



## **Abstract**

# **Organization, Management and Control Model pursuant to Legislative Decree No. 231 of 8 June 2001**

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Moncler S.p.A.

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## **DEFINITIONS**

**“Collective Bargaining Agreement”**

National collective bargaining agreement.

**“Company” or  
“Moncler S.p.A.”  
or “Moncler” or  
“Parent company”**

Moncler S.p.A., with registered office at Via Stendhal 47, 20144 Milan, VAT no. and Tax identification no. 04642290961

**“Collaborators”**

Third parties collaborating with the Company, including “seasonal”, project-based, temporary / contracted workers.

**“Consultants”**

Persons that are not employees of the Company acting in the name and/or on behalf of Moncler S.p.A. on the basis of a mandate or other stylistic, technical, or professional advice agreement in Sensitive Processes / Activities.

**“Contractors”**

Conventionally, these are all contractors of works or services within the meaning of the Italian Civil Code, as well as subcontractors, sub-suppliers, providers of work, self-employed workers that enter into a contract with the Company and which the latter employs in Sensitive Processes / Activities.

**“Decree”**

Legislative Decree No. 231 of 8 June 2001.

**“Delegation”**

The internal act of assigning functions and tasks within the corporate organization.

**“Employees”**

For the purposes of this Model, employees and managers of Moncler S.p.A.

**“Governing Body”**

The Board of Directors of Moncler S.p.A.

**“Group Companies”**

All the Companies belonging to the Moncler Group, headed by Moncler S.p.A., that are directly or indirectly controlled by the latter (or that are under common control with the same).

**“Model”**

The organization, management and control model set forth in the Decree.

**“Moncler Group”**

This means the Group of Companies headed by Moncler S.p.A.

**“Offenses”**

The types of offenses considered in the Decree.

**“Partners”**

The third parties with which Moncler maintains partnerships and joint ventures in various capacities, as well as cooperation for the realization of co-marketing projects and special projects

**“Power Of Attorney”**

The unilateral legal contract whereby the Company attributes powers of representation against third parties.

<b>“Process Owner”</b>	The person that due to the organizational position held or activities carried out is more involved in the relevant Sensitive Activity or has greater visibility for the purpose of Model 231.
<b>“Recipients”</b>	All the persons the Model is addressed to and, in particular: Corporate Bodies and their members, Employees, Collaborators, Contractors, Suppliers, Consultants, Partners, and representatives of other Group Companies involved in Sensitive Activities, as well as members of the Supervisory Body, as not belonging to the categories mentioned above (see also para. 3.3).
<b>“SB”</b>	The Supervisory Body set forth in the Decree.
<b>“Sensitive Processes / Activities”</b>	The set of business activities and operations, also carried out with the help of representatives of other Group Companies by virtue of intercompany agreements (especially, the sub-holding Industries S.p.A.), organized in order to pursue a particular purpose or manage a specific business scope of Moncler S.p.A. in areas potentially at risk of committing one or more of the offenses under the Decree, as listed in Special Sections of the Model, also referred to generically and collectively as area/s at risk.
<b>“Suppliers”</b>	The suppliers of goods and services (other than consulting services) which the company uses in the context of sensitive processes. Company/supplier relationships were analyzed as part of the Sensitive Processes for “Research and development of style and conceptual innovation”, “Marketing/event communication management, advertising/promotion activities – brand management” or handled by the sub-holding Industries Spa and mapped as part of the Sensitive Process “Managing intercompany transactions”.

## **INTRODUCTION**

Moncler is the Parent Company that owns the brand Moncler. It was founded in the town of Monestier de Clermont, France, in 1952. The Moncler Group specializes in technical apparel with a unique and shared reputation in the luxury market by offering different types of products that meet different customer needs.

The Moncler Groups directly manufactures and distributes its collections of Moncler clothing and accessories through its boutiques and in exclusive international department stores and multi-brand outlets. Today, the Moncler Group relies on 1,200 full-time employees and operates through a network of 122 mono-brand sales points, as well as a wholesale distribution channel. The brand is present in 66 Countries and 4 regions in the world: Europe, Asia, Japan and the Americas.

Moncler shares have been listed on the Italian Electronic Stock Exchange (Mercato Telematico Azionario) organized and managed by Borsa Italiana S.p.A. since 16 December 2013.

At its meeting held on 28 March 2014, the Board of Directors of Moncler S.p.A. (appointed by the Shareholders' Meeting held on 1 October 2013) approved the "Organization, Management and Control Model" pursuant to Legislative Decree No. 231 of 8 June 2001, setting forth "Rules on the administrative liability of legal persons, companies and associations including those without legal personality under Article 11 of Law No. 300 of 29 September 2000".

In parallel with the adoption of the Model, the Board of Directors appointed a special body, called the Supervisory Body, to which it gave the task of supervising and monitoring the requirements of the above Decree.

Subsequently, in 2014, the Company carried out a specific risk assessment with reference to IT crimes, thereby modifying the Model, the revised and updated version of which was approved by resolution of the Board of Directors on 12 May 2015.

In 2017, the Company revised the risk assessment process to include the offense of bribery between private individuals and updated the risk assessment in relation to the new offense of unlawful intermediation and exploitation of labor.

Lastly, in the first quarter of 2018, the Company adapted the Model to include the new regulations on whistleblowing (incorporating the amendments to Article 6, Legislative Decree no. 231/2001 introduced by Law no. 179 of 30 November 2017 containing "Provisions for the protection of whistleblowers who report offenses or irregularities which have come to their attention in the context of a public or private employment relationship").

The supplemented and updated version of the Model was approved by the Board of Directors on 4 May 2018.

In the fourth quarter of 2020, the Company updated the risk assessment with reference to offenses of fraud in sporting competitions, abusive gambling or betting and gambling by means of prohibited devices; the establishment of a national cyber security perimeter; tax offenses and implementation of the PIF Directive (including, among others, smuggling offenses).

## 1. LEGISLATIVE DECREE NO. 231/2001

### 1.1 Key Features and Scope of Application

Legislative Decree 231/2001 introduced and regulates the administrative liability of legal entities due to the commission of offenses.

The scope of application of the Decree is rather wide and it affects all entities with legal personality, corporations, associations, including those without legal personality, public economic entities and private-sector concessionaires of public services. The Decree, however, does not apply to the State, local public bodies, non-profit public bodies or entities that carry out constitutional functions (for example, political parties and trade unions).

A liability arises for an entity if:

- an offense has been committed to which the Decree connects a liability for the entity;
- the offense has been committed by a person who has a special connection with the entity;
- there is an interest or a benefit for the entity in the commission of the offense.

The administrative liability of the entity is independent from that of the individual who commits the crime, and it therefore arises even if the offender has not been identified or if the offense is no longer punishable for a reason other than amnesty.

The liability of the entity is in any case added to and does not replace that of the individual perpetrator of the offense.

### 1.2 Types of Offenses Identified by the Decree and Subsequent Amendments

The liability of entities only arises for offenses expressly laid down by law (so-called predicate offenses).

At the date of approval of the Model, the predicate offenses belong to the categories mentioned below:

- offenses against the Public Administration (Articles 24 and 25);
- IT crimes and unlawful processing of data (Article 24-bis);
- organized crime (Article 24-ter);
- forgery of currency, public credit cards, tax stamps and instruments or signs of recognition (Article 25-bis);
- offenses against industry and trade (Article 25-bis 1);
- corporate crimes (Article 25-ter);
- crimes of terrorism or subversion of the democratic order (Article 25-quater);
- practice of female genital mutilation (Article 25-quater 1);
- offenses against the person (Article 25-quinquies);
- market abuse (art. 25-sexies);
- manslaughter and serious or very serious negligent injury committed in violation of the rules to protect health and safety in the workplace (Article 25-septies);
- receiving, laundering and using money, goods or benefits of illicit origin (Article 25-octies);
- offenses in violation of copyright (Article 25-novies);
- inducement not to make statements or to make false statements to the Judicial Authorities (Article 25-decies);
- environmental crimes (Article 25- undecies);



- crimes relating to employing citizens from non-EU countries without proper residency permits (Article 25-*duodecies*);
- offenses involving racism and xenophobia (art. 25-*terdecies*);
- offenses of fraud in sporting competitions, abusive gambling or betting and gambling by means of prohibited devices (art.25-*quaterdecies*);
- transnational offenses (Article 10, Law No. 146/2006)
- tax offenses (art. 25-*quingiesdecies*);
- smuggling offenses (art. 25-*sexiesdecies*).

The list of predicate offenses is likely to be expanded in the future.

### 1.3. Criteria for Attributing Liability to the Entity

If one of the predicate offenses has been committed, the entity may be punished only if the following conditions are met:

- **Senior managers**, including, but not limited to, the legal representative, a director, the general manager or the manager of an independent organizational unit, as well as people who, even de facto, exercise the management of the entity. These are, in essence, those who have an independent power to make decisions on behalf of the company. All persons delegated by the directors to exercise management or direction of the company or of its branch offices are also considered to fall under this category. In this context, the structure of the power and function delegation system is particularly important for the overall purpose of the definition of this Organization, Management and Control Model.

- **Subordinate staff**, all persons who are subject to management and supervision of senior managers; typically, employees, but also those that do not belong to the entity's personnel, who have been entrusted with a task to be performed under the direction and supervision of senior management. For the purpose of belonging to this category, what matters is not the existence of a contract of employment, but the work actually performed. It is clear that the law needs to avoid that the entity may escape liability by delegating work to third party collaborators whereby an offense may be committed. Among the interested third parties there are, for example, collaborators, promoters, agents and consultants, who, upon mandate of the company, perform activities in its interest. Finally, mandates or contractual relationships with persons other than company's personnel are also relevant, provided that they act in the name of, on behalf or in the interest of the entity.

According to the **“objective” criterion**, the offense has been committed in the interests of or for the benefit of the entity. The offense must, therefore, relate to the company's business activities or the company must have obtained some benefit, even potential benefit, from the offense. The two conditions are alternatives, meaning that it is sufficient that only one of them is met.

- “interest” exists when the perpetrator of the offense has acted with the intention of favoring the company, regardless of whether this objective is actually achieved.
- a “benefit” exists when the Company has obtained, or could have obtained, positive results, financially or otherwise, from the offense.

The law does not require that the benefit achieved or envisaged by the entity should necessarily be of a financial nature: liability exists not only where the wrongful act has caused a cash advantage, but even if, while in the absence of such a concrete result, the fact causing the offense is grounded in the interest of company.

Even the improvement of the entity's market position, the concealment of a financial crisis, the conquest of a new geographical area are results involving the interests of the company without providing an immediate financial benefit.

The entity is not liable if the offense has been committed in the exclusive interest of the offender or in the exclusive interest of third parties.

The Decree also provides that the entity is not liable for the offense if - before it is committed - the same has adopted and effectively implemented an appropriate "organization and management model" (the Model) to prevent the commission of offenses of the kind that has been committed.

Therefore, the Decree exempts the entity from liability only if it is able to prove that:

- the governing body adopted, before the offense was committed, and effectively implemented organizational, management and control models capable of preventing the type of offense that occurred;
- the task of supervising the functioning and compliance with the models and of ensuring that they are kept updated was assigned to a body within the entity vested with autonomous powers of initiative and control (the "Supervisory Body" as per section 5 herein);
- and that supervision by of the aforementioned body was neither omitted nor insufficient.

In particular, the Decree assigns the following tasks to the Supervisory Body:

- supervision over the operation of the Model;
- any updating of the Model;
- acquisition of information related to violations of behavioral precepts, including through the creation of internal information flows;
- coordination with other corporate bodies with similar responsibilities;
- activation of disciplinary proceedings.

The Model operates as grounds for exemption of the entity both in case the offense is committed by a senior manager and if it is committed by a subordinate staff member. However, if the offense has been committed by a senior manager, the entity must prove that such person committed the offense by fraudulently evading the Model.

In the event that an offense has been committed by subordinate staff, the entity will only be liable if it is established that the commission of the offense has been made possible by failing to fulfill management or supervisory obligations, or in the presence of genuine organizational negligence: the company has indirectly consented to the commission of the offense by not supervising the activities and persons at risk of committing a predicate offense.

#### **1.4. Instructions of the Decree in Regard of the Characteristics of the Organization, Management and Control Model**

The Model is thus a set of principles, instruments and conducts that govern the organization and management of the enterprise, as well as control instruments.

The Model is considered to be appropriate if it has the following minimum content:

- the company's activities within which offenses may be committed have been identified;
- specific protocols have been set out aimed at planning the formation and implementation of the company's decisions in relation to the offenses to be prevented;
- appropriate procedures for the management of financial resources have been identified to prevent the commission of offenses;
- an appropriate disciplinary system has been introduced to punish non-compliance with the measures indicated in the Model;

- mandatory information flows have been provided for in respect of the Supervisory Body;
- one or more channels are available to report unlawful conduct pursuant to Legislative Decree no. 231/2001 or violations of the Model, including at least one capable of ensuring the confidentiality of the whistleblower using IT tools.
- in relation to the nature and size of the organization, as well as the type of business activity carried out, appropriate measures have been provided for to ensure that business is conducted in compliance with the law and to promptly detect and eliminate situations at risk.

The effective implementation of the Model is confirmed by its periodic review and update if there are any significant violations of the provisions contained therein or if changes in the company's organization or activities have occurred.

### 1.5. Penalties

The entity held responsible for the commission of any of the predicate offenses may be sentenced to four types of penalties, different by nature and methods of execution:

1) a financial penalty is always applied and determined according to the severity of the offense, the degree of liability for the company, the operations carried out to eliminate or mitigate the consequences of the offense or to prevent the commission of other offenses. The judge will also take into account the company's economic and financial conditions.

2) disqualification penalties: applied in addition to financial penalties, provided they are expressly set forth for the offense for which proceedings have been commenced, and at least one of the following conditions has been met:

- the entity has drawn a significant profit from the offense and the offense has been committed by a senior manager, or a subordinate staff member, but only if the commission of the offense has been made possible by serious organizational shortcomings;
- in case of repeated offenses.

The disqualification penalties set forth in the Decree are:

- temporary or permanent disqualification from carrying out the business activity;
- suspension or revocation of permits, licenses or concessions functional to the commission of the offense;
- prohibition to enter into contracts with the public administration, except for obtaining the performance of a public service;
- exclusion from credit facilities, loans, grants or subsidies and possible revocation of those already granted;
- temporary or permanent prohibition to advertise for goods or services.

Disqualification penalties concern the specific activity to which the entity's offense relates and are usually temporary, ranging between three months to two years, but they may exceptionally be applied with permanent effect. They may also be applied as a precautionary measure, before the verdict, at the request of the Public Prosecutor, if there are serious indications of the entity's liability and there is clear and specific evidence to suggest a real threat that same types of offenses at issue in the proceedings may be committed.

3) confiscation: this consists in the acquisition by the State of the price or profit of the offense or of an equivalent value.

4) publication of the verdict: this consists in the publication of the verdict only once, either in part or in whole at the expense of the entity, in one or more newspapers designated by the Judge in its verdict and by bill posting in the Municipality where the entity has its the main office.

The penalties are of an administrative nature and are subject to a statute of limitations, except in cases of interruption thereof, within five years from the date when the offense was committed.

## **2. PROCESS FOR THE PREPARATION OF THE MODEL**

### **2.1 The Company's Choice**

Moncler has decided to launch an adaptation project with respect to the contents of the Decree for the adoption of its own Model. The latter is not only a valuable tool for raising awareness of all those who work on behalf of the Company, in order for them to hold correct and straightforward behavior in their activities, but also an indispensable means of prevention against the risk of committing the offenses provided for by the Decree.

### **2.2 Methodological Approach Adopted**

In light of the results of the *Control & Risk Self-Assessment* (CRSA), the Model identifies general principles of conduct and prevention rules that must be implemented to prevent the commission, so far as is reasonably practicable, of the predicate offenses relevant to the Company.

To this end, the Company has taken into account the existing control and prevention tools, aimed at regulating corporate governance, such as the Articles of Incorporation, the system of powers of attorney, contracts, including intercompany agreements, and other organizational documents, if any, drawn up by the individual business functions.

The results of the analysis conducted attributable to the *Control & Risk Self-Assessment*, as well as the specific protocols identified by the Company, are contained, or referred to, in the documentation in which the evidence emerging from the CRSA is formalized.

## **3. ORGANIZATION, MANAGEMENT AND CONTROL MODEL**

### **3.1 Purpose of the Model**

The adoption of this Model is aimed at creating a system of corporate requirements and tools whose objective is to ensure that the Company's business activities are carried out in full compliance with the Decree and to prevent and punish any attempts to engage in behaviors subject to the risk of committing one of the offenses set forth in the Decree.

Therefore, the purposes of this Model are to:

- improve the Corporate Governance system;
- introduce further principles and rules of conduct into the Company aimed at promoting and developing an ethical culture within it, in the interest of fairness and transparency in the conduct of business;
- prepare a comprehensive structured set of prevention and control tools aimed at reducing the risk of committing offenses related to corporate operations;
- cause all those who operate in the name and on behalf of Moncler in "areas of activities at risk" to become aware of the fact that they may commit an offense, in the event of breach of the

provisions contained therein, that is punishable both for the perpetrator of the violation (under civil law, disciplinary systems or, in certain cases, criminal law) and for the Company (administrative liability pursuant to the Decree);

- inform all those who work in any capacity in the name of, on behalf of, or otherwise in the interest of Moncler that any violation of the provisions contained in the Model will entail the application of appropriate penalties or the termination of the contractual relationship;
- reiterate that Moncler will not tolerate illegal activities of any kind regardless of any purpose, as such behavior (even if the Company were apparently in a position to benefit therefrom) is in any case contrary to the ethical principles that the Company intends to follow;
- actively censure any conduct in violation of the Model through the infliction of disciplinary and/or contractual penalties.

The Model prepared by Moncler is thus based on a structured and comprehensive set of protocols and monitoring activities, which:

- identifies the areas and activities that are potentially at risk in the course of business operations, i.e. all those activities within which it is believed there is a higher chance for the Offenses to be committed;
- defines an internal regulatory system, aimed at the prevention of the Offenses, which also includes the following:
  - a Code of Ethics that expresses the commitments and ethical responsibilities in the company's conduct of business and corporate operations;
  - a system of delegation, powers of attorney and proxies for the signature of corporate documents which provide for a clear and transparent representation of the process of formation and implementation of decisions;
  - formalized procedures, aiming at regulating operations and monitoring processes in areas at risk;
- is founded on the assumption of an organizational structure that is consistent with the business activity carried out by the Company and designed with the aim, on the one hand, to ensure the proper strategic and operational management of business activities and, on the other hand, a continuous monitoring of behavior. Such monitoring is ensured by guaranteeing a clear and systematic allocation of tasks, by applying a proper segregation of functions, by ensuring that the structure of the organization is actually implemented as defined through:
  - a formally defined, clear and appropriate organization chart consistent with the business activity carried out by the Company and a clear definition of the functions and responsibilities assigned to each organizational unit;
  - a system of delegation of internal functions and powers of attorney to represent the Company externally in order to ensure a clear and consistent segregation of functions;
  - a punctual demarcation of intercompany transactions by drawing up contracts in writing containing the determination of the tasks entrusted to the representatives of the other Group Companies involved in Sensitive Activities, the definition of the areas of responsibility of the parties involved, specially appointed and equipped with adequate powers in compliance with applicable corporate policies and procedures and with the principles dictated by the Code of Ethics;
- identifies the management and control Activities of financial resources in activities at risk;
- assigns to the SB the task of supervising the operation of and compliance with the Model and of proposing amendments thereto.

### 3.2 Code of Ethics

The recommendations contained in this Model are integrated with those of the Code of Ethics of the Moncler Group (hereinafter the “Code of Ethics”).

The most recent version of the Group’s Code of Ethics was approved on 26 February 2018.

The Code of Ethics is a tool adopted on an independent basis and is generally applied by the Company in order to express the principles of “business ethics” that the same recognizes as its own and to which it draws the attention of all Recipients.

The Model instead responds to the specific requirements of the Decree and is designed to prevent the commission of certain types of offenses for acts that, as apparently committed for the benefit of the Company, may lead to administrative liability pursuant to the provisions of the Decree.

### **3.3 Recipients of the Model**

The requirements of the Model are addressed to the corporate Bodies and to the members thereof, Employees, Collaborators, Suppliers, Contractors, Consultants, Partners, and representatives of other Group Companies involved in Sensitive Activities, as well as members of the Supervisory Body, as not belonging to the categories mentioned above.

The persons to whom the Model is addressed must abide by all the provisions strictly, in the fulfillment of the duties of loyalty, fairness and diligence arising from the legal relationships established with the Company.

The Company condemns any conduct which does not comply, as well as with the law, with the provisions of the Model, even if such conduct is carried out in the interest of the Company or with the intent to giving it an advantage.

For disciplinary measures in case of violations of the Model, please refer to the provisions of paragraph 8.5 hereunder.

### **3.4 Adoption of, Amendments to and Additions to the Model**

This document is a “*document issued by the executive body*” (in accordance with the provisions of Article 6 para. 1, letter a), of the Decree) and the subsequent amendments and additions of a substantial nature thereto are consistently referred to the competence of the same Board of Directors.

The Chief Executive Officer is attributed the right to make changes or additions, if any, to this document, of a purely formal kind, provided that the contents remain unchanged in substance. The Board of Directors and the SB must be promptly informed of such changes or additions.

### **3.5 Management of the Model within the Moncler Group**

Moncler recommends the adoption by the individual Group Companies of their own organizational model, consistent with the local situation and on the basis of instructions issued by the Company for this purpose.

The evaluation and possible adoption of an organization, management and control model is left to the responsibility of the governing bodies of the individual Group Companies.

The establishment of a Supervisory Body, as provided for in Article 6, paragraph 1, letter b, of the Decree, with all the relevant granting of powers and responsibilities, is also left to the responsibility of each Group Company.

#### 4. COMPONENTS OF THE PREVENTIVE CONTROL SYSTEM

The monitoring principles that are the architecture of the internal control system of Moncler are described below:

- **clear identification of roles, tasks and responsibilities** of the persons involved in carrying out business operations (inside or outside the organization);
- **segregation of duties among** those who carry out an activity operationally, those who control it, those who authorize it, and those who record it (if applicable);
- **traceability and documentation of operations *ex post***: the relevant operations carried out (especially in the context of Sensitive Activities) must be adequately formalized, with particular reference to the documentation prepared during the execution of the same. The documentation produced and/or available in hard copy or in electronic form must be stored in an orderly and systematic manner by the functions / parties involved therein;
- **identification of manual and automatic preventive controls and inspections *ex post***: there must be manual and/or automatic controls capable of preventing the commission of Offenses or of detecting irregularities *ex post* that may conflict with the purposes of this Model. Such controls are more frequent, structured and sophisticated within the context of Sensitive Activities characterized by a higher risk profile in regard of the commission of Offenses.

The components of the preventive control system to be implemented at the corporate level to ensure the effectiveness of the Model may be traced back to the following items:

- system of ethical principles aimed at the prevention of the offenses set forth in the Decree;
- sufficiently formalized and clear organizational system;
- system of powers of authorization and signature consistent with the organizational and management responsibilities as defined;
- management control system capable of providing timely warning of the existence and onset of critical situations;
- communication system and training of personnel regarding the foundations of the Model;
- disciplinary system capable of sanctioning the violation of the rules of the Model;
- system of operating, manual or IT procedures, aimed at regulating the activities in the corporate areas at risk with the appropriate checkpoints;
- information and IT application systems for the conduct of operations or monitoring operations within the context of Sensitive Activities, or in support thereof.

Without prejudice to the fact that the requirements of this paragraph have common features in relation to all the types of offenses, please refer to each Special Section with regard to the protocols with specific characteristics for each Sensitive Activity.

##### 4.1 System of Ethical Principles

The Company believes it is essential for Recipients to comply with the ethical principles and general rules of conduct in the performance of their activities and management of relations with the corporate bodies, shareholders, Employees, Collaborators, Suppliers, Contractors, Consultants and Partners

in intercompany transactions and with the Public Administration. These rules are set out in the Code of Ethics of the Moncler Group.

## **4.2 Organizational system**

The Company's organizational system is defined through the preparation of corporate organizational charts and through the issue of delegations of functions and organizational arrangements (orders of service, job descriptions, internal organizational directives), which provide a clear definition of the functions and responsibilities assigned to each local organizational unit.

## **4.3 Authorization System**

The authorization and decision-making system translates into a structured and coherent system of delegation of functions and powers of the Company, based on the following requirements:

- proxies must combine each management power to the relevant responsibilities and to an appropriate position in the company's organizational chart and must be updated as a result of organizational changes;
- each proxy must define and describe the management powers of the delegated party specifically and unequivocally and indicate the person to whom the delegated party reports hierarchically / functionally;
- management powers assigned with the proxies and their implementation must be consistent with corporate objectives;
- the delegated party must have spending powers appropriate to the functions assigned thereto;
- powers of attorney may be assigned exclusively to persons with a functional internal proxy or specific assignment and must provide for the extension of the powers of representation, and, where appropriate, the numerical spending limits;
- all those who maintain relations with the Public Administration on behalf of Moncler must be equipped with a proxy / power of attorney to do so.

## **4.4 System of Management and Control of Financial Flows**

The management control system adopted by Moncler is structured in different stages of preparation of the annual budget, analysis of interim reports and preparation of Company forecasts.

The system ensures:

- a variety of parties involved, in terms of adequate segregation of functions for the processing and transmission of information;
- the ability to provide timely warning of the existence and onset of critical situations through an adequate and timely system of information and reporting flows.

The management of financial resources, achieved at Moncler with the aid of representatives of other Group Companies, is defined on the basis of principles guided by a reasonable segregation of functions (even in the light of the organizational set-up and structure of the Company and of the Group), such as to ensure that all expenditure is required, paid out and controlled by independent functions or persons as separated as possible, which, moreover, are not assigned other responsibilities such as to determine potential conflicts of interest.



Finally, cash management is guided by criteria of asset preservation with the related prohibition to carry out financial transactions at risk, and possible double signature for the use of cash above a predetermined threshold.

#### **4.5 Information and Training Program**

With specific reference to the operations carried out as part of the Sensitive Activities, an adequate program of periodic and systematic information and training addressed to Employees and Collaborators involved therein is required and ensured.

The program includes the discussion of corporate governance issues and dissemination of significant corporate operational mechanisms and organizational procedures with respect to matters related to Sensitive Activities.

Such activities complement and complete the information and training process on a specific topic of the actions carried out by the Company in terms of adaptation to Legislative Decree No. 231/01, as specifically provided for and regulated in the chapters devoted thereto in the General Section of the Model.

#### **4.6 Disciplinary System**

The existence of a system of applicable penalties in case of non-compliance with the corporate rules of conduct and, in particular, with the internal requirements and procedures set forth in the Model is an essential component for ensuring the effectiveness of the same Model. Please see the full description in such regard in Chapter 8 hereunder.

#### **4.7 System of Operating Procedures**

Article 6, paragraph 2, letter b), of the Decree explicitly states that the Model should “*provide for specific protocols aimed at planning the formation and implementation of the entity’s decisions in relation to the prevention of offenses*”.

Organizational documents allow the Company to regulate the Sensitive Activities in more detail and to guide and ensure the implementation and enforcement of principles of conduct and control through:

- the clear formalization of roles, tasks and procedures and timing for the implementation of operations and control activities being regulated;
- the representation and regulation of the segregation of duties between the person taking the decision (decision-making power), the person who authorizes its implementation, the person who performs the operation and the person entrusted with monitoring it;
- traceability and formalization of each relevant activity of the process described in the procedure in order to trace ex post the operations carried out and the evidence of the control principles and operations applied;
- an adequate level of filing of the relevant documentation.

#### **4.8 Information and IT Application Systems**

For the preservation of the corporate documentary and information legacy, adequate security measures must be provided to safeguard the Company from the risk of loss and/or alteration of the documentation related to Sensitive Activities or unauthorized access to the data / documents.

In order to protect the integrity of data and the effectiveness of information systems and/or IT applications used for carrying out operations or control activities as part of the Sensitive Activities, or in support of the same, the presence and operation of the following will be ensured:

- user profiling systems in relation to access to modules or environments;
- rules for the proper use of company computer systems and aids (hardware and software media);
- automated mechanisms to control access to systems;
- automated mechanisms to block or inhibit access;
- automated mechanisms for managing authorization workflows.

## 5. SUPERVISORY BODY

### 5.1 Identification of the Requirements of the SB

To fulfill the functions laid down in the Decree, the Body must meet the following requirements:

- **autonomy and independence:** as also indicated by the Guidelines of *Confindustria* (association of Italian manufacturers and service providers), the position of the Body within the Entity “*must ensure the independence of its control initiatives from any form of interference and/or conditioning by any member of the Entity*” (including the Governing Body). The Body must therefore be inserted as a staff unit in a hierarchical position (the highest possible) with the provision of reporting to the company’s top senior management. Not only that, in order to ensure its necessary freedom of initiative and independence, “*it is essential for the SB not to be assigned operational tasks that, by involving it in making operational decisions and activities, would undermine its objective judgment at the time of assessing conducts and compliance with the Model*”;
- **professionalism:** this requirement refers to the specialist technical skills which the Body must be equipped with in order to carry out the activity that the law assigns to it. In particular, the members of the Body must have specific knowledge in regard of any useful technique to carry out consulting and auditing activities for the analysis of the control system and legal skills (in particular in the field of criminal and company law), as clearly specified in the *Confindustria* Guidelines. Knowledge of analysis and risk assessment techniques, of flow-charting of procedures and operations, of fraud detection methods, of statistical sampling and of structure and implementation methods of the offenses is in fact essential;
- **continuity of action:** to ensure the effective implementation of the organizational Model, the presence is necessary of a facility dedicated exclusively to supervisory activities.

Therefore, the SB must:

- be independent and in a position of impartiality with respect to the persons it will supervise;
- be placed in the highest hierarchical position possible;
- be vested with autonomous powers of initiative and control;
- have financial autonomy;
- be free of operational tasks;
- have continuity of action;
- have professional qualifications;
- build a systematic communication channel with the Board of Directors as a whole.

## 5.2 Identification of the SB

The Board of Directors of Moncler has considered it appropriate to establish a Supervisory Body (hereinafter also SB) set up as a panel, whose members are the following:

- an external consultant acting as Chairman;
- an external consultant acting as member;
- Internal Audit Director acting as member.

The SB is an entity that reports directly to the Company's senior management (the Board of Directors) and is not bound to the operating departments by any hierarchical constraint, in order to ensure its full autonomy and independence in the performance of its functions.

The activities carried out by the SB may not be challenged by any other corporate body or division, provided that the Governing Body is in any case expected to perform monitoring activities as to the adequacy of its actions, as ultimately responsible for the operation and effectiveness of the Model.

Each member of the SB has the professional skills, knowledge and competence, as well as the integrity requirements, necessary to perform the tasks assigned to them being equipped with appropriate inspection and consulting abilities.

Any changes in the composition of the SB or the attribution of the role of the SB to persons other than those identified herein or any changes to the functions assigned to the SB must be approved by the Governing Body.

## 5.3 Procedures for the Appointment and Term of Office of the SB

The SB is appointed by the Board of Directors with a majority decision of its members.

The Board of Directors will, before each new appointment, verify that the requirements expressly set forth in the Decree for members of the SB, as well as the other requirements mentioned in this chapter, have been met.

The Board of Directors regularly assesses the adequacy of the SB in terms of organizational structure and powers conferred on it.

Unless otherwise resolved by the Company's Board of Directors, the term of office of the SB is set at two years after the acceptance of the same.

A member of the SB may resign from office and, on the other hand, may be re-elected when his/her term of office expires.

## 5.4 Causes of Ineligibility, Reasons for and Powers of Removal

The appointment as member of the Supervisory Body is conditional upon meeting the subjective requirements of good repute, integrity, respectability and professionalism, as well as absence of the following causes of incompatibility at the time of appointment:

- existence of blood relations, marriage or kinship within the fourth degree with members of the Board of Directors, senior management in general, with the Company's statutory auditors and independent auditors appointed by the auditing firm;

- existence of conflicts of interest, even potential conflicts of interest, with the Company such as to jeopardize the independence requirement pertaining to such position and tasks belonging to the Supervisory Body;
- ranting of sureties or other guarantees in favor of one of the directors (or spouse thereof), or having credit or debit relationships - unrelated to their assignment - with the latter;
- direct or indirect ownership of shareholdings of such amount as to enable them to exercise a significant influence over the Company;
- exercise of administrative functions - in the three years prior to their appointment as member of the SB – in enterprises subject to bankruptcy, compulsory liquidation or other insolvency proceedings;
- employment as civil servant at central or local government agencies in the three years prior to their appointment as member of the SB or the establishment of a counseling / partnership relationship with the same body;
- existence of a judgment of conviction, also not final, or judgment for the enforcement of penalties upon request (plea bargaining), in Italy or abroad, for the offenses mentioned in the decree;
- existence of conviction, including in a non-final judgment, that entails being barred even temporarily from holding public office, or temporary disqualification from the executive offices of legal entities and enterprises;
- existence of conviction, with a final judgment, or sentence of enforcement of penalties upon request (plea bargaining) in Italy or abroad, for offenses other than those mentioned in the decree, in regard of their professional conduct.

The members of the SB will, with the acceptance of the appointment, issue to the Company a special statement in which, under their own responsibility, they certify that there are no such grounds of incompatibility.

The abovementioned rules also apply to the case of appointment of a member of the SB in place of the previously mentioned member.

If during the course of the assignment, a member of the SB becomes unavailable (e.g. due to resignation or removal), the Company's Board of Directors will appoint a replacement/s thereof.

The removal from office of a member of the SB and the assignment of such office to another person may take place only for just cause, including in connection with the organizational restructuring of the Company, by means of a special resolution of the Board of Directors by a majority of its members and with the approval of the Board of Statutory Auditors.

In this regard, "just cause" for revocation of the powers associated with the office of member of the Supervisory Body may include, but is not limited to:

- the loss of the subjective requirements of good repute, integrity, respectability and professionalism that had been present at the time of the appointment;
- the occurrence of a reason for incompatibility;
- gross negligence in the performance of duties associated with the position, such as (but not limited to): failure to draw up the half-yearly report or the annual summary report on their activities to the Board of Directors; failure to prepare the plan of activities;
- "lack of or insufficient supervision" by the Supervisory Body; in accordance with the provisions of Article 6, paragraph 1, letter d), of the Decree;
- assignment of operational functions and responsibilities within the corporate organization that are incompatible with the requirements of "autonomy and independence" and "continuity of action" pertaining to the Supervisory Body;

- false statements in regard of the non-existence of the grounds of incompatibility described above.

In particularly serious cases, the Board of Directors may - after hearing the opinion of the Board of Statutory Auditors - order the suspension of the powers of the SB and the appointment of an interim Body before arranging for the removal of the SB.

### **5.5 Functions of the SB**

The SB is completely independent in fulfilling its tasks and its decisions are final. In particular, the SB must:

- monitor compliance with the Model by the Recipients;
- monitor the effectiveness and adequacy of the Model in relation to the corporate structure and its actual ability to prevent the commission of Offenses;
- propose and urge the updating of the Model where there is a need to adapt the same to changed business conditions, regulatory framework or the external environment.

The SB must also work:

- *ex ante* (e.g. by working towards the training and information of personnel);
- continuously (through monitoring, supervision, review and updating activities);
- *ex post* (by analyzing the causes and circumstances that have led to the violation of the provisions of the Model or to the commission of the offense).

For the effective performance of these functions, the SB is entrusted with the following tasks and powers:

- to periodically check the map of areas at risk in order to ensure that it adapts to changes in the company's business activity and/or structure;
- to collect, process and retain information relevant to the Model;
- to periodically verify the effective implementation of corporate control procedures in areas at risk and their effectiveness;
- to verify the adoption of actions to resolve critical issues in terms of internal control systems as detected during Control & Risk Self-Assessment;
- to conduct periodic audits of operations or specific acts carried out as part of the Sensitive Activities;
- to conduct internal investigations and audits to assess alleged violations of the provisions of the Model;
- to monitor the adequacy of the disciplinary system for cases of violation of the rules defined by the Model;
- to engage with other business functions, including other control bodies (primarily, the Board of Statutory Auditors), including through special meetings, to improve the monitoring of operations in relation to the procedures established by the Model, or to identify new areas at risk and, in general, to evaluate the various aspects regarding the implementation of the Model;
- to coordinate and cooperate with the parties responsible for the health and safety of workers, in order to ensure that the control system pursuant to the Decree is integrated with the control system designed in accordance with special regulations for safety in the workplace;
- to coordinate with the heads of the corporate functions in order to promote initiatives for the dissemination of knowledge (also, specifically, in reference to the organization of training courses) and understanding of the principles of the Model and to ensure the preparation of

the internal organizational documentation necessary for the operation thereof, containing instructions, clarifications, and updates;

- to make periodic checks on the content and quality of training programs;
- to propose to the Governing Body the evaluation criteria for the identification of Information on Sensitive Activities (see para. 5.6).

To this end, the SB will be entitled to:

- issue regulations and orders of service designed to regulate the activity of the SB itself;
- gain access to any and all business records relevant to the performance of the functions of the SB pursuant to the Decree;
- give instructions to the various corporate departments, including senior management, in order to obtain from the latter, the information it deems necessary for the performance of its duties, so as to ensure prompt detection of any violations of the Model;
- make periodic checks on the basis of its own activity plan or even single actions not set forth in the aforementioned plan, but deemed in any case necessary for the performance of its duties.

In carrying out its relevant duties, the SB has the power to request support from collaborators, identifiable as persons belonging to any business function of the Company, whom it may be appropriate to involve from time to time for the pursuit of the purposes specified above, and/or from third-party consultants.

The collaborators of the SB, on recommendation of the SB, may, also individually, perform the monitoring activities deemed appropriate for the operation and compliance with the Model. Individuals belonging to a business function are, in carrying out the task assigned to them as collaborators of the SB, exempt from the performance of their operational business duties and will only report to the SB, hierarchically and functionally.

The SB will adopt its own Regulations to ensure its organization and aspects of operation including, but not limited to, the frequency of audits, methods of resolution, procedures for its convening and minutes of its meetings, resolution of conflicts of interest and procedures to change / review their Regulations.

Moreover, under the Regulations, the SB must expressly hold formalized meetings and discussions, in particular with:

- the Board of Statutory Auditors;
- significant parties in regard of the internal control system;
- significant parties in regard of the workplace health and safety management system.

The goal of these meetings will mainly be the discussion and coordination with all parties involved at the forefront of the implementation of the control system, each according to the area under their responsibility, in order to allow the SB to seize opportunities for improvement of the existing controls in the interest of the effectiveness of the Model. In this context, the SB is responsible for checking, with the above parties, the effectiveness of the flow of information it receives, as defined in paragraph 5.6 "Disclosure Obligations to the Supervisory Body".

The SB will establish the operating procedures and frequency of the aforementioned meetings, identifying the parties involved in each case, as well as the related agenda.

The SB will also adopt an "Plan of Activities" that it intends to carry out in order to fulfill the tasks assigned to it, to be communicated to the Governing Body.

## 5.6 Disclosure Obligations to the Supervisory Body

In order to facilitate the task of supervising the effectiveness and efficiency of the Model, the SB is the recipient of:

- Information on reports of alleged or actual violations of the Model (and the Code of Ethics) or unlawful conduct pursuant to Legislative Decree no. 231/01 sent by the Designated Contact pursuant to paragraph 6.3;
- information useful and necessary for the performance of the supervisory tasks entrusted to the SB (hereinafter classified either as **General Information** or **Information on Sensitive Activities**).

The SB should be allowed access to any kind of useful information for the purpose of carrying out its activities. It follows conversely that the SB is required to keep all the information thus acquired confidential.

In any case, in order to facilitate the supervisory activities under its responsibility, the SB must obtain the General Information deemed useful for this purpose in due time, including, but not limited to:

- critical issues, anomalies or atypical concerns found by the corporate functions in the implementation of the Model;
- measures and/or information from the judicial police or any other authority, which indicate the conduct of investigations, even against unknown persons, for the Offenses;
- internal and external communications relating to any case that can be placed in connection with an Offense under the Decree (e.g. disciplinary action initiated / implemented in respect of employees);
- requests for legal assistance forwarded by employees in the event of commencement of judicial proceedings for the Offenses;
- commissions of inquiry or internal reports that reveal the existence of responsibilities for the alleged offenses under the Decree;
- information relating to disciplinary proceedings carried out in relation to violations of the Model and any penalties imposed (including measures taken against employees) or the dismissal of such proceedings and the relevant reasons therefor;
- information relating to changes in the organizational structure;
- updates to the system of proxies and powers of attorney (including the system of powers and proxies in the field of health and safety in the workplace);
- copy of the minutes of meetings of the Board of Directors and Board of Statutory Auditors;
- information relating to organizational changes to the key positions in the field of health and safety in the workplace (e.g., changes to the positions, tasks and parties delegated to the protection of workers);
- changes to the regulatory system in the field of health and safety in the workplace;
- any reports from the independent auditing firm regarding issues that may indicate deficiencies in the internal control system, misconduct, comments on the Company's financial statements;
- any assignment given, or to be given, to the independent auditing firm or to a firm associated with it, other than the one relating to the audit of the Company's financial statements or audit of its accounting records.

Such General Information must be provided to the SB by the heads of the corporate functions according to the area under their responsibility.

The "General Information" must be made in written form, also via an email address specifically set up for the purpose and duly communicated to the Recipients of the Model.

In order to facilitate access by the SB to the widest possible range of information, the Company guarantees the protection of any reporting party against any form of retaliation, discrimination or penalization, subject to the requirements of law and the protection of the rights of the Company or of persons accused wrongly and/or in bad faith.

Moreover, in order to allow the SB to monitor particularly significant operations carried out as part of the Sensitive Activities as referred to in the Special Section, Process Owners are required to forward to the SB the “Information on Sensitive Activities” carried out. These parties have been classified as Process Owners on the basis of the Control & Risk Self-Assessment activities conducted.

The identification of “Information on Sensitive Activities” takes place through the delineation of evaluation criteria and parameters defined by the SB on the basis of the Control & Risk Self-Assessment activities conducted, and the evaluations of its effectiveness for the performance of its duties, as well as the constant consistency with the development of the volume and significance of the activities. The SB will proceed to duly inform the Board of Directors in regard of the definition of the aforementioned criteria and parameters.

In particular, the information contents regarding Sensitive Activities, as well as, in general, the regulation of information flows to the SB (including the identification / formalization of *Process Owners* and Reports as described above) in terms of frequency, method of transmission and responsibilities for the transmission of the aforementioned flows will be regulated in detail in a separate procedure.

## **5.7 Reporting of the SB**

The SB reports on the implementation of the Model, and any critical issues, to the Board of Directors directly.

The SB, towards the Board of Directors, has the responsibility to:

- at the beginning of each financial year, communicate the Plan of Activities that it intends to carry out in order to fulfill the tasks assigned to it;
- regularly and at least half-yearly, communicate on the progress of the Plan of Activities, and any changes made to it, giving reasons therefor;
- promptly report any violation of the Model or illegitimate and/or unlawful conduct which it learns of and considers to be founded or that it has established;
- at least once a year, prepare a report summarizing the activities carried out during the previous twelve months and the results thereof, the critical elements and violations of the Model, as well as proposals for the necessary updates to the Model to be implemented.

The Board of Directors and the Board of Statutory Auditors have the power at any time to convene the SB, which, in turn, has the power, through the competent functions or parties, to request the convening of the aforementioned bodies for urgent and particularly serious reasons.

The SB may also communicate the results of its investigations to the heads of corporate functions where the checks carried out reveal shortcomings, conducts, or actions not in line with the Model. In such case, the SB will have to obtain a plan of action from the persons in charge of the same Activities to be taken, with the relevant timing thereof, in order to prevent the recurrence of such circumstances.



The SB has the obligation to immediately inform the Board of Statutory Auditors and the Board of Directors if the violation regards the Company's senior management.

## **5.8 Retention of Information**

All Information, Reports, statements and other documents collected and/or prepared under this Model are kept by the SB in an appropriate (electronic and/or paper) archive managed by the SB for a period of 10 years.

Access to the archive is restricted exclusively to the SB and the Governing Body.

It should also be noted that the documentation produced as part of the activities for the preparation and updating of the Model (Control & Risk Self-Assessment, etc.) and collected in a specific Archive (as referred to in Chapter 2) is kept by the SB.

## **5.9 Direction and Coordination Functions of the Supervisory Body of Moncler with reference to the Supervisory Bodies of Other Group Companies**

Taking into account the provisions of paragraph 3.5 "Management of the Model within the Group", the SB of each Group Company:

- may, in carrying out the task of supervising the operation of and compliance with the Model, use the resources allocated to the SB of Moncler, within the constraints of confidentiality;
- must, in the performance of its duties, inform the SB of Moncler in the event of a suspected violation of the respective Model that may be relevant to the Model of the parent company.

Without prejudice to the responsibility of each SB set up by the Group Companies on the conduct of their respective duties of supervision on the implementation and updating of the Model, the Parent Company's Body may carry out the function of direction and impetus for the activities of Bodies set up by the Group Companies, always respecting the autonomy of the individual Companies and individual Supervisory Bodies.

In particular, the SB of Moncler can act by:

- providing advice on the principles and procedures to be followed in performing supervisory and control activities over the implementation of the Model of the Group Company;
- formulating proposals for amending and updating the Model of the Group Company on the basis of the experience gained while carrying out its own supervisory activities;
- jointly with the SB of the concerned Company, carrying out special control actions on the latter in the areas at risk, with the possibility of directly accessing the relevant documentation;
- reporting violations of the Model of the Group Company.

## **6. WHISTLEBLOWING**

### **6.1 Purpose of Whistleblowing**

To protect the organization's integrity, the Company ensures that all Recipients have access to one or more channels that allow them to submit detailed reports (hereinafter "Reports") on irregular or illegal activities including, but not limited to:

- alleged or actual violations of the Model (or Code of Ethics);
- alleged or actual unlawful conduct, pursuant to Legislative Decree no. 231/2001 and on the basis of accurate and consistent elements.

All Recipients of this Model may submit Reports when they believe, in good faith, that there have been wrongdoings and/or violations of the Model (or the Code of Ethics) that they have become aware by reason of the functions they perform. The Reports are considered to have been made in good faith when they are made based on a precise and consistent evidence.

The Company has established a whistleblowing policy that contains specific rules and procedures.

## 6.2 Methods of Reporting

Reports may be submitted through one of the following channels:

- the "Navex" Platform available at the link [Moncler.ethicspoint.com](http://Moncler.ethicspoint.com)
- Sending a letter to: Industries S.p.A. Whistleblowing Via Venezia, n. 1, 35010 Trebaseleghe (PADOVA) – ITALY

In any case, the company ensures that the identity of the whistleblower remains confidential as well as any information subsequent to the Report if made in good faith, without prejudice to legal obligations and the protection of the rights of the Company or persons accused in bad faith.

Reports may be made anonymously but they must provide a detailed description of the facts and person to which the report relates. Anonymous reports demonstrating seriousness and credibility of the issue at hand as well as the likelihood that the event will be confirmed by reliable resources will be taken into consideration.

The Company undertakes to protect whistleblowers acting in good faith from any form of retaliation or discrimination or penalization for reasons that may be directly or indirectly related to the report submitted, without prejudice to the right of the parties involved to take action against malicious or grossly negligent whistleblowing reports that prove to be unfounded. Those who infringe whistleblower protection measures shall be punished as set out in paragraph 8.

The Internal Audit Director has been identified by the Company as the "Designated Contact" to handle the Reports. He or she will be responsible for receiving, analyzing, investigating, understanding, recording and reporting to the Governing Body the issues raised through the reporting channels, and may be assisted by other corporate functions or third-party consultants.

The Designated Contact will evaluate the Reports received in a discrete and responsible manner and, following the aforementioned procedures, and will investigate the issue also by consulting with the Whistleblower and/or the alleged perpetrator of the violation.

Reports lacking substantive elements to support the report (e.g. mere suspicions or rumors), too vague or without detailed information or with defamatory or libelous content will not be taken into consideration. Any malicious or grossly negligent whistleblowing reports that prove to be unfounded will be subject to punishment as per paragraph 8 herein.

### **6.3 Information to SB**

To facilitate the supervisory tasks under the SB's responsible, the Designated Contact will promptly inform the SB about:

- Reports received concerning alleged or actual violations of the Model (or of the Code of Ethics) or unlawful conduct, whether alleged or actual, covered under Legislative Decree 231/2001;
- the conduct and outcome of investigations carried out as a result of the Reports.

At any rate, the SB is also required to keep the identity of the Reporter confidential after it receives the above information from the Designated Contact

## **7. DISSEMINATION OF THE MODEL**

For the purpose of the effectiveness of the Model, the full knowledge of the rules of conduct that are contained therein is of primary importance both for the resources already present in the company and for those who will join it in the future, as well as for any another Recipient, with different levels of detail depending on the different degree of involvement in Sensitive Activities.

### **7.1 Initial Communication**

To ensure its effective knowledge and implementation, the adoption of the Model is formally notified by the Board of Directors to the various categories of Recipients.

In particular, after approval of the Model, the Company's Employees, and all new employees thereafter, are required to sign a statement of acknowledgment of the Model and commitment to comply with its requirements.

Regarding instead the Company's Collaborators, Suppliers, Contractors, Consultants, Partners and representatives of other Group Companies, the appointment letter or contract involving the provision of a form of collaboration with them must explicitly contain clauses referring to the Model.

In case of significant revisions of and/or updates to the Model, the Company will give due notice to the Recipients.

The Model is also made available in accordance with the methods and tools that the Board of Directors deems appropriate to adopt, such as, for example, the publication on the Company's website, or by making the Model available in hard copy at its headquarters.

### **7.2 Training of personnel**

The training of personnel for the implementation of the Model is the responsibility of the Board of Directors, which identifies the internal resources or those external to the Company entrusted with the organization thereof.

These resources will, in coordination with the SB, which assesses their effectiveness in terms of planning, content, update, timing, methods and identification of participants, proceed to arrange for training sessions.

Participation of the persons identified in such training activities is mandatory: consequently, failure to participate will be punished in accordance with the Disciplinary System contained in the Model.

Training must be differentiated according to the various business areas the recipients of such training sessions belong to and a final test of learning must be provided. Accurate records will have to be kept of the training undertaken.

Finally, the planning of training must provide for periodic sessions to ensure a constant refresher program.

## **8. DISCIPLINARY SYSTEM**

The Decree provides that an “appropriate disciplinary system must be prepared to punish non-compliance with the measures set out in the Model” both for individuals in senior positions and for individuals subject to the direction and supervision of others.

The existence of a system of penalties applicable to infringements of the rules of conduct, requirements and procedures established by the Model is, in fact, essential to ensuring the effectiveness of the Model itself.

The application of the penalties in question must remain completely independent of the conduct and outcome of any criminal or administrative proceedings commenced by Judicial or Administrative Authorities, in the event that such censurable conduct also constitutes a relevant offense pursuant to the Decree or a relevant criminal or administrative offense under the legislation on the protection of health and safety in the workplace. In fact, the rules imposed by the Model are assumed by the Company in full independence, regardless of whether any conduct could constitute a criminal or administrative offense and of whether the Judicial or Administrative Authorities intend to bring action against such an offense or otherwise.

The verification of the adequacy of the disciplinary system, the constant monitoring of any proceedings for the imposition of penalties on Employees and the actions against third parties are entrusted to the SB, which also proceeds to the reporting of offenses it may become aware of in the performance of the functions pertaining to it.

Except as provided in paragraph 5.4 (“Causes of Ineligibility, Reasons for and Powers of Removal”), the disciplinary system described may also be applied to members of the SB, with respect to the functions assigned to them by the present Model.

### **8.1 Violations of the Model**

The following represent violations of the Model:

1. behavior that entails one of the offenses listed in the Decree;
2. behavior which, although not entailing one of the offenses listed in the Decree, is unilaterally directed to the commission thereof;
3. behavior that does not comply with the procedures contained in the Model;

4. behavior in violation of the preventive monitoring instruments as referred to in Chapter 4 of this General Section;
5. behavior that does not conform to the provisions set forth in the Model or referred to in the Model and in particular in relation to the risk of committing an offense against the Public Administration, behavior in violation of the general principles, rules of conduct and specific protocols listed in the Special Section.
6. uncooperative behavior towards the SB, including, but not limited to refusal to provide the required information or documentation, not complying with the general and specific instructions addressed to the concerned person by the SB in order to obtain the information it deems necessary for the performance of its duties, in the failure to participate without good reason to the inspections planned by the SB, or in the failure to participate in the training sessions.
7. acts of retaliation or discrimination against those who report unlawful conduct, as defined by Legislative Decree 231/2001, or a violation of the Model or Code of Ethics, for reasons directly or indirectly linked to the report; in such cases, the offender will receive a fine or a disciplinary suspension, depending on the seriousness of the conduct, or will be liable to be dismissed for just cause, if the retaliation results in the dismissal of the whistleblower; if a director engages in such conduct, one of the penalties provided under par 8.4 will be imposed, based on the seriousness;
8. breach of the obligation to keep the identity of the whistleblower confidential; in such cases, the offender will usually receive a disciplinary suspension; if the breach of the confidentiality obligation has caused material injury to the whistleblower, one of the penalties provided under para. 8.4 will be imposed, based on the seriousness;
9. reports, which prove to be unfounded, if made with intent or gross negligence; in such cases, the disciplinary penalties set out in the subsequent paragraphs will be imposed based on the seriousness of the conduct.

Moreover, with reference to reports of unlawful conduct, as provided under Legislative Decree 231/2001 and reports of violations of the Model, as set out in paragraph 6 herein, note that, pursuant to art. 6, para. 2 quarter of Legislative Decree no. 231/2001, discriminatory and retaliatory termination of the whistleblower is unlawful. Pursuant to article 2103 of the Italian civil code it is unlawful to change the duties of the whistleblower, as are any retaliatory or discriminatory measures adopted against the whistleblower. In case of disputes related to the application of disciplinary sanctions or demotions, dismissal, transfers or subjecting the whistleblower to other organizational measure having a direct or indirect negative impact on working conditions after submitting a report, the employer is responsible for proving that the measures applied are grounded on reasons that have nothing to do with the report submitted.

The seriousness of the violations of the Model will be evaluated based on the following circumstances:

- presence and intensity of willfulness;
- presence and intensity of negligent, reckless, inexpert conduct;
- presence and intensity of recidivism;
- extent of the danger and/or the consequences of the violation for the persons to whom the legislation on the protection of health and safety in the workplace is addressed to, as well as for the Company;
- predictability of the consequences;
- time and manner of the violation;
- circumstances in which the violation took place.

## 8.2 Measures against employees

The violation of individual rules of conduct, as referred to in this Model, by employees constitutes a disciplinary offense in accordance with the national collective bargaining agreement for employees of the Tertiary sector of distribution and services.

Any kind of violation of the rules of conduct contained in the Model in any case authorizes the SB to request the competent corporate function of Moncler to commence disciplinary proceedings and possibly impose one of the penalties listed below, determined on the basis of the seriousness of violation committed in light of the criteria set out in paragraph 7.1 and of the behavior held before (e.g. any previous violations committed by the person involved) and after the event (e.g. report on the committed irregularity to the SB) by the offender.

The disciplinary measures that can be imposed on the aforementioned workers - in accordance with the procedures laid down in Article 7, paragraphs 2 and 3, of Law No. 300 of May 30, 1970 (Workers' Statute) and any special regulations in force, as well as the aforementioned national collective bargaining agreement, are those provided for by the following system of penalties:

- a. verbal reprimand;
- b. reprimand in writing;
- c. fine of not more than four hours of hourly wage calculated on the minimum wage;
- d. suspension from work without pay for up to a maximum of 10 days;
- e. dismissal for misconduct within the meaning of the national collective bargaining agreement.

In any case, the SB will always be kept informed as to the penalties imposed and/or any violations assessed by the Moncler corporate function in charge thereof.

In particular, with reference to violations of the Model perpetrated by employees it is provided that:

1. a **verbal reprimand or reprimand in writing**, according to the seriousness of the violation, will be imposed on any employee that violates the internal procedures established by this Model or that, when carrying out operations in areas at risk, holds behavior in violation of the requirements of the Model, provided that such conduct does not result in the enforcement of the measures set forth in the Decree;
2. a **fine of not more than 4 hours of hourly wage** will be imposed on any worker that repeatedly violates the internal procedures established by this Model or that, when carrying out operations in areas at risk, repeatedly holds behavior in violation of the requirements of the Model, provided that such conduct does not result in the enforcement of the measures set forth in the Decree;
3. **suspension from work without pay for up to a maximum of 10 days** will be imposed on any employee that violates the internal procedures established by this Model or that, when carrying out operations in areas at risk, holds behavior in violation of the requirements thereof, is detrimental to the Company or exposes it to an objective situation of danger for the integrity of the assets thereof, provided that such conduct is in any case not exclusively directed to the commission of the Offense or does not result in the enforcement of the measures set forth in the Decree;
4. **dismissal for misconduct** will be imposed on any employee that holds behavior that does not comply with the requirements of this Model and is exclusively aimed at committing an offense punished by the Decree, as well as on any employee that holds behavior that is

clearly in violation of the requirements of this Model, such as to determine the actual enforcement on the Company of the measures set forth in the Decree.

With reference to the risk of committing offenses in violation of the legislation on health and safety in the workplace as set forth in Article 25-septies of the Decree, also in accordance with the provisions of Circular No. 15816 of the (Italian) Ministry of Labor of 11 July 2011 concerning the “Organization and Management Model pursuant to Article 30 of Legislative Decree No. 81/2008”, the possible violations, listed in order of increasing seriousness, are set out below:

- a **reprimand in writing** will be issued to any employee that fails to comply with the Model, in case the violation involves the occurrence of a situation of possible danger to the physical integrity of one or more persons, including the offender, as long as none of the cases provided for in paragraphs 2, 3, 4 hereunder occur;
- a **fine of not more than four hours of hourly wage** will be imposed on any employee that fails to comply with the Model, in case the violation involves the occurrence of a situation of possible danger to the physical integrity of one or more persons, including the offender (with reference to a recurrent behavior that has already resulted in the imposition of written warnings), or an injury to the physical integrity of one or more persons, including the offender, as long as none of the cases provided for in points 3 and 4 hereunder occur;
- **suspension from work without pay for up to a maximum of 10 days** will be imposed on any employee that does not comply with the Model, in case the violation causes an injury, which may be qualified as “serious” pursuant to Article 583, paragraph 1, of the (Italian) Criminal Code, to the physical integrity of one or more persons, including the offender, as long as none of the cases provided for in point 4 hereunder occur;
- **dismissal for misconduct** will be imposed on any employee that does not comply with the Model, in case the violation causes an injury, which may be qualified as “very serious” pursuant to Article 583, paragraph 2, of the (Italian) Criminal Code <sup>1</sup> to the physical integrity of one or more persons, including the offender.

In the event that the assessed infringement is so serious that it may lead to dismissal, the employee may, as a precautionary measure, be suspended from the performance of work until the time of imposition of the penalty, in accordance with the requirements of the Workers’ Statute and the national collective bargaining agreement mentioned above.

### 8.3 Violations of the Model by Managers and Relevant Measures

The violations of the individual rules under this Model perpetrated by employees of the Company having the status of ‘managers’ also constitute a disciplinary offense.

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<sup>1</sup> Aggravating circumstances pursuant to Article 583 of the Italian Criminal Code, a personal injury shall be deemed as serious and punishment shall be imprisonment from three to seven years if

1. the act has caused an illness that endangers the life of the injured person, or an illness or incapacity to attend to ordinary business for a period exceeding forty days;

2. the event has caused the permanent impairment of a sense or an organ;

A personal injury shall be deemed as very serious, and punishment shall be imprisonment from six to twelve years if the act results in:

1. a definitely or probably incurable illness;

2. loss of a sense;

3. loss of a limb, or a mutilation which renders the limb useless, or the loss of the use of an organ or the ability to procreate, or a permanent and serious speech impediment;

4. permanent deformation or disfigurement of the face.

Any kind of violation of the rules of conduct contained in the Model in any case authorizes the SB to request the Governing Body to impose one of the penalties listed below, determined on the basis of the seriousness of the violation committed in the light of the criteria set out in paragraph 7.1 and the conduct leading to (e.g. any previous violations committed by the person involved) and after the fact (e.g. report on the committed irregularity to the SB) by the offender.

The disciplinary measures that may be imposed on 'managers' - in accordance with the procedures laid down in Article 7, paragraphs 2 and 3, of Law No. 300 of May 30, 1970 (Workers' Statute), of the national collective bargaining agreement for managers of the Tertiary sector of distribution and services, and any applicable special regulations - are those provided for by the following system of penalties:

- a. written reprimand;
- b. disciplinary suspension;
- c. dismissal for justified reason;
- d. dismissal for just cause.

In any case, the SB will always be kept informed as to the penalties imposed and/or any violations assessed by the corporate function in charge thereof.

In particular, with reference to violations of the Model perpetrated by managers of the Company it is provided that:

- in the case of a non-serious violation of one or more procedural or behavioral rules set forth in the Model, the member of the Governing Body will be issued a **written warning** consisting in reminding the manager to comply with the Model, which constitutes a necessary condition for maintaining the fiduciary relationship with the Company;
- in the case of a non-serious, but repeated, violation of one or more procedural or behavioral rules laid down in the Model, the manager will incur **disciplinary suspension**;
- in the case of a serious violation of one or more procedural or behavioral rules laid down in the Model such as to constitute a significant non-performance, the manager will incur **dismissal for justified reason**;
- where the violation of one or more procedural or behavioral rules laid down in the Model is of such seriousness as to irreparably harm the fiduciary relationship, thereby making the continuation of the employment relationship impossible, even temporarily, the manager will incur **dismissal for just cause**.

Moreover, for employees of the Company having the status of 'managers', the following constitutes a serious violation of the provisions of the Model:

- Failure to comply with the direction or supervision duties over subordinated workers as to the proper and effective application of the Model;
- Failure to comply with the direction and supervision duties over other workers who, though not bound to the Company by a relationship of subordination (this is, for example, the case of Consultants, Collaborators, etc.), are nevertheless subject to the direction and supervision of such 'manager' pursuant to Article 5, paragraph 1, letter b), of Legislative Decree No. 231/01, without prejudice to the qualification of the contract entered into with those workers.

#### **8.4 Measures against Members of the Governing Body, Board of Statutory Auditors and SB**

In case of violation of the Model by one or more members of the Company's Governing Body, the SB will inform the entire Board of Directors and the Board of Statutory Auditors, which will take



appropriate action consistent with the seriousness of the violation committed, in the light of the criteria set out in paragraph 7.1 and in accordance with the powers granted by law and/or Articles of Incorporation (statements in the minutes of meetings, requests to call, or draw up a notice of call of, the Shareholders' Meeting to discuss appropriate measures against individuals responsible for the violation, etc.).

The disciplinary measures that may be imposed in respect of one or more members of the Company's Governing Body, by prior resolution of the Board of Directors to be taken with the abstention of the interested party and, where required by law and/or the Articles of Incorporation, by resolution of the Shareholders' Meeting, are those provided for by the following system of penalties:

- b. written warning;
- c. temporary suspension from office;
- d. removal from office.

In particular, with reference to violations of the Model perpetrated by one or more members of the Company's Governing Body, it is provided that:

- in the case of a non-serious violation of one or more procedural or behavioral rules set forth in the Model, the member of the Governing Body will issue a **written warning** consisting in reminding the offender to comply with the Model, which constitutes a necessary condition for maintaining the fiduciary relationship with the Company;
- in the case of a serious violation of one or more procedural or behavioral rules set forth in the Model, the member of the Governing Body will incur a **temporary suspension from office**;
- in the case of a serious violation of one or more procedural or behavioral rules set forth in the Model such as to irreparably harm the fiduciary relationship, the member of the Governing Body will incur the **removal from office**.

Moreover, even the violation of the direction or supervision duties over subordinates as to the proper and effective implementation of the provisions of the Model will constitute a punishable violation of the Model for members of the Company's Governing Body.

In case of violation of the Model by the Company's entire Governing Body, the SB will inform the Board of Statutory Auditors so that the latter may, without delay, convene a Shareholders' Meeting for appropriate action.

In case of violation of the Model by one or more members of the Company's Board of Statutory Auditors or by the entire Board of Statutory Auditors, the SB will inform the Governing Body, which will take appropriate action consistent with the seriousness of the violation and in accordance with the powers granted by law and/or by the Articles of Incorporation (statements in the minutes of meetings, requests to call, or draw up a notice of call of, the Shareholders' Meeting to discuss appropriate measures against the individuals held responsible for the violation etc.).

If the Governing Body is informed about violations of the Model by one or more members of the SB, the aforesaid Governing Body will, in collaboration with the Board of Statutory Auditors, proceed to take the most suitable initiatives consistent with the seriousness of the violation and in accordance with the powers granted by law and/or by the Articles of Incorporation.

In particular, if the violation is committed by a member of the SB who is also an employee of the Company, the penalties provided for in Paragraphs 8.2 and 8.3 will apply.

In any case, the SB will always be kept informed as to any penalties imposed and/or violations assessed by the Board of Directors and by the Board of Statutory Auditors.

#### **8.5 Measures against Consultants, Suppliers, Contractors, Partners, Collaborators and Representatives of the Other Companies Involved in Sensitive Activities**

Any violation put in place by Consultants, Suppliers, Contractors, Partners, Collaborators and representatives of other Group Companies involved in Sensitive Activities may, as required by the specific contractual terms included in the letter of appointment or in agreements with the same and in intercompany agreements, determine the termination of the contractual relationship, without prejudice to any claim for damages if such conduct has caused damage to Moncler, as in the case of enforcement of the measures provided for in the Decree by a Law Court.

## **SUMMARY OF TYPES OF OFFENSES AND MAIN RULES OF CONDUCT**

The following paragraphs of this Abstract of the Model summarize the provisions contained in the “Special Sections” of the Model dedicated to each of the families of offenses identified in light of the results of Control & Risk Self-Assessment activities carried out, as already stated in the general section of the Model (“Process for the Preparation of the Model”, paragraph 2 and following).

For each Special Section, the following are thus summarized in this Abstract:

- the provisions of the Model dedicated to each type of offense, which such single Special Section is dedicated to, as may be configured in abstract for the Company’s business;
- and the general principles and rules of conduct laid down in the Model in order to prevent their occurrence.

## A- OFFENSES AGAINST THE PUBLIC ADMINISTRATION

### A.1 Types of Offenses against the Public Administration

- **Bribery for the exercise of a public function (Article 318 of the Italian Criminal Code)** - This type of offense occurs in the event a representative or employee of the Company promises or gives to a Public Official, for himself or for others, remuneration which he/she is not entitled to, in the form of cash or other benefits (e.g., gifts in kind) in order to exercise his/her function (e.g., by giving priority to certain files rather than others or “facilitating / speeding up” the file itself). Charges are brought against the bribed and the briber.
- **Bribery for an act contrary to the duties of the public office (Article 319 of the Italian Criminal Code)** - This type of offense occurs in the event that a representative or employee of the Company gives or promises to give to a Public Official, for himself or for others, money or other benefits (e.g., gifts in kind) to omit or delay, or for having omitted or delayed, an act of his/her office, or to perform, or for having performed, an act contrary to the duties of the office. Charges are brought against the bribed and the briber.
- **Bribery of a Person in Charge of a Public Service (Article 320 of the Italian Criminal Code)** - This type of offense occurs in the event of bribery for the exercise of functions or powers, or for an act contrary to the duties of the office, concerning a Person in Charge of a Public Service.
- **Attempted bribery (Article 322 of the Italian Criminal Code)** - This type of offense occurs in the event that an employee or representative of the Company offers money or other benefits to a Public Official or a Person in Charge of a Public Service for the purpose of bribery, but the offer or promise is not accepted.
- **Bribery in judicial proceedings (Article 319-ter of the Italian Criminal Code)** - This type of offense occurs if the employee or representative of the Company bribes a judge or a witness in order to obtain favors in civil, criminal or administrative proceedings that involve the same Company or a third party.
- **Undue inducement to give or promise benefits (Article 319-quater of the Italian Criminal Code)** - This type of offense occurs if the Public Official or Person in Charge of a Public Service, abusing his/her office or powers, induces someone unduly to give or promise money or other benefits to him/herself or to a third party.
- **Fraud against the State or other public body (Article 640 of the Italian Criminal Code)** - This type of offense occurs when an employee or representative of the Company, through an artifice or by deception (e.g., showing false documents), induces the State or a public body in error thereby obtaining a benefit that causes damage to the State or to such public body.
- **Aggravated fraud to obtain public funds (Article 640-bis of the Italian Criminal Code)** - This type of offense occurs when an employee or representative of the Company, through an artifice or by deception (e.g., by showing false documents), induces the State or a public body or European Community Institution in error thereby obtaining grants, financing, subsidized loans or other funds of the same type.
- **Computer fraud committed against the State or other Public Body (Article 640-ter of the Italian Criminal Code)** - This type of offense occurs when there is an alteration of the web portal of the Ministry of Labor devoted to the inclusion of workers belonging to protected categories, thereby obtaining an unfair advantage in favor of the company to the detriment of the institution.
- **Extortion, undue inducement to give or promise benefits, bribery and attempted bribery of members of the European Community bodies and officials of the European Communities and Foreign States (Article 322-bis of the Italian Criminal Code)** - This type of offense occurs in the event that an employee or representative of the Company commits a crime of bribery and attempted bribery with respect to members of EU institutions (European Commission, European Parliament, Court of Justice, Court of Auditors).
- **Embezzlement to the detriment of the State (Article 316-bis of the Italian Criminal Code)** - This type of offense occurs when the Company has received payment, from the State or other public bodies or the European Community, of grants, subsidies or funding for carrying out works

or for the performance of activities of public interest, but it failed to allocate them for such purposes.

- **Misappropriation of funds to the detriment of the State (Article 316-ter of the Italian Criminal Code)** - This type of offense occurs when the Company has received grants, funding, subsidized loans or other funds of the same type, from the State or other public bodies or from the European Union, through the use of, or by filing, false or incomplete statements or documents certifying false statements, or by the omission of required information. The offense exists unless the elements of fraud are established for the purpose of obtaining public funds, in which case the rules provided for the latter offense will apply.
- **Extortion (Article 317 of the Italian Criminal Code)** - This type of offense occurs in the event that a Public Official, by abusing his/her office or powers, forces someone to give, or unduly promise to give, money or other benefits to him/herself or to a third party.
- **Influence peddling (art. 346-bis of the Italian Criminal Code)** – This offense is punishable by a term of imprisonment of one year to four years and six months of anyone, outside of the cases of participating in the offenses referred to in articles 318, 319, 319-ter and in the bribery offenses referred to in article 322-bis, taking advantage of or benefiting from existing or alleged relations with a public official or a public servant or one of the other parties referred to in article 322-bis, to unduly force someone to give or promise, personally or on behalf of others, money or other benefits, as the price for his or her unlawful intermediation with the public official or a person in charge of a public service or one of the other parties referred to in article 322-bis, or as consideration for the performance of his/her duties or powers.

The following offenses are excluded from this Special Section, even if they do fall within the category of “offenses in dealings with the Public Administration”:

- **Embezzlement (art. 314 of the Italian Criminal Code)** - This provision provides for the punishment of any public official or a public servant who, because of their office or service, has money or other movable assets belonging to another person in their possession or at their disposal. The penalty applies, pursuant to art. 25, paragraph 1 of Legislative Decree 231/01, when the offense affects the financial interests of the European Union.
- **Embezzlement by profiting from third party error (art. 316 of the Italian Criminal Code)** - This provision provides for the punishment of any public official or public servant who, in the performance of their duties or service, by taking advantage of others' errors, wrongfully receives or retains, personally or for a third party, money or other benefits. The penalty applies, pursuant to art. 25, paragraph 1 of Legislative Decree 231/01, when the offense affects the financial interests of the European Union.
- **Abuse of power (art. 323 of the Italian Criminal Code)** - This provision provides for the punishment of any public official or public servant who, in the performance of their duties or service, in breach of specific rules of conduct expressly laid down by law or by statutory instruments and from which there is no margin of appreciation, or by failing to refrain in case of a personal interest or of an interest of a close relative or in other provided cases, intentionally obtains, personally or for others, an unlawful financial advantage or causes wrongful damage to others. The penalty applies, pursuant to art. 25, paragraph 1 of Legislative Decree 231/01, when the offense affects the financial interests of the European Union.
- **Public procurement fraud (art. 356 of the Italian Criminal Code)** - This provision provides for the punishment of anyone commits fraud in the performance of procurement contracts or in the fulfilment of other contractual obligations indicated in art. 355 of the Italian Criminal Code (which refers to obligations arising from a

procurement contract entered into with the State, or with another public body or with the European Union, or with a public utility company or an essential public service provider.

- **Fraud to the detriment of the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development (art. 2, paragraph 1, Law 898/1986)** – This provision provides for the punishment, unless the act constitutes a more serious offense under article 640-bis of the Italian Criminal Code, of any person who, through the presentation of false data or information, unduly obtains, personally or for others, aid, premiums, benefits, refunds, contributions or other funds at the whole or partial expense of the European Agricultural Guarantee Fund and the European Agricultural Fund for Rural Development.

However, it should be noted that, in the case of the offense relating to market manipulation, the conduct of a person who has committed the offense by means of orders to trade or transactions carried out on legitimate grounds and in accordance with accepted market practices does not represent a criminal offense.

## A.2 General Principles and Rules of Conduct

This section describes the general principles and rules of conduct to be followed by the Recipients in order to prevent the occurrence of Offences against the Public Administration.

This Special Section “A” provides for an express prohibition – for the Recipients of this Model - to engage in conduct:

- such as to bring about the offenses considered above (Articles 24 and 25 of the Decree);
- that, while not being in and by itself one of the offenses included among those considered above, could potentially become so;
- not aligned or not in accordance with the principles and provisions contained in the Model and Code of Ethics, or with company procedures.

In this regard, the Recipients may **not**:

- a) create situations where they are or may be in conflict with the interest of the Public Body;
- b) perform actions or hold behavior which is or could be construed as corrupt practices, illegitimate favors, collusive behavior, solicitations, directly or through third parties, of privileges for themselves or others relevant to the commission of the Offenses referred to in the Decree;
- c) make or promise, in favor of Italian and foreign public officials or their relatives, even through third parties, cash donations, distribution of gifts or handouts or other benefits, or benefits of any kind so as to affect the independence of judgment of the same Public Officials or cause them to grant unfair advantages;
- d) pay out, in favor of Suppliers, Contractors, Consultants and/or Collaborators and Partners, fees that are not justified in relation to the type of task to be performed and current practices in the field of activity concerned;
- e) submit untruthful statements to national and foreign government agencies in order to obtain permits, licenses and administrative measures of any kind;
- f) submit untruthful statements to national and foreign government agencies in order to obtain funds, grants or donations of various kinds;
- g) allocate the money received from such public bodies for purposes other than those for which it was granted;
- h) conclude consultancy agreements with people within the Public Administration on the basis of which the impartiality and good performance of the Public Administration itself could be undermined.

In particular, Recipients must comply with the following requirements:

- all those who materially maintain relations with the Public Administration on behalf of the Company must be granted formalized representative powers and/or authorized to do so by the Company (consisting in a special proxy / power of attorney or internal organizational directives for Employees, governing bodies and representatives of other Group Companies, or in an advisory agreement or collaboration for Consultants and Collaborators); All Recipients involved in Sensitive Activities that, in the performance of specific and defined business operations, maintain formal relationships, in the name and on behalf of Moncler, with bodies of the Public Administration must adhere to the principles and behavioral code required by the corporate procedures applicable to operations carried out as part of the Sensitive Activities, as well as the principles of the Code of Ethics;
- all statements and disclosures made to representatives of the Public Administration and required by existing rules or specifically requested by the aforesaid persons must respect the principles of clarity, correctness, completeness and transparency.

In particular:

- the roles, tasks and areas of activity under the responsibility of individuals involved in a certain Sensitive Activity must be defined by internal and Group guidelines, as well as by powers of attorney or proxies that clearly describe the area of authority and responsibility;
- reward and incentive systems must be able ensure consistency with the provisions of law and the principles set out in this Model;
- all those who materially maintain relations with the Public Administration on behalf of the Company must be granted formalized representative powers and/or authorized to do so by the Company (consisting in a special proxy / power of attorney or internal organizational directives for Employees, governing bodies and representatives of other Group Companies, or in an advisory agreement or collaboration for Consultants and Collaborators);
- the Sensitive Processes discussed must be regulated by specific organizational tools, in order to:
  - specify each step of the process, identifying the activities carried out, the checks/audits conducted and the authorization process;
  - ensure compliance with the principle of segregation of duties, requiring that different individuals be involved in carrying out the main activities of the Sensitive Processes;
  - clearly identify the individuals and departments that carry out the various activities (operational-management activities, controls, authorization/approval activities);
  - define the procedures and responsibilities for the documentation and traceability of each activity carried out and ensure the correct filing and storage of all documents produced, using means that prevent unauthorized access by third parties.

Moreover:

- all Recipients involved in Sensitive Activities that, in the performance of specific and defined business operations, maintain formal relationships, in the name and on behalf of Moncler, with bodies of the Public Administration must adhere to the principles and behavioral code required by the corporate procedures applicable to operations carried out as part of the Sensitive Activities, as well as the principles of the Code of Ethics;
- all statements and disclosures made to representatives of the Public Administration and required by existing rules or specifically requested by the aforesaid persons must respect the principles of clarity, correctness, completeness and transparency;

- no type of payment may be made unless it is properly documented and, in any case, compliant with internal company procedures. No payment can be made by means of exchanging interests;
- in transactions with the Public Administration, whether receivables or payables, there must be a correspondence between the party rendering a service and the recipient of the payment;
- all transactions between individual corporate functions and Public Officials and/or Public Service Representatives must be registered and documented. The related documentation may be checked by the heads of the corporate department the individual belongs to;
- any situations of uncertainty as to the behavior to hold (even by reason of any wrongful or simply incorrect conduct of the Public Official or Public Service Representative), the interpretation of existing legislation and internal procedures and, in general, any critical elements / irregularities that may arise within the relationship with the Public Administration must be brought to the attention of the Recipient's immediate superior and/or the SB;
- the heads of the Company's functions involved in Sensitive Activities must ensure the constant training of personnel and third parties responsible for the contents of the Model and for the internal and external regulations of reference for the conduct of Sensitive Activities, particularly when entertaining relations with persons belonging to the Public Administration

Where the involvement of third parties (e.g. Suppliers, Contractors, Consultants and/or Collaborators, representatives of the other Group Companies, Partners, beneficiaries of sponsorship) in Sensitive Activities is required, the following rules must also be complied with:

- the choice and involvement of the above parties must be made on the basis of requirements such as integrity, honorability, competence and professional commitment, verification and monitoring that these along with the technical and authorization requirements are met, on the basis of a decision-making process that ensures the traceability and segregation of duties and responsibilities; this choice must first and foremost be based on criteria which reflects the principles of prevention and integrity provided by this Model;
- the Company will determine the criteria for the evaluation of Suppliers, Contractors, Consultants and/or Collaborators, Partners, in order to enable a prior judgment as to the reliability of the same based on cumulative evidence of the following kind: a) subjective evidence (e.g. their corporate history which can be deduced from elements such as their judicial record and extract of the Chamber of Commerce register); b) objective evidence (e.g. operations usually performed, consistency between the same and the type of operation requested by the Company, consistency of the means of payment used with the nature and amount of the transaction); these requirements must then be subjected to periodic audit and inspection also during the performance of the contract;
- the Company may not, in particular, entertain financial and commercial relationships with third parties (natural persons and legal persons) in regard of which the following is known or suspected: commission of crimes against the Public Administration, membership in criminal organizations or organizations howsoever operating outside the law, such as for example, but not limited to, persons associated with, or in any way related to, the environment of organized crime, money laundering and financing of terrorism, drug trafficking, usury, etc.;
- contracts with such persons must be defined in writing, specifying all the conditions underlying them (with particular reference to the agreed financial terms and conditions); contracts must also be submitted to, checked and approved by those at the Company having the appropriate signing authority.
- the activities carried out by Suppliers, Contractors and/or Collaborators, representatives of other Group Companies, Partners, as part of Sensitive Activities must be duly documented and, in any case, the corporate function that availed of their work must, prior to payment of the related considerations, certify in writing the work has been actually carried out;
- all intercompany contracts must contain the so-called 231 clause, on the basis of which the aforementioned third-party declares to be familiar with Legislative Decree 231/01, to have



reviewed the contents of the Model and the Code of Ethics and agrees to comply with the requirements, failing which will result in termination of the contract;

- all contracts with third parties, such as Suppliers, Contractors, Consultants and/or Collaborators and Partners must provide for a specific contractual clause where the counterparty is informed of the adoption by the Company of the Model and of the Code of Ethics, by requiring compliance with the relevant principles, failing which will result in termination of the contract, with the option for Moncler to carry out periodic checks and audits to monitor the contractual obligations; such contracts must also provide for the obligation of the counterparty to communicate their loss of the integrity requirements already reported and verified by Moncler during the selection of such counterparty, under penalty of termination of the contract.

## B- CORPORATE OFFENSES AND MARKET ABUSE

### B.1 Types of Corporate Offenses and Market Abuse

- **False corporate statements (Article 2621 of the Italian Civil Code)** - This type of offense occurs if the directors, general managers, managers responsible for preparing the company's financial reports, statutory auditors, liquidators of the Company, with the intention of deceiving shareholders or the public and in order to obtain an unfair advantage, present material facts that are not true in the financial statements, reports, or other corporate disclosures required by law, to the shareholders or to the public, or fail to provide information, the disclosure of which is required by law, regarding the economic, equity or financial position of the Company or of the Group the Company belongs to, in such a manner as to mislead the recipients of the aforesaid corporate statements.
- **False corporate statements to the detriment of the company, its shareholders or creditors (Article 2622 of the Italian Civil Code)** - This type of offense occurs where the elements required for the realization of the offense above have been incurred and there is a financial loss for shareholders or creditors.
- **Obstruction of inspection (Article 2625 of the Italian Civil Code)** - This offense is committed if, by concealing documents or by other suitable devices, the directors obstruct, or otherwise hinder, the performance of the control activities that are legally attributed to shareholders or to the board of statutory auditors thereby causing damage to the shareholders.
- **Unlawful return of contributions (Article 2626 of the Italian Civil Code)** - This type of offense is realized in case a director, except for the legitimate reduction of share capital and in any form whatsoever, returns contributions to shareholders or releases them from the obligation to execute them.
- **Illegal distribution of profits and reserves (Article 2627 of the Italian Civil Code)** - This type of offense occurs when directors distribute profits or advances on profits not actually earned or mandatorily allocated to reserve or distribute reserves, even if not made up of profits, that are not distributable by law.
- **Illegal transactions involving corporate shares or units of the controlling company (Article 2628 of the Italian Civil Code)** - This type of offense occurs if the directors acquire or subscribe to shares or units, outside the cases provided by law, thereby causing damage to the integrity of the share capital or reserves that are not distributable by law.
- **Transactions to the detriment of creditors (Article 2629 of the Italian Civil Code)** - This type of offense is realized in case the directors, in violation of the provisions of law for the protection of creditors, carry out capital reductions or mergers with other companies or demergers thereby causing damage to creditors.
- **Fictitious capital formation (Article 2632 of the Italian Civil Code)** - This type of offense occurs if the directors and contributing shareholders, even in part, fictitiously form or increase the share capital through the contribution of shares or units that in total exceed the amount of share capital, through mutual subscription of shares or units, significant overvaluation of contributions in kind or credits or assets of the Company in the case of transformation.
- **Unlawful distribution of corporate assets by liquidators (Article 2633 of the Italian Civil Code)** - This type of offense occurs in the event that the possible liquidator that distributes company assets before paying the company's creditors, or setting aside the necessary amounts to satisfy them, causes damage to the creditors themselves.
- **Bribery between individuals (Article 2635 of the Italian civil code)** - This type of offense could occur should a representative of the Company, also through third parties, offer, promise or give money or other benefits to a director, general manager, financial reporting officer, auditor, liquidator of another company or a person within the organization of the latter with executive responsibilities other than those of the individuals mentioned above, or to persons

subject to the direction and supervision of the latter, so that they may perform or omit acts, in violation of the obligations relating to his/her office or duties of loyalty.

- **Instigation to private corruption (Article 2635-bis of the Italian civil code)** - This type of offense could occur should a representative of the Company, also through third parties, offers or promises money or other benefits to any persons specified in the above article, irrespective of whether the person accepts or declines the offer or promise.
- **Undue influence over the Shareholders' Meeting (Article 2636 of the Italian Civil Code)** - This type of offense occurs in the event that a senior manager or a person subject to the direction and supervision of a senior manager (the offense may, in fact, be committed by "anyone", thus also by persons outside the Company), with simulated or fraudulent acts, determines a majority in a Shareholders' Meeting in order to acquire an unjust profit for him/herself or for others.
- **Hindrance of the exercise of the functions of public supervisory authorities (Article 2638 of the Italian Civil Code)** - This type of offense occurs when, in reports to the supervisory authorities required by applicable legislation, material facts that do not correspond to the truth are presented, or facts that should be disclosed are hidden by other fraudulent means in order to hinder the exercise of their supervisory functions.
- **Stock manipulation (Article 2637 of the Italian Civil Code) and market manipulation (Articles 185 and 187-ter of the Italian Consolidated Law on Finance)** - The abuse of market achieved through the alteration of the dynamics relating to the correct formation of the price of financial instruments is now punished as a criminal offense by Articles 2637 of the Italian Civil Code (stock manipulation) and 185 of the Italian Consolidated Law on Finance (market manipulation), and as an administrative offense (Article 187-ter of the Italian Consolidated Law on Finance).

The two possible offenses differ depending on the nature of the financial instruments whose price might be affected by the conduct being punished.

In the case of stock manipulation, financial instruments other than listed instruments are considered, or those for which no application has been made for admission to trading on a regulated market; in the case of the criminal offense and administrative offense of market manipulation, these are listed financial instruments for which application has been made for admission to trading on regulated markets.

The conduct constituting the criminal offenses of stock manipulation and market manipulation consists in:

- the dissemination of false information (*information-based manipulation*);
- the performance of simulated transactions or other artifices suitable to cause a significant alteration in the price of listed or unlisted financial instruments (*action-based manipulation*).

However, it should be noted that, in the case of the offense relating to market manipulation, the conduct of a person who has committed the offense by means of orders to trade or transactions carried out on legitimate grounds and in accordance with accepted market practices does not represent a criminal offense.

The administrative offense of market manipulation (Article 187-ter) instead occurs in cases of:

- dissemination, through the media, including the Internet or any other means, of information, rumors or false or misleading news that provides or is likely to provide false or misleading indications as to financial instruments;
- performance of transactions or orders to trade which provide, or are likely to provide, false or misleading indications as to the supply of, demand for or price of financial instruments;
- performance of transactions or orders to trade which, through the action of one or more persons acting in concert, enable the fixing of the market price of one or more financial instruments at an abnormal or artificial level;
- realization of other devices capable of providing false or misleading indications as to the

supply of, demand for or price of financial instruments.

- The administrative offense has a much wider scope of application than the criminal offense, from which it differs in that it is also punishable by way of negligence (therefore, for putting in place the conduct set forth above due to imprudence, carelessness or incompetence) and it does not require suitability of the information, transactions or devices to cause a significant alteration in the price of financial instruments.
- **Insider trading and unlawful disclosure of inside information (Articles 184 and 187-bis of Legislative Decree No. 58/1998, Italian Consolidated Law on Finance)**

The rules under consideration punish the abuse of privileged information acquired by virtue of activities carried out through the performance of transactions on financial instruments to which that information relates, or through disclosure of such information, directly or indirectly.

The criminal offense and the administrative offense - better known as insider trading - can be achieved in several ways:

- *trading* is first considered, i.e. the purchase, sale or performance of other transactions, directly or indirectly, for one's own account or on behalf of a third party, on financial instruments, using privileged information. It is appropriate in this connection to point out that the prohibition covers any transaction on financial instruments: therefore, not only the purchase or sale but also carryovers, swaps etc.;
- *tipping* is mentioned instead in regard of the undue disclosure of privileged information to third parties. More specifically, the offense occurs in case the primary insider discloses the privileged information "*outside the normal exercise of his/her employment, profession, function or office*". In this regard, disclosure is considered lawful when it is grounded in rules that allow it or impose it, or in the context of established practices or customs. More specifically, with reference to corporate groups, a disclosure relates to the normal performance of the office when the data necessary for the preparation of consolidated financial statements is transmitted (Article 43 of Legislative Decree No. 127 of 1991 and Article 25, paragraph 4, of Legislative Decree No. 356 of 1990), and communications are exchanged in the context of management and coordination operations, which are now the responsibility of holding companies pursuant to Article 2497 of the Italian Code, or disseminated pursuant to Article 114 of the Italian Consolidated Law on Finance, which requires listed issuers and the entities that control them, "*without prejudice to the obligations of disclosure set forth in specific provisions of the law*", to disclose to the public, without delay and in accordance with the methods indicated by C.O.N.S.O.B. (the Italian stock exchange commission), any privileged information directly concerning said issuers and the subsidiaries thereof;
- lastly, consideration is given to the so-called *tuyautage*, i.e. the recommendation or inducement of third parties to carry out one of the transactions described above in relation to privileged information. In this specific case, the insider does not disclose privileged information to third parties, but - based on this - merely recommends or induces third parties to carry out a specific transaction that he/she knows will be, by virtue of the information to his/her knowledge, likely to have a significant effect on the prices of financial instruments.

## B.2 General Principles and Rules of Conduct

This section sets out the general principles and rules of conduct to be followed by the Recipients in order to prevent the occurrence of corporate offenses and market abuse, together with:

- the principles set out in Chapter 4 of the General Section of the Model;
- the general principles already dictated under para. A.2 in the Special Section A (Offences against the PA).

This Special Section “B” provides for an express **prohibition** – for the Recipients of this Model - to engage in conduct:

- such as to bring about the offenses considered above (Article 25-ter and 25-sexies of the Decree);
- that, while not being in and by itself one of the offenses included among those considered above, could potentially become so;
- not aligned or not in accordance with the principles and provisions contained in this Model and in the Code of Ethics or in any case with corporate procedures.

It is **forbidden** for Recipients to hold the following behavior / carry out the following transactions:

- hinder or obstruct in any way, even by concealing documents or using other suitable devices, the conduct of corporate control and auditing operations pertaining to the Board of Statutory Auditors and/or the independent auditors;
- unlawfully determine or influence the taking of shareholder resolutions, putting in place, for that purpose, simulated or fraudulent acts with the intention of artificially altering the normal and proper procedure for the formation of the shareholders’ will;
- return, or pretend to return, contributions to shareholders or release from the obligation to execute them, subject of course to the possibility of a legitimate share capital reduction;
- distribute profits or advances on profits not actually made, or mandatorily allocated to reserve, or distribute reserves, even if not made up of profits, that that are not distributable by law;
- purchase or subscribe to treasury shares or shares of a subsidiary outside the cases permitted by law, thereby causing damage to the integrity of the share capital or reserves that are not distributable by law;
- reduce the share capital or carry out mergers with other companies or demergers in violation of the law, thereby causing damage to the creditors;
- fictitiously form or increase the share capital through the contribution of shares for an amount under their nominal value, mutual subscription of shares, significant overvaluation of contributions in kind or credits, or corporate assets in the event of a transformation.

Should third parties including, but not limited to, Suppliers, Contractors, Consultants and/or Collaborators, representatives of the other Group Companies, Partners, beneficiaries of sponsorship be involved in Sensitive Activities, the following rules must also be complied with:

- the Company may not in particular entertain financial and commercial relationships with third parties (natural persons and legal persons) that are known, or suspected, to have committed offenses of bribery among individuals, membership in a criminal organization or in any case operating outside of the law, such as for example, but not limited to, persons associated with, or that can howsoever be traced back to, the environment of organized crime, money laundering and terrorism financing, drug trafficking, usury, etc.;
- it is mandatory to refrain from any act or hold behavior towards company representatives (be they Customers, Suppliers, Consultants, Partners, Contractors, other Group Companies, etc.) that are or may be interpreted as corrupt practices, illegal favors, collusive behavior, solicitations, either directly or through third parties, privileges on one’s own account or for others relevant to the commission of the offense of bribery among individuals;
- possible situations of uncertainty as to the behavior to hold (even by reason of any wrongful, or simply incorrect, conduct of the counterparty), the interpretation of existing legislation and internal procedures must be brought to the attention of one’s immediate superior and/or the SB.

- the heads of the Company's functions involved in Sensitive Activities must ensure the constant updating of personnel and competent third parties on the contents of the Model and the internal and external regulations of reference for the conduct of Sensitive Activities.

Furthermore, the following is required:

- all those who maintain relations with the Supervisory Authority on behalf of the Company must be in possession of an authorization to do so from the Company itself, formalized, with regard to Employees, corporate bodies, representatives of other Group Companies, with an appropriate power of attorney or proxy or procedure and/or internal operational or organizational arrangements, or in a supply / consulting or collaboration contract with regard to third parties acting in the name of, on behalf of or in the interest of the Company.

With regard to the prevention of **criminal offenses and administrative offenses of Market Abuse**, reference is made to the principles of conduct adopted by Moncler with the Code of Ethics, aiming to ensure compliance with the primary and secondary legislation in force and applicable to the matter and principles of confidentiality of processed information and privacy in the processing of information not in the public domain. Moreover, the following principles must be met:

- All persons engaged in activities in any way related to the dissemination of information, including through the Internet or any other means of information, relating to financial instruments and/or transactions relevant to changes in the price of such instruments must comply with the principles of transparency and correctness, ensuring the timeliness, clarity, authenticity and completeness of the data processed, equal access to information, market protection and respect for the dynamics of free determination of the price of securities.
- It is therefore expressly forbidden to carry out transactions on financial instruments (including of other Group Companies), directly or indirectly, on one's own account or on behalf of third parties, using privileged information, or in such a manner as to distort the market or, more generally, by providing inaccurate or misleading information.
- It is also forbidden to disclose privileged information to third parties acquired by reason of one's activities, or to recommend or induce third parties to perform transactions on financial instruments.
- It is also forbidden to disseminate information relating to financial instruments, or other circumstances, which - being inaccurate, unfair, false, or otherwise misleading - may theoretically be such as to affect the price of financial instruments.

Moreover, compliance with the following principles is expressly provided:

- obligation of confidentiality in regard of confidential information acquired or of which one has howsoever become aware by reason of one's function whether relating to the Company or other Group Companies or third-party companies in business dealings with the same. No confidential information of which one has become aware may be disclosed to a third party or made improper use of;
- should any confidential information be disclosed to third parties by reason of one's office, it is mandatory to ensure that such third parties are subject to a legal or regulatory obligation of confidentiality, or one set forth in the Company's Articles of Incorporation; failing that, it is necessary to formalize it by signing an agreement for the mutual duty of confidentiality of the information being exchanged;
- it is forbidden to disseminate information, rumors or news not corresponding to reality or information the truthfulness of which is uncertain, capable, or even potentially susceptible, of providing false or misleading indications in relation to the Company or another Group Company and/or the relevant financial instruments, as well as in relation to third-party companies in business dealings with the Company or another Group Company and the relevant financial

instruments, either to other personnel or outside the Company through any channel of information, including the Internet.

## **C - OFFENSES RELATED TO RECEIVING, LAUNDERING OR USING MONEY, GOODS OR BENEFITS OF ILLICIT ORIGIN**

### **C.1. Types of Offenses related to Receiving, Laundering or Using Money, Goods or Benefits of Illicit Origin**

- **Receiving stolen property (Article 648 of the Italian Criminal Code)** - This type of offense occurs in the event that somebody acquires or receives or conceals money or property deriving from any crime in order to obtain a profit for him/herself or for others. For example, when an executive in charge of selecting suppliers and purchasing raw materials for the Company purchases raw materials below cost because they originated from a wrongful act (e.g. theft) with a profit for the Company.
- **Money laundering (Article 648-bis of the Italian Criminal Code)** - This type of offense occurs in the event that somebody replaces or transfers money or property originating from an intentional crime or carries out other operations in relation to these so as to hinder the detection of the criminal origin thereof; for example, when an executive in charge of procurement for the company, as consideration to a provider, pays sums of money which he/she knows originated from a crime in order to conceal such origin.
- **Use of money, goods or property of illicit origin (648-ter of the Italian Criminal Code)** - This type of offense occurs in the event that somebody, in business or financial transactions, uses money, goods or other property originating from a crime; for example, if an executive for the company purchases a machine that he/she knows originated from a crime (e.g. theft) using it as a corporate asset as part of the company's business activity.

### **C.2 General Principles and Rules of Conduct**

This section sets out the general principles and rules of conduct to be followed by the Recipients in order to prevent the occurrence of the Offenses of receiving, laundering and using money, property or assets of illicit origin, together with:

- the principles set out in Chapter 4 of the General Section of the Model;
- the general principles already dictated under para. A.2 in the Special Section A (Offenses against the P. A.);

This Special Section "C" provides for an express **prohibition** - for the Recipients of this Model - to engage in conduct:

- such as to incur the types of offenses considered above (Article 25-*octies* of the Decree);
- that, while not being in and by itself one of the offenses included among those considered above, could potentially become so;
- not aligned or not in accordance with the principles and requirements contained in the present Model and the Code of Ethics or in any case with company procedures.

For the purpose of implementing the above prohibitions, the Recipients must comply with the rules set out below:

- specific policies, procedures and/or organizational directives must be defined, including at the Group level, containing the operational rules for payment orders and money transfers, even between the Group Companies, with an indication of the significant information and data on the amount of the transactions and beneficial owners, value of the same transactions, purpose and nature and source of the funds being employed;



- Recipients must base their actions on criteria of transparency in the conduct of business activities and in the choice of financial and/or commercial Partners, paying the utmost attention to information regarding the third parties with which Moncler has financial, commercial or corporate relationships that may even only create suspicion as to the commission of one of the offenses referred to in this special section;
- Recipients should not in particular entertain commercial relationships with persons (natural persons or legal persons) that are known to belong, or suspected of belonging, to a criminal organization or howsoever operate outside of the law, such as for example, but not limited to, parties associated with or that may in any way be traced back to the environment of organized crime, money laundering and terrorism financing, drug trafficking, usury;
- Recipients must hold a correct, transparent and cooperative behavior in compliance with the rules of law, the principles of the Code of Ethics and internal policies and procedures of the Company and of the Group, with particular reference to operations relating to the management of personal information of Suppliers / Contractors / Advisors / Collaborators / Partners and in general when entertaining relationships with third parties, including foreign third parties, etc.;
- the traceability of the stages of the decision-making process relating to financial and corporate transactions with third parties must be ensured;
- supporting documentation, taking all the physical and IT security measures established by Moncler, must be retained;
- cooperative behavior with the Supervisory and/or Judicial Authorities must be maintained;
- Recipients must bring to the attention of their immediate superior and/or the SB any situations of uncertainty as to how to behave, the interpretation of the applicable regulations and internal procedures;
- Recipients must report to the heads of corporate functions and/or the SB any violations of the rules and any unusual transactions that may be an indication of phenomena of receiving, laundering and using of money, goods and benefits of illicit origin.

Company members and representatives of other Group Companies involved in Sensitive Activities are required to strictly comply with the corporate organizational procedures in force.

Should third parties, including, by way of an example, Suppliers, Contractors, Consultants and/or Collaborators, Partners be involved in the Sensitive Activities, the rules mentioned in para. A. 2 above must also be adhered to.

In particular, it is provided that contracts with third parties must be prepared in accordance with company standards in use and must ensure that the counterparties are informed of the adoption of the Code of Ethics and the Model pursuant to Law No. 231 by the Company, to require them to comply with certain principles contained therein, under penalty of termination of the contracts themselves.

Moreover, the activities carried out by Suppliers, Contractors, Consultants and/or Collaborators, representatives of other Group Companies and Partners in the context of Sensitive Activities must be duly documented and, in any case, the corporate function that made use of their work must, prior to payment of the relevant considerations, certify in writing the actual existence and fairness of the service compared to the amount paid.

## D - OFFENSES REGARDING HEALTH AND SAFETY IN THE WORKPLACE

### D.1 Types of Offenses regarding Health and Safety in the Workplace

- **Manslaughter (Article 589 of the Italian Criminal Code)**

Article 25-*septies*, first paragraph, of the Decree, as an offense punished pursuant to the same Decree, introduces the crime of manslaughter committed in violation of Article 55, paragraph 2<sup>2</sup>, of the legislative decree implementing the enabling provisions of Law No. 123 of August 3, 2007, relating to health and safety in the workplace, i.e. Legislative Decree No. 81/2008.

Article 25-*septies*, second paragraph, also punishes the crime of manslaughter pursuant to Article 589 of the Italian Criminal Code if, in general, it is committed in violation of the rules on protection of health and safety in the workplace.

Pursuant to Article 589 of the Italian Criminal Code, “*anyone who due to negligence causes the death of a person*” commits such offense; pursuant to the third paragraph of the aforesaid Article, having committed the act in violation of the “*rules for the prevention of accidents in the workplace*” is an aggravating circumstance.

This type of offense could be incurred in case the negligent violation of the rules on the protection of health and safety in the workplace, as adopted by the company, results in a workplace accident that causes the death of an Employee of Moncler.

For example, in case of death as a result of a fire in the company’s premises due to a short circuit of a defective piece of machinery in relation to which, on the part of corporate bodies in charge thereof, the periodic verification of functionality and security had been negligently omitted.

- **Serious or very serious negligent injury (Article 590 of the Italian Criminal Code)**

Article 25-*septies*, as an offense punished by the Decree, also introduces the crime of negligent injury as referred to in Article 590, third paragraph, of the Italian Criminal Code, committed in violation of the rules on protection of health and safety in the workplace.

Pursuant to Article 590 of the Italian Criminal Code, “*anyone who due to negligence causes bodily harm to others*” commits such offense; pursuant to the third paragraph of such Article, the fact of having caused bodily harm in violation of the “*rules for the prevention of workplace accidents*” is an aggravating circumstance.

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<sup>2</sup> The latter provision states that, in the cases provided for by Article 55, paragraph 1, letter a), of Legislative Decree No. 81/2008, or in the cases where the employer omits risk assessment procedures and the adoption of the document referred to in Article 17, paragraph 1, letter a), or adopts it in the absence of the elements referred to in points a), b), d) and f) of Article 28, and violates the provisions of Article 18, paragraph 1, letters q) and z) first section, the penalty applied shall be imprisonment from six months to one year and six months if the violation is committed:

**a)** at the premises of the companies listed in Article 31, paragraph 6, letters a, b, c, d, f, i.e.:

- industrial enterprises listed in Article 2 of Legislative Decree No. 334/99, subject to the obligation of notification or report;
- thermal power plants;
- nuclear plants and facilities or plants and facilities that in any way employ radioactive material or dispose of radioactive waste (Legislative Decree No. 230/1995, Articles 7, 28 and 33);
- companies that manufacture and provide separate storage of explosives, gunpowder and ammunition;
- mining enterprises with more than 50 workers.

**b)** at the premises of companies engaged in activities that expose workers to “severe” biological hazard (Article 268, paragraph 1, letters c and d), due to explosive atmospheres, carcinogenic mutagens and maintenance, removal, disposal and remediation of asbestos;

**c)** for the activities covered by Title IV (“temporary or mobile construction yards”) of Legislative Decree No. 81/2008 and characterized by the simultaneous presence of several enterprises whose volume of work is not less than 200 man-days.

Serious injuries are understood as those consisting in an illness that endangers life or causes an inability to attend to day-to-day activities for a period exceeding forty days, or in a permanent weakening of a sense or an organ; very serious injuries are understood as a probably incurable illness, the loss of a sense, limb, organ or ability to procreate, a permanent speech impediment, permanent deformation or disfigurement of the face.

This type of offense could be incurred in case the negligent violation of the rules on the protection of health and safety in the workplace leads to a workplace accident that causes serious or very serious bodily harm to an employee of Moncler.

For example, if an employee of Moncler, involved in the operation of a piece of machinery suffers an injury to a limb - considered curable in more than 40 days - on account of the failure of the aforesaid piece of machinery, which was not repaired in a timely manner despite a timely report had been sent by the same employee.

## **D.2 Risk management process concerning health and safety at the workplace**

omitted

## **D.3 Behavioral principles and rules of conduct**

This section contains the general Rules of conduct that, together with the general behavioral Principles highlighted above, should be followed by Recipients in order to prevent the occurrence of the Offenses described in paragraph D.1.

All Employees and Collaborators of the Company, including those of other Group Companies, and Contractors, in their respective fields and for matters under their responsibility, are required to:

- comply with the rules, obligations and principles laid down by current law and by the rules / guidelines relating to health and safety;
- comply with the general rules of conduct, control principles and specific requirements laid down in this Model;
- promote compliance with the above laws, rules and principles and ensure fulfillment in terms of health and safety in the workplace;
- adopt a conduct of full cooperation and transparency and respect the principles of conduct and behavior specified in the Special Section A “Offences against the Public Administration” in relations with the public bodies responsible for health and safety in the workplace, both in the preparation and notification of any statements and on the occasion of inspections / audits;
- promote internal information and training regarding specific risks associated with the performance of one’s tasks and activities, regarding the corporate structure and regulation of health and safety, prevention and protection procedures and measures and/or take note of the information provided and/or actively participate in training courses;
- make a correct use of machinery, equipment, tools, materials, transportation and other work equipment and safety devices;
- report violations of the defined rules and any potential or actual danger to health and safety management officers;
- strictly adhere to the operational guidelines, directives and instructions issued by the Company, and to the principles of the Code of Ethics.

**D.4 Control principles and specific prescriptions which apply to the management of risks concerning health and safety at the workplace**

omitted

## **E - INDUCEMENT NOT TO MAKE STATEMENTS OR TO MAKE FALSE STATEMENTS TO THE JUDICIAL AUTHORITIES**

### **E.1 Inducement not to Make Statements or to Make False Statements to the Judicial Authorities**

**(Art. 377-bis of the Italian Criminal Code).** This type of offense punishes anyone who, by force or threat, or by offering or promising money or other benefits, induces a person called to testify and bring evidence that may be used in criminal proceedings before the Judicial Authority not to make statements or to make false statements, when the latter has the right to remain silent.

This conduct occurs with respect to a person who, being called to testify to bring evidence that may be used in the criminal proceedings before the Judicial Authority, may exercise its right to remain silent and it consists in inducing the latter not to make the above statements (therefore to exercise the option that the law grants it) or to make false statements as a result of violence, threat or by offering or promising money or other benefits.

The person causing the offense can be anyone, while the recipients of the conduct are only the suspects and defendants (also in associated proceedings or associated offense) which are granted by the legislation the right to remain silent.

### **E.2 General Principles, Rules of Conduct and Specific Protocols**

This section sets out the general principles and rules of conduct which, together with the principles set out in Chapter 4 of the General Section of the Model, as well as those contained in para. A.2 and in the Code of Ethics, must be followed by the Recipients in order to prevent the occurrence of the offense of inducement not to make statements or to make false statements to the Judicial Authorities.

In particular, this Special Section “E” expressly prohibits, for Recipients, to engage in conduct:

- such as to incur the type of offense considered above (Article 25-*decies* of the Decree);
- that, while not being in and by itself the offense considered above, could potentially become so;
- not aligned or not in accordance with the principles and provisions contained in this Model.

Recipients must:

- refrain from reticent behavior or omissions that may, directly or indirectly, and/or involuntarily, result in a hindrance to the work of the Judicial Body;
- refrain from any threat or pressure, including through the use of physical violence, as well as any offer of money or other benefits in order to induce a person not to make statements or to make false statements before a Judicial Authority;
- refrain from inducing or persuading anyone from providing false statements to the competent Authorities;
- provide an effective cooperation and make truthful statements completely representative of the facts in the relations with the Judicial Authorities.

In the exercise of Sensitive Activities, the following principles should also be followed:

- Employees and Collaborators, in various capacities, of the Company, must promptly notify their immediate superior of any criminal proceedings that involve them in any respect in relation to the work provided or otherwise related to it. A similar notice must be forwarded to the SB;
- if a director, executive or an employee of the Company is called (respectively, in the capacity of suspect / defendant, accused / defendant in the associated proceedings) to make statements

before the Judicial Authorities concerning activities related to corporate management and administration is required to maintain the greatest confidentiality with respect to the statements made and the subject thereof, where the same are under secret investigation;

- similar confidentiality will be maintained by the Legal Counsel assisting them in the release of such statements;
- the Company, when there is no obligation to perform acts on the part of different persons, should exclusively restrict such relationships to the Legal Department, which will retain the relevant documentation and keep track of the same relationships, always by formal written notification;
- all Recipients are required to firmly reject any attempt from directors, executives, employees or other third parties acting on behalf of the Company (e.g. Legal Counsel) aimed at influencing the content of their statements or to cause them, if permitted by law, to avail themselves of the right to remain silent;
- if Recipients who are directors, executives or employees, receive undue pressure to do so or are promised sums of money or other benefits for the same purpose, they are required to immediately inform their immediate superior (or his/her immediate superior if the undue pressure and the promise of goods or benefits comes from their own immediate superior).

## F - ORGANIZED CRIME OFFENSES

### F.1 Types of Organized Crime Offenses

The following is a list of cases that may be related to the category of “organized crime Offenses” included in the special section F of the Model:

- **Criminal conspiracy (Article 416 of the Italian Criminal Code):** This offense occurs when three or more persons conspire to commit several crimes. Those who promote or constitute or organize the conspiracy will be punished with imprisonment from three to seven years; by the mere fact of participating in the conspiracy, the penalty will be imprisonment from one to five years. The leaders are subject to the same penalty as the promoters. The penalty will be increased if the number of members is ten or more. If the conspiracy is to commit one of the crimes referred to in Articles 600 of the Italian Criminal Code (reduction or maintenance in slavery or servitude), 601 of the Italian Criminal Code (trafficking in persons) and 602 of the Italian Criminal Code (purchase and sale of slaves), and Article 12, paragraph 3-*bis* of the Consolidated Text of provisions governing immigration and rules on the status of foreigners under Legislative Decree No. 286/98 (provisions against illegal immigration), punishment is imprisonment from five to fifteen years in cases of promotion, establishment, organization of the conspiracy and from four to nine years in cases of mere participation in the conspiracy.
- **Mafia-type conspiracy (Article 416-*bis* of the Italian Criminal Code).** This offense is incurred by anyone belonging to mafia-type associations formed by three or more persons; the participant will be punished with imprisonment from seven to twelve years. Those who promote, manage or organize the conspiracy are punished, for that reason alone, with imprisonment from nine to fourteen years. A conspiracy is a mafia-type conspiracy when its members make use of intimidation due to the power of the associative bond and the condition of subjection and collusion of silence deriving therefrom when committing crimes, directly or indirectly acquiring the management or control of economic activities, concessions, authorizations, procurement contracts and public services or when realizing unjust profits or advantages for themselves or others or preventing or hindering the free exercise of voting rights or procuring votes for themselves or others at elections. If the economic activities which the conspirators intend to take or maintain control of are financed in whole or in part with the price, product, or profit originating from crimes, the penalties mentioned above will be increased by a factor ranging from one third to one half. These provisions will also apply to the Camorra and other criminal associations, howsoever referred to locally, including foreign ones, which by applying the intimidating power of the associative bond pursue aims that correspond to those of Mafia-type conspiracies.
- **Crimes committed under the conditions laid down by the aforesaid Article 416-*bis* of the Italian Criminal Code, i.e. in order to facilitate the activities of the conspiracy set forth in the same Article (Article 24-*ter*, first paragraph, of Legislative Decree No. 231/01):** this provision of law is aimed at punishing the crimes committed by using the intimidating power of the associative bond and the condition of subjection and collusion of silence that follows therefrom, as well as the so-called crime of collusion with the mafia conspiracy, a case provided for by the judicial body, which is recognized in the conduct of a person who is external to the criminal conspiracy but who makes a decisive causal contribution in the pursuit of an unlawful purpose and for the very existence of the Mafia conspiracy itself. The requirements for collusion with the mafia conspiracy are met in the following cases: the occasional and independent nature of the contribution being made; the functionality of the contribution to the achievement of the conspiratorial aims and the causal efficiency of the contribution to the strengthening and consolidation of the conspiracy; also, the existence of the element of intentional misconduct is required for the person committing the crime, i.e. the awareness to promote the achievement of unlawful purposes. Under Article 7 of Law No. 203 of July 12, 1991, for offenses punishable by a sentence other than a life sentence committed under the conditions provided for by Article 416-*bis* of the Italian Criminal Code, i.e. in order to facilitate the operation of the conspiracy as

provided for by the same Article, the penalty will increase by a factor ranging from one third to one half.

**Electoral exchanges between politicians and the mafia (art. 416 of the Italian Criminal Code)** This offense is committed when a person accepts, directly or through intermediaries, the promise of votes from persons belonging to mafia-type organizations consisting of three or more persons (art. 416-bis) or by means explained in the third paragraph of article 416-bis. (which punishes those who attempt to procure votes during elections) in exchange for giving or promising to give money or any other benefit. This offense is subject to a term of imprisonment of four to ten years.

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## F.2 General Principles and Rules of Conduct

This section sets out the general principles and rules of conduct to be followed by the Recipients in order to prevent the occurrence of organized crime Offenses, together with:

- the principles set out in Chapter 4 of the General Section of the Model;
- the general principles already dictated under para. A.2 in the Special Section A (Offenses against the P.A.).

This Special Section “F” provides for an express **prohibition** - for the Recipients of this Model - to engage in conduct:

- such as to incur the types of offenses considered above (Article 24 of the Decree);
- that, while not being in and by itself one of the offenses included among those considered above, could potentially become so;
- not aligned or not in accordance with the principles and requirements contained in the present Model and in the Code of Ethics or in any case with internal and Group corporate policies and procedures.

For the implementation of the above prohibitions, Recipients must comply with the rules set out below:

- Recipients must hold a correct, transparent and collaborative behavior, in compliance with the rules of law, the principles of the Code of Ethics and internal and Group corporate policies and procedures, with particular reference to the activities aimed at managing personal details of Suppliers/Contractors/Consultants/Collaborators/Partners, and in general when entertaining relations with third parties, including foreigners, etc.;
- in particular, Recipients must not maintain relations with (natural or legal) persons that are known to conduct, or suspected of conducting, illicit activities, with reference to the offenses referred to in Article 24 of Legislative Decree 231/2001, or in any case that are members in a criminal organization or an organization operating outside of the law, such as for example, but not limited to, persons associated with or that may in any way be traced back to the environment of organized crime, including the Mafia, money laundering and terrorism financing, drug trafficking and usury;
- Recipients must not pay, in favor of Employees, Collaborators, Suppliers, Consultants, Contractors, Partners, representatives of the other Group Companies, compensation, raises, benefits or discounts on the consideration that are not adequately justified under contract, or in commercial practice in force in the relevant business sector, in relation to the type of performance / delivery / task / service to be performed or to be received;



- Recipients must take immediate action in the case of negative perceptions and/or reports about the integrity of those with whom they engage;
- Recipients must not provide or promise, in favor of those with whom they have established a relationship of association, even temporarily, services that are not justified in the light of the associative relationship established with them;
- Recipients must submit to their immediate superior and/or the SB any situations of uncertainty as to the behavior to be held, the interpretation of applicable regulations and internal procedures;
- Recipients must report to the heads of corporate functions and/or the SB any violations of the rules and any unusual transactions that may be an indication for the phenomena of receiving, laundering and using money, goods and benefits of illegal origin.
- Recipients must retain all supporting documentation, taking all the physical and IT security measures established by Moncler and ensuring the traceability of the decision-making process in regard of financial and corporate transactions with third parties;
- Recipients must maintain cooperative behavior with the Supervisory and/or Judicial Authorities.

Where provision is made for the involvement of third parties including, without limitation, Suppliers, Contractors, Consultants and/or Collaborators, Partners, in the context of Sensitive Activities, the rules mentioned in Section A.2 must also be adhered to.

In particular, it is provided that contracts with third parties must be prepared in accordance with company standards in use and must ensure that the counterparties are informed of the adoption by the Company of the Code of Ethics and the Model pursuant to Law No. 231, to require them to observe certain principles contained therein, under penalty of termination of the same contracts.

Moreover, the service provided by such persons as part of the Sensitive Activities must be documented and, in any case, the corporate function that made use of their work must, before the payment of the relevant consideration, attest in writing to the actual existence and fairness of the performance compared to the amount paid.

Moreover, if the involvement of the aforementioned third parties in the Sensitive Activities is required, the Recipients must:

- ensure that the selection of Suppliers, Contractors, Consultants, Collaborators, Partners is carried out through clear, defined and non-discriminatory qualification procedures, by comparing a number of potential offers and ensuring a choice with regard to entities that provide the best guarantees from the ethical, organizational, technical and financial standpoint, and checking that the necessary requirements of integrity, professionalism, as well as technical requirements and authorizations, have been met in order to ensure that the activities are carried out in full compliance with internal and Group corporate procedures, as well as with the Model and the Code of Ethics, thereby avoiding any participation in activities that may, even potentially, facilitate the commission of the offenses referred to in Article 24-ter of Legislative Decree No. 231/2001;
- ensure that the aforementioned qualification process provides for the collection of information on the good repute of the counterparty, including, for example, through the systematic request of documents such as the certificate of criminal record, or alternatively self-declarations in regard of the absence of a criminal background, extract of the Chamber of Commerce register in the case of corporations;
- ensure regular monitoring of such entities and existence of the above-mentioned requirements of good repute, professionalism, satisfaction of technical requirements and authorizations, through a re-qualification process;

- ensure proper storage and preservation of all documents produced in order to ensure traceability of the verification activities in regard of the existence of the requirements of good repute and periodic re-qualification of third parties.

## G - OFFENSES REGARDING FALSE TRADEMARKS, PATENTS AND DISTINCTIVE MARKS

### G.1 Types of Offenses regarding False Trademarks, Patents and Distinctive Marks

- **Counterfeiting, alteration or use of trademarks or distinctive marks or patents, models and drawings (Article 473 of the Italian Criminal Code):** This offense is committed if anybody, being aware of the existence of a title to industrial property, counterfeits or alters foreign or domestic trademarks or distinctive marks of industrial products, or, without being in complicity with the counterfeiting or alteration, makes use of such counterfeit or altered trademarks or distinctive marks. This crime is punished with imprisonment from six months to three years and a fine ranging from €2,500 to €25,000.

A sentence of imprisonment from one to four years and a fine ranging from €3,500 to €35,000 is imposed on anyone who counterfeits or alters domestic or foreign patents, industrial drawings or models, or, without being in complicity with the counterfeiting or alteration, makes use of such counterfeit or altered patents, drawings or models.

The crimes listed above are punishable under the condition that the regulations of the domestic laws, EU regulations and international conventions on the protection of intellectual or industrial property have been complied with.

- **Introduction into the (Italian) State and trade of products with false trademarks (Article 474 of the Italian Criminal Code):** This offense is incurred if, except in cases of complicity with the offenses provided for by Article 473 of the Italian Criminal Code, someone introduces industrial products with counterfeit or altered trademarks or other distinctive marks, domestic or foreign, into the territory of the Italian State, in order to gain a profit therefrom. This offense is punishable by a term of imprisonment for one to four years and a fine ranging from €3,500 to €35,000.

Outside of cases of complicity in counterfeiting, alteration, introduction into the territory of the (Italian) State, anyone who holds for sale, offers for sale or otherwise puts into circulation the products listed above in order to gain a profit therefrom, will be punished. This offense is punishable by a term of imprisonment of up to two years and a fine of up to €20,000.

### G.2 General Principles and Rules of Conduct

This section describes the general principles and rules of conduct to be followed by the Recipients in order to prevent the occurrence of the Offences in regard of false trademarks, patents and distinctive marks, together with:

- the principles set forth in Chapter 4 of the General Section of the Model;
- the general principles already dictated in para. A.2 in the Special Section A (Offenses against the P.A.).

This Special Section “G” provides for an express **prohibition** – for the Recipients of this Model - to engage in conduct:

- such as to bring about the offenses considered above (Articles 25-*bis* of the Decree);
- that, while not being in and by itself one of the offenses included among those considered above, could potentially become so;
- not aligned or not in accordance with the principles and provisions contained in the Model and the Code of Ethics, or in any case with company procedures.

For the implementation of the above prohibitions, Recipients must comply with the rules set out below:

- Recipients must hold correct, transparent and collaborative behavior in compliance with the rules of law and internal corporate procedures in all Sensitive Activities and in particular those aimed at the management of relationships with Suppliers / Contractors / Consultants / Collaborators / Partners;
- in the choice of business Partners, Recipients must pay close attention to news regarding the third parties which may even only create suspicion as to the commission of one of the offenses referred to in this special section;
- Recipients must ensure the traceability of the stages of the decision-making process relating to financial and business transactions with third parties;
- Recipients must retain supporting documentation, taking all the physical and IT security measures established by Moncler;
- Recipients must bring to the attention of their immediate superior and/or the SB any of the situations of uncertainty as to the behavior to hold and the interpretation to give to applicable regulations and internal procedures;
- it is mandatory to abide by the principles of the Code of Ethics and policies adopted by the Company and Group containing principles designed to respect the industrial property rights of third parties and to protect those of the Company, even in the case of cooperation with third-party entities;
- Recipients must check the reliability of letters of warnings received from individuals who complain about an alleged conduct on the part of the Company that is detrimental to the rights protected by the provisions of law regulating trademarks and patents;
- Recipients must, with legal advice or advice of other professionals, check whether there is the likelihood that the Company's conduct could bring about one of the offenses relating to trademarks and patents;
- Recipients must adopt a "clearance" process structured in multiple phases, which is embodied in the search for previous deposits of trademarks and patents belonging to others.

Where the involvement of third parties including, without limitation, Suppliers, Contractors, Consultants, Collaborators and Partners is required as part of the Sensitive Activities, the rules already mentioned in Sect. A.2 must also be adhered to.

In particular, it is provided that contracts with third parties must be prepared in accordance with company standards in use and must ensure that the counterparties are informed of the adoption of the Code of Ethics and Model pursuant to Law No. 231 by the Company, in order to bind them to observe certain principles contained therein, under penalty of termination of such contracts.

Moreover, the activities carried out by such persons, as part of the Sensitive Activities, must be documented and, in any case, the corporate function that made use of their work must, prior to payment of the relevant consideration, certify in writing the actual existence and fairness of the performance compared to the amount paid.

Furthermore, if the involvement of the aforementioned third parties is required as part of the Sensitive Activities, the Recipients must:

- ensure that the formalization of the transactions with Suppliers / Contractors / Consultants / Partners, Collaborators occurs following the necessary checks on the requirements of professionalism and good repute in order to avoid any connection with activities that may, even

potentially, facilitate the commission of the offenses of false trademarks, patents and distinctive marks;

- provide for the collection of information on the third parties being selected in regard of their title to the industrial property rights, including, for example, through the systematic request for documents such as self-declaration or a copy of the title attesting the ownership of the patent / trademark / distinctive mark or certificate of non-infringement of third-party rights in case of products that have not been marked or patented by the supplier;
- ensure the inclusion of clauses containing a commitment by the Supplier / Contractor / Consultant / Partner, Collaborator, to hand over the documentation certifying possession of the requirements of good repute and professionalism, as well as the technical requirements, even for the purpose of preventing the commission of counterfeiting offenses relating to trade marks, patents and distinctive marks;
- ensure that the contracts entered into with Partners, Consultants and Collaborators specifically provide for the obligation of the counterparty to fulfill its performance in accordance with the principles of the Code of Ethics and in compliance with the industrial property rights of third parties and those of the Company, including if they cooperate with any subcontractors, setting forth the possibility for Moncler to carry out checks / audits at their premises, all of which under penalty of termination of the contract in case of non-performance;
- ensure the inclusion of clauses containing guarantees and undertakings of the Supplier / Contractor / Consultant / Partner / Collaborator on its ownership of trademarks / patents / distinctive marks and industrial property rights generally, also used with reference to any information and advertising material, by the delivery of documentation proving their ownership;
- ensure the inclusion of clauses that contain an undertaking by the Supplier / Consultant / Contractor / Partner / Collaborator to notify without delay any claims from third parties about the ownership of industrial property rights or distinctive marks used or other disputes on the characteristics of the goods or on the distinctive signs of the goods. Provide for penalty clauses resulting from the assessment of such facts;
- ensure that checks are performed in regard of the goods, together with the relevant labels, certifications and certificates of quality, in order to assess compliance thereof with the documentation provided by the third parties with specific reference to the ownership of trademarks / patents / distinctive marks and industrial property rights;
- provide for penalty clauses and indemnities for the Supplier / Consultant / Contractor / Collaborator / Partner, in case of disputes arising from third parties in regard of the ownership of industrial property rights.

## H - OFFENSES IN VIOLATION OF COPYRIGHT

### H.1 Types of Offenses in Violation of Copyright

The following list contains the types of offenses related to the category of “Offenses in violation of copyright”:

- **Article 171, paragraph 1, letter a-bis) and paragraph 3 of Law No. 633 of 22.04.1941.** This offense is incurred if anybody, without having the right thereto, for any purpose and in any form, makes available to the public by inserting any protected intellectual work, or a part thereof, into a system of computer networks through connections of any kind. In this case, the penalty is a fine ranging from €51.00 to €2,065, but, according to the provisions of paragraph 3, the penalty is imprisonment for up to one year or a fine of not less than €516 if the offenses referred to above are committed in regard of the work of others that is not intended for publication, or by infringement of authorship, or with the distortion, mutilation or other modification of such work, if it offends the honor or reputation of the author.
- **Article 171-bis of Law No. 633 of 22.04.1941:** This case is aimed at the protection of software (paragraph 1) and databases (paragraph 2).

In particular, the first paragraph considers computer programs and programs on media not marked by SIAE (Italian society of authors and publishers) as the subject matter of the case, while the itemized conduct consists in the illegal duplication of the former or in the distribution, sale, possession for commercial or business purposes, lease of the latter, as well as in relation to events aimed only at allowing or facilitating the unauthorized removal or functional circumvention of devices affixed for the protection of a computer program.

The second paragraph, however, contemplates the conduct of playing back on media not bearing the SIAE marking, transferring to another medium, distributing, communicating, displaying or performing the contents of a database before the public in violation of the provisions of Articles 64-*quinquies* and 64-*sexies* of the same Law No. 633/1941, as well as the retrieval or re-utilization of databases in violation of Articles 102-*bis* and 102-*ter* of the same Law No. 633/1941 or, finally, distribution, sale, lease of databases (always, of course, without the required SIAE marking).

- **Article 171-ter of Law No. 633 of 22.04.1941.** The provision of Art. 171-*ter* is at present the ‘reference standard’ for the entire system of protection in such criminal matters, by providing a variety of conducts such as to cover a very wide range of possible violations of the regulations on copyright and rights related thereto.
- **Article 171-septies of Law No. 633 of 22.04.1941.** Such provision also sets forth the conduct (equating it, from the standpoint of the sanctioning treatment, to the penalties provided for by Article 171-*ter*) of failure to notify the SIAE within the prescribed period in regard of the data necessary for the unambiguous identification of the media not subject, pursuant to Article 181-*bis*, to the affixing of the SIAE marking by the manufacturer or importer of the same, and - provided that the fact does not constitute a more serious offense - that of falsely certifying that the specific obligations imposed pursuant to Article 181-*bis*, paragraph 2, have been fulfilled.

## H.2 General Principles of Conduct and Behavior and Structure of the Organization, Management and Control System

This section sets out the general principles and rules of conduct to be followed by the Recipients in order to prevent the occurrence of Offenses in violation of copyright, together with:

- the principles set out in Chapter 4 of the General Section of the Model;
- the general principles already dictated under para. A.3 in the Special Section A (Offenses against the P.A.).

This Special Section “H” provides for an express **prohibition** - for the Recipients of this Model - to engage in conduct:

- such as to incur the types of offenses considered above (Article 25-*novies* of the Decree);
- that, while not being in and by itself one of the offenses included among those considered above, could potentially become so;
- not aligned or not in accordance with the principles and requirements contained in the present Model and in the Code of Ethics or in any case with corporate procedures.

For the implementation of the above prohibitions, the Recipients must comply with the rules set out below:

- hold correct, transparent and cooperative behavior in compliance with the rules of law and internal procedures in all activities aimed at managing relationships with Suppliers / Contractors / Consultants / Collaborators / Partners, including third-party communication agencies;
- not maintain relations with (natural or legal) persons that are known to conduct, or suspected of conducting, illegal activities with reference to the offenses referred to in Article 25-*novies* in violation of copyright;
- abide by any policies and procedures adopted by the Company and the Group containing the principles that must be followed in order to respect copyright of intellectual property owned by third parties;
- verify the reliability of letters of warning received from persons that complain about a conduct on the part of the Company that is detrimental to the rights protected by copyright rules;
- verify, by means of legal opinions or opinions of other Consultants / professionals, the likelihood that a conduct put in place by the Company may constitute any of the offenses relating to copyright;
- avoid putting at the disposal of the public, if not subject to verification of ownership of the relevant rights for the Company, as well as disseminate, copy, reproduce, transmit, upload to the Internet or show on television, radio or telecommunications channels, put on the market in any capacity, or otherwise exploit, any intellectual work protected by copyright, images, music, cinematographic works, or parts thereof, literary, dramatic, scientific or educational works, or parts thereof, and otherwise use protected software or databases.

Moreover, the Recipients are:

- forbidden to download software or intellectual work protected by copyright without authorization;
- forbidden to modify the software and/or hardware configuration of fixed or mobile workstations if not provided for by a corporate rule or, in other cases, without prior express appropriate authorization.

Where the involvement of third parties including, without limitation, Suppliers, Contractors, Consultants, Collaborators, Partners, is required as part of the Sensitive Activities, the rules mentioned in Section A. 2 must also be adhered to.

In particular, it is provided that contracts with third parties must be prepared in accordance with company standards in use and must ensure that the counterparties are informed of the adoption by the Company of Code of Ethics and the Model pursuant to Law No. 231, in order to require them to observe certain principles contained therein, under penalty of termination of such contracts.

Moreover, the activities carried out by such persons, as part of the Sensitive Activities, must be documented and, in any case, the corporate function that made use of their work must, before payment of the relevant consideration, certify in writing the actual existence and fairness of the performance compared to the amount paid.

Furthermore, the Recipients must:

- use disclaimers to be affixed on technical and commercial presentations and documentation, which clearly identify the copyright owner and date of creation;
- ensure that the use, the availability to the public also through a system of computer networks, of protected intellectual property takes place in compliance with the legislation on copyright;
- ensure that the formalization of transactions with third parties, such as Suppliers / Consultants / Collaborators / Contractors / Partners occurs following the necessary checks in regard of the requirements of professionalism and good repute in order to avoid any connection with activities that may, even potentially, facilitate the commission of offenses in violation of copyright, and in full compliance with internal and Group policies and procedures;
- provide for the collection of information on the third parties being selected and include terms in contracts entered into with the same whereby the non-infringement of copyright of intellectual properties is ensured to third parties, under penalty of termination of the agreements;
- ensure regular monitoring of such persons through a process of re-qualification, in full compliance with internal and Group policies and procedures;
- ensure the inclusion of warranty and commitment provisions of the counterparty for the purpose of fulfillment of the SIAE obligations, providing for liability of the counterparties with regard to the SIAE obligations and holding the Company harmless therefrom;
- ensure proper storage and preservation of all the documents produced to ensure the traceability of the verification activities.



## **I - OFFENSE FOR EMPLOYING CITIZENS FROM NON-EU COUNTRIES WITHOUT A PROPER RESIDENCY PERMIT**

### **I.1 Offense for Employing Citizens from Non-EU Countries without a Proper Residency Permit**

- **Article 22, paragraph 12-bis, of Legislative Decree No. 286 of 25 July 1998:** An employer who hires foreign workers without a residency permit as provided for by this Article, or whose permit has expired and the renewal of which has not been requested, in accordance with law, being revoked or cancelled, will be punished with imprisonment from six months to three years and a fine of €5,000.00 for each worker employed.
- The penalties for the fact set forth in paragraph 12 are increased by a factor ranging from one third to one half if:
  - if the employed workers are more than three in number;
  - if the employed workers are minors of non-working age;
  - if the employed workers are subject to other particularly exploitative labor conditions as set out in the third paragraph of Article 603-bis of the Italian Criminal Code (i.e., “situations of grave danger, having regard to the characteristics of the work to be performed and conditions of work”, Ed.).

### **I.2 General Principles of Conduct and Behavior and Structure of the Organization, Management and Control System**

This section sets out the general principles and rules of conduct to be followed by the Recipients in order to prevent the occurrence of the Offense in violation of the rule under consideration, together with:

- the principles set out in Chapter 4 of the General Section of the Model;
- the general principles already dictated under para. A.2 in the Special Section A (Offenses against the P.A.).

This Special Section “I” provides for an express prohibition - for the Recipients of this Model - to engage in conduct:

- such as to incur the type of offense considered by Article 25-*duodecies* of the Decree;
- that, while not being in and by itself the offense considered above, could potentially become so;
- not aligned or not in accordance with the principles and requirements contained in the present Model and in the Code of Ethics or in any case with corporate procedures.

For the implementation of the above prohibitions, the Recipients must comply with the rules set out below:

- Recipients must hold correct, transparent and cooperative behavior in compliance with the rules of law and internal procedures in all activities aimed at the recruitment and management of human resources;
- Recipients must not hold business relations with (natural or legal) persons that are known to conduct, or suspected of conducting, illegal activities in relation to the criminal offenses punished by the “Consolidated provisions concerning the rules governing immigration and rules on the status of

- foreigners” (hereinafter, “Consolidated Law on Immigration”) and, in general, the legislation on immigration;
- Recipients must comply with any policies adopted by the Company setting out the principles to be followed in order not to violate the requirements, including procedural requirements, of the provisions of law on immigration;
- Recipients must verify, by means of legal advice or other professional advice, the likelihood that the Company’s conduct could constitute an offense under the Consolidated Law on Immigration.

Furthermore, it is provided that:

- contracts with third parties must be prepared in accordance with company standards in use and must ensure that the counterparties are informed of the adoption on the part of the Company of the Code of Ethics and Model pursuant to Law No. 231, in order to require them to observe certain principles contained therein, under penalty of termination of such contracts;
- all documentation, both in electronic and paper form, must be stored and easily traceable; in particular, traceability must be ensured of sources / information elements and care must be taken in storing all the relevant documentation produced / received with reference to activities preparatory to and following the submission of the application for authorization to recruit foreign workers.

## L - IT CRIMES

### L.1 Types of IT Crimes

- **False statements in a public IT document or IT document having probative value (Article 491-bis of the Italian Criminal Code)** - This crime occurs when a representative or an employee of the Company falsifies a public or private IT document having probative value. To this end, "IT document" means the IT representation of legally relevant acts, facts or data, thus with the exclusion of computer programs.
- **Unauthorized access to IT or telecommunications systems (Article 615-ter of the Italian Criminal Code)** - This crime occurs when a representative or an employee of the Company introduces himself illegally into an IT or telecommunications system protected by security measures or remains there against the express or implied will of those who have the right to exclude him. To this end, "IT system" means any devices or network of interconnected or related devices, one or more of which performs the automatic processing of data through the execution of a computer program (for example, it is considered that even a simple personal computer could be regarded as a system, due to the wealth of data contained therein).
- **Illegal possession and dissemination of access codes to IT or telecommunications systems (Article 615-quater of the Italian Criminal Code)** - This crime occurs when a representative or an employee of the Company illegally procures, reproduces, disseminates, discloses or delivers codes or passwords, or other means of access to an IT or telecommunications system protected by security measures, or howsoever provides indications or instructions suitable for this purpose, in order to obtain a profit for himself or others, or cause damage to others.
- **Distribution of IT equipment, devices or computer programs intended to damage or interrupt IT or telecommunications systems (Article 615-quinquies of the Italian Criminal Code)** - This crime occurs when a representative or an employee of the Company procures, disseminates, discloses or delivers a computer program whose purpose or effect is to illegally damage an IT or telematic system, information, data or programs contained therein or relevant thereto, or to facilitate the (total or partial) interruption thereof or alteration of its operation.
- **Illegal interception, hindrance or interruption of IT communications or telecommunications (Article 617-quater of the Italian Criminal Code)** - This crime occurs when a representative or an employee of the Company fraudulently intercepts communications relating to an IT or telecommunications system or communications between multiple systems, hinders them or interrupts them. This crime also comes about when the contents of such communications are disclosed to the public by any means of information.
- **Installation of equipment designed to intercept, hinder or interrupt IT communications or telecommunications (Article 617-quinquies of the Italian Criminal Code)** - This crime occurs when a representative or an employee of the Company installs equipment designed to intercept, hinder or interrupt communications relating to an IT or telecommunications system or communications between multiple systems.
- **Damage to computer information, IT data and IT programs (Article 635-bis of the Italian Criminal Code)** - This crime occurs when a representative or an employee of the Company destroys, deteriorates, deletes, alters or renders unusable, including partially, any computer information, IT data or IT programs of others. Aggravating circumstances will be recognized when the act is committed with abuse of the capacity of system administrator.
- **Damage to computer information, IT data and IT programs used by the State or another public body, or in any case a public utility body (Article 635-ter of the Italian Criminal Code)** - This crime occurs when a representative or an employee of the Company destroys, deteriorates, deletes or renders unusable computer information, IT data or IT programs used by the State or another public body, or in any case a public utility body. Aggravating circumstances will be recognized when the act is committed with abuse of the capacity of system administrator.

- **Damage to IT or telecommunications systems (Article 635-*quater* of the Italian Criminal Code)** - This crime occurs when a representative or an employee of the Company destroys, damages, deteriorates or renders unusable, including partially, IT or telecommunications systems of others. Aggravating circumstances will be recognized when the act is committed with abuse of the capacity of system administrator.
- **Damage to public utility IT or telecommunications systems (Article 635-*quinquies* of the Italian Criminal Code)** - This crime occurs when a representative or an employee of the Company destroys, damages, deteriorates, renders unusable, including partially, public utility IT or telecommunications systems, or impedes the correct operation thereof. Aggravating circumstances will be recognized when the act is committed with abuse of the capacity of system administrator.
- **Computer fraud by the entity certifying the electronic signature (Article 640-*quinquies* of the Italian Criminal Code)** - This crime occurs in the event that the entity providing electronic signature certification services violates the obligation to issue a qualified certificate as set forth under the law, in order to obtain an unfair profit for themselves or others, or cause damage to others. As it is a specific crime, the Company may be charged with the same if the conduct is put in place in association with the entity “that is responsible for the certification of electronic signatures”.

The following offenses are excluded from this Special Section even if they do fall within the category of “cybercrime”:

**National cyber security perimeter**<sup>3</sup> Anyone who, in order to obstruct or undermine the procedures referred to in paragraph 2, letter b) (creating lists of networks, information systems and IT services including architecture and components), or in paragraph 6, letter a) (award of supply of ICT goods and services and related tests), or of the inspection and control activities laid down in paragraph 6, letter c) (implemented by the Presidency of the Council of Ministers or by the Ministry of Economic Development), provides untrue information, data or evidence, pertinent for the preparation or updating of the lists specified in paragraph 2, letter b) (networks, information systems and IT services), or for the purposes of the required communications or for carrying out the inspection and control activities referred to in paragraph 6), letter c) or fails to communicate the aforementioned data, information or evidence within certain time limits, is subject to a term of imprisonment ranging from one to three years and the entity, liable under Legislative Decree no. 231 of 8 June 2001, is subject to a fine of up to four hundred quotas.

## **L.2 General Principles of Conduct and Behavior and Structure of the Organization, Management and Control System**

This section sets out the general principles and rules of conduct to be followed by Recipients in order to prevent the occurrence of IT Crimes, together with:

- the principles set out in Chapter 4 of the General Section of the Model.

This Special Section “L” expressly **forbids** - the Recipients of this Model - to engage in conduct that:

- may cause the occurrence of the offenses referred to in Article 24-*bis* of the Decree;
- while not being in and by itself the offense considered above, could potentially become so;

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<sup>3</sup> The full assessment of the applicability of this type of offense will be subject to the identification of public administrations, public and private entities and operators based in the national territory, included in the national cyber security perimeter and required to comply with the measures and obligations set forth.

- is not in line or not compliant with the principles and provisions of the Model and Code of Ethics.

In particular, all Recipients are required to:

- comply with the general rules of conduct, control principles and specific requirements set out in the Model and Code of Ethics;
- comply with the corporate rules, policies and procedures governing access to and use of IT systems and applications of the Company;
- promote compliance with the aforementioned standards, rules and principles;
- not maintain relations with (natural or legal) persons who are known to conduct, or suspected of conducting, illegal activities in relation to the offenses under Article 24-*bis* of (Italian) Legislative Decree No. 231/2001 (IT crimes).
- Moreover,
- Company-wide provisions have been formalized for IT security that identify the roles and responsibilities of those involved in the management of IT security and processing of data and information.
- The Company has formally defined roles and responsibilities in the management and classification of corporate assets (hardware and software), and the various corporate entities ensure the inventory of the same (including the databases contained therein) by adopting legal compliance policies in the management of software licenses.
- The Company requires the adoption of measures, security regulations and controls relating to IT security in contractual relationships with IT outsourcers that provide for access, management, communication, supply of products / services for the processing of data and information.

Recipients must also ensure compliance with the following specific requirements:

- Adoption of a formal process of approval for the assignment of software to be installed;
- Adoption of rules for the proper use of the Internet and e-mail providing for mechanisms to block downloading or receiving and sending attachments of a particular type (e.g., .mp3, .exe, etc.);
- Adoption of an inventory and control process of corporate software, including software licenses;
- Management of activities in compliance with the procedures, policies and guidelines that govern and define access to information, IT systems, network, operating systems, applications, for (internal and external) users only who are authorized thereto and are accredited through individual identification code and password; identification and implementation of minimum security requirements in the acquisition of development and maintenance services of IT equipment, devices and/or programs (e.g., applications, software license, etc.); mechanisms to prevent the installation, by users, of software in their workstation.

## **M - OFFENSES AGAINST THE PERSON**

## **M.1 Types of offenses against the person**

Among the offenses against the person provided by the Decree, the following offenses, in theory, could be perpetrated within the activities carried out by Moncler:

### **Unlawful intermediation and exploitation of labor (Article 603-bis of the Italian criminal code)**

- This crime is committed when anyone 1) recruits labor on behalf of third parties, under exploitative conditions, taking advantage of the state of need a)uses, hires or employs workers recruited in the manner referred to in point 1), subjecting workers to exploitative conditions and taking advantage of their state of need.

An **indicator of exploitation** is if one or more of the following conditions exist:

- repeated payment of wages excessively below the level fixed by national or local collective bargaining agreements concluded by the most representative trade unions at national level, or which are at least disproportionate to the quantity and quality of performed work;
- repeated violation of regulations on working times, rest periods, weekly time off, compulsory leave, holiday leave;
- violation of workplace safety and hygiene regulations;
- subjecting workers to degrading working conditions, supervision or housing.

## **M.2 General principles of conduct and behavior and the structure of the organization, management and control system**

This section describes the general principles and rules of conduct, as well as the structure of the organization, management and control system, to be followed by the Recipients in order to prevent the occurrence of crimes relating to the unlawful intermediation and exploitation of labor, together with:

- the principles laid down in Chapter 4 in the General Section of the Model;
- the specific protocols set out in paragraph M.4

This Special Section “M” provides for an express prohibition – for the Recipients of this Model - to engage in conduct:

- such as to constitute the offense of illegal intermediation and exploitation of labor covered under Article 25-*quinquies* of the Decree;
- that, while not being in and by itself one of the offenses included among those considered above, could potentially become so;
- not aligned or not in accordance with the principles and provisions contained in the Model and Code of Ethics or in any case with corporate procedures/policy and guidelines.

For the implementation of the above prohibitions, Recipients must comply with the rules set out below:

- behave in a correct, transparent and collaborative manner in compliance with the laws and internal procedures, in all activities aimed at the recruitment and management of employees, including seasonal employees, and the use of any temp workers;
- comply with the requirements, including procedural, set out in:
  - a. national and regional collective bargaining agreements stipulated by trade unions that are comparatively more widely representative or by any other duly applicable collective bargaining agreements, at any level;

- b. regulations on working times, rest periods, weekly time off, compulsory leave, holiday leave;
- c. workplace safety and hygiene regulations;
- do not entertain business relations with (natural or legal) persons that are known to carry out, or suspected of carrying out activities in violation of:
  - a. the provisions set out in regional or national collective bargaining agreements stipulated by the most representative trade unions at national level;
  - b. regulations on working times, rest periods, weekly time off, compulsory leave, holiday leave;
  - c. workplace safety and hygiene regulations;
- consider, in any case, that the protection of workers overrides any and all economic considerations.

Moreover, it is forbidden for Recipients to:

- recruit, use, hire or employ workers, including by means of intermediation, and subject them (whether employees, seasonal workers or temps) to exploitative conditions and/or take advantage of their state of need;
- pay wages excessively below the level fixed by national or local collective bargaining agreements concluded by the most representative trade unions at national level, or which are disproportionate to the quantity and quality of performed work;
- violate regulations on working times, rest periods, weekly time off, compulsory leave, holiday leave;
- violate workplace safety and hygiene regulations<sup>4</sup>;
- subject workers, whether employees, seasonal workers or temps, to degrading working conditions, supervision or housing conditions.

## N - OFFENSES AGAINST INDUSTRY AND TRADE

This Special Section, relating to offenses against industry and trade, regulating the conducts and activities that, in theory, constitute them, and the rules and codes of conduct, is divided into the following sections:

- explanation of the **types of offenses** falling under the group of offenses against industry and trade that can, in theory, be committed within Moncler;
- identification of Moncler's corporate activities where there is a potential risk of committing the aforementioned offenses and resulting from the *Control & Risk Self Assessment* (so-called Sensitive Activities) with a brief description of them and some examples of relevant offenses;
- outline of the **general principles and rules of conduct** applied when performing Sensitive Activities;
- finally, for each **Sensitive Activity or group of categories of Activity**, **specific conduct and control protocols** are provided, in order to prevent the perpetration of the aforementioned offenses.

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<sup>4</sup> The number and recurrence of conduct in violation of the accident prevention regulations are not recorded, given that the mere fact that such violations exist is sufficient.

## **N. 1 Types of offenses against industry and trade (art. 25-bis 1 of the decree)**

Among the offenses against industry and trade provided by the Decree, the following offenses, in theory, could be perpetrated within the activities carried out by Moncler:

- **Disruption to the freedom of trade and industry (art. 513 of the Italian Criminal Code)**  
This offense is committed when a person uses violence against property or fraudulent means to impede or disrupt industry or trade operations. This offense is punishable, after complaint by the injured party, if the offense does not constitute a more serious offense, by a term of imprisonment of up to two years and a fine ranging from €103 to €1,032.
- **Unfair competition through violence or threats (Article 513-bis of the Italian Criminal Code)** This offense is committed when a person, in conducting a commercial, industrial, or in any case production activity, employs violence or threats as part of unfair competition. This offense is punishable by a term of imprisonment of two to six years. The penalty is increased if the acts of competition concern an activity financed in whole or in part and in any way by the State or other public bodies.
- **Fraudulent trading (Article 515 of the Italian Criminal Code)** This offense is committed when a person, operating in trade, including the retail trade, delivers to the purchaser goods disguised as other goods, or goods whose origin, source, quality or quantity are different from that declared or agreed. This offense is punishable, unless the offense constitutes a more serious offense, by a term of imprisonment of up to two years or a fine of up to €2,065. If valuables are involved, the penalty will be imprisonment for up to three years or a fine of not less than € 103.
- **Sale of industrial products with false or misleading marks (art. 517 of the Italian Criminal Code)** - This offense is committed when a person places on sale or otherwise puts into circulation national or foreign intellectual works or industrial products bearing names, trademarks or distinguishing marks likely to mislead the purchaser about the origin, source or quality of the work or product. This offense is punishable, unless the offense is considered as such by different provision of law, by a term of imprisonment of up to two years and a fine of up to €20,000.
- **Manufacture and trade of goods made by misappropriating industrial property rights (art. 517-ter of the Italian Criminal Code)** - Subject to the enforcement of Articles 473 and 474 of the Italian Criminal Code, this offense is committed when a person, aware of the existence of an industrial property right, manufactures or industrially employs objects or other goods made by misappropriating an industrial property right or by infringing that right. This offense is punishable, after complaint by the injured party, by a term of imprisonment of up to two years and a fine of up to €20,000. The same punishment applies to anyone who, for profit, introduces into national territory, holds for sale, offers for direct sale to consumers or otherwise puts into circulation the goods referred to in the first paragraph. In such cases, the crimes are punishable as long as the provisions of Italian laws, community regulations and international conventions on the protection of intellectual or industrial property have been complied with.

The following offenses are excluded from this Special Section even if they do fall within the category of “offenses against industry and trade”:

- **Fraud against national industries (art. 514 of the Italian Criminal Code)** This offense is committed when a person causes harm to the Italian industrial economy, by placing on sale or otherwise putting into circulation, on national or foreign markets, industrial products with counterfeit or altered names, trademarks or distinguishing marks. This offense is punishable by a term of imprisonment ranging from one to five years and a fine of no less than €516. If the provisions of domestic laws or international conventions on the protection of industrial property have been observed with regard to trademarks or distinctive signs, the penalty shall be increased and the provisions of art. 473 and art. 474 of the Criminal Code shall not apply.



- **Sale of non-genuine foodstuff as genuine (Article 516 of the Italian Criminal Code)** This offense is committed when a person places on sale or otherwise markets non-genuine foodstuffs as genuine. This offense is punishable by a term of imprisonment of up to six months or a fine of up to €1,032.
- **Counterfeiting of geographical indications or designations of origin of agricultural and food products (Article 517- *quater* of the Italian Criminal Code)** This offense is committed when a person who counterfeits or otherwise forges geographical indications or designations of origin of agricultural and food products. This offense is punishable by a term of imprisonment of up to two years and a fine of up to €20,000. The same penalty applies to anyone who, for profit, imports into national territory, possesses for sale, offers for direct sale to consumers or otherwise puts into circulation the products with the counterfeit geographical indications or designations. These offenses are punishable provided that the provisions of Italian laws and EU regulations and international conventions on the protection of geographic indications and designations of origin of agricultural foodstuff have been complied with. In order to prevent this type of offense, where possible, the principles and monitoring procedures set out in the Code of Ethics must be applied.

## N.2 Sensitive processes

omitted.

## N.3 General principles of conduct and behavior and the structure of the organization, management and control system

This section describes the general principles and rules of conduct to be followed by the Recipients in order to prevent the occurrence of offenses against industry and trade, along with:

- the principles laid down in Chapter 4 in the General Section of the Model;
- the general principles mentioned in para. A.3 of Special Section A (offenses against the Public Administration);
- the specific protocols set out in paragraph N.4, for each Process.

This Special Section “N” expressly provides that the Recipients of this document **must refrain** from engaging in conduct that:

- gives rise to the types of offenses considered above (Article 25-bis.1 of the Decree);
- although per se do not constitute the offenses considered above, may potentially become so;
- is contrary to or inconsistent with the principles and provisions contained in the Model and Code of Ethics or in any case with corporate procedures.

In particular, Recipients must observe the following **requirements**:

- maintain fair, transparent and collaborative conduct in compliance with the laws and internal guidelines and procedures of the Group, in all activities aimed at managing relationships with customers, including foreign customers;

- refrain from engaging in business relations with persons (natural or legal) who are known to be, or suspected of being involved in illegal activities in relation to offenses against industry and trade;
- comply with any policies and procedures adopted by the Company containing the principles to be followed in order not to infringe the intellectual property rights of third parties, protect those of the Company, even in case of cooperation with third-party entities;
- refrain from interfering, by causing obstructions or disturbances, with the industry or trade operations of others;
- take action in the case of receiving and/or making negative reports on the good repute of the persons with which the Recipients engage or in regard to their ownership of industrial property rights, and in particular by Suppliers / Contractors / Consultants / Collaborators / Partners;
- check the reliability of warning letters received from parties reporting alleged misconduct, by the Company, in violation of the rights protected by the rules that provide for offenses against the industry and trade;
- verify, through legal advice or other professional advice, the possibility that the Company's conduct could constitute an offense against the industry and trade;
- when the Company is in contact with third parties, Recipients should take all the necessary measures to prevent:
  - acts from being committed that, by using violence and/or threats, could infringe on the rights of others to freely exercise industry or trade operations and free competition;
  - goods from being purchased and, especially, being sold to third parties, by the Company, that are not compliant with the specified or agreed features, are counterfeit, bear deceptive marks and/or infringe on the exclusive rights of others or are in breach of industrial property rights of others.

#### **N.4 Specific principles and components of the organization, management and control system**

omitted

## O - TAX OFFENSES

This Special Section, relating to tax offenses, regulating the conducts and activities that, in theory, constitute them, and the rules and codes of conduct, is divided into the following sections:

- explanation of the **types of offenses** falling under the category of tax offenses that can, in theory, be committed within Moncler;
- identification of Moncler's corporate activities where there is a potential risk of committing the aforementioned offenses and resulting from the *Control & Risk Self Assessment* (so-called **Sensitive Activities**) with a **brief description** of them and some examples of relevant offenses;
- outline of the **general principles and rules of conduct** applied when performing Sensitive Activities;
- finally, for each **Sensitive Activity or group of categories of Activity, specific conduct and control protocols** (defined as control standards) are provided, in order to prevent the perpetration of the aforementioned offenses.

In this regard, it should be noted that the Moncler Group has defined and implemented an effective system for the detection, measurement, management and control of tax risk, the so-called **Tax Control Framework** (i.e. **TCF**), one of the main tools for preventing the risk of tax offenses from being committed within the Company.

The TCF is not a static system, but is designed to adapt to major changes that may affect both the structure and business model of the company (adaptability to the internal environment) and any tax legislation that may have changed in the meantime (adaptability to the external environment).

### O.1 Types of tax offenses

Among the tax offenses provided by the Decree, the following offenses, in theory, could be perpetrated within the activities carried out by Moncler:

- **Fraudulent tax returns, through the use of invoices or other documents for non-existent transactions (art. 2 of Legislative Decree no. 74/2000)** [Paragraph 1] Any person who, in order to evade income or value added taxes, through invoices or other documents for non-existent transactions, reports false liabilities in any of the tax returns relating to said taxes, shall be liable to a term of imprisonment of four to eight years. [Paragraph 2] The fact is considered as having occurred through the use of invoices or other documents for non-existent transactions when such invoices or documents are recorded in the mandatory accounting records, or are held as evidence vis à vis the tax authorities. [Paragraph 2-bis]. If the amount of the fictitious liabilities is less than one hundred thousand euro, imprisonment for a period ranging from one year and six months to six years will apply.
- **Fraudulent tax returns by means of other artifices (art. 3 of Legislative Decree 74/2000)** [Paragraph 1] In cases other than those covered by art. 2, the punishment of imprisonment from three to eight years shall apply to anyone who, in order to evade income or value added taxes, by carrying out objectively or subjectively simulated

transactions by using false documents or other fraudulent means capable of obstructing the assessment by and of misleading the tax authorities, reports assets in any tax return relating to the above taxes for a lower than actual amount or fictitious liabilities or fictitious receivables or withholdings, whenever, concurrently: a) the tax evaded is higher, with reference to any of the individual taxes, than thirty thousand euro; b) the total amount of the assets omitted from taxation, also by reporting fictitious liabilities, is higher than five percent of the total amount of the assets reported in the tax return, or in any case, exceeds one million five hundred thousand euro, or if the total amount of fictitious receivables and withholdings deducted from taxation is higher than five percent of the amount of the tax itself or, in any case, than thirty thousand euro. [Paragraph 2] The fact is considered as having occurred through the use of false documents when such documents are recorded in the mandatory accounting records, or are held as evidence vis à vis the tax authorities. [Paragraph 3] For the purposes of applying the provision of paragraph 1, the mere violation of the obligations of invoicing and recording of assets in the accounting records or the mere indication in the invoices or in the accounting records of assets with a lower value than the real one does not constitute fraudulent means.

- **Unfaithful declaration (art. 4 of Legislative Decree 74/2000)** Except for the cases provided for in Articles 2 and 3, anyone who declares in one of the annual tax returns lower taxable income than the actual amounts or non-existent liabilities shall be punished by imprisonment for two years to four years and six months, whenever, concurrently: a) the tax evaded is higher, with reference to any of the individual taxes, than one hundred thousand euro; b) the total amount of the unreported assets, also by declaring non-existent liabilities, is higher than ten percent of the total amount of the assets declared in the tax return, or, in any case, is higher than two million euro. For the purposes of the application of the provision of paragraph 1, no account is taken of incorrect classification, the valuation of objectively existing assets or liabilities, in respect of which the criteria actually applied have in any case been stated in the financial statements or in other documentation relevant for tax purposes, breach of the criteria for determining for the year in question, the irrelevancy, the non-deductibility of real liabilities.

Except for the cases referred to in paragraph 1-bis, valuations which, taken as a whole, are less than 10 percent different from the correct ones shall not be punishable. The amounts included in this percentage are not taken into account when verifying whether the thresholds for punishment set out in paragraph 1, letters a) and b) are exceeded.

If committed in the context of cross-border fraudulent systems and for the purpose of evading value added tax for a total amount of not less than ten million euro, the entity will be punished with a fine of up to three hundred quotas.

An entity can also be punished in the event of attempt, when carried out at a transnational level (within the European Union) and if committed for the purpose of evading value added tax for an amount of not less than ten million euro.

- **Failure to file a return (art. 5 of Legislative Decree 74/2000)** Anyone who, in order to evade income tax or value added tax, fails to file, as required, one of the tax returns relating to said taxes, shall be liable to a term of imprisonment of two to five years when the tax evaded exceeds, with reference to any one of the individual taxes, fifty thousand euro. Anyone who does not file, as required, the withholding agent tax return, when the amount of withholdings not paid exceeds fifty thousand euro shall be liable to a term of imprisonment of two to five years. For the purposes of the

provision laid down in paragraphs 1 and 1-bis, a tax return filed no later than ninety days after the deadline or not signed or not prepared on a form conforming to the prescribed model is not considered a failure to file.

If committed in the context of cross-border fraudulent systems and for the purpose of evading value added tax for a total amount of not less than ten million euro, the entity will be punished with a fine of up to three hundred quotas.

- **Issuance of invoices or other documents for non-existent transactions (art. 8 of Legislative Decree no. 74/2000)** Anyone who, in order to enable third parties to evade income or value added taxes, issues invoices or other documents for non-existent transactions shall be liable to a term of imprisonment of four to eight years. For the purposes of applying the provision in paragraph 1, the issue of multiple invoices or documents for non-existent transactions during the same tax period is considered as a single offense. If the false amount stated in the invoices or documents, per tax period, is less than one hundred thousand euro, imprisonment for a period ranging from one year and six months to six years shall apply.
- **Concealment or destruction of accounting documents (art. 10 of Legislative Decree no. 74/2000)** Unless the fact constitutes a more serious offense, any person who, in order to evade income or value added taxes or to enable third parties to evade such taxes, conceals or destroys all or part of the accounting records or documents, the retention of which is mandatory, so as to prevent the tax authorities from reconstructing income or turnover shall be punished with imprisonment from three to seven years.
- **Undue offsetting (art. 10-quater of Legislative Decree 74/2000)** Any person who fails to pay the amounts due, through undue offsetting against tax credits, pursuant to article 17 of Legislative Decree no. 241 of 9 July 1997, shall be liable to a term of imprisonment of six months to two years in the case where the annual amount exceeds fifty thousand euro. Any person who fails to pay the amounts due, through undue offsetting against non-existent tax credits, pursuant to article 17 of Legislative Decree no. 241 of 9 July 1997 shall be liable to a term of imprisonment of six months to six years in the case where the annual amount exceeds fifty thousand euro.  
If committed in the context of cross-border fraudulent systems and for the purpose of evading value added tax for a total amount of not less than ten million euro, the entity will be punished with a fine of up to three hundred quotas.
- **Fraudulent avoidance of tax payments (art. 11 of Legislative Decree no. 74/2000)** Any person who, in order to avoid the payment of income or value added taxes or interest or administrative penalties relating to those taxes for a total of over fifty thousand euros, simulates a sale or commits other fraudulent acts on its own assets or third parties' assets so as to frustrate, in whole or in part, the enforced recovery procedure, shall be liable to a term of imprisonment of six months to four years. If the amount of taxes, penalties and interest is higher than two hundred thousand euro, imprisonment for a period from one year to six years shall apply. Any person who, in order to obtain a partial payment of taxes and incidental charges, personally or for others, reports assets for an amount lower than the actual amount or fictitious liabilities for a total amount exceeding fifty thousand euro in the documents submitted for the tax settlement procedure, shall be liable to a term of imprisonment of six months to four years. If the amount referred to in the previous sentence is higher than two hundred thousand euro, imprisonment for a period from one year to six years shall apply.

## **O.2 Sensitive Activities**

omitted

## **O.3 General principles of conduct and behavior and the structure of the organization, management and control system**

This section describes the general principles and rules of conduct, as well as the structure of the organization, management and control system, to be followed by the Recipients in order to prevent the occurrence of cybercrime, together with:

- the principles laid down in Chapter 4 in the General Section of the Model;
- the specific protocols set out in paragraph O.4.

This Special Section “O” provides that it is expressly forbidden for the recipients of the Model to:

- engage in conduct that constitutes any offense considered in the Decree or that may become an offense;
- record in the company accounts or hold as evidence vis à vis the tax authorities fictitious liabilities that result from invoices or other documents for non-existent transactions at the time of filing tax returns;
- carry out objectively or subjectively simulated transactions or use false documents or other fraudulent means capable of hindering the assessment and misleading tax authorities at the time of filing tax returns;
- conceal or destroy all or part of the accounting records or documents that are required to be kept, so as to evade taxes;
- simulate a sale or commit other fraudulent acts on personal property or the property of third parties such as to frustrate, in whole or in part, the enforced recovery procedure, in order to avoid paying taxes;
- approve invoices payable for non-existent services in whole or in part;
- create fictitious suppliers;
- make payments or grant fees to third parties, without adequate contract-based justification or in any case not adequately documented, justified and authorized;
- approve payments in the absence of formally granted powers;
- recognize fees to consultants and suppliers that cannot be justified in relation to the type of task to be performed and the market prices;
- arrange payments or collect money to/from countries included in the main international blacklists, without adequate documentation proving the real and specific need to do so;
- award works, service and supply contracts and arrange for the related payments without complying with the formal and traceability requirements set forth in current regulations on public contracts and on the traceability of cash flows, where applicable;
- establish relationships or conduct transactions with third parties if there are reasonable grounds to suspect that this may expose the Company to the risk of offenses being committed.

In particular, all Recipients involved in Sensitive Activities must:

- must adhere to the principles and code of conduct provided for by corporate procedures applicable to operations carried out, as well as the principles of the Code of Ethics; in particular, Recipients must act in compliance with the principles of integrity, fairness and transparency;
- respect the principles of clarity, correctness, completeness and transparency in relation to all statements and disclosures made to representatives of the Public Administration and Tax Authorities, provided for in existing rules or specifically requested by the aforesaid persons.

**O.4 Specific principles and components of the organization, management and control system**

omitted