence of alcohol, illegal drugs or any substance may prevent you from performing your job safely and effectively, and you may pose an unacceptable safety risk to yourself and others. It is therefore prohibited to:

- Work under the influence of alcohol, illegal drugs or controlled substances. If employees are evidently under the influence of such substances while at work, the incident will be dealt with in accordance with local labour legislation and laws.
- Perform any driving done as part of work under the influence of alcohol, illegal drugs or controlled substances.
- Work while under the influence of a lawful prescription medication or over-the-counter drug that adversely affects your ability to perform our job. Should an employee be concerned about the effect that a medication may have on his ability to perform his job, he may make voluntary disclosure of the situation to the Company Doctor or the Health & Safety Officer.
- Possess illegal drugs or controlled substances you do not have a legal right to possess while on Company property or working.
- Engage in the sale and distribution of illegal drugs or controlled substances while on Company property or working.

Anyone who acts in violation of the above requirements may be subject to disciplinary action.

Zero tolerance of violence

We never engage in or tolerate any form of violence.

Safilo strives to maintain a work environment that respects the dignity, safety and security of all employees, is conducive to good job performance and is free from all types of workplace violence. The Company does not tolerate displays of violent behaviour in the workplace, or any behaviour that makes an employee feel threatened or unsafe, including verbal assault. Our Company also prohibits the possession of weapons in the workplace. Our zero-tolerance policy for workplace violence applies to behavior on Company premises, as well as to the behavior of our employees engaged in Company business anywhere in the world outside of our premises.

If you know or suspect any incidents or threats of workplace violence, keep in mind the guidelines given under **‘Raising concerns’**. If you believe someone is in immediate danger, contact security or local authorities.

SAFEGUARDING EMPLOYEES' PRIVACY

Safilo strives to foster a climate of mutual trust and respect, and as part of this we must correctly manage and use personal information entrusted to us by our employees, as well as that of potential and former employees.

If you believe that any employee personal information has been disclosed or used inappropriately, you are invited to contact the Legal department

Q: WHAT EMPLOYEE PERSONAL INFORMATION DOES SAFILO PROTECT?

A: Examples of personal information that are protected include residential addresses and non-business related phone numbers, government-assigned identification numbers, salary and other compensation information, performance records and information relating to banking, benefits, leaves of absence and medical history

Keeping employees' personal information private & protected

If you have access to personal information, keep it private and protected.

Anyone with access to personally identifiable data regarding our employees must handle such data responsibly and comply with all applicable policies and laws related to collection, use and disclosure of personal data.

It is your duty to:

- Collect and access personal information only for legitimate Safilo business need-to-know purposes
- Follow corporate rules and regulations when managing personal information
- Transmit personal information only to authorized parties who are obligated to protect its confidentiality
- Abide by the corporate Clean Desk policy – documents containing employee personal data should be kept in appropriate places and must not be left unattended on desks.

Legal requirements regulating the use of certain personal information of our employees across country borders vary and we must abide by all local privacy laws that are in effect in the countries in which we conduct business and operate local facilities.

For further information please also refer to [i\] Z~ε\[dg Vi ðc`HZXj gñ`E daXn#](#)





BEING A TRUSTED
BUSINESS PARTNER

WE ENSURE PRODUCT QUALITY

“Excellence and quality” is one of Safilo’s values, applying to every aspect of business, and is an essential element of our products.

“Quality means doing it right when no one is looking.” - Henry Ford

Product centred

“We are passionate about creating unexpected innovative eyewear brands using our unmatched savoir-faire of craftsmanship, selling them across the world reflecting each brand’s unique identity and inspiring people the world over to desire and wear them with pride...” - PVPC

We are brand driven & design inspired.

In Safilo our products are at the very heart of who we are. We develop superior products and constantly seek out new technologies and leading edge innovations that will improve the end user consumer experience. For this reason the Company pursues a product-centred process, from Briefing to Point of Sales to the consumer’s hand.

We recognize that each brand has a unique DNA, and we invest in training our product experts so they are fully aware of this and become real brand ambassadors that reflect the brand distinctiveness in the products we create. It is the brand DNA that is the driving force in the brand building approach and that inspires design and the resulting product strategy. Employees involved at any level of developing products and promoting brands shall respect the specific brand DNA.

For further detail on the product minded process see the ‘Safilo Eyewear Manual.’

Product safety & quality

“No one knows the cost of a defective product - don’t tell me you do. You know the cost of replacing it, but not the cost of a dissatisfied customer.” - W. Edwards Deming

We do not compromise on product quality.

Safilo is committed to producing high quality products across all brands. Ensuring our products are of superior quality and applying rigorous safety standards are key to our continued success as it allows us to gain and maintain consumer trust.

We meet or exceed all applicable legislative and regulatory requirements for product safety and quality. All employees involved at any level of developing, handling, packing or storing products are expected to know applicable product safety and quality standards, policies and procedures and follow our defined standards of manufacturing practices and testing protocols, to ensure our products are safe for consumers and the environment when used as intended.

The Company applies zero tolerance towards any lack of compliance and especially regarding product safety and quality. For this reason any concerns, feedback or requests for guidance related to these areas should be raised promptly with Global Quality Assurance dept.



Product labelling

Products will be properly labelled.

Safilo meets or exceeds all applicable legal requirements related to labelling. All employees involved in the labelling production process must ensure labelling does not ever:

- Overstate or misrepresent the qualities of our products or packaging;
- Use misleading or untruthful statements;
- Make claims about our products, product ingredients, or health effects without adequate substantiation and proper legal clearance.

Made In & Product Traceability

We are committed to knowing and providing accurate information about the origin of our products and to complying with related applicable laws. Specifically, all our customs documents, invoices and labels indicate accurate information about the origins of our products and their composition as applicable.

In this context, the “Made In Italy” label is core to our product centric business strategy. It confirms the authenticity of our products, and reflects our genuine craftsmanship and superior product savoir-faire of our Italian origin of manufacturing. It gives us a global competitive edge.

We take the view that “Made in Italy” needs to be reflective of a substantial Italian craftsmanship. We have clear and sustainable rules spelling out our interpretation of the rules, the specific flows we allow and do not allow, and the governance process including decision making authority and monitoring.

WE ARE COMMITTED TO FAIR DEALING AND FAIR COMPETITION

*“Competition is not only the basis of protection to the consumer,
but is the incentive to progress.” - Herbert Hoover*

The Company strives to establish mutually-beneficial relations with our customers and suppliers. Relations with these business partners are characterized by transparency and integrity, treating them in the same way we expect to be treated by them.

Fair treatment of customers

We treat our customers transparently.

Safilo treats customers with respect and transparency and we do not engage in unfair, deceptive or misleading practices. We seek to treat customers in an equitable manner, not giving unfair advantage to one customer over another competing customer and allowing all competing customers within a given market equal opportunity to qualify for the same prices, terms of sale and trade promotions.

In detail:

- Company products are presented to customers in a transparent and clear way.
- All customers are eligible to purchase our products, unless selective distribution criteria or similar are in place.
- All customers can qualify for our trade investments in return for specific performance.
- Our trade policies are fair and transparent. The customer easily understands what he needs to deliver.

Equal opportunities for suppliers to compete for our business

We allow suppliers to compete equally for our business.

Safilo views its suppliers as true business partners and desires to create win-win relations for results today and tomorrow. We are committed to enabling suppliers to compete equitably for our business based on the merits and total value offered by that supplier. Standard purchasing procedures must be followed at all times. Specifically, it is forbidden to:

- Share confidential information with other suppliers about arrangements with current suppliers.
- Base purchasing decisions on the receipt or promise of reciprocal benefits or gifts.
- For anyone making purchasing decisions to solicit charitable contributions or donations from a supplier.

Responsible marketing practices

Marketing and promotion of our Company and products must be appropriate and responsible.

Our marketing practices reflect the Company's standard of integrity and comply with all relevant laws and regulations. No false, misleading or overstated claims about the Company or our products must be made.

Employees responsible for advertising or promotions must ensure there is legal concurrence that all marketing claims are substantiated and live up to their promises.



Compliance with competition law

Safilo believes in vigorous and fair competition.

Our success is based on our superior products and people performance and not on unfair business practices. We comply with all competition laws (also referred to as antitrust laws) that regulate free competition for the protection of consumers' rights and interests.

Legal requirements can vary significantly based on local laws. Standard anticompetitive practices considered illegal in most countries include: cartels with competitors, agreements with customers or suppliers for fixing, directly or indirectly, consumer pricing, and/or sharing the markets. Ascertained violations of these laws can have severe and far-reaching consequences against company affiliates, the Group and managers personally. In addition, ascertained violations of the antitrust policy are subject to disciplinary proceedings.

Safilo expects its employees to comply rigorously with antitrust legislation, and specifically to follow the Safilo Group Antitrust Policy. The responsibility to follow antitrust legislation in all situations lies with the relevant manager. When doubts arise, consult your manager, your unit's antitrust supervisor or Safilo's Legal department. In particular, to abide by these laws it is important to exercise caution when interacting with customers, competitors and suppliers:

Interactions with customers

Practices which aim to eliminate or restrict competition must be avoided, including:

- Differentiating among customers on pricing, promotional discounts or availability of products outside of Safilo Group's recorded trade terms and universally applied 'Pay for Performance' principles;
- Conditioning the supply of one Safilo brand upon a customer also purchasing another brand;
- Pressuring or agreeing with a customer about retail prices to end consumers of Safilo products
- Sharing customers' confidential information with any third party, including other customers;
- Recommending against carrying or selling a competitive product for any reason.

Interactions with competitors

No agreements or understandings must be made with competitors on pricing, conditions of sale, volume of production, or market sharing. It is important to avoid co-operating or even appearing to co-operate with competitors. Never discuss any of the following topics with competitors:

- Pricing or pricing policy, costs, marketing, promotions or strategic plans;
- Confidential information, innovations;
- Division of customers, markets, territories or countries;
- Boycotts or mutual behavior toward certain customers, suppliers or competitors.

Membership of trade associations must be specifically approved in writing, and contact with employees of competitors should be avoided other than in limited social contacts at industry events. If a competitor attempts to discuss such topics with you, you should clearly object and stop the conversation immediately.

Interactions with suppliers

Contact with suppliers who are also competitors is allowable, provided discussions and interactions are strictly limited to the purchase of the material, equipment, goods or services being purchased.

For further details, see **Safilo's Group Antitrust Policy**.

Competitive Intelligence Gathering

Competitive intelligence is gathered fairly and ethically from publically available sources.

We respect the confidential information and intellectual property rights of our competitors. Competitive intelligence is gathered ethically from sources such as media reports, trade journals and annual reports. Safilo employees may not gather information from competitors using deception, theft or other unethical means.

We do not accept competitively sensitive information offered by third parties where there is reason to believe that such information should not be revealed due to a legal or contractual obligation. In addition we do not request competitively sensitive information from family or friends about their employers, or from colleagues about their former employers.

In addition, we must not ask for information directly from our competitors without receiving advance approval from the Legal department.

WE DELIVER ON PROMISES TO BUSINESS PARTNERS

“We cultivate long-term partnerships built on trust to create mutual value and consistently exceed expectations among ourselves as employees and with our customers and stakeholders.” - PVPC

Saying what we do and doing what we say

Safilo sets itself apart as a Company by its commitment to being a trusted business partner. We earn the trust of our suppliers, marketing agencies, distributors, licensors and customers because we say what we do and we do what we say. This translates, in practice, into acting transparently, delivering on promises and providing reliable information about our activities. Stewardship of this invaluable trust is requested of all employees, who are expected to act openly and responsibly in order to create and maintain win-win relationships.

Obligations towards Licensors

Our Licensors are integral to our success. We strive to develop long-term partnerships built on mutual trust to create mutual value, into which we invest our unmatched savoir-faire of craftsmanship, our brand stewardship, and our dedication to achieving lasting results. We are committed to upholding all aspects of our license agreement terms.

Commitments to Manufacturing Partners

Safilo is committed to cultivating long-term partnerships with manufacturers and suppliers, offering them the opportunity to support us in achieving our long-term growth ambitions.

Our manufacturing partners and suppliers are carefully selected based on rigorous criteria to ensure we are reliably and sustainably accompanied in the production process. We respect the terms and conditions of agreements with suppliers and we honour our commitments. We strive to pay on time and are careful to protect the confidential and proprietary information of our suppliers.

Responsibilities towards Distributors

Our customers and distributors are key players for the achievement of our strategic business plans. We are committed to supporting our customers' business model with long-term partnerships based on trust and mutual advantage.

Relations with our customers and distributors are characterized by transparent and fair commercial dealings and we strive to deliver on our promises and reliably fulfill contractual terms.



WE SAFEGUARD OUR BUSINESS PARTNERS' INFORMATION

Handling & Protecting Confidential Information of Business Partners

We safeguard the confidential information of business partners.

The Company respects the privacy of our business partners and we handle confidential data responsibly and in compliance with all applicable privacy laws. Employees who handle such information must:

- Act in accordance with all applicable laws and policies;
- Apply the corporate classification to each document that is created;
- Respect any confidential agreements or relevant contractual obligations;
- Respect all third-party intellectual property (IP) rights and other intangible commercial rights belonging to others. We should never knowingly infringe upon these rights;
- Never share non-public information of business partners with other business partners or parties;
- Never share our business partners' proprietary research or information with anyone unauthorized to have access to such information;
- Never share any information on breakthrough concepts developed with customers until execution is clearly in the public domain;
- Abide by Safilo's clean desk policy. Documents containing business partner confidential information should be kept in appropriate places and must not be left unattended on desks.

In addition, the Company is committed to improving cybersecurity and to enhancing its overall IT infrastructure in order to safeguard against cyberattacks and other emerging risks.

For further information please also refer to the corporate [Privacy Policy](#) and the [Data Protection Policy](#).



A close-up photograph of a person's hands holding a digital depth gauge. The person is wearing white-rimmed sunglasses and a white long-sleeved shirt. The depth gauge has a black body with a digital display showing '0.00'. The gauge is positioned over a technical drawing, which includes various lines, dimensions, and symbols. The background is blurred, showing more of the person's shirt and the drawing.

ACTING RESPONSIBLY TOWARDS
COMPANY & SHAREHOLDERS

ACTING RESPONSIBLY BY PUTTING THE COMPANY'S INTERESTS FIRST

All employees are expected to act in the best interests of the Company at all times and avoid situations in which personal or financial interests could conflict with their responsibilities to the Company.

Handling Potential Conflicts of Interest - Disclosure of Conflicts of Interest

You must disclose potential conflicts of interest to our Company.

A conflict of interest occurs when an individual's private interest interferes in any way – or even appears to interfere – with his/her ability to make decisions in the best interests of the Company, or when an employee uses their position with Safilo for personal gain. Apparent or perceived conflicts of interest can be as damaging as actual conflicts of interest.

To determine if you have a conflict of interest that should be disclosed, ask yourself:

- Could my personal interests influence my ability to make sound business decisions for the Company?
- Might it appear that way to others, either inside or outside of the Company?
- Do I stand to benefit from my involvement in this situation? Does a friend or relative of mine stand to benefit?
- Could my participation in this activity interfere with my ability to do my job?
- Is this situation causing me to put my own interests ahead of those of Safilo?
- If this situation became public knowledge, would I be embarrassed or would it embarrass the Company?

If at any time in your employment a potential conflict of interest situation arises you must immediately disclose it, according to the procedure provided in Safilo's 'Global Conflicts of Interests Policy'. This allows the situation to be assessed through the Company's Conflict of Interest process, and the Company will work with you to find an appropriate solution through re-assignment, organizational re-design or similar. The employee must cooperate with the Company and promptly follow any remedial action it requests to eliminate the conflict.

Members of the Board of Directors and GLT are required to provide annual disclosure of conflicts of interest.

The existence of a conflict of interest is not a violation of this Conduct Manual but failure to disclose it is.

If you become aware of any other potential conflict of interest at Safilo that does not involve you personally, you should keep in mind the guidelines given under 'Raising concerns'.

Handling Potential Conflicts of Interest - Interests In other Companies, Relatives & Friends

Employees' business or financial dealings and personal relationships must not influence or appear to influence their ability to make decisions in the best interests of the Company.

Conflicts of interest may arise for a Safilo employee when he/she:

- Has a Close Personal Relationship with someone that is a supplier, customer or competitor of Safilo, or an employee of such a company;
- Has a Close Personal Relationship with someone that i) receives any personal or financial benefit from, ii) has a financial interest in, or iii) provides services to, a supplier, customer or competitor or a company that seeks to do business with Safilo;
- Has a Close Personal Relationship with someone in Safilo with whom he/she has a hierarchical or functional reporting relationship (or has the ability to influence employment decisions for);
- Gives or accepts gifts or hospitality of significant value to/from anyone who does or seeks to do business with the Company, or takes personal advantage of any business or investment opportunity presented to Safilo;
- Has outside employment with or performs services for a company or individual that competes with Safilo or does business with Safilo, or that affects his/her ability to perform his/her work for the Group;
- Has a financial interest in, or has a Close Personal Relationship with someone who has a financial interest in a supplier, customer, competitor or a company that seeks to do business with Safilo.

A 'Close Personal Relationship' is considered to be a spouse, a spouse's family member, a relative, a partner or a partner's family member, a close friend or anyone you treat like a family member.

If any of the abovementioned situations arise, the conflict of interest must be disclosed and will be registered and monitored regularly.

We must not solicit, accept or give gifts that may influence business decisions.

We must exercise caution when giving or accepting gifts or entertainment from anyone that does or seeks to do business with the Company, as such gifts may appear to inappropriately influence business decisions or gain an unfair advantage.

As a general rule the Company does not give gifts and any exceptions must be in line with the Company business and approved by the relevant GLT member.

Employees must not solicit or accept gifts that will undermine the integrity of our business relationships. However, provided that an employee uses good judgment and moderation and that the employees' objectivity is not influenced, gifts of a nominal or modest value and reasonable hospitality to further a business relationship may be accepted.

You should always consider the following questions in relation to gifts or hospitality:

- Would the gift or hospitality be likely to, or appear to, influence my objectivity or the objectivity of the person to whom I am giving the gift or providing the hospitality?
- Would you be embarrassed if you were to disclose the gift or hospitality to other employees or third parties?
- Is the hospitality for a private purpose as opposed to being for a business purpose?
- Would the gift or hospitality be considered unique or extraordinary?

If the answer to any of the above questions is "yes" or "perhaps" or could be perceived by third parties to be "yes" or "perhaps", by accepting or offering such gifts or hospitality you are likely to violate this Business Conduct Manual and you should seek guidance from your line manager, from the Legal dept or from Internal Audit before proceeding.

GIFTS

In some circumstances it may be permissible to exchange appropriate and authorized business gifts that contribute to building or maintaining good business relationships, provided the gifts:

- Are not lavish or extravagant;
- Have a legitimate business purpose;
- Are infrequent;
- Do not include cash, or a cash equivalents (vouchers, gift cards, loans etc);
- Comply with anti-bribery and other local laws;
- Are not related to personal services;
- Are not accepted in return for doing, or promising to do anything for a customer or supplier;
- Do not give rise to any conflict of interest;
- Where required, are fully and accurately documented in the gift register.

Approval of the relevant GLT member is required for all gifts.

HOSPITALITY

Business meals may be offered to and accepted from customers, suppliers or other external parties if they are an integral part of the work agenda and are not offered in exchange for doing or promising to do anything.

Entertainment tickets may be accepted where the giver will be attending with you and is available to discuss business, provided that the tickets given are generally available to the public, occasional, unsolicited and taking place at a business appropriate venue.

Elite event tickets (eg. World Cup, Olympics etc) are generally considered excessive and should not be accepted.

The company does not give or offer gifts or meals to government officials as this can be illegal. You should consult with the Legal Department if you require further guidance.

ACTING RESPONSIBLY BY USING COMPANY RESOURCES PROPERLY

Safilo trusts employees to use Company assets honestly and efficiently at all times. These resources are not only limited to physical property but also include Company funds, intellectual property, confidential information, Company time and Company technology. Circumstances may allow additional personal use of certain Safilo assets. Employees should always check relevant rules and standards to ensure assets are being used in the manner intended.

Use of Company Assets

Protect Company assets and use them in the manner intended.

PHYSICAL PROPERTY

Company physical property must be treated with utmost respect, protected from theft, loss, damage and misuse and used for legitimate business purposes. Company physical property includes funds, facilities, equipment, tools and communications systems.

Theft of Company assets – whether physical theft such as unauthorized removal of Company products or equipment, or theft through fraud, embezzlement or intentional misreporting of time or expenses - may result in termination or criminal prosecution. Inappropriate use of Company assets also occurs when assets are used in violation of Company policies. The Company treats workplace theft of assets belonging to other employee the same way it treats theft of Company assets.

Disposal of outdated or obsolete Company equipment must follow the Company approved disposal procedures.

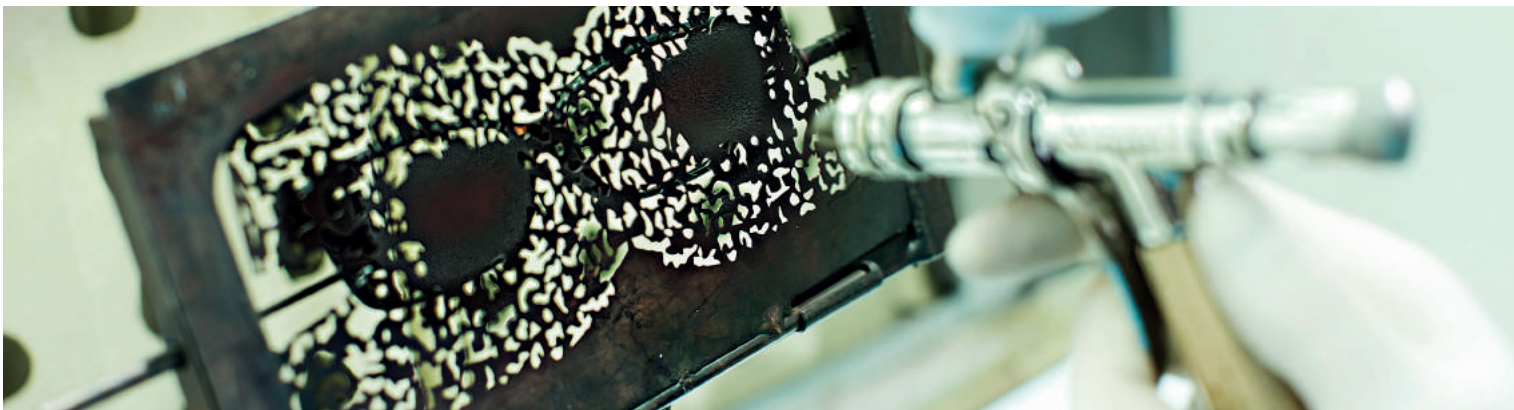
INTELLECTUAL PROPERTY

The Company's intellectual property is one of its most valuable assets. This includes trademarks, logos, designs, know how, inventions, patents and trade secrets. These intangible assets give Safilo a competitive edge. Therefore the confidentiality, integrity and availability of the intellectual property must be protected at all times.

Never allow our trademarks or other intellectual property to be used by a third party without proper authorization from the Legal department. In addition, our trademarks should never be used in a degrading, defamatory or otherwise offensive manner.

To the extent permitted by law, Safilo's intellectual property also includes any work created by employees in connection with their responsibilities and/or using Company time, resources or information. For example, inventions, ideas, discoveries, improvements, artwork, processes, designs, software or any other materials created or authored by employees in connection with their work for the Company, belongs to Safilo. You should promptly disclose any invention related to our business, so that it may receive the same protection as other intellectual property of our Company.

Employees have duty to comply with the Company clean desk policy and clear screen policy to ensure Safilo intellectual property is safeguarded at all times.



COMPANY TECHNOLOGY

Company technology, computer systems and applications, as well as data stored on them, are a key component of our business operation and are provided for authorized business purposes. Company technology must be safeguarded from damage, theft, fraud and unauthorized access and must be used in a safe, ethical, lawful and efficient manner and the specific security measures and internal controls in place for computer systems must be observed. In particular:

- Never share your computer password with anyone;
- Never leave laptops or mobile devices unattended while travelling or in an exposed location where they can be stolen;
- Never download unauthorized or unlicensed software on Company computers.

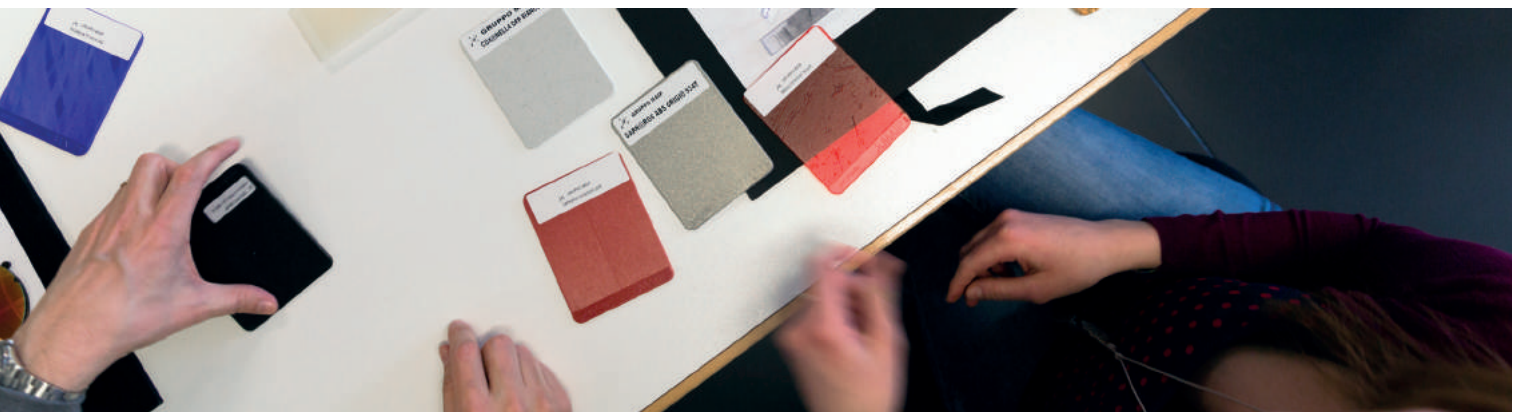
Company computers and technology must never be used for illegal or unethical activities such as gambling, pornography or other offensive or inappropriate subject matter. In addition do not use Company technology and communication systems such as telephones, computers, copiers for non-business purposes, except for limited and incidental personal use.

Company guidelines on the appropriate use of Social media establish a minimum standard for an acceptable and appropriate use of social networks and blogs or microblogs, and must be observed by all employees. In particular:

- the Safilo logo, or the logo of any brand, cannot be published on a site without previous authorisation from the Worldwide PR and Communication Office;
- Safilo employees who use social networks for recruiting, marketing or similar activities must refer to the global and local policies and procedures established by the HR function.
- when subscribing to or publishing information on a social network, blog or microblog, employees must not use their Safilo e-mail unless necessary for business or professional purposes;
- in no case can information be discussed externally which could damage Safilo's reputation or which could be considered as confidential or sensitive;
- any internet publication or personal communication cannot, in any way, be assigned to Safilo or be written in a way that could be interpreted as a communication from Safilo, unless explicitly authorised by the Functional Manager and the Worldwide PR and Communication Office;

For further information and guidelines see Safilo's [Safilo's Code of Ethics](#)

If you believe that Safilo technology is being used inappropriately, notify your line manager, or Global Internal Audit or, as the case may be according to the relevant country, the Ethicspoint hotline or website.



ACTING RESPONSIBLY BY USING COMPANY INFORMATION PROPERLY

Protecting confidential Company information

Company confidential information should be protected and shared on a need-to-know basis.

Employees, during their work may learn confidential information about the Company, and must take all reasonable and necessary precautions to protect all such confidential information.

Confidential information includes non public information that we know as a result of our position in the Company and that, if improperly disclosed, could be useful to competitors or harmful to the Company or business partners. This information may include but is not limited to client lists, commercial terms, marketing plans, forecasts, business plans, significant restructurings, potential acquisitions, pricing, trade secrets, software, new product developments.

Unless the information has been publicly released, employees should assume information about the Company is confidential and should only be disclosed to:

- Co-workers who have a legitimate need-to-know basis
- Those who have a clear obligation to keep the information confidential (eg. Someone who has signed a 'Confidentiality Agreement')
- Those to whom there is a legal obligation to disclose.

Appropriate measures should also be taken to ensure confidential information is protected. Confidential information should never be discussed in public settings where it can be overheard, or in Safilo break-areas. Computers, mobile phones etc should never be left unattended.

Avoiding insider trading

Trading shares on the basis of 'inside information' is illegal.

Insider information is information about a company that is not known to the general public and that could have a material impact on the company's share price. Employees may, through their position, become aware of 'insider information' about the Company or about other companies with whom Safilo does business.

'Insider trading' is buying or selling securities on the basis of such information, and is a criminal offense and a violation of this Business Conduct Manual.

'Tipping' is also a violation of this Business Conduct Manual and carries severe criminal penalties. An employee may be liable for tipping if he/she passes insider information on to someone and they buy or sell securities based on that information, even if the employee has not personally traded on the information.

If you have any doubts about a potential transaction, seek advice from the Legal dept.

Q. I DON'T WORK WITH STOCKS OR SECURITIES IN MY JOB. DO PROHIBITIONS ON INSIDER TRADING APPLY TO ME?

A. Yes, anyone with knowledge of confidential, material information can violate inside trading laws if they disclose material non-public information to third parties who may then trade stock based on that information or if they themselves trade stock based on that information.

Q. I HAVE LEARNT THAT THE COMPANY'S RESULTS WILL BE UNEXPECTEDLY POSITIVE THIS QUARTER. CAN I TELL MY PARENTS WHO ARE ABOUT TO SELL A LARGE BLOCK OF SAFILO SHARES TO WAIT UNTIL THE RESULTS ARE ANNOUNCED?

A. No, this would be providing them with insider information and is illegal and a violation of this Manual.

Q. THROUGH MY POSITION I AM AWARE THAT THE COMPANY IS ABOUT TO SIGN A SIGNIFICANT DEAL WITH A LISTED COMPANY. CAN I PURCHASE SHARES IN THE COMPANY BEFORE THE ACQUISITION IS PUBLICLY KNOWN?

A. No, trading on the basis of non public information is illegal and a violation of this Manual, even when you are trading in the stock of another company.

ACTING RESPONSIBLY BY MANAGING EXTERNAL COMMUNICATIONS

Communications with Media, Investors & Analysts

Only specifically designated individuals are permitted to speak on behalf of the Company with media, investors and analysts.

Our communication with the Media, Investors & Analysts is aimed at supporting our business results, by creating relationships of integrity with the public and external stakeholders thereby building our corporate reputation.

We recognise the responsibility that we have towards the media as a significant employer in the region, historical company in the country, and key player in the industry globally. We deliver against this responsibility with a balanced approach and carefully managed frequency.

We strive at all times to provide accurate information to the media, investors and analysts. We comply with all laws in terms of market requirements, and engage with investors and analysts in a transparent way.

General media, and investor/analyst communications are exclusively owned by the designated global functions:

- All interactions with media - Group Global PR and Communications reporting to the CEO
- All interactions with investors and analysts - Group Investor Relations reporting to the CFO.

These functions coordinate specific interactions for which they may rely on designated company spokespeople, who are appointed and trained to provide externally credible content specifics per core themes.

Any contact with any employee requesting to discuss Company business with any members of the press, investors or market analysts, must be referred to the Head of Global PR and Communications.



ACTING RESPONSIBLY BY KEEPING ACCURATE BUSINESS & FINANCIAL RECORDS

Maintaining Accurate and Complete Business Records

Business records must be correct and truthfully represent facts.

We must all maintain the accuracy and integrity of our financial accounts and records. Our shareholders and others rely on us to ensure that our business records reflect fairly and completely our Company's operations and financial condition.

Reporting accurate and understandable information about our Company's business, earnings and financial condition is essential as it reflects on the Company's reputation and credibility, and ensures that the Company meets its legal and regulatory obligations.

All employees are accountable for the accuracy and integrity of business and financial records handled in the normal course of business. This is not just a role for accounting and finance personnel. Our financial statements, regulatory reports and publicly-filed documents must comply with all applicable and accepted accounting principles and statutory requirements.

If you are responsible for recording transactions or events, the following guidelines should be followed:

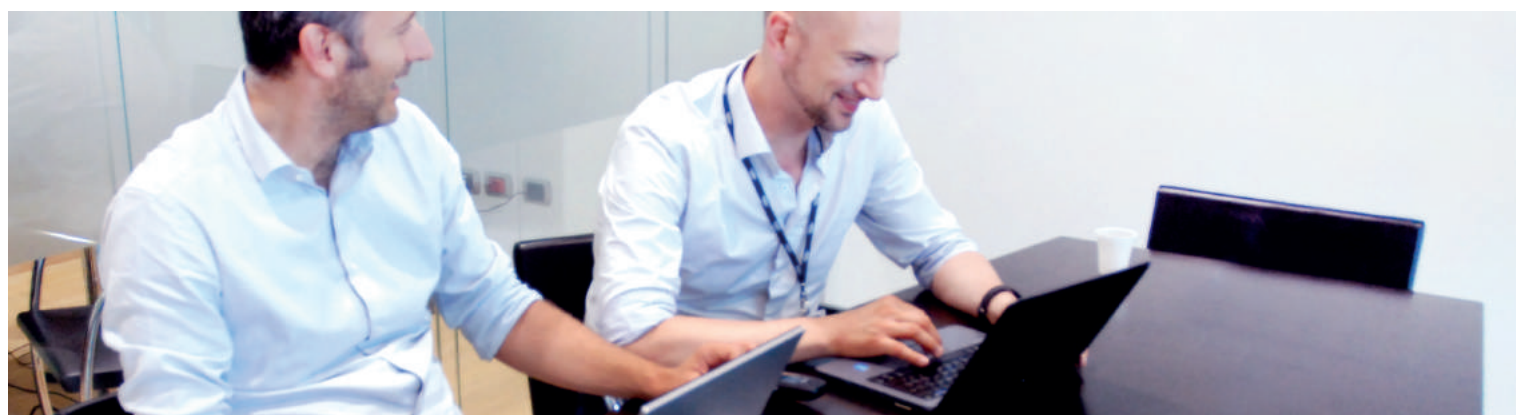
- Always record and classify transactions in the proper accounting period and in the appropriate account and department. Do not intentionally delay or accelerate the recording of transactions or events;
- Do not intentionally record incorrect, incomplete or misleading information about a transaction or event;
- Estimates and accruals must be supported by appropriate documentation and be based on your best judgment.

If you do not directly record transactions or events:

- Provide timely and accurate information to those that do record them;
- Never falsify any document;
- Do not distort the true nature of any information you file, eg quality reports, expense reports;
- Never enable another person's efforts to evade taxes or subvert local currency laws.

If you suspect that books or records are being maintained in a fraudulent or inaccurate manner speak up and contact Global Internal Audit or, as the case be according to the relevant country, the Ethicspoint hotline, or website.

Honest mistakes may occasionally occur and need to be promptly rectified with root causes addressed. However grossly negligent action or intentional efforts to misrepresent or improperly record transactions, or otherwise to falsify a Company business record, are violations of this Manual.





ACTING WITH RESPECT
TOWARDS OTHERS

RESPECTING THE ENVIRONMENT

"It is our collective and individual responsibility to preserve and tend to the environment in which we all live." Dalai Lama XIV

Protecting the environment

We protect the environment for future generations to come.

Safilo's long-term aim is a sustainable business model, reducing its environmental footprint by incorporating environmental implications into choice of products, packaging and operational decisions. The Company is committed to meeting or exceeding all requirements of environmental laws, and applicable regulations, including rules governing the use, control, transportation, storage and disposal of regulated materials that may reach the environment as a part of wastewater, air emissions, solid or hazardous waste.

All employees are part of this commitment, and are expected to demonstrate their stewardship of the environment by:

- Operating with respect for the environment;
- Working to minimize environmental hazards, conserve and preserve natural resources;
- Managing energy usage;
- Cooperating fully with governmental authorities that carry out inspections and checks on protection of the environment;
- Reporting any concern about any environmental issues to Global Internal Audit or notifying, as the case may be according to the relevant country, the Ethicspoint hotline or website.

In addition, if your job involves contact with any regulated materials or decisions on how materials are used, stored, transported or disposed of, you must understand how they should be legally, responsibly, and safely handled. Further information can be obtained from Health & Safety.

RESPECTING OUR CORPORATE RESPONSIBILITY TOWARDS BUSINESS PARTNERS

"You cannot escape the responsibility of tomorrow by evading it today." - Abraham Lincoln

Supply Chain Management

Safilo is committed to managing its relationships with suppliers in a responsible way, actively seeking business relationships with partners who comply with guiding international standards, share our values, and promote the application of these high standards. We hold our suppliers to the same standards of integrity to which we hold ourselves, and we perform periodic audits to verify that the practices of our business partners are in line with these standards.

Corporate Social Responsibility

We seek to deliver economic results that are sustainable over time, creating mutual value for all our stakeholders.

We believe that the interests of our business and our stakeholders are inseparable.

Therefore, as part of our Purpose, we imbed in our pursuit of Profit the corporate responsibility for People, Product and Profession, and Planet.

Our Social and Environmental policies are part of our way of doing business and specifically guide our relationship building with our employees, consumers, customers and suppliers, and the communities in which we do business. They are integrated in all our management programmes, including risk and investor relations management. A specific Sustainability Report will be published from 2017 showing the progress that the Company is making in this area.

PURPOSE ROOTED IN ORIGIN

We are proud to be among the initiators of the Italian Eyewear Industry, dating our origins of craftsmanship back to 1878. Equally, we are committed to co-leading the going forward modernisation of the Italian Eyewear Industry.

Our inspiration is the belief that the Eyes are both the inner mirror of every person's very identity, health and beauty, as well as the window for Sight, a gift of new horizons and opportunities. Through our Eyewear we protect, heal and enhance Eye Sight, styled through design and fashion, uniquely complementing individual beauty and physiognomy with comfort and fit, leveraging colours and special materials that combine innovation and tradition of highest Italian origin craftsmanship.

We assume as part of our Purpose a special product centric responsibility for preserving quintessential Eyewear craftsmanship. It stems from our historical industry leadership role: We were the first to industrialise Eyewear manufacturing, yet without ever trivialising it.

TRUST THROUGH AUTHENTICITY

We aspire to build trust with our stakeholders through effective corporate responsibility.

We believe that to deserve that trust, we must be authentic in our behaviours as a company, in all areas.

For us, authenticity means to be coherent with our PVPC, and do so with transparency and clarity for all our stakeholders. Our mantra of authenticity is: "We say what we do, do what we say, and we say what we have done".

COMMITMENT TO PEOPLE, PRODUCT AND PROFESSION, PLANET

We have chosen 5 strategic areas of specific commitment:

1. Employee Relations:

We see healthy employee relations as key to the sustainability of healthy business results. This also includes effective relations with all social partners. To that effect, we combine meaningful employee engagement and co-accountability for business results, effective people management skills, and rigorous meritocracy based individual performance management.

2. Product Integrity:

We are committed to the highest standards of product excellence and transparency of product origin and composition, with clearly articulated and rigorously monitored specifications and compliance. We work with all our partners accordingly.

3. Professional Mastery:

We are committed to preserving and innovating the Eyewear craftsmanship heritage and transfer it in a systemic way to the young generations including the managerial skills to develop a strong talent pipeline for future Product Directors. We have therefore established in 2015 the Safilo Product School, offering to the industry and Italy a unique 3 year Apprenticeship Programme. This school is governed by the highest standards of continuing coaching, learning on the job and theoretical classes, accompanied by regular performance evaluation and continued selection moments.

4. Children:

We are committed to the Eyesight of the generations of the future.

Specifically, we believe that the Children's eyewear segment is under served, and children's needs are as of yet largely unmet by the industry's offerings in the market. Particularly, there is a lack of unique products designed specifically for the shape of a child's head, respecting the rules of child friendly authentic aesthetics, resistance and security thanks to the use of 100% bio-based materials and production made in Italy. There is also a lack of broad parent awareness of the importance of prevention, and preventive screening visits especially to identify visual defects such as amblyopia, which requires specific controls before age 8 to prevent permanent effects. Finally, we see the need to promote UV protection, especially important for children because their eyes are more sensitive to UV.

In this context, we have therefore decided to become the leader in the children's eyewear segment, leveraging as umbrella brand our own Polaroid.

We want to combine unique optical products including for very young children of 0-8 years, polarized Polaroid lenses for Sun UV protection, partnerships with leading medical and optical associations, and parent education and communication including innovative services. Two examples:

Safilo has created an app that signals a UV Polaroid Alert when the UV level becomes at risk and thus allows parents to locate the nearest opticians where you can find Polaroid sunglasses, ensuring adequate protection against UV rays.

Safilo collaborates for product co-design and parent education with recognised scientific bodies, eg SIOP (Italian Society of Pediatric Ophthalmology) and WSPOS (World Society of Paediatric Ophthalmology and Strabismus). We also promote initiatives like "Breakfast with Optometry's Champions", in occasion of the Conference of the American Optometric Association's (AOA) in Washington, which was attended by more than 500 doctors and optometrists and researchers.

5. Empowerment of the world's most vulnerable:

We leverage our Eyesight expertise and global presence to contribute to the empowerment of those most vulnerable among us:

We are an active supporter of the “Special Olympics Healthy Athletes”, since 2003, empowering the children and young adult athletes with mental disabilities through our donations of optical frames and sunglasses, and making a financial contribution for the realization of sight screening.

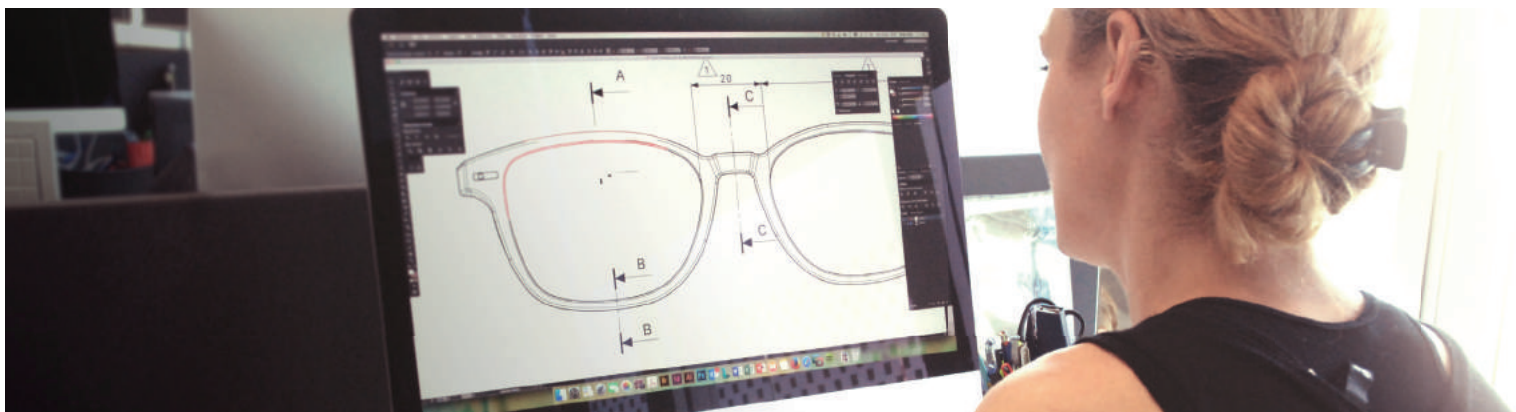
We also support Sightsavers in fighting blindness that affects 39 million people worldwide and of which 80% of cases can be prevented or cured, with special focus on developing countries.

6. Reduction of Waste:

We are committed to the modernisation of our industry to simplify and eliminate waste. Simplification is one of our four core business strategies. We want to purposefully leverage our leadership position in the industry to initiate such simplification change across any part of the value chain and systematically reduce waste. Such reduction of waste will impact significantly and measurably our and the industry's environmental footprint. We will lead with our customers, suppliers, industry associations and the media to that effect. Examples of chosen areas of intervention are Inventory, Returns, Sku simplification, Lean manufacturing, and Logistics flows management, as well as driving towards a healthy balance between Digitisation and needs for actual Prototypes and Samples.

Community Involvement

We are committed to the development of the communities in which we do business. We strive to develop long-term local partnerships with selected associations, through which we make a difference, and which give Safilo institutional visibility and local standing in the community, always through our reference brand Polaroid. We answer all ad hoc requests for support. Decision-making is with the global Head of PR/Communications, or her local delegate.



RESPECTING OTHER PEOPLE & THE GOVERNMENT

Anti-bribery & anti-corruption

"I have often noticed that a bribe has that effect - it changes a relation. The man who offers a bribe gives away a little of his own importance..." - G. Greene

The Company does not tolerate any form of bribery or corruption.

Bribery and corruption can damage markets and communities and transfer resources into the wrong hands. Most countries have anti-bribery and anti-corruption laws that prohibit bribing a government official, e.g. paying a government official to influence the outcome of a government inspection or audit, or to continue business relations. Under some countries' laws, including Italy's Anti-Corruption law and the United Kingdom's Bribery Act, bribing anyone, including private individuals, (called "commercial bribery") is also a crime. The sanctions for violating these laws can be severe, including significant individual and corporate fines, and even imprisonment.

Safilo has a zero tolerance policy for all forms of bribery and corruption. This includes payments or the exchange of anything of value to influence business decisions, extortion and kickbacks. This means that employees or anyone acting on behalf of the Company must follow the following guidelines:

- Never give, or agree to give, or offer or receive anything of value to persuade someone to act in your favour;
- Never seek or accept anything of value to give business to a new or existing supplier;
- Be mindful of the bribery risks posed by engaging with government officials and ensure our engagements are always open, honest and transparent;
- You can use legitimate fast-track processes in order to expedite routine decisions but never make "Facilitation payments" to government officials in order to secure an action or a service, eg. permit or licence.

Should you become aware of any potential or actual corrupt arrangement or agreement, speak up and contact Global Internal Audit or, as the case may be according to the relevant country, the Ethicspoint hotline or website.



Q. WHAT COUNTS AS “ANYTHING OF VALUE”?

A. Corruption may involve the exchange of “anything of value.” This could include goods, services or merchandise, such as gift cards, event tickets, retail certificates, entertainment, travel perks, use of vacation homes, free airfare or accommodations, special favours or privileges, donations to designated charities, discounts, free personal services, loans, or a promise of future employment.

Q. WHAT IS A “KICKBACK”?

A. A kickback is a form of corruption that involves two parties agreeing that a portion of sales or profits will be improperly given, rebated or kicked back to the purchaser in exchange for making the deal. Kickbacks, like other forms of corruption, are unethical and prohibited under our Business Conduct Manual, Company policies and the laws.

Q. WHAT IS A “FACILITATION PAYMENT”?

A. Facilitation payments are small sums paid to government officials to expedite or facilitate non-discretionary actions or services, such as obtaining a license or phone service. These payments are also prohibited by the Company. If you encounter a situation that you believe may require a facilitating payment, contact the Legal dept immediately.

Q. WHAT IS A “GOVERNMENT OFFICIAL”?

A. A Government Official under anti-bribery and anti-corruption laws may include:

- Government employees of environmental, licensing, tax and custom agencies, commissions or departments
- Representatives of public international organizations, such as the World Bank
- Mayors or other local city officials who issue permits
- Members of law enforcement, including the military, local police and other enforcement agencies
- Purchasing managers of government-run airlines, universities, school systems or hospitals
- Employees of companies that are owned by the government
- Employees of public international charities such as UNICEF

Payments are not forbidden when made to a government entity in the normal course of business, such as to pay taxes or when the government entity is a customer or supplier. The company does not give or offer gifts or meals to government officials as this can be illegal.

If you are unsure whether you might be dealing with a government official, or have any other questions on complying with anti-bribery laws, you should contact the Legal dept for guidance. Always speak up and report any suspected bribery activity.

Q. : A GOVERNMENT HEALTH INSPECTOR HAS ARRIVED AT A COMPANY MANUFACTURING PLANT. MAY I PRESENT THE INSPECTOR WITH A PAIR OF SUNGLASSES AS A SIGN OF GOOD WILL?

A. No. You should never give gifts to government officials. Giving the product to the inspector under these circumstances may be perceived as a bribe intended to influence the inspector's review of the facility.

When working with consultants or other third parties who deal with governments on our behalf, it is critical that you ensure that our consultants never violate anti-bribery laws.



RESPECTING LAWS & REGULATIONS

The Company always complies, without exception, with all local laws and regulations. The Manual establishes the worldwide reference standards that be applied in each country. Therefore, when standards in force in a given country are lower than those indicated in the manual, they must be adequately raised, if and when this is permitted by local legislation.

Compliance with competition law

Safilo complies with all applicable competition laws around the world.

Safilo complies with all competition laws that regulate free competition and expects its employees to follow the Safilo Group Antitrust Policy. For further details on compliance with competition law, see the section on Fair Competition in the Chapter 'Being a Trusted Business Partner.'

Anti-Money laundering

Safilo complies with all laws prohibiting money laundering.

The Company complies with all laws that prohibit money laundering or financing for illegal or illegitimate purposes, including local laws and regulations such as Italian law no. 262/2005 and Italian legislative decree 231/2001. "Money laundering," is the process by which persons or groups try to conceal the proceeds of illegal activities or try to make the sources of their illegal funds look legitimate. There are severe penalties for companies and individuals involved in money laundering.

You should always ensure that you are conducting business with reputable customers, for legitimate business purposes, with legitimate funds, through approved and documented payment practices. We must be vigilant and exercise good judgment when dealing with unusual customer transactions, including requests to make payment to a third party or to receive payment from a third party, request for cash payments or other unusual payment terms. Only conduct business with customers that are willing to provide you with proper information so that the Company can determine whether the payments are appropriate.

If you suspect money laundering activities, speak up and report it to Global Internal Audit or, as the case may be according to the relevant country, the Ethicspoint hotline or website.

In particular, without advance permission from appropriate Treasury dept personnel, you should never:

- Make a payment to an entity that is not a party to the transaction (e.g. third party) or that isn't legally entitled to receive payment
- Accept a payment from an entity that is not a party to the transaction (e.g. third party) or that isn't legally entitled to make payment
- Accept payments in cash, unless no secure banking system exists
- Ship customer orders in a manner inconsistent with standard procedures
- Conduct foreign exchange operations with unauthorized institutions

This list is not exhaustive. For more information contact the Treasury dept.



International Trade Restrictions

Employees involved in the import or export of goods must know and comply with trade regulations.

The Company complies with all applicable trade regulations and follows all government imposed trade restrictions. Employees have a responsibility to understand and abide by the legal requirements applicable to the business.

Trade regulations determine the eligibility of both the location of delivery and the recipient, and define required licenses and permits, and duties or taxes to be paid.

Trade restrictions prohibit the Company from engaging in certain business activities in specified countries, and with specified individuals and entities. These restrictions include, for example, prohibitions on interaction with identified terrorist organizations or narcotics traffickers. Sanctions for non-compliance can be severe, including fines and imprisonment for responsible individuals, and the Company may be prohibited from further participation in certain trade.

For any further guidance and advice contact the Legal & Tax depts.



RESOURCES

Further information:

If you have any questions or doubt about whether an action is consistent with the Worldwide Business Conduct Manual, Company policies or the law, you should seek advice.

For any further guidance or to report concerns you can contact the Head of Global Internal Audit – ethicsandcompliance@safilo.com.

Contact information for reporting through the Ethicspoint hotline or website:

You can also use the Ethicspoint hotline or website to report suspected or actual violations of the Manual, when available in your country. You may make anonymous reports where allowed by local law, however you are encouraged to identify yourself.

Reporting may be done using the web service or through the telephone hotline.

You can reach the Ethicspoint website and hotline at www.safilogroup.ethicspoint.com.

Possible breaches of the Organizational Management and Control Model pursuant to Italian Legislative Decree 231/01 should be sent to the Supervisory Committee at the email address ODV@safilo.com (cannot be used for anonymous reporting).