

CODE OF ETHICS

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1. INTRODUCTION

1.1 Aim of the Document

Rolex Italia S.p.A. (hereinafter also referred to as “Rolex” or “Company”) has prepared this Code of Ethics, the observance of which is required of all those who howsoever cooperate in carrying on the Company’s activities, in order to clearly and transparently define the values and principles which inspire the Company’s actions, as well as the code of conduct governing its activities.

A positive image and reputation are intangible resources essential to the operation of the Company itself and cannot therefore be regardless of the respect for the commitments and ethical purposes set out in this Code.

1.2 Scope and Recipients

Rolex acknowledges that the principles enunciated and rules of behavior set out in the Code of Ethics (hereinafter “Code”) have a positive ethical value; furthermore, it considers the adoption of what is stated herein fundamental and regulatory for the purpose of transparency and legality of all activities howsoever related to the Company.

The principles, rules of conduct and behavior set out in this Code are binding on the members of corporate bodies, employees, including executives, members of the Supervisory Body, unless they fall into the previous categories, and, in general, all those who work for the achievement of the business purpose and objectives of Rolex, hereinafter collectively “Recipients”.

Recipients of the Code will be required to comply with the rules contained herein and to adapt their behavior and actions to the principles set out in the Code. For this purpose, the Code will be disseminated in accordance with paragraph 11.

2. SIGNIFICANT ETHICAL PRINCIPLES

This Code of Ethics aims to illustrate the fundamental ethical values of Rolex, such as:

2.1 Compliance with the Law

The Company considers compliance with the law an indispensable value in conducting business. It therefore undertakes to comply with applicable laws, the Code of Ethics, business procedures and generally accepted practices.

2.2 Integrity and Transparency

All activities carried out in the name and on behalf of Rolex should be based on the principles of integrity and transparency and conducted with loyalty and sense of responsibility, fairness and in good faith. The Company undertakes to ensure fairness, completeness, accuracy, uniformity and timeliness in the management and communication of corporate information, thus avoiding deceptive behavior wherefrom an undue advantage may be drawn.

2.3 Social Equality and Value of People

The Company respects the fundamental rights of the people with whom it may in any way engage by safeguarding their physical and moral integrity and ensuring equal opportunities.

The Company rejects any form of discrimination based on age, sex, sexual orientation, state of health, race, nationality, cultural level, political opinions and religious beliefs.

In particular, the Company guarantees its employees and collaborators a safe and healthy working environment and working conditions that respect individual dignity, encouraging integration, skills development, enhancement of competencies and requiring to always act with the utmost spirit of cooperation.

2.4 Diligence and Professionalism

The members of the Corporate Bodies, employees and all those who work for the achievement of the business purpose and objectives of Rolex should be committed to diligently performing their professional services, working in the interest of the Company and pursuing goals of effectiveness and efficiency, in any case in the full awareness that ethics are a primary concern for Rolex and that therefore, no behavior that is in contrast with the applicable laws or this Code of Ethics, albeit seemingly and theoretically designed to favor the Company, will not be tolerated.

2.5 Confidentiality

The Company undertakes to treat any information obtained in carrying on its organizational activities as confidential, ensuring full and timely compliance with all the measures adopted for the security and protection of the data contained in its information systems and archives.

2.6 Protection of the Environment

The Company is aware of the direct and indirect effects of its activities on the economic and social development and general well-being of the community, as well as of the importance of social acceptance in the communities in which it operates.

Therefore, Rolex plans its activities by striving for a balance between economic initiatives and indispensable environmental needs, not only in compliance with current legislation, but also in consideration of the rights of future generations.

Rolex undertakes to ensure that its projects, processes, methodologies and materials take into account the best environmental experience in order to respect territorial balance, prevent pollution, and protect the environment and landscape.

The Company has adopted an effective environmental management system that complies with all relevant national and international regulations. The fundamental principles underlying the Company's actions are:

- Do not pollute;
- Constantly optimize the use of resources.

Business activities are carried on by minimizing any type of emission, based on available technologies. In order to avoid damaging the environment, the Company performs specific controls aimed at minimizing the emission of pollutants.

Moreover, any waste generated by the Company's business activities is regularly stored and disposed of, through recourse, where necessary, to specialized and qualified entities with dedicated procedures.

The Company seeks to preserve public confidence in the integrity of its activities, where appropriate, through reporting and open discussions with other stakeholders in order to improve knowledge of environmental issues related to its activities.

2.7 Customer Care

Rolex considers customers as the center of its business activities.

In order to meet the customers' demands and create value for the same, the Company is committed to ensuring professionalism, punctuality, willingness, courtesy, cooperation and high quality standards by providing the best level of service.

3. CODE OF CONDUCT IN BUSINESS MANAGEMENT

3. General Principles

3.1 Compliance with Applicable Legislation

The Company, in carrying on its business activities, acts in compliance with applicable national and international legislation and requires the Recipients of this Code to comply with such requirements and hold behavior that does not bring detriment to its moral and professional reliability.

In particular, the Company and the Recipients will, in the conduct of their activities, act in full compliance with national and international legislation and regulations applicable to the same, including tax laws, laws on the protection of intellectual and industrial property and copyright, competition and anti-trust rules, and regulations on the environment.

3.2 Conflict of Interest

The members of Corporate Bodies and employees must ensure that all business decisions are made in the interest of the Company, in line with the Company's principles governing proper corporate and business management. They must therefore avoid all situations and activities in which a conflict of interest may arise between personal or family economic activities and the corporate positions held, such as to interfere with, or impair, their ability to make decisions impartially and objectively (e.g. an employee must avoid pursuing an interest other than that of the Company, taking personal advantage of a business opportunity of the enterprise or pursuing a personal interest by using his/her corporate position).

Recipients will therefore avoid any abuse of their position with the aim of obtaining an undue advantage for themselves or others.

Any conflict situations, even if potentially so, must be promptly communicated in detail to the Company and the person in conflict must refrain from performing, or participating in, acts that may bring detriment to the Company or compromise its image.

3.3 Judgment in Business Transactions

The appropriate judgment is required in business transactions when collecting or spending coins, banknotes, credit securities and securities in general, in order to avoid the danger of placing counterfeit or altered securities on the market.

3.4 Grants and Sponsorships

The Company may accept applications for grants and sponsorships for activities regarding social or environmental issues, sports, entertainment or artistic endeavors, provided that they originate from organizations and associations of clear ethical and moral values provided with proper Memorandum and Articles of Association.

In any case, the Company will, in adhering to these initiatives, pay particular attention to avoid possible situations of personal or corporate conflict of interest.

Sponsorship activities can only be carried out after entering into appropriate agreements and verifying the integrity of the beneficiary and sponsored event / initiative.

3.5 Confidentiality of Information

The Company ensures the confidentiality of the information in its possession and refrains from seeking confidential information, unless expressly authorized to do so by conscious consent and in compliance with applicable legal regulations.

It also undertakes to protect the data acquired, stored and processed in the context of management activities in full compliance with the Privacy legislation.

Any inquiry into the Recipients' ideas, preferences, personal tastes and, in general, private life is prohibited. The processing of personal data must in any case be preceded by the express consent of the data subject, issued following a specific disclosure and in accordance with applicable legislation governing the matter.

Moreover, Recipients are in particular required not to use information acquired in the performance of activities under their responsibility for purposes not associated with the strict pursuit of the same.

3.6 Disclosures to the External Environment

In addition to the provisions governing confidentiality, any communication and disclosure outside the Company (including through the mass media) of news, information and data relating to the Company should be based on respect for the right to information and will be under the exclusive jurisdiction of the corporate departments responsible for the same. Under no circumstances is it permitted to disclose false or misleading news or comments.

Any communication activity will comply with the laws, rules and practices of professional conduct, and will be carried out with clarity, transparency, timeliness, truthfulness and accuracy.

Any form of pressure or acquisition of a favorable attitude on the part of the communication media should be avoided.

To ensure completeness and consistency of information, all relations of Rolex with the mass media will be exclusively maintained under the coordination of the departments in charge thereof and carried out by the designated parties.

3.7 Prohibition on Anti-Money Laundering Transactions

Recipients should never engage, or be involved, in activities that entail laundering (i.e. acceptance or processing) of proceeds from criminal activities in any whatsoever form or manner, strictly abiding by anti-money laundering laws.

Any available information (including financial information) on commercial counterparties, consultants and suppliers must be verified in advance in order to ascertain their moral integrity, ethics and respectability and the legitimacy of their business before establishing any business relationships with the same.

The Company must always comply with the laws on organized crime and anti-money laundering, whether national or international, in any jurisdiction, and comply with the laws, regulations and measures of tax Authorities.

Recipients are required to strictly comply with the corporate rules, policies and procedures in any business transactions that may involve them, including intercompany transactions, ensuring the full traceability of cash inflows and outflows and the full compliance with the anti-money laundering legislation.

3.8 Protection of Industrial and Intellectual Property

The Company acts in full compliance with industrial and intellectual property rights legitimately held by third parties, as well as with laws, regulations and conventions, including within the European Community and/or in the international context, for the protection of such rights.

In such regard, all Recipients must respect the legitimate intellectual and industrial property rights of third parties and refrain from any unauthorized use of the aforementioned rights, in the knowledge that their infringement may have negative consequences for the Company.

In particular, Recipients must, when carrying out their activities, refrain from any whatsoever conduct that may constitute infringement of industrial property rights, alteration or counterfeiting of trademarks and/or distinctive signs of industrial products, i.e. patents or industrial designs, whether national or international, and refrain from importing, marketing or in any case using, or otherwise placing on the market, industrial products with counterfeit or altered or misleading trademarks and/or distinctive signs, or constructed by unduly exploiting industrial property rights.

Moreover, all Recipients must refrain from using any intellectual work (or parts thereof) protected by the rules on copyright, and especially by the (Italian) Copyright Act (Law No. 633/1941), in any form whatsoever, illicitly and/or improperly, in their own interest, in the interest of the Company or in the interest of third parties.

3.9 Fight against Organized Crime

The Company strongly condemns and fights against any form of organized crime, including mafia-related acts, with all the tools at its disposal.

Particular attention will be given by Recipients to the above if they happen to be working in areas, both in Italy and abroad, historically affected by phenomena of organized crime, in order to prevent the risk of criminal infiltration.

Special efforts will be made by the Company in verifying the due requirements of integrity and reliability of business counterparties (such as suppliers, consultants, contractors, or customers).

No business transaction will be undertaken or continued with business counterparties who are suspected of being members of, or being close to, criminal organizations, or are suspected of facilitating the activities of criminal organizations in any form, including occasionally.

3.10 Relations with Official Retailers

The Company undertakes to act with the utmost transparency, fairness and good faith in transactions with official retailers, as privileged counterparties and direct expression of the image of the brands they represent.

Rolex undertakes to adopt objective, declared and transparent criteria for the selection of official retailers, and to strictly comply with the terms and conditions contractually stipulated.

The Company's conduct in the selection process will be based on the pursuit of quality and affordability and the recognition of equal opportunities.

Rolex is committed to only establishing relations with persons who enjoy a respectable and honest reputation, are not involved in unlawful activities, operate in compliance with applicable legislation and have a corporate ethical culture comparable to the Company's.

To this end, all Recipients involved in managing relations with official retailers must:

- verify all the information available on such persons in advance, in order to assess the integrity and ethical conduct of the same;
- ensure the transparency of arrangements and avoid the signing of additional secret clauses or understandings with respect to selective distribution contracts of Rolex contrary to the law.

The selection of official retailers will also be based on the evaluation of:

- quality of service;
- technical and professional qualification of the official retailers, their employees and points of sale in which the retail sale of Rolex products is carried out;
- compliance with applicable legislation;
- social commitments undertaken.

The Company, albeit in the presence of favorable financial conditions, considers that any official retailers operating with procedures that are deemed inconsistent with the values stated in this Code of Ethics are incompatible.

Moreover, the Company requires all official retailers to abide by the principles of this Code of Ethics and will include an appropriate clause to such effect in the relevant contracts.

Recipients will be forbidden from howsoever engaging in the marketing of products and services having characteristics (by origin, source, quality, and quantity) other than as declared or agreed or bearing names, trademarks or distinctive signs capable of misleading the end consumer as to the quality, origin and source of the products/services being offered.

3.11 Customer Relations

The satisfaction of the customers' needs and the establishment of constructive relationships are key objectives for Rolex.

The Company strives to be a reliable and trustworthy partner for its customers and intends to develop its market by following such principle and providing excellent quality products and services.

The Company is committed to satisfying its customers impartially, in accordance with the relevant contracts and agreed quality standards, with high professionalism, willingness, courtesy and cooperation, in order provide them with the highest level of service.

Through its after sales assistance, the Company is committed to ensuring the appropriate quality and safety standards of its products monitoring the perceived quality and full compliance (in terms of origin, source, quality, and quantity) with the stipulations set out in the above quality and safety standards, as well as with its contractual standards and commercial and advertising communications in general.

In the context of customer relations, Recipients are required to:

- develop and maintain favorable and lasting relationships with customers, characterized by maximum efficiency, cooperation and courtesy;
- comply with the commitments and obligations undertaken in their respect;
- provide accurate, complete, truthful and timely information so that customers can make informed decisions;
- require customers to abide by the principles of this Code of Ethics;
- act within the scope of applicable legislation and require strict compliance therewith;
- comply in particular with the provisions of paragraph 4 if the customers are Civil Servants.

Recipients will be forbidden from engaging, in any way, in the marketing of products and services having characteristics (by origin, source, quality, and quantity) other than as declared or agreed or bearing names, trademarks or distinctive signs capable of misleading the end consumer as to the quality, origin and source of the products / services being offered.

3.12 Supplier Relations

The choice of suppliers and the purchase of goods and services will be made by the appropriate corporate departments based on objective evaluations as to the competency, competitiveness, quality, fairness, respectability, reputation and price thereof.

Purchasing processes will be based on the search for maximum value for the Company, granting equal opportunities to each supplier; they will also be based on pre-contractual and contractual behavior held in the context of the indispensable mutual loyalty, transparency and cooperation.

In any case, in the event that a supplier, in the conduct of its business activity on behalf of the Company, holds behavior that is not in line with the general principles of this Code, Rolex is entitled to take the appropriate measures, including the preclusion of any further cooperation opportunities.

The Company demands full respect for ethics, commercial fairness and legality from its suppliers of goods and services, with particular reference to laws protecting industrial and intellectual property, laws on consumer protection, antitrust laws and laws against money laundering and organized crime, as enshrined in the Code of Ethics.

Rolex suppliers must ensure their employees working conditions based on the respect of fundamental human rights, international conventions and applicable laws.

In particular:

- the use of child labor is strictly prohibited and considered unacceptable. The age of workers in charge of production will not be less than the minimum legal age permitted in each country;
- the exploitation of labor, including child labor, the use of forced labor, physical or mental abuse or corporal punishment are considered absolutely unacceptable and will entail the immediate suspension of any and all relationships between the supplier and Rolex;
- the remuneration of, and benefits granted to, workers in charge of production must comply with local regulations, laws and must be aligned with the provisions of international conventions regulating the matter;
- suppliers will ensure that any form of production is carried out by means of working processes that in any case adequately protect the health of workers and is suitable to the production processes actually implemented.

Suppliers are also required to forward this Code of Ethics to their subcontractors.

In the context of supplier relations, directors and employees are required to:

- establish efficient, transparent and cooperative relations, while maintaining an open and free dialogue in line with the best business practices;
- secure the cooperation of suppliers in consistently ensuring the most cost-effective relationship between quality, cost and delivery times;
- require the adoption of the conditions set forth contractually;
- require suppliers to abide by the principles of this Code of Ethics and include an appropriate provision in contracts to such effect;
- operate within the scope of applicable legislation and require strict compliance therewith.

In particular, the conclusion of a contract with a supplier must always be based on relations of absolute transparency, avoiding any forms of dependence, where possible. Thus, by way of example without limitation:

- as a rule, binding long-term projects under short-term contracts that require continuous renewals with price reviews, or consultancy contracts without an adequate transfer of know-how, etc. should be avoided;
- it is considered unfair to induce a supplier to enter into an unfavorable contract implying that a more beneficial contract will be concluded at a later time.

To ensure the greatest transparency and efficiency of the purchase process, Rolex retains all documentation to support the choices made in the purchase and supply contracts, including any official tender documentation for the period required by applicable rules.

3.13 Relations with External Consultants and Other Collaborators

Given the general principles established with regard to supplier relations, it should be specified that in the context of relations with external consultants and other collaborators, it is necessary to:

- carefully evaluate the need to resort to the services of external consultants and collaborators, and select counterparties with the appropriate professional qualifications and reputation;

- establish efficient, transparent and collaborative relations, while maintaining an open and free dialogue in line with the best business practices;
- obtain the cooperation of external consultants and collaborators in consistently ensuring the most cost-effective relationship between quality of performance and cost;
- require the adoption of the conditions set forth contractually;
- require external consultants and collaborators to abide by the principles of this Code of Ethics and include an appropriate provision in contracts to such effect;
- operate within the scope of applicable legislation and require strict compliance therewith.

The Company does not engage in business relations with persons (natural persons or legal entities) who are known to carry out, or suspected of carrying out, illicit activities with reference to the criminal offenses punished by the Italian “Consolidated Law Concerning Immigration Rules and Standards on the Conditions of Foreigners” and, in general, by legislation on immigration.

4. RELATIONS WITH THE PUBLIC ADMINISTRATION AND WITH SURVEILLANCE AND SUPERVISORY AUTHORITIES

4.1 Responsibility for Commitments

The assumption of commitments and management of relations of any whatsoever kind with the Public Administration should be understood in the widest sense, including the Public Administration of Foreign States as well as all organizations that may be qualified as such based on applicable legislation, the current legal theory and case-law interpretations, thus including public officials, persons responsible for a public service and private organizations entrusted with a public service, as well as private entities subject to public legal rules, and will be under the exclusive jurisdiction of the corporate departments in charge thereof and authorized personnel, in strict compliance with applicable regulatory requirements and applicable regulations.

The same requirements apply to relations with the Surveillance and Supervisory Authorities.

4.2 Ethical Rules of Conduct

Any contacts with the Public Administration and Surveillance and Supervisory Authorities should be monitored and documented in order to avoid compromising the Company’s integrity and reputation.

In dealing with the Public Administration and Surveillance and Supervisory Authorities, the persons concerned will be required to be fully transparent, clear and correct in order to establish a relationship having a high degree of professionalism and cooperation.

With regard to officials of the Public Administration and Surveillance and Supervisory Authorities, the following applies:

- active or passive corrupt practices, or collusive behavior of any kind and in any form within relations with such persons are not allowed:
 - when applying for or managing authorizations, permits and/or concessions for the conduct of a business activity,
 - during audits and inspections,
 - during reporting activities of any kind,

- when closing any business deal;
- it is not allowed to offer money or benefits of any kind or perform acts of business courtesy for the benefit of officials of Italian or foreign Public Administrations (including in countries where the giving of gifts / benefits is a widespread practice), or their relatives, except in the case of benefits of a modest value and granted in accordance with corporate procedures and in any case under the express authorization of the Managing Directors, and provided that such gifts cannot be interpreted in any way as a means to influence such officials in the performance of their duties (whether for the purpose of acting in a given direction or failing to act), to receive illegitimate favors and/or gain an unfair advantage.

Relations with the Judicial Authorities and organizations of the Judicial Police of all rank and level must be characterized by the utmost transparency, fairness and cooperation. In this regard, Recipients - especially if involved in legal proceedings - must refrain from holding reticent conduct and omitting acts or holding conduct that indirectly and/or involuntary may hinder the work of the judicial bodies. Similarly, Recipients should refrain from putting any whatsoever pressure or making threats, including by using physical violence, as well as offering any money or other benefits, in order to induce someone not to make statements or to make false statements to the Judicial Authorities.

The Company requires Recipients to offer the maximum assistance and collaboration to anyone who should carry out inspections and audits on behalf of *I.N.P.S.* (Italian national social security institution), *A.S.L.* (health care unit), Ministry of Labor and Social Policies, Ministry of Economy and Finance and any other Public Administration.

It is forbidden to destroy or alter recordings, reports, accounting records and any type of document, lie or make false declarations to the competent Authorities.

No one should try to persuade others to provide false or misleading information to the competent Authorities.

5. RELATIONS WITH OTHER COUNTERPARTIES

5.1 Shareholders, Board of Statutory Auditors, and Independent Auditor

The Company undertakes to provide accurate, truthful and timely information to shareholders and to improve the conditions of their participation in corporate decisions, in full compliance with applicable legislation and the Bylaws.

In relations with the members of the Board of Statutory Auditors and the Independent Auditor, the persons concerned are required to have the greatest transparency, clarity and fairness in order to establish a relationship with a high degree of professionalism and cooperation. Relations should be established and information provided with the prior supervision and coordination of the Company's departments in charge thereof.

5.2 Industry Associations, Workers' Unions, and Political Parties

Rolex will not in any way be involved in providing contributions to political parties, movements, committees, organizations and workers' unions or their representatives or candidates.

It refrains from holding behavior that may directly or indirectly put pressure on political representatives. Rolex may cooperate, including financially, with non-political associations for specific projects, according to the following criteria:

- the purpose thereof should be associated with the Company's business activities;

- the allocation of resources should be transparent and documentable;
- engaging in such relations has been expressly authorized by the Company's departments responsible for the same.

5.3 Competitors

The Company recognizes the paramount importance of a competitive market, and while respecting national and Community legislation on antitrust, as well as the guidelines and directives of the Italian Competition Authority (AGCM), it will not hold conduct or enter into agreements with other companies that may adversely affect the competition rules between the various operators in the target market.

In particular, the Company and Recipients will avoid business practices (establishment of cartels, market divisions, limitations to production or sales, tying arrangements, etc.) that may represent a breach of competition rules and will avoid holding other conduct that may result in distortion of competition in the purchase of goods and services, e.g. by corrupting private contractual counterparties.

All Recipients must also refrain from putting undue pressure, making threats, committing acts of violence, performing tricks, using fraudulent means or holding any other behavior that could impede or howsoever disturb the conduct of commercial and business activities of others or the free exercise of competition in the market.

With regard to fair competition, the Company undertakes not to knowingly infringe the industrial and/or intellectual property rights of third parties.

6. GIVING / ACCEPTING GIFTS OR OTHER BENEFITS

It is not allowed to directly or indirectly offer or give money, gifts or benefits of any kind to directors, officers or employees of customers, suppliers, and external consultants in order to influence them in the performance of their duties and/or gain an unfair advantage, or benefits that may be interpreted as exceeding the normal business practices or courtesy, or in any case aimed at obtaining a favorable treatment in conducting any activity related to the Company, or aimed at influencing the beneficiary thereof and pushing the same to hold conduct contrary to his/her official responsibilities and duties of loyalty, or that are suitable to distort competition (e.g. a promise of economic benefits, favors, recommendations, promises of job offers, or travel prizes of a dubious kind).

In general, the Company condemns any conduct put in place by Recipients aiming, directly or indirectly, to promise, offer, pay or accept money or other benefits in order to obtain or retain business or secure an unfair advantage in relation to the Company's business activities.

Acts of commercial courtesy are permitted provided that they have a modest value or in any case are such as not to compromise the integrity or reputation of either party, or are such as not to be interpreted by an impartial observer as aimed at obtaining an undue advantage and/or obtaining an advantage in an inappropriate manner.

Directors and employees are forbidden from accepting gifts or other benefits for themselves or for others, with the exception of habitual gifts of a modest value and/or attributable to proper relations of courtesy, in any case such as not to compromise the integrity or reputation of either party or such as not to be interpreted by an impartial observer as aimed at obtaining an undue advantage and/or obtaining an advantage in an inappropriate manner.

Any employees who, against their own intentions, receive gifts or other benefits not of a modest value and in any case not in conformity with the above provisions must give timely written notice thereof to the Company, which may order to return the same. Should this be impossible, the gift must be made available to the Company.

With regard to relations with the Public Administration and Surveillance and Supervisory Authorities, please refer to the contents and provisions of paragraph 4.2.

7. ADMINISTRATION AND BOOKKEEPING

The Company complies with the law and, in particular, with the applicable regulations regarding the preparation of financial statements and any kind of statutory administrative and accounting documentation.

Accounting records must be kept in an accurate, complete and timely manner, in compliance with company procedures concerning bookkeeping, in order to achieve a fair representation of the Company's economic and financial position and management.

All of the Company's actions and transactions must therefore be correctly recorded, authorized, verifiable, legitimate, consistent and fair.

Bookkeeping will be based on generally accepted accounting principles and will systematically record events arising from the management of the Company.

To this end, all corporate departments are required to provide maximum cooperation to ensure that all operating events are represented correctly and promptly in the corporate accounts, guaranteeing completeness and clarity of the information provided, as well as fairness and accuracy in data processing.

Adequate supporting documentation must be stored for each accounting entry that reflects a corporate transaction. Such documentation must enable the detection of the reason for the transaction that generated the entry and the relevant authorization. The supporting documentation must be readily available and archived according to appropriate criteria that enable an easy consultation both by internal staff and external entities entrusted with performing audits.

In particular, internal and external auditors must have free access to data, documents and information needed to carry out their activities. It is expressly forbidden to prevent or hinder the performance of control or auditing activities legally attributed to shareholders, other corporate bodies or the appointed audit firm.

8. DILIGENCE IN THE USE OF CORPORATE RESOURCES

Recipients should act with the diligence required and necessary to protect corporate resources, avoiding improper uses that could cause damage to, or a reduction in the efficiency of, the Company, or could otherwise be contrary to the interests of the Company.

For the purpose of this principle, the term 'corporate resources' includes:

- the Company's premises, capital goods (e.g. cars, equipment, or machinery) and consumables owned by the Company;
- property owned by a third party held under a concession, loan, lease or free use;

- IT applications and devices for which it is required to strictly comply with corporate security policies in order to avoid compromising their functionality, processing ability and data integrity.

The use of corporate resources (such as premises and equipment) is not permitted for any personal use and interest of any kind.

It is prohibited to use corporate resources not in compliance with applicable laws, despite such use could in theory be of interest for, or result in a benefit to, the Company.

9. SAFEGUARD OF IT TOOLS

Recipients must strictly abide by the Company's procedures and policies with regard to IT security, and must use corporate resources - such as personal computers, telephone equipment and other communication tools - in accordance with such procedures and policies avoiding any behavior that may compromise the functionality and security of the Company's IT system.

It is not permitted to alter in any way the operation of the corporate electronic or IT systems or the data and information contained therein, or modify programs and files for whatever purpose.

Moreover, each Recipient must:

- avoid uploading borrowed or unauthorized software to the Company's IT systems, as well as take unauthorized copies of licensed programs for personal, business or third-party use or resell such programs;
- refrain from illegally reproducing, distributing, presenting in public, extracting, duplicating, or selling software and/or the contents of a database in violation of the laws on copyright, namely Italian Law No. 633/1941.

10. HUMAN RESOURCE MANAGEMENT POLICY

10.1 Selection and Recruitment of Personnel

The assessment of personnel to be recruited is based on the correspondence of the candidates' profiles with the expected profiles and with the Company's business needs in compliance with equal opportunities for all persons involved.

The information requested is strictly related to the assessment of the candidate's professional profile and aptitude respecting his/her private sphere and personal opinions.

The department responsible for recruitment, within the limits of the available information, will take appropriate measures to avoid favoritism, nepotism or forms of quid pro quo in the selection and recruitment phases. All staff in charge of the selections must declare the presence, among the candidates, of any relatives, blood relations or people with whom they have, or had, work or personal relationships for whatever reason.

10.2 Employment Relationship

Personnel will be hired under an appropriate employment agreement; no form of irregular work will be tolerated.

It is specifically prohibited to recruit foreign personnel without a residence permit or with an expired residence permit or personnel who failed to renew the same within the mandatory deadline, or having a residence permit that has been revoked or canceled.

Upon the establishment of the employment relationship, every worker receives accurate information regarding:

- characteristics of the function and tasks to be performed;
- regulatory issues and salary, as governed by the national collective bargaining agreement;
- standards and procedures to be adopted in order to avoid possible health risks associated with the job.

Workers will be provided the above information so as to be able to fully understand the assignment they are accepting.

10.3 Personnel Management

Rolex avoids any form of discrimination against its employees, offering equal opportunities in employment and professional advancement.

As part of the personnel management and development processes, as well as in the selection phase, the decisions taken will be based on the correspondence between expected profiles and the employees' profiles (e.g. in case of promotion or transfer) and/or on considerations based on merit (for example, allocation of incentives based on the results achieved).

Access to positions and assignments will also be decided in consideration of skills and abilities. Furthermore, consistent with the overall work efficiency, any flexibility in the organization of work that facilitates the management of maternity leave, paternity leave and child care in general will be supported.

The assessment of personnel will be carried out in an all-encompassing and documented manner, involving supervisors, the human resource department and, to the extent possible, anyone who has engaged with the person being assessed.

10.4 Safeguard of Health and Safety in the Workplace

The Company undertakes to disseminate and consolidate a culture of safety, raising awareness about risks and knowledge of, and compliance with, applicable legislation on prevention and protection, promoting and demanding responsible behavior on the part of Recipients and working, mainly through preventive actions, to preserve and improve the workers' health, safety and working conditions.

The Company's activities will be carried out in full compliance with applicable legislation on prevention and protection, with particular reference to the provisions laid down in the Italian Legislative Decree No. 81/2008 and specific applicable regulations on prevention; operational management must make reference to advanced environmental protection and energy efficiency criteria, pursuing the improvement of health and safety in the workplace, including - but not only - for the purpose of a reasonable prevention of manslaughter and serious or very serious intentional bodily harm committed in violation of the rules protecting health and safety in the workplace.

The fundamental principles and criteria that guide the Company's decisions regarding health and safety in the workplace are as follows:

- Avoid risks;
- Assess risks that cannot be avoided;
- Combat risks at source;
- Adapt work to the individual, in particular with regard to the design of the work stations, or the choice of work equipment and working and production methods, in particular to alleviate monotonous and repetitive work and reduce the its effects on health;
- Take into account the degree of technical progress;
- Replace what is hazardous with what is not or is so to a lesser extent;
- Plan prevention, aiming at a coherent whole that integrates technology, work organization, working conditions, social relationships and impact of working environment factors;
- Give priority to collective protective measures over individual protective measures;
- Impart appropriate instructions to workers.

The Company is also committed to ensuring the safeguard of working conditions for the protection of workers' mental and physical integrity by respecting their moral personality and preventing any unlawful conditioning or undue discomfort.

11. DISSEMINATION AND UPDATING OF THE CODE OF ETHICS

Rolex is committed to encouraging and ensuring adequate knowledge of the Code of Ethics by disseminating the same to the Recipients through special effective and appropriate information and communication activities.

In particular, it should be noted that this Code has been published on the web page www.rolexitalia.it. The Company also undertakes to update the contents thereof if requirements dictated by changes in the circumstances, relevant legislation, environment, or corporate organization make it appropriate and necessary.

12. SUPERVISION OF ADOPTION OF THE CODE OF ETHICS

Rolex has chosen the Supervisory Body appointed pursuant to the Italian Legislative Decree No. 231/2001 and in line with the provisions of the Organization, Management and Control Model duly prepared by the Company, as the body responsible for supervising the adoption of the Code of Ethics.

This body will have the task of:

- monitoring initiatives relating to the knowledge and understanding of the Code;
- supervising the actual adoption of the Code, ensuring consistency of the conduct held in practice by individuals with the principles, rules and general standards of behavior set forth in the document;
- suggest any changes, updates and additions to the Code to be submitted to the Board of Directors;
- receive and analyze reports of violations of the Code;
- make proposals concerning the possible imposition of penalty measures in cases of proven violation of the Code of Ethics.

For any clarification concerning the interpretation or adoption of the guidelines referred to in this document, the Company personnel may contact the Supervisory Body.

The violation, or suspected violation of, the Code of Ethics must be promptly reported to the Supervisory Body in writing, using the e-mail address **vigilanzarol@gmail.com**.

Such reports must be sufficiently precise and detailed and attributable to a defined event or area. The Supervisory Body will ensure the confidentiality of the authors of the reports in order to avoid any type of retaliation, discrimination or penalty.

The Supervisory Body will assess any reports received with discretion and responsibility, proceeding with the investigation by also hearing the author of the report and/or person responsible for the alleged violation, giving reasons in writing for any independent decision not to proceed with the imposition of any disciplinary measure and in any case giving notice thereof to the Board of Directors in accordance with the provisions set forth in the Organization, Management and Control Model.

13. CONSEQUENCES OF VIOLATING THE CODE OF ETHICS

The rules of conduct set out in the Code constitute a basic reference which the Recipients must abide by in relations with stakeholders, among which the Public Administration holds a prominent position.

The violation of the provisions of the Code also constitutes a disciplinary offense and will give rise to an immediate disciplinary procedure, regardless of whether criminal proceedings have been commenced in cases where the same behavior also constitutes a criminal offense.

In particular, any type of violation of rules of conduct contained in the Code will authorize the Supervisory Body to require the competent corporate departments of Rolex to impose one of the penalties listed in the Organization, Management and Control Model depending on the severity of the violation committed and on the conduct held prior to the fact (e.g. any previous violations) and after the fact (e.g. reporting the irregularity to the Supervisory Body) by the infringer.