

BALLY

CODE OF ETHICS

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FOREWORD BY NICOLAS GIROTTO, CEO

To be an outstanding brand with legacy and longevity in today's world requires walking the walk and talking the talk. Since 1851, Bally has been a brand with purpose and vision, enforcing positive change with moral integrity. While complying with laws and regulations, providing benefits and care for its local employees and global communities, Bally upholds a profound awareness and passion for preserving the environment.

In our pursuit of the extraordinary, we create understated luxury for modern day with bold innovation and a consistency in craft that has withstood the test of time. This is in large part to our commitment to place ethics first, irrespective of nationality, geographical location and company title as individual employees, shareholders, partners, or as a team.

This following Code of Ethics serves as a compass for each one of us to follow, framing our daily activities, guiding our interactions and how we facilitate relationships, and governing the manner in which we conduct business internally and externally. It places emphasis on integrity, respect, responsibility and loyalty, paving the way for accountability and decency.

It details our esteem for human rights, with a zero-tolerance approach to all forms of corruption, discrimination, harassment and any forced and child labor. The Code also guarantees equal opportunities, allowing us to safeguard the health and safety of our employees.

It allows us to be effective, objective, professional and transparent while advocating for a stimulating and motivating work environment that nurtures talent and promotes trust. These are the highly principled standards that all of us should expect from one another, and that you can expect from me and the executive team too.

To further demonstrate a longstanding commitment to our business and the industry, we have enacted a series of milestone initiatives to mitigate our environmental impact. Not only have we joined the global Fashion Pact with industry peers, defining environmental objectives to ensure a more viable future, we have established a dedicated Peak Outlook Foundation to support mountain preservation efforts worldwide and published a Sustainability Roadmap with near and long-term goals, which we will work diligently towards.

Please familiarize yourself with this Code and apply it into regular practice. Not only will we become better with each passing day, together, we will be a powerful driving force for change. Thank you for being honest and fair, and for staying on course as we meet our requirements towards future progress—may we continue to sustain our business for another two millennia.

Nicolas Giroto, CEO

OUR PURPOSE AND STAKEHOLDERS

This Code of Ethics has been written in line with Bally's core principles and values, which all employees and third-party partners of Bally must comply with in order to ensure the highest standards of integrity and professionalism related to their activities in or on behalf of Bally.

The Code of Ethics and its principles and provisions applies to the entire Bally Group, including all members of the Board of Directors, the Executives, employees and all those who, directly or indirectly, permanently or temporarily, establish relationships and relations with any Bally entity (collectively referred to as, "Consignees"). In the event of a misalignment between the principles contained in the Code of Ethics and local governing law, the more restrictive provisions shall apply.

OUR PRINCIPLES AND VALUES

Bally, true to its brand and legacy, is committed to the following ethical standards:

- Integrity
- Loyalty
- Respect
- Responsibility

Integrity is at the heart of Bally's Code of Ethics: it shapes our culture, history and reputation. Bally Consignees shall act with integrity and respect when conducting any business and while in their respective working environments, creating a symbiotic business model of mutuality and respect, benefiting shareholders, employees, clients and the community.

Consignees must behave ethically around the world, with accountability and moral responsibility in mind whenever and wherever they are working on behalf of Bally or interacting with the Bally community.

Our Code of Ethics protects the brand and ensures greater consistency in Bally's business practices globally: it defines how the company and its people interact with each other in creating a healthy work environment, and further defines how to conduct oneself externally while safeguarding the company.

OUR STANDARDS OF CONDUCT

EMPLOYEES

Bally recognizes the value of Human Resources, who protect the professional health and well-being of our teams, nurture growth and talent among staff and ensure that all employees have a positive and stimulating work environment.

Bally is committed to promoting a safe space to work in that guarantees and respects Human Rights, protection of the person, health and safety, equal opportunity and non-discrimination.

RESPECT OF HUMAN RIGHTS AND PROTECTION OF THE PERSON

Bally recognizes the importance of sustaining and promoting Human Rights as defined by the UN Declaration of Human Rights, and respects human rights for all, including Consignees.

Bally vehemently rejects forced and child labor, as well as any form of abusive recruitment and the irregular employment of workers. Bally also strongly rejects all kinds of physical, verbal, sexual or psychological harassment, abuse, threats or intimidation in the workplace, thus ensuring favorable and respectful working conditions in the countries in which it operates, also with respect to working hours and determination of wages.

It is duly required:

- to guarantee a workplace free from discrimination and harassment;
- not to maintain, either directly or indirectly, relationships of any kind with individuals who violate in any way the rules concerning the safeguarding from child labor and the protection of women and/or the illegal use of labor resulting from immigration trafficking;
- to prohibit any form of intimidation, threat, harassment or abuse in any form, whether physical or verbal, that creates an intimidating, offensive and hostile } work environment (sexual harassment, language or offensive attitudes, racial, ethnic, sexual or religious insults);
- to recognize employees' right to free association and collective bargaining.

HEALTH & SAFETY

It is Bally's commitment to safeguard the health and safety of customers, consultants, employees, suppliers, visitors and anyone who enters Bally's premises, in all countries in which it operates, whether offices, production plants or shops.

Bally intends to act in full compliance and application of the legislation on health and safety in the workplace.

To this end, Bally provides adequate training to employees on health and safety regulations.

Bally achieves regular maintenance of equipment, devices, installations and workplaces, as well as the adoption of innovative technologies and systems to operate safely.

Bally also takes measures to ensure a healthy integration between professional and personal life for all of its employees.

Employees are thereby requested:

- to act with caution in all work activities and to avoid any kind of aggression, be it physical or verbal;
- to be promoters of the culture of prevention;
- to take all the necessary preventive measures to avoid putting one's own safety or that of others at risk;
- not to consume alcoholic beverages both in the workplace and in sponsored events as consumption should never lead to reduced performance or inappropriate behavior, endanger the safety of others or violate local laws;
- not to use illegal drugs or any other substance that could hinder the performance at work and expose themselves or others to security risks;
- to report immediately to their manager or Human Resources any instance of a security breach or potentially dangerous behavior and situations;
- to define and adopt health and safety behaviors and standards, also on the behalf of suppliers, in line with the Health and Safety Management Policy.

EQUAL OPPORTUNITIES AND NON-DISCRIMINATION

It is Bally's commitment to guarantee and respect equal opportunities with regards to employment conditions and opportunities, embracing diversity and inclusion, and freedom of expression.

Bally rejects any form of discrimination and/or harassment of any kind towards an employee based on age, belief, color, disability, ethnic or national background, family status, gender, illness, language, marital status, personal or political opinions, pregnancy, race, religion or sexual orientation. Bally prohibits any coercive, intimidating, offensive or sexual behavior both during the recruitment and selection process and in the work environment.

Employees are required to immediately report harassment or discrimination to their direct supervisor or Human Resources Department. Direct supervisor and Human Resources Department, given their obligation to protect employees, are not always authorized to keep the confidentiality on reported violations. If employees require professional secrecy is guaranteed, they can report harassment or discrimination to codeofethics@bally.ch

STIMULATING AND MOTIVATING WORK ENVIRONMENT

Bally seeks to attract, recruit and develop the most talented people and offers a fulfilling work environment that facilitates relationships among colleagues based on trust.

Bally encourages its employees to continually focus on quality in the execution of their work, and managers who place emphasis on leading by example.

In relation to the roles that they take on in the organization, all employees work towards specific functional and managerial objectives, which are assessed once a year by their respective line manager, who then prepares a merit-based evaluation of the results achieved by the individual and by the company.

Employee relations are managed with an express view to develop everyone's capacities and skills according to a policy of merit and equal opportunity. Every employee has an important duty to communicate, exchange and disseminate essential information within their team or projects. Making knowledge available to those who need it leads to better results and greater efficiency, enabling colleagues to develop an optimal and productive use of their skills and talent.

Bally promotes collaboration and team spirit, and expects employees at all levels to work together to maintain a climate of mutual care and respect.

INTELLECTUAL PROPERTY

Bally owns important industrial and intellectual property rights, whereby proper management is considered fundamental. Bally therefore intends to protect its intellectual property assets, which include, but are not limited to, copyrighted materials, designs, images, inventions, logos, patents, registered trademarks and trade secrets.

Bally acts in full compliance with legislation on industrial and intellectual property rights and ensures that only original products and works are used in company activities.

Therefore, Bally requires its employees:

- to refrain from any conduct that could constitute a violation of third-party industrial property;
- not to allow third parties to use the registered trademarks or intellectual property of the Group without necessary authorization and without an approved license agreement;
- not to allow third parties to use branded and/or proprietary material in an unauthorized or improper manner;
- to preserve intellectual property with the utmost accuracy, attention, confidentiality and diligence, disclosing it to third parties only if strictly necessary and with prior authorization, within the framework of confidentiality agreements.

CONFIDENTIALITY AND PRIVACY

As part of its activities, Bally collects a significant amount of confidential information and personal and sensitive data.

Bally is engaged in:

- treating this data in compliance with all applicable laws and best practices applied in the matter;
- avoiding improper or illegal use of this information;
- adopting specific technical measures to ensure protection against any form of violation and/or abuse, as well as procedures aimed at providing adequate information to the interested parties.

Bally also intends to protect any classified, confidential or sensitive information concerning the Company. Confidential information is considered, but not limited to:

- company projects (commercial, financial, industrial, operational or strategic plans),
- price lists,
- investment and divestment plans,
- data relating to collaborators, customers, employees and suppliers,
- information concerning know-how and processes,
- acquisition or merger plans and company agreements.

It is required:

- to preserve, protect and keep strictly confidential the exclusive property of Bally any data, information or news of which the Consignees become aware or in possession of, in relation to their employment or professional relationship for the protection of company assets;
- to use personal data correctly and for a clear, legitimate and specific purpose and to keep them only until they are necessary for the sole purpose for which they were collected;
- to store data in such a way as to prevent third parties from becoming aware of it;
- not to disclose confidential information even after the termination of the corporate office or the termination of employment and/or collaboration;

- to pay particular attention to oral and written information disclosed in public places or in the media;
- to limit contacts with the media exclusively to the appointed functions, in order to guarantee accuracy, cohesion and consistency of the information.

COMPANY ASSETS

Bally makes available to each collaborator and employee different company assets for the performance of their duties. These company assets include, but are not limited to: books, cars, computers, office equipment, magazines, mobile phones and samples of merchandise and prototypes.

All company assets are the exclusive property of Bally and must be used only for business purposes, avoiding illegal or improper use. All employees are required to be meticulous and responsible for company assets, and to protect these assets against the risk of damage, embezzlement, theft or loss.

All company assets must be returned promptly when the employment relationship ceases, or at any time the company requests.

Bally requires its employees to:

- be responsible for the conservation, custody and protection of company assets, as well as their use in a proper manner and in compliance with the company's interests;
- computing resources are granted to users only for work purposes;
- personal use of computing resources is allowed with common sense and limited to the extent that it does not:
 - disrupt the productivity,
 - interfere with the mission or operations for Bally, and
 - violate Bally security and privacy policies.
- comply with company procedures and policies regarding IT security;
- avoid using IT systems in violation of laws and/or attempting any form of undue damage or intrusion to corporate or other IT systems.

CUSTOMERS

Bally intends to build relationships with customers based on the full satisfaction of their needs with the overarching aim of creating a solid relationship inspired by the values of correctness, honesty, impartiality, integrity, legality, professionalism and transparency.

Bally intends to:

- guarantee that products sold meet the highest quality standards;
- provide accurate, complete and truthful information on the products in order to allow the customer to make an informed purchasing decision;
- inspire transparent communication to customers and condemn any practice that misleads the customer about the quality, quantity and origin of the products offered;
- guarantee dedicated attention and care to incorporating suggestions from customers and resolving complaints;
- ensure that products meet expectations and market requirements, in compliance with the laws enforced in all countries, also in terms of safety (e.g., the safety of the materials and chemicals used), pursuing quality and the continuous improvement of the activities carried out;
- ensure that communication is defined with extreme care and sensitivity so that it is in line with corporate values, respects human dignity, is not discriminatory and does not call for violent behavior or dangerous behavioral patterns.

THE ENVIRONMENT

Bally aims to fully comply with all environmental legislation, seeking to strike a balanced approach between economic growth and the creation of value with respect for, and in protection of, the environment.

Furthermore, Bally is committed to spreading a culture of respect for the environment by promoting responsible behavior among all, and contributing to its critical protection. Bally will continuously improve its environmental performance by minimizing the impact of its facilities (offices, shops and warehouses) and production sites, as well as those of activities, logistics, products, services and suppliers.

Bally intends to:

- comply with all applicable environmental regulations;
- minimize the environmental impact, reducing energy and water consumption, the use of raw materials and potentially dangerous substances, the production of waste and greenhouse gas emissions, as well as all other pollutants;
- minimize environmental risks;
- continuously monitor production processes in order to measure their environmental impact and performance.

BUSINESS PARTNERS AND COMPETITORS

CORRUPTION

Bally is strongly committed to combating all forms of corruption in all the countries in which it operates, including active and passive corruption.

Active corruption means to offer or promise an undue benefit with the aim of inducing another person to carry or not to carry out a planned activity, or to facilitate it, in the context of one's own working position.

Passive corruption means to accept an offer or a promise of an undue benefit from another person to carry out or disqualify a planned activity, or to facilitate it, in the context of one's own working position.

Bally is committed:

- to ensure that public officials are not corrupt, with reference to, for example, customs formalities, tax disputes, the payment of taxes and duties, authorizations and permits in which agents, local consultants or third-party intermediaries participate;
- not to accept or offer, directly or indirectly, by and/or to agents, business partners, consultants, customers, exponents or political parties, public officials, suppliers or any other person or organization: gifts (unless reasonable in value and not intended to influence or secure an improper advantage), money, or any type of services;

- to avoid representation expenses that could give rise to suspicions of irregularities or give the impression of wanting to condition and influence the work of agents, business partners, consultants, customers, exponents or political parties, public officials, suppliers or any other person or organization;
- to avoid obtaining false authorizations and licenses for shops, avoiding illicitly and unduly speeding up the process for obtaining authorizations and licenses, and avoiding delaying or inhibiting control activities and inspections on the shops;
- to avoid influencing the results of audits, guaranteeing their correct execution, and making the documentation and information requested available in a complete manner;
- to guarantee the utmost correctness and transparency in the preparation of the appropriate documentation for the request of contributions or public funding, and in the management of relations with the officials of the paying public bodies;
- to prevent the possibility of creating funds linked to illegal activities;
- to guarantee respect for the autonomy of regulators and public institutions, and to manage normal relations with representatives of institutions or political parties.

CONFLICT OF INTEREST

In respect to the values of honesty and fairness, Bally undertakes every measure necessary to prevent and avoid instances that constitute a conflict of interest.

Bally requires any decision and business activity to be taken with the sole purpose of acting in the express interests of the company.

By way of example, the following could constitute situations whereby a conflict of interest exists:

- having economic or financial interests, including family members, with customers, competitors or suppliers;
- contacting the supplier: a "conflict of interest" may arise when an employee acts or has interests that make it difficult to carry out his work in an objective and effective manner; when an employee or a member of their family receives improper personal benefits due to their position within the company;

- hiring a relative/personal relationship at work: a “conflict of interest” may arise when a manager hires or has a relative in a job with a direct or indirect hierarchical relationship, when two employees who have a hierarchical relationship get married or live together or otherwise have a relationship between them;
- working for another company: a “conflict of interest” may arise when an employee undertakes any other business or professional activity, or becomes an employee or agent for another company.

Bally requires its employees to:

- avoid any conflict of interest in which personal interests could interfere with the needs and interests of the company;
- report to their direct manager and to Human Resources situations that, even potentially, may constitute or determine a conflict of interest for themselves or their colleagues.

ANTI-MONEY LAUNDERING

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

Consignees 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;
- thoroughly verify information available on counterparties and avoid entering into or continuing with trade or financial transactions where there is 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.

SUPPLIERS

Our suppliers are our partners. For this reason, anyone required to deal with them must always demonstrate the utmost correctness and professionalism, encouraging the construction of solid and lasting relationships of trust, in compliance with laws and regulations.

In selecting suppliers, Bally is inspired by principles of cost-effectiveness, correctness, objectivity, professionalism, quality of the good or service and transparency. In particular, Bally will seek professionalism and fully share the contents and principles of the Code of Ethics.

The purchasing processes are based on respect for the laws and principles in place to protect competition, guaranteeing the maximum efficiency and transparency of the process itself.

They must also be marked by the search for the maximum competitive advantage and the correctness and impartiality towards each supplier in possession of the required features.

Bally guarantees professionalism, good reputation and legitimacy of its relationships, avoiding relationships with suppliers suspected of belonging to and aiding criminal organizations or who behave in ways that are not compliant with the applicable rules and established and shared principles.

CODE OF ETHICS APPLICATION

The Code of Ethics shall be used as a guide, and must not be understood as an exhaustive document that covers all situations that may arise during the course of operations.

For any queries related to specific rules of conduct or for clarification on any subject mentioned in this Code, Consignees are invited to contact their supervisor, the HR department, the Legal department or the Internal Auditing department.

The principles, values and rules of conduct in the Code of Ethics are disseminated within Bally and to third parties.

The Code of Ethics is available and accessible on the company website and on the on the Bally Portal.

Furthermore, the Code of Ethics shall be adopted by those who collaborate with Bally (external consultants, customers, suppliers, etc.), also through the use of specific contractual clauses.

Bally promotes the creation of training courses for its collaborators so that they may full understand the principles and rules envisioned by this Code of Ethics.

IMPLEMENTATION AND MONITORING

Failure to comply with the principles and rules of conduct contained in the Code of Ethics constitutes a violation of the same and represents a serious breach of contract. Failure to comply with the principles of the Code of Ethics may therefore, depending on the case, result in the application of disciplinary measures and/or penalties, or the termination of employment or commercial contract:

- for Bally employees and collaborators, the violation constitutes non-fulfillment of the obligations derived from the employment relationship and/or constitutes a disciplinary offense which may prejudice the continuity of the employment relationship and also incorporate actions for compensation of damages;
- for non-employees, compliance with the Code is a prerequisite for continuing the existing collaborative relationship with Bally;
- therefore, the violation of the rules of the Code may constitute non-fulfillment of contractual obligations, with all legal consequences, also in relation to the termination of the contract and/or the assignment, and may lead to compensation or damages suffered by Bally or by the companies of the group.

REPORTING A CODE OF ETHICS VIOLATION

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

Unless it is not allowed by local law, inquiries or reports of violations may be made anonymously; however, it is helpful if Consignees provide their name and contact information so they may be reached for further details and follow-up information.

Bally treats each report with confidentiality, and in accordance with the legislation enforced, to protect the anonymity of the informants, ensuring that they will not be subject to any form of retaliation.

Reports of any violations of this Code may be communicated to Bally in paper form or at the following email. codeofethics@bally.ch