CODE OF ETHICS

Unofficial translation of the document approved by
the Board of Directors of Salvatore Ferragamo S.p.A. on December 15, 2016
LETTER FROM THE CHAIRMAN

It is with great honor that we present the second edition of Salvatore Ferragamo S.p.A.’s Code of Ethics.

The values and inspiration of our Code of Ethics are strongly shared by the Board of Directors and Corporate Management and guide the business of the entire Salvatore Ferragamo Group.

We want to set an example for all those working with us and for us, for our business partners, and for those who buy and appreciate our products: we want to represent a model of excellence concerning not just production, but also - and especially - behavior. For the Salvatore Ferragamo Group, ethics is not only fundamental to the setting of the Company’s goals, but also an essential tool for planning future activities, in our commitment to pursue value creation for the years to come and for the new generations.

This Code of Ethics should be a reference point for all our stakeholders when defining their responsibilities and attaining their goals.

Ferruccio Ferragamo
CONTENTS

INTRODUCTION
RECIPIENTS AND SCOPE OF APPLICATION
PRINCIPLES AND VALUES
RULES OF CONDUCT
IMPLEMENTATION, CONTROL AND MONITORING
INTRODUCTION

This Code of Ethics sets forth the ethical principles and general guidelines that, along with legal, regulatory and contractual rules, characterize the organization and activities of Salvatore Ferragamo S.p.A (also referred to herein as “Salvatore Ferragamo” or the “Company”) and its subsidiaries (collectively the “Group”).

Corporate ethics is a top priority for Salvatore Ferragamo in its business dynamics and demands, conveying a message of loyalty, fairness and respect regarding the entire Group, and constituting a reference point in its business environment.

The Code of Ethics also represents a basis for the Group’s organizational and control models and a tool for preventing unlawful conduct and criminal acts.

For such reasons, the Company has decided to adopt this Code of Ethics, which has been revised from the previous version and is broken down into three sections:

- Principles and Values: stating the ethical principles and values that the Company abides by and that are required to be complied with by all those working for and with the Company in any capacity whatsoever;
- Rules of Conduct: describing the standards of conduct that must distinguish the Company’s business, specifically the behavioral guidelines and policies that must be complied with by those who work in the name and on behalf of the Company to prevent the risk of committing unlawful or simply unethical acts;
- Implementation, control and monitoring: stating the rules for the distribution of the Code of Ethics, and for the updating and implementation of the principles and rules of conduct set forth herein. The management of any violations is also defined and the parties supervising the proper application and observance of the Code of Ethics are identified.

RECIPIENTS AND SCOPE OF APPLICATION

The Code of Ethics applies to the Company’s corporate boards, employees, legal representatives and independent contractors who, for any reason and regardless of the type of contractual relationship, operate in the name and on behalf of Group Companies.

In the cases contemplated by its corporate policy, the Company requires compliance with the Code of Ethics by certain third parties (business partners, customers, suppliers, professional, consultants and other types of external parties) with which it enters into business dealings or transactions.

Moreover, the Code of Ethics is an integral part and component of the Organizational Model adopted by the Company pursuant to the Italian legislation governing corporate criminal liability under Legislative Decree n. 231/2001.
PRINCIPLES AND VALUES

- Background
- Our values
- Fundamental ethical principles and policies
PRINCIPLES AND VALUES

Background
Salvatore Ferragamo, founded in 1927, is one of the major players in the luxury goods industry.
The Company creates, manufactures and sells footwear, leather goods, clothing, silk products and other accessories, all of which are made in Italy. The product range also includes eyewear and watches manufactured under license by third parties in Italy and abroad.
Quality, contemporary elegance and innovation are the distinctive features of each “Salvatore Ferragamo” product which, with their traditional craftsmanship, bring value and authenticity to the Brand. The Founder was inspired by a great passion which led him to achieve international success, starting out as an emigrant from America from a small village in Campania to become the “shoemaker of the stars”. His family inherited the important task of expanding and achieving the project that Salvatore Ferragamo had begun in the final years of his life: transforming his company into a fashion house.

Very original, high quality women’s footwear was the Company’s core product until the 1960s. At that point Salvatore Ferragamo began to expand the product range while maintaining intact its signature brand capabilities, being aware that harnessing and fostering the distinctive creativity, innovation and craftsmanship of its products was of extremely important strategic value.

The creative development of each product line takes place within the Company and is entrusted to a team of highly specialized designers, materials researchers and stylists. The raw materials used and products created at carefully selected external workshops undergo numerous, strict quality controls in order to guarantee the excellence that has always distinguished the Salvatore Ferragamo Brand.

Our values
Artisanal creativity, innovation and excellence have always been the core values of the Company, and are applied when conceiving and producing each creation, designed to make the Ferragamo product buying experience exciting and engaging for the customer.
A strong bond with the local community, Italian tradition, and the legacy left by Founder Salvatore Ferragamo are still the pillars of the business, and the Group is strongly committed to protecting the areas where it operates and the people working for it.

Fundamental ethical principles and policies
Salvatore Ferragamo’s fundamental principles, to which all Code of Ethics Recipients must refer in their work activities, are listed hereunder.

1. Safeguarding of “Made in Italy” status
The Founder was a pioneer in understanding that maintaining production in Italy would be an important process in defining the Company and its products. Fully engaged in the Italian artistry and design culture, the Company transmits this heritage through the quality and sophistication of the materials, the development of the creativity and designs, and the traditional craftsmanship.

2. Focus on Human Resources
The Company recognizes the central importance of human resources, so it fosters a workplace that aims to develop the potential and talent of its employees and contractors. The Company manages its human resources according to principles that respect personal and professional traits, equal opportunity and equal merit. The Company enhances the professional experience of its employees and favors the sharing of information, in order to hand down and preserve the Company’s cultural heritage and core values over time.

3. Fairness and Integrity
Since the very beginning, ethics has always been a cornerstone of the Company - a set of behavioral rules to abide by, fully aware that this is the only way to proudly honor the heritage that characterizes the Company’s history.
The understanding of and respect for these values is necessary in both internal and external relations. The mere pursuit of business interests can never justify conduct that conflicts with the principles of fairness and honesty or with current laws and regulations.
The provision of illicit advantages in exchange for gifts or benefits that exceed the standards of professional courtesy is prohibited in any type of transaction or negotiation. In conducting any activity, the Company acts to avoid actual or potential conflicts of interest while following rules of fairness and impartiality. Specifically, the Company:

• consistently with the demands of profitable business performance and supervisory obligations, promotes the separation of functions for the twofold purpose of enabling to identify the parties that have operated and to prevent conflicts of interest;

• requires the Recipients to act with fairness and transparency, avoiding unwarranted favoritism, collusive practices or decisions resulting in illegitimate personal advantages for one’s self or for others.
4. Legality
In conducting its business activity, the Company complies with its by-laws and with the laws and regulations in force in all countries in which it operates, and requires Code of Ethics Recipients to comply with such obligations and to act in a way that does not compromise moral and professional integrity.

5. Social values
Since its foundation, the Company has demonstrated a natural inclination for social responsibility, contributing to the economic and civil development of the area where it operates and taking into account the needs of the community. The Company also participates actively in the enhancement of Italy’s cultural and artistic heritage, particularly in the city of Florence.

6. Nondiscrimination
The Company acknowledges and complies with the principles of dignity and equality, and does not discriminate on the basis of age, race, ethnicity, nationality, political and trade opinions, religious creed, sexual orientation, gender identity, physical or mental disability or any other non-merit factors with respect to its employees and third parties.

7. Environmental protection
The Company encourages respect for the environment, understood as a common resource to be protected for the benefit of the general public and future generations with a view toward sustainable development.

8. Confidentiality
The Company promotes the confidentiality of the information it holds for conducting all its business activities. All the Company’s employees, contractors and consultants are prohibited from using the information acquired through their job activities for purposes unrelated to their work.

9. Protection of competition
In its business operation, the Company is guided by the principles of legality, fairness and loyalty, and of keeping its word, promises and agreements, and promotes acting with a sense of responsibility and in good faith in all activities and decisions. The Company recognizes that free and fair competition in a market economy is a crucial factor for business growth, development and constant improvement, and believes that its message of product quality and brand relevance may thrive in such context.

10. Transparency and clarity
The communication and dissemination to third parties (including through the mass media) of news, information and data concerning the Company shall respect the right to information and be reserved exclusively for the designated corporate functions; the disclosure of false or tendentious news or comments is not permitted in any circumstances whatsoever. All communications must comply with the law, rules and practices of professional conduct, and principles of clarity, transparency and accuracy.
RULES OF CONDUCT

• Employee relations
• Supplier relations
• Customer relations
• Intercompany relations
• Related Party relations
• Shareholder relations
• Relations with political and trade organizations and other types of associations
• Relations with Public Entities
• Relations with Supervisory Authorities
• Relations with parties called to make statements to legal authorities
• Protection of intellectual property rights
• Accounting, financial reporting and cash flow management
• Privacy
• Freebies, donations, grants and sponsorships
• Health and the environment
• Prohibition of money laundering
• External information and communications
RULES OF CONDUCT

Employee relations
The Company supports a work environment that develops potential and talent and that is characterized by integrity, honesty, mutual respect, and the protection of the health of employees and contractors. Each manager or structure head is required to:

• operate with objectivity and balance, with a view to the enhancement and accountability of their employees and contractors;
• pay attention to the individual traits of employees and contractors and promote the development of their potential and skills, recognizing the value of initiative, collaboration and innovation;
• do the utmost to ensure that situations of distress, bias, denigration or discrimination do not arise;
• promote the values of loyalty, fairness, reciprocal respect and courtesy in relations between employees and contractors;
• prevent situations that require employees and contractors to act against the Code of Ethics or against the law;
• ensure that employees perform their jobs in safe and healthy conditions that are compliant with the applicable laws in force;
• favor the integration and training of foreign workers with valid residence permits, preventing undocumented work and illegal immigration.

All employees and contractors of the Company are required to:

• perform their work with diligence, efficiency, fairness and honesty, using in the best way possible the tools and time placed at their disposal, taking on the responsibilities associated with their role and avoiding activities that could, even potentially, be in conflict of interest with the Company;
• apply the values of civilized cohabitation and respect in their relations with colleagues, and refrain from any form of discrimination;
• carefully protect corporate assets and respect the environment in their daily conduct, including from an ecological perspective.

Supplier relations
The selection of suppliers and external contractors (including consultants, agents, workshops) for the procurement of goods and services is based on evaluations that enable to engage suppliers of proven quality, integrity, reliability and economical value. Sourcing processes are based on the observance of competition principles and laws, ensuring transparency and efficiency in the selection process. All remuneration and amounts paid for any reason to suppliers are in line with market conditions or are in any event justified and verifiable.

All Code of Ethics Recipients that participate in such processes are required to:

• use objective and verifiable criteria;
• not accept any form of personal advantage;
• verify, through proper documentation, that the parties involved have means and resources that are consistent with the Company’s demands and image;
• ensure the traceability of the selections by retaining documents that demonstrate the observance of internal policies and the reason for the procurement;
• report promptly any conduct that is potentially in conflict with the Code of Ethics principles and values.

The Company terminates the stipulation or continuance of any contract in the event of suspected affiliation with or facilitation of criminal organizations. In the contracts with its suppliers, the Company requires a commitment to share and observe the principles stated in the Code of Ethics. Violation of the Code of Ethics constitutes a breach that can result in termination of the supplier contract.

Customer relations
The Company aims to satisfy its customers by providing high-quality products and/or services in compliance with the regulations protecting competition and the market and by using fair, honest and professional conduct.

In customer relations, the Recipients, as within their competence and in relation to their assignments, shall undertake to not discriminate customers arbitrarily, to honor the commitments and obligations assumed, to provide accurate, complete and true information, to be truthful in advertising and other types of communications, and to refrain from using any deceitful, misleading, or unfair practices.

Intercompany relations
All intercompany relations are managed in full compliance with the laws currently in force and with the principles stated in this Code of Ethics.

Relationships between Group companies and the information of each company included in the consolidated financial statements must meet the criteria of transparency, fairness, effectiveness and traceability of the underlying transactions and related cash flows.
Related Party relations

The Company pays special attention to related parties, including intercompany transactions, which must be conducted in full compliance with the principles of objectivity, transparency and truthfulness, and with the internal policies adopted by the Board of Directors.

Shareholder relations

Equal treatment of shareholders is recognized, and the Company undertakes to encourage and facilitate the most extensive participation of shareholders possible at General Meetings.

External communications must be provided with the utmost transparency and clarity, and the information must be disseminated in a manner that ensures its widest distribution, including through the Company’s website. The Company promotes constant dialogue with the financial community; accurate, complete information is to be provided on a timely basis, in accordance with the corporate reporting regulations currently in force.

Relations with shareholders are reserved exclusively for the designated corporate functions.

Relations with political and trade organizations and other types of associations

In order to contribute to the socioeconomic growth of the communities in which it operates, the Company interacts with parties of trade unions, political organizations and other types of associations.

The Company’s delegated personnel is required to comply with the law and avoid any type of collusion or corruption.

Relations with Public Entities

The Company’s relations with parties representing the public administration, public officials or parties responsible for public services are based on the principles of fairness, faithfulness and the utmost transparency, and the observance of the applicable laws and regulations. Such relations are managed exclusively by delegated, authorized personnel, within the limits of the powers assigned to them by way of a formal proxy or within the scope and limitations of their roles and responsibilities.

In their relations with the public administration, public officials and parties responsible for public services, Code of Ethics Recipients are prohibited from offering, including through third parties, any money, gifts or benefits of any kind to the public party involved, or to the family members thereof, or to parties related thereto in any way. Seeking or initiating relationships involving collusion, influence, or interference for the purpose of directly or indirectly influencing the activities is prohibited.

Such obligations cannot be dodged by using other types of contributions which, in the form of sponsorships, engagements, consultancies and/or advertising, have the same forbidden ends specified above.

Relations with Supervisory Authorities

The Company undertakes to fully and scrupulously abide by the rules laid down by Supervisory Authorities, and to conduct relations with such Authorities with the utmost collaboration, with due regard for their institutional role, and undertaking to fulfill their obligations promptly.

Specifically, all Recipients are required to:

• act in compliance with the laws and regulations currently in force;

• conduct themselves with Supervisory Authorities using efficiency, collaboration and courtesy, meeting all requirements made during their inspections and collaborating with the related investigative procedures;

• provide accurate, complete and truthful information to enable the Supervisory Authorities to obtain all information necessary to make decisions;

• not hinder their work in any manner through the omission of data and/or information requested directly and/or indirectly.

Relations with parties called to make statements to legal authorities

The Company ensures and promotes honest, transparent and collaborative practices with law enforcement agencies and legal authorities.

Any type of conditioning of anyone (employees, contractors or third parties) called to make statements to legal authorities that could be used in criminal proceedings is prohibited.

Protection of intellectual property rights

Recipients shall act with full respect for the intellectual property rights validly pertaining to third parties and in compliance with the laws, regulations and agreements protecting such rights.

To this end, all Recipients must refrain from:

• any conduct that could constitute encroachment of industrial property, or the alteration or counterfeiting of distinctive signs of domestic or international industrial products, patents, industrial designs or patterns, and must refrain from importing, marketing or in any case using or otherwise putting into circulation industrial products with counterfeited or altered distinctive signs or that were created through infringement of intellectual property rights;

• using illicitly and/or improperly, in the interest of the Company or of third parties, any intellectual property, or parts thereof, protected by copyright laws.
Accounting, financial reporting and cash flow management
The Company complies with the laws and regulations governing accounting and the preparation of financial statements.

The Recipients, as within their competence and in relation to their assignments, are required to provide their utmost collaboration to ensure that the business operations are presented fairly and on a timely basis in the Company’s accounts, and to retain all supporting documentation so that it can be easily obtained and consulted by auditors. The Company has administrative and accounting procedures that respect such principles and comply with the related legislation (Italian Law 262/2005), which assigns publicly listed companies specific obligations and responsibilities concerning the preparation of accounting documents and disclosure of financial information to the market.

All the Company’s financial transactions and cash inflows and outflows are handled by parties that have been assigned the related powers and authorizations, and are always justified, traced and reported.

Privacy
The Company undertakes to ensure that all personal information acquired is protected properly in accordance with current legislation, and refrains from any unauthorized use or abuse thereof, in order to protect the dignity, image and privacy of each party that deals with the Company.

The Company provides information regarding the type of data obtained, the intended use thereof and the manner in which interested parties may contact the Company to have information.

Personal information is collected and retained solely when necessary for selected, explicit and valid purposes, and is kept for the amount of time strictly needed for the use for which it has been acquired.

Freebies, donations, grants and sponsorships
The Company supports social responsibility initiatives, including by providing sponsorships or grants to foundations, institutions and organizations dedicated to the performance of activities aimed to improve quality of life and to spread awareness and solidarity in the communities in which it operates.

Sponsorships and donations to firms or associations, including those not officially recognized, are duly authorized and unequivocally identify the interested counterparties and the reasons for which they are provided; the economic value is transferred by authorized intermediaries to ensure traceability on the basis of appropriate documentation.

Health and the environment
Health and safety in the workplace is a top priority for the Company, which takes action to guarantee its employees and contractors a safe, healthy work environment in compliance with current legislation. The Company promotes a solid awareness of occupational heath and safety in the workplace, and has adopted an integrated environmental safety management system that is audited regularly.

On-the-job employee training on the subject of workplace safety is promoted in order to prevent the risk of accidents in the workplace.

The Company observes the principle of environmental protection and contributes proactively thereto by seeking the most appropriate solutions to reconcile business demands with a responsible use of resources, a reduction of energy consumption and better management of air emissions.

Prohibition of money laundering
The Company strictly abides by the laws against money laundering, self-laundering and the financing of criminal activities.

For this purpose, Recipients are required to:

- report immediately any potentially unusual situations that have come to their attention in order to assist the prevention and combating of money laundering;
- verify thoroughly information available on counterparties and avoid entering into or continuing with trade or financial transactions when there is a reasonable doubt that the counterparties may carry out practices involving money laundering crimes;
- make and accept cash payments solely within the limits and for the amounts permitted by the law;
- assure adequate collaboration with the competent authorities in the prevention, combating and suppression of the counterfeiting and forgery of banknotes, coins and any other form of payment.

In managing funds, no irregularities may be tolerated which, in reasonable business practice, give cause for suspicion concerning the legality and validity of the source of the money received.

External information and communications
Code of Ethics Recipients undertake to not disclose information regarding the Company or the Group that, if made public, could significantly affect the price of the financial instruments issued by the Company.

All information received through the job or function performed must be kept confidential and considered the exclusive property of Salvatore Ferragamo.

All external communications must comply with the regulations and corporate policies in effect.

The Company conducts its dealings with news outlets, the mass media and advertising agencies in compliance with the principles set forth in this Code of Ethics.
IMPLEMENTATION, CONTROL AND MONITORING

- Supervision of Code of Ethics application
- Reporting of violations
- Disciplinary measures
- Final provisions
IMPLEMENTATION, CONTROL AND MONITORING

Supervision of Code of Ethics application
The Ethics Committee is responsible for the enforcement and distribution of the Code of Ethics; the same responsibility is assigned to the managers of each business area to ensure compliance by all those operating therein.

Reporting of violations
All Recipients are required to observe the Code of Ethics and report any conduct that does not comply with the principles and rules set forth herein.

Employees may direct reports of breaches or requests for clarification regarding the interpretation of the Code of Ethics to the manager of their structure or directly to the Ethics Committee using email address ethics.committee@ferragamo.com or through special channels that will be made available.

The Code of Ethics is an integral part of the Organizational Model adopted by the Company pursuant to Italian Legislative Decree n. 231/2001. Any reporting of alleged crimes or violations, particularly the predicate offenses contemplated by Italian Legislative Decree n. 231/2001, must be directed to the specifically appointed Supervisory Board using email address organismodivigilanza@ferragamo.com; they may also be reported anonymously and directed to the attention of the Supervisory Board at the Company.

Regardless of the communication channel used by the person reporting the violation, the Company undertakes to treat each report with confidentiality, in accordance with the legislation in force, and to protect the anonymity of the informants, ensuring that they will not be subject to any form of retaliation.

Disciplinary measures
Compliance with the Code of Ethics is an integral part of the contractual obligations of employees, contractors and all Recipients in general. Disciplinary measures, varying according to the severity and within the limits of the current regulatory framework, are applicable by the Company in the event of any breaches. Failure to comply by employees may result in disciplinary action and penalties to the extent of termination of employment, and by the Company’s directors and statutory auditors in the termination of or removal from office. Failure to comply by external parties may result in the termination of the contract, engagement or general relationship in effect with the Company, as well as claims for damages if the conditions are present.

Final provisions
The Company’s Board of Directors approves the Code of Ethics, as well as any amendments and/or additions made thereto, by way of a Board resolution. The Board of Directors sees to the updating of and any amendments to the Code of Ethics, and evaluates any amendments/additions proposed by the Supervisory Board and by the Ethics Committee. Group companies shall adopt the Code of Ethics with their own Board resolutions, adapting it as necessary to the specific circumstances of each company according to their operational and organizational autonomy. This Code of Ethics may be consulted on the Company’s website.