

ORGANISATION, MANAGEMENT AND CONTROL MODEL pursuant to Italian Legislative Decree 231/2001

*Approved following the update
by the Board of Directors of Sportswear Company S.p.A. on 19 February 2024*

Sportswear Company S.p.A. – SPW S.p.A.

Registered office in Bologna, Italy – Galleria Cavour 4 - Postcode 40124

Registration at the Companies Register of Bologna no. BO-224649

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DEFINITIONS

“231 Decree”

Italian Legislative Decree no. 231 of 8 June 2001 as amended and supplemented.

“Model” or “231 Model”

The Organisation, Management and Control Model envisaged by the Decree.

“Moncler Group”

Moncler S.p.A. Group, to which Sportswear Company S.p.A. has belonged since 31 March 2021.

“Recipients”

All parties to which the Model is addressed and, in particular, all corporate bodies, employees, including executives, as well as everyone involved in the identified sensitive activities and processes, who work to achieve the purpose and objectives of the Company.

GENERAL PART

1 Italian Legislative Decree no. 231 of 8 June 2001

1.1 Administrative Liability of Entities

Italian Legislative Decree no. 231 of 8 June 2001 containing “Rules governing the administrative liability of legal persons, companies and associations, including those without legal personality” (hereinafter also “Decree 231/2001” or, also, just the “Decree”), which came into force on 4 July 2001 in implementation of Article 11 of Delegated Law no. 300 of 29 September 2000, introduced into the Italian legal system, in accordance with European Union provisions, the administrative liability of entities, whereby “entities” means commercial companies, corporations and partnerships, and associations, including those without legal personality.

Although this new form of liability is defined as “administrative” by the lawmakers, it has features of criminal liability, as the competent criminal court is given responsibility for assessing the offences from which it derives, and the same guarantees as those provided in criminal proceedings are extended to the entity.

The administrative liability of the entity arises from the commission of offences, expressly indicated in Decree 231/2001, committed in the interest or for the advantage of the entity itself, by natural persons who represent, manage or direct the entity or one of its organisational units vested with financial and functional autonomy, or who exercise management and control, even de facto (known as “senior persons”), or who are subject to the management or supervision of one of the parties specified above (known as “subordinates”).

In addition to the existence of the requirements described above, Decree 231/2001 also requires the establishment of the mens rea of the entity in order to be able to establish its liability. This requirement is linked to the “negligence of the organisation”, i.e. the entity’s failure to adopt adequate preventive measures to prevent the commission of the offences listed in the subsequent paragraph by the parties identified in the Decree.

If the entity is capable of demonstrating that it has adopted and effectively implemented an organisation suitable for preventing the commission of such offences, through the adoption of the organisation, management and control model envisaged by Decree 231/2001, the latter will not have administrative liability.

1.2 Offences under the Decree

The offences whose commission gives rise to the administrative liability of the entity are those expressly and exhaustively referred to in Decree 231/2001, as amended and supplemented.

Listed below are the “categories of offence” currently included in the scope of application of Decree 231/2001, referring to Annex 1 of this document for details of the individual circumstances included in each category:

1	Crimes against the public administration (Articles 24 and 25);
2	Cybercrimes and unlawful data processing (Art. 24-bis);
3	Organised crime (Art. 24-ter);
4	Crimes of counterfeiting currency, public paper, revenue stamps and distinctive instruments or signs (Art. 25-bis);
5	Crimes against industry and commerce (Art. 25-bis 1);
6	Corporate crimes, including <i>corruption between private parties and the instigation of corruption between private parties</i> (Art. 25-ter);
7	Crimes for the purpose of terrorism or subversion of democracy (Art. 25-quater);
8	Mutilation of the female genital organs (Art. 25-quater. 1);
9	Crimes against individuals, including unlawful intermediation or exploitation of labour pursuant to Art. 603-bis of the Italian Criminal Code, as introduced by Italian Law no. 199 of 2016 (Art. 25-quinquies);
10	Market abuse (Art. 25-sexies);
11	Transnational offences, introduced by Italian Law 146/2006;
12	Offences of manslaughter and serious or very serious injuries committed in violation of occupational health and safety protection regulations (Art. 25-septies);
13	Offences of receiving stolen goods, money laundering and using money of illegal origin as well as self-money laundering (Art. 25-octies);
14	Offences concerning non-cash means of payment (Art. 25-octies 1);
15	Crimes of copyright violation (Art. 25-novies);
16	Crime of solicitation not to provide statements or to provide untrue statements to the Judicial Authority (Art. 25-decies);
17	Environmental crimes (Art. 25-undecies);
18	Offence of employing illegally staying third-country nationals (Art. 25-duodecies);
19	Offences of racism and xenophobia (Art. 25-terdecies);
20	Fraud in sports competitions, unauthorised exercise of betting and gambling exercised by means of prohibited devices (Art. 25-quaterdecies);

21	Tax crimes (Art. 25-quinquiesdecies);
22	Smuggling offences (Art. 25-sexiesdecies);
23	Offences against cultural heritage (Art. 25-septiesdecies);
24	Laundering of cultural assets and devastation and looting of cultural and landscape heritage (Art. 25-duodevices).

The list of offences provided above may be amended and supplemented by the lawmakers. Thus, it is necessary to constantly verify the adequacy of the system of rules that constitutes the Organisation, Management and Control Model, envisaged by Decree 231/2001.

1.3 Exemption from Administrative Liability

Article 6 of Decree 231/2001 establishes that the entity shall not bear administrative liability if it can demonstrate that:

- before the act was committed, the managing body adopted and effectively implemented organisation, management and control models suitable to prevent offences of the type that occurred;
- the task of supervising the functioning of and compliance with the models, as well as of ensuring their update, was entrusted to a body of the entity with independent powers of initiative and control (known as Supervisory Body);
- the individuals committed the offence by fraudulently circumventing the organisation, management and control models;
- the Supervisory Body did not fail to supervise and did not supervise insufficiently.

Therefore, the adoption of the organisation, management and control model enables the entity to avoid being attributed administrative liability. However, the mere adoption of this document, by resolution of the entity's managing body, is not in and of itself sufficient to exclude such liability, as it is also necessary for the model to be effectively and efficiently implemented.

With reference to the effectiveness of the organisation, management and control model for the prevention of the commission of the offences established in Decree 231/2001, it must:

- identify the business activities within the scope of which the offences may be committed;
- set out specific protocols which plan the definition and implementation of the entity's decisions in relation to the offences to be prevented;
- identify financial resource management procedures which are suitable for preventing the commission of the offences;
- set out information obligations to the body in charge of supervising the functioning of and compliance with the models;
- introduce an appropriate disciplinary system to sanction non-compliance with the measures indicated in the organisation, management and control model.

With reference to the effective application of the organisation, management and control model, Decree 231/2001, requires:

- a periodic verification and, if significant violations of the requirements imposed by the model are discovered or there are changes in the organisation or activity of the entity or legislative amendments, the amendment of the organisation, management and control model;
- the imposition of penalties in the case of violation of the requirements imposed by the organisation, management and control model.

The entity participates in criminal proceedings with its legal representative, unless the latter is charged with the crime from which the administrative offence arises. With reference to this aspect, in the event that the legal representative is under investigation for a predicate crime of the administrative offence ascribed to the entity, and is therefore in a situation of conflict with the entity's interests, the appointment of the entity's lawyer must be made through a person specifically delegated to this activity for cases of possible conflict with the criminal investigations against the legal representative (in this sense, see Italian Criminal Supreme Court, Division III, no. 35387 of 13 May 2022).

1.4 Penalties imposed by the Decree

The penalty system defined by Legislative Decree 231/2001, in response to the commission of the offences listed above, calls for, depending on the offences committed, the application of the following penalties:

- fines;
- bans;
- confiscation of the profit of the offence;
- publication of the ruling in nationally distributed daily newspapers.

The bans, which may be imposed only if expressly established and also on a precautionary basis, are:

- disqualification from the exercise of business activity;
- suspension or revocation of authorisations, licences or concessions functional to the commission of the offence;
- prohibition of entering into contracts with the Public Administration;
- exclusion from facilitations, loans, grants and subsidies and/or the withdrawal of any already granted;
- prohibition of advertising goods or services.

Italian Legislative Decree 231/2001 also establishes that, if requirements are met for the application of a ban imposing the prohibition against carrying on business, the judge, instead of applying this penalty, may allow for the business to be continued by an official receiver (Art. 15) appointed for a period equal to the duration of the penalty that would have been applied, if at least one of the following conditions is met:

- the company provides a public service or a service necessary to the public, the interruption of which could cause serious harm to the general public;

- the interruption of the business could have significant repercussions on employment, taking into account the size of the company and the economic conditions of the geographical area where it is located.

In addition, if the violation of the provisions of the Model, the Code of Ethics and/or the internal regulations of the Company is committed by one or more members of the Supervisory Body, the Board of Directors will take the appropriate measures in relation to what is set forth in the Penalty System for the respective category to which the various members belong and in compliance with the rules set forth in the Supervisory Body Rules.

Lastly, in the case of violations of the provisions of the Model, the Code of Ethics and/or the internal regulations of the Company by one or more members of the Board of Statutory Auditors, the penalty will be imposed commensurate with the seriousness of the infraction committed and considering the particular nature of the relationship with the Company.

1.5 Confindustria [Italian Manufacturers' Federation] "Guidelines"

Article 6 of Decree 231/2001 expressly provides that organisation, management and control models may be adopted on the basis of codes of conduct drawn up by associations representing the entities.

The Confindustria Guidelines were approved by the Ministry of Justice by Italian Ministerial Decree 4 December 2003. The subsequent update, published by Confindustria on 24 May 2004, was approved by the Ministry of Justice, which deemed such Guidelines to be suitable for achieving the purposes laid out in the Decree. The Guidelines were updated by Confindustria in March 2014 and approved by the Ministry of Justice on 21 July 2014. Subsequently, these Guidelines were further updated by Confindustria and were approved by the Ministry of Justice on 8 June 2021.

In defining the organisation, management and control model, the Confindustria Guidelines lay out the following project phases:

- the identification of risks, or an analysis of the corporate context to highlight in which areas of the business and by what methods the crimes listed in Legislative Decree 231/2001 may take place;
- the establishment of a control system suitable for preventing the risks of offence identified in the previous phase, through an assessment of the control system existing within the entity and its degree of adaptation to the requirements expressed by Legislative Decree 231/2001.

The most significant components of the control system outlined in the Confindustria Guidelines to guarantee the effectiveness of the organisation, management and control model are:

- the establishment of ethical principles and rules of conduct within a Code of Ethics;
- a sufficiently formalised and clear organisational system, particularly with regards to the allocation of responsibilities, reporting lines and the description of tasks with specific provision for control principles;
- manual and/or electronic procedures governing the performance of activities, which include appropriate controls;
- authorisation and signing powers consistent with the organisational and management responsibilities attributed by the entity, establishing spending limits, when appropriate;

- management control systems capable of promptly reporting possible critical issues;
- personnel information and training.

The Confindustria Guidelines also specify that the components of the control system described above must comply with a series of control principles, including:

- verifiability, traceability, consistency and appropriateness of each operation, transaction and action;
- application of the principle of separation of functions and duties (nobody can manage an entire process independently);
- establishment, performance and documentation of control activities on processes and activities at risk of offences.

1.6 Adoption and management of the Model within the Group

The Lawmakers do not expressly address aspects connected to the liability of an entity belonging to a group of companies. However, the Confindustria Guidelines indicated in paragraph 1.5. specify that the adoption by each group company of its own autonomous Model pursuant to Legislative Decree 231/2001 makes it possible to develop a model that is truly tailored to the organisational structure of the individual company and confirms the autonomy of the group's individual operating units and, therefore, reduces the risk of liability rising to the parent company.

In this context, it is recommended that the individual Italian companies of the Moncler Group adopt their own organisation model aligned with the local situation and on the basis of the directives issued for this purpose by Moncler S.p.A.. The Moncler Group companies may, if necessary, use the parent company's Model as a reference, although it must be adapted to their individual situations, particularly to the specific risk areas/activities they have identified.

Each Supervisory Body shall thus notify the Supervisory Body of the parent company of the Model adopted by the above-mentioned companies and of any significant amendment for informative purposes.

Furthermore, Moncler S.p.A. may indicate a structure of the Code of Ethics, as well as the shared principles of the implementing protocols, which must in any event be autonomously implemented by the individual Group companies and based on their individual business situation, envisaging, when appropriate, principles specific to the operations of the entity, as well as the relevant crimes.

1.7 Offences committed abroad

On the basis of Article 4 of the Decree, the entity may be deemed liable in Italy for the commission of certain offences beyond the national borders. In particular, Art. 4 of the Decree establishes that entities having their corporate headquarters in the State territory shall also be held liable for offences committed abroad in the cases and under the conditions established in Articles 7 to 10 of the Italian Criminal Code, provided the State where the act was committed does not take action against them.

Therefore, the entity may be prosecuted when:

- its corporate headquarters are in Italy, i.e. the effective office where administrative and management activities are carried out, which may also be different from that where the business or the registered office is located (entities with legal personality), or the place where activities are carried out on a continuous basis (entities without legal personality);

- the State within the jurisdiction of which the act was committed is not taking action against the entity;
- the request of the Ministry of Justice, to which the possible punishment may be subject, also refers to the entity itself.

These rules regard offences committed entirely abroad by senior persons or subordinates. For criminal behaviour that has taken place even only partly in Italy, the territoriality principle pursuant to Art. 6 of the Italian Criminal Code applies, based on which “the offence is deemed committed in the territory of the State when the act or omission that constitutes it took place entirely or partly therein, or if the event that is the consequence of the act or omission took place therein”.

2 Supervisory Body

2.1 Introduction

Art. 6(1) of Decree 231/2001 requires, as a condition for benefiting from the exoneration from administrative liability, that the responsibility for monitoring compliance with and functioning of the Model, proposing its respective update, be given to a Supervisory Body within the entity having independent powers of initiative and control, which carries out its tasks on an ongoing basis.

The Decree requires that the Supervisory Body carry out its functions outside the operating processes of the Company, reporting periodically to the Board of Directors, unrestricted by any hierarchical relationship with the Board itself or with individual Department managers.

In accordance with the requirements of Decree 231/2001, the Sportswear Company S.p.A. Board of Directors has established a multi-member Supervisory Body consisting of three members, which reports functionally to the Board itself.

In particular, the composition of the Supervisory Body has been defined so as to guarantee that the following requirements are met:

- Autonomy and independence: this requirement is met by the collegial nature and the direct reporting to the Board of Directors.
- Professionalism: this requirement is met by the professional, technical and practical knowledge of the members of the Supervisory Body. In particular, the selected composition guarantees suitable knowledge of the relevant legislation and control and monitoring principles and techniques, as well as the organisation of the business and the main processes of the Company.
- Continuity of action: with reference to this requirement, the Supervisory Body is required to supervise constantly, through its investigatory powers, compliance with the Model by the Recipients, and deal with its implementation and updating, representing a constant point of reference for all Company personnel. In particular, the fulfilment of the requirement in question is guaranteed by the presence within the Body of at least one Company employee.

2.2 Term of office, forfeiture and removal

The members of the Supervisory Body remain in office for three years and may be re-elected in any event. At the expiry of this term, the SB remains in office until a new appointment resolution is passed by the Board of Directors.

They are selected from amongst parties with an ethical and professional profile of unquestionable value.

Employees of the Company and external professionals may be appointed to the Supervisory Body. The latter should not have relationships with the Company which may amount to conflicts of interests.

The remuneration of members of the Supervisory Body, both internal and external to the Company, is defined by the Company's Board of Directors with the appointment resolution and does not constitute a conflict of interests.

Anyone who is legally incapacitated or bankrupt cannot be appointed to the Supervisory Body and, if appointed, his or her term of office shall come to an end.

Moreover, the appointment as a member of the Supervisory Body is subject to the fulfilment of the subjective requirements of honesty, integrity, respectability and professionalism, as well as to the absence of the following grounds for ineligibility and incompatibility with such appointment:

- existence of blood relations, marriage or kinship within the fourth degree with members of the Board of Directors, senior persons 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 jeopardise the independence requirement pertaining to such position and duties belonging to the Supervisory Body;
- granting of sureties or other guarantees in favour of one of the directors (or spouse thereof), or having credit or debit relationships - unrelated to the 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;
- insofar as the member being appointed is aware, being a member of the Supervisory Body of companies against which the penalties set forth in Art. 9 of the Decree have been imposed, even on a non-final basis, due to offences committed while in office;
- employment as a 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 consulting/partnership relationship with the body itself;
- existence of a sentence of conviction, even not final, or judgment for the enforcement of penalties upon request (plea bargaining), in Italy or abroad, for the offences mentioned in the decree;
- existence of a conviction, even on a non-final basis, that entails being barred even temporarily from holding public office, or temporary disqualification from the executive offices of legal entities and enterprises;

- existence of a conviction, with a final judgment, or sentence of enforcement of penalties upon request (plea bargaining) in Italy or abroad, for offences other than those mentioned in the decree, in regard of their professional conduct.

The members of the SB will, upon accepting 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.

Members that have an employment relationship with the Company shall be removed from office immediately in the case of the termination of such relationship and irrespective of the reason for its interruption.

By board resolution, the Board of Directors may remove members of the Body at any time, but only for just cause.

Just cause for the removal of members includes, for example but not limited to, the following grounds:

- ascertainment of a serious breach by the Supervisory Body in performing its duties;
- failure to notify the Board of Directors of a conflict of interests which prevents the maintenance of the role as a member of the Body itself;
- judgment against the Company, subject to a final ruling, or a plea bargain, with respect to which the court records indicate the failure to supervise or insufficient supervision by the Supervisory Body;
- violation of the obligations of privacy with respect to news and information acquired in exercising the functions of the Supervisory Body;
- for the member linked to the Company by an employment relationship, the launch of a disciplinary procedure for acts which may result in dismissal;
- false statements in regard of the non-existence of the grounds of incompatibility described above.

If the removal takes place without just cause, the removed member may request that they be immediately reappointed to office.

Any member may withdraw from the position at any time by providing written prior notice at least 30 days in advance, to be sent to the Board of Directors by registered letter with advice of receipt. The Board of Directors shall appoint the new member during the next Board meeting and in any event within 90 days of the date on which the withdrawn member leaves office.

The Supervisory Body shall autonomously govern the rules for its operation through specific Rules, specifically defining the operating methods for carrying out the functions assigned to it. The Rules shall be subsequently sent to the Board of Directors for its acknowledgement.

2.3 Powers and functions of the Supervisory Body

The Supervisory Body is assigned the following duties:

- supervise the dissemination within the Company of knowledge, understanding and observance of the Model;
- monitor compliance with the Model by the Recipients;

- supervise the validity and adequacy of the Model, with specific regard to the conduct detected within the company;
- verify the Model's effective capacity to prevent the commission of the offences set forth in the Decree;
- supervise the implementation of and compliance with the Model within the areas of activity potentially at risk of offences;
- report to the Company the opportunity to update the Model, if the need to adapt it is identified in relation to conditions that have changed within the company and/or any alterations of regulations.

In carrying out such activities, the Body will fulfil the following obligations:

- coordinate and collaborate with the company Departments (including through dedicated meetings) for the best monitoring of the company activities identified in the Model at risk of offences;
- verify the establishment and functioning of specific "dedicated" informational channels (e.g. email, mailbox for hard copy reports), intended to facilitate the flow of reporting and information to the Supervisory Body;
- conduct targeted checks on specific operations or acts carried out within the areas of company activity identified as potentially at risk of offences;
- verify and check the regular keeping and effectiveness of all documentation related to the activities/operations identified in the Model;
- verify the effective performance of information and training initiatives on the Model undertaken by the Company;
- immediately report to the Board of Directors any violations of the Model deemed founded, carried out by the Company's Directors or its senior management, in the latter case also informing the Managing Director (as the party in charge of exercising disciplinary and penalty powers), where he/she is not directly involved in the report;
- immediately report to the Board of Statutory Auditors any violations of the Model deemed founded, carried out by the entire Board of Directors.

In order to fulfil the obligations listed above, the Body has the powers specified below:

- issue provisions and service orders governing its activities and prepare and update the list of information that it must receive from the central functions and the local area functions;
- access, without prior authorisations, all relevant company documents for carrying out the functions assigned to it under Decree 231/2001;
- require the managers of the company Departments, and in any case all Recipients, to provide promptly the information, data and/or news requested of them to identify aspects connected to the various company activities that are relevant pursuant to the Model and to verify its effective implementation by the Company;
- make use of external consultants of proven professionalism in cases where this may be necessary to carry out audit and control activities or update the Model.

To better perform its activities, the Supervisory Body may delegate one or more specific duties to its individual members who will carry them out in the name and on behalf of the Body. Responsibility for the delegated duties is attributed to the Supervisory Body as a whole.

The Company's Board of Directors assigns an annual budget to the Supervisory Body in the amount proposed by the Body itself, which is, in any event, adequate with respect to the functions attributed to it. The Supervisory Body decides autonomously on the expenses to be incurred in compliance with company signing powers, and any expenses exceeding the budget must be authorised directly by the Board of Directors.

2.4 Reporting of the Supervisory Body

As noted above, to guarantee full autonomy and independence in performing its functions, the Supervisory Body communicates directly to the Company's Board of Directors.

In detail, the Supervisory Body reports to the Board of Directors on the current implementation status of the Model and on the outcomes of the supervisory activity carried out as follows:

- at least annually, with respect to the Board of Directors, via a written report describing the monitoring activities carried out by the Body itself, the critical issues identified and any corrective or improvement measures appropriate to the implementation of the Model. The Supervisory Body sends this written report to the Board of Statutory Auditors of the Company and to the Supervisory Body of the company Moncler S.p.A.;
- periodically with respect to the Managing Director for information regarding the particularly significant activities carried out by the Body and any findings emerging during those activities;
- occasionally with respect to the Board of Statutory Auditors, when required, in relation to presumed violations by senior management or members of the Board of Directors, as it may receive requests from the Board of Statutory Auditors for information or clarifications on the above-mentioned alleged violations.

Meetings of the Supervisory Body may be called at any time by the Board of Directors and the Board of Statutory Auditors and the Body, in turn, may request to be heard by those bodies if it identifies the opportunity to report on matters concerning the functioning and effective implementation of the Model or in relation to specific situations.

At least once a year, at the proposal of the Supervisory Body, the Company promotes a meeting between all control system participants (Board of Statutory Auditors, Supervisory Body and the Independent Auditing Firm), in order to coordinate the respective activities and functions and ensure a punctual and complete exchange of information between the various functions involved in control activities.

The Supervisory Body participates in the annual meeting pursuant to Art. 35 of Italian Legislative Decree 81/08.

To guarantee proper and effective information flows, as well as for the complete and proper exercise of its duties, the Supervisory Body also has the right to request clarifications or information directly from parties having the main operational responsibilities.

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

2.5 Information flows to the Supervisory Body

Italian Legislative Decree 231/2001 identifies, amongst the requirements that the Model must satisfy, the establishment of specific obligations on the part of the Company's departments to provide information to the Supervisory Body, to enable the Body to carry out its supervisory and verification activities.

In this regard, the following information must be reported to the Supervisory Body - via its email address odv@spwco.it - regarding the Sensitive Activities identified in detail by means of a dedicated procedure which governs its frequency, methods and responsibilities for collection and transmission:

- every six months: information flows relating to the sensitive activities managed by the company;
- by event: any information, data, details and document constituting derogations and/or significant exceptions to company procedures, or which highlights a circumstance of which the Supervisory Body must be made aware immediately in order to fulfil its supervisory duties (change in the company perimeter, inspection procedures by Public Authorities, whistleblowing reports with risk elements pursuant to the 231 Decree);
- as part of the Supervisory Body's control activity, all information, data, news and documents deemed useful and/or necessary to carry out said controls, previously identified by the Body and formally requested of the individual departments;
- on an occasional basis, any other information, of any type, relating to the implementation of the Model in the areas of activity at risk of offences, as well as compliance with the provisions of the Decree, which could be useful for the purpose of fulfilling the duties of the Supervisory Body (reporting).

In this latter regard, the Recipients must report to the Supervisory Body all information relating to conduct that may amount to a violation of the requirements of the Decree and/or the Model, as well as specific types of offence.

The information flows to the Supervisory Body are listed below:

Flows by event		
Ref.	Events/Information to be reported to the Supervisory Body when the event takes place	Party responsible for sending the information
1	Sending of Information in the case of assessments or inspection procedures by a Public Body (social security contributions, occupational health and safety, privacy, antitrust, taxation, customs, other matters and public entities)	SPW Human Resources SPW Legal SPW Finance SPW Logistics&Production SPW General Services
2	The report on fundamental issues of the independent auditing firm regarding aspects that could indicate gaps in the internal control system, objectionable events, observations on the financial statements of the Company	SPW Finance
3	Extract of the minutes of the Board of Directors meeting (on aspects that could indicate gaps in the internal control system,	Moncler Corporate Affairs

	objectionable events, observations on the financial statements of the Company)	
4	Information on any extraordinary transactions carried out	Moncler Corporate Affairs
5	Changes to the safety organisation chart	SPW General Services SPW Human Resources
6	Whistleblowing reports received, managed or concluded during the period concerning areas and/or risks pursuant to Decree 231/01	Moncler Internal Audit

Ref.	Periodic flow	Party responsible for sending the information
1	Sending of a summary report of the trademarks and patents registered or renewed during the relevant period	Moncler Brand Protection
2	Sending of a summary report of the grants / subsidies / loans / insurance or guarantees provided by public bodies during the relevant period	SPW Human Resources SPW Finance
3	Sending of information on workplace accidents	SPW Human Resources SPW General Services
4	Sending of a report containing information on ongoing disputes (in court and out of court with respect to the Public Administration, disputes with employees or labour disputes, tax disputes or other disputes with private parties)	SPW Human Resources SPW Legal SPW Finance
5	Information of the HR department on the initiation of disciplinary procedures / imposition of penalties (also following violations of the model)	SPW Human Resources
6	Updated company organisation chart	SPW Human Resources
7	Training plan on topics relating to Decree 231 planned and carried out (areas: basic 231 training, health and safety, environment, IP, cyber security, etc.)	SPW Human Resources
8	Summary report on the opening of new Companies and partnership/JV agreements entered into in the relevant period	SPW Finance
9	Summary report on the system of company procedures	Moncler Corporate Affairs SPW Legal
10	Reporting on any donation / sponsorship activities of any nature whatsoever with a representative / Entity of the Public Administration being the recipient	SPW Finance

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 Sending of reports with the **results of the supplier / wholesaler RDC screening** (sanctioned entities, black list, reputational risks)

Credit Management

Aside from the information noted above, information concerning the following must be sent to the Supervisory Body:

- measures and/or news from law enforcement agencies or any other authority, including administrative, involving the Company or senior persons, indicating the performance of investigations, including with respect to unknown persons, for the offences pursuant to Decree 231/2001, without prejudice to legally imposed obligations of confidentiality and secrecy;
- requests for legal assistance forwarded by executives and/or employees in the case of the initiation of judicial proceedings for offences covered by Decree 231/2001;
- outcomes of any actions undertaken in light of a written report by the Supervisory Body of a confirmed violation of the Model, imposition of disciplinary sanctions due to the violation of the Model, as well as measures for the dismissal of the case, with the related justifications;
- presumed violations of the Code of Ethics;
- reports of any environmental emergencies that occurred.

2.6 Guidance and coordination functions of the Moncler S.p.A. Supervisory Body

Taking into account what is set forth in paragraph 1.6 “Adoption and management of the Model within the group”, the Supervisory Body of Sportswear Company S.p.A.:

- may, in carrying out the task of supervising the functioning of and compliance with the Model, use the resources dedicated to the SB of Moncler S.p.A., within the constraints of confidentiality;
- must inform the S.B. of Moncler S.p.A. in the performance of its functions in the case of any suspected violation of the respective Model which may be relevant for Moncler S.p.A..

Without prejudice to the responsibility of the Supervisory Body established at Sportswear Company S.p.A. with regard to the performance of the respective supervisory duties on the implementation and updating of the Model, the Moncler S.p.A. Body may act as an impetus for the activities of the Sportswear Company S.p.A. Body, always respecting the autonomy of the company and of the latter.

In particular, the SB of Moncler S.p.A. may:

- provide advice on the principles and procedures to be followed in performing supervisory and control activities over the implementation of the Model of the subsidiaries;
- make proposals for amending and updating the Model of the subsidiaries on the basis of the experience gained while carrying out its own supervisory activities;
- upon their request, carry out jointly with the SB of the subsidiaries specific control actions on the areas of activity at risk in the latter;
- report violations of the Model by the subsidiaries.

3 Reports of offences or violations of the Model (known as Whistleblowing)

3.1 General principles

Any violations of the Model or conduct that may constitute offences under Decree 231/2001 may be reported through the channels made available by the Company.

The Company is aware that, in order to encourage whistleblowing, an appropriate *ad hoc* management system must be created to protect, through proper technical and organisational measures, the confidentiality of the whistleblower's identity, the identity of the person involved and of the person mentioned in the report, as well as the content of the same and of the relevant documentation, and that such system must be managed by an autonomous and specifically trained person.

The Company has therefore equipped itself, in compliance with the applicable legislation¹, with specific reporting channels, also defining, in a specific "Whistleblowing Procedure" (to be deemed fully integrated into the Model), the operating methods and responsibilities for receiving, assessing, managing and closing reports.

In cases where the Report relates to violations attributable to unlawful conduct within the meaning of Decree no. 231/2001 and violations of the 231 Model, the Manager of the Reports shall transmit to the Supervisory Body pursuant to Decree 231/2001 timely information on the receipt of such reports and the report on the activities carried out, for evaluations and initiatives within its competence.

3.2 Whistleblowing System

With specific reference to the scope of application of the Model, persons inside and outside the Company indicated in the "Whistleblowing Procedure" (by way of example: employees, independent contractors, shareholders, consultants, outsourcers, employees and independent contractors of supplier companies), expressly indicated by the applicable legislation (hereinafter, also referred to as "Whistleblowers"), who during their work - meaning present or past work or professional activity with the Company - have become aware of or have acquired information on violations of the Model or unlawful conduct relevant to Decree 231/2001, may make written reports through one of the following channels:

- "Navex" platform accessible at the link "[Moncler.ethicspoint.com](https://moncler.ethicspoint.com)" as a whistleblowing platform;
- Hard copy letter to be sent to the following address: Whistleblowing Moncler Group; c/o Industries S.p.A. - Internal Audit Director; Via Solari 33; 20144 MILAN - ITALY.

Reports may also be made orally, by means of a face-to-face meeting with the Whistleblowing Manager, which will be scheduled within a reasonable period of time, or by contacting the telephone number specifically indicated in the Navex Platform.

Reports may be made anonymously but they must, however, provide a detailed description of the facts and person to which the report relates.

Through the aforementioned channels, in addition to reports concerning the scope of application of the Model, reports may also be made relating to further violations referred to by Italian Legislative Decree 24/2023 and identified in more detail in the Whistleblowing Procedure (reports concerning the scope of application of the Model and reports relating to further violations referred to by the applicable legislation and the Whistleblowing Procedure, hereinafter, jointly also referred to as "Whistleblowing").

¹ Reference is made to Italian Legislative Decree 24/2023, on the "*Implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and laying down provisions regarding the protection of persons who report breaches of national laws*".

Within the above-mentioned channels and at each subsequent stage of management of the Whistleblowing Report, the confidentiality of the Whistleblower's identity must be ensured. Specifically, the Whistleblower's identity may not be disclosed to persons other than those specifically designated and authorised to receive and handle the Whistleblowing Report, without the express consent of the Whistleblower himself/herself, without prejudice to the provisions on the confidentiality obligation set out in Article 12 of Italian Legislative Decree 24/2023 and in Clause 8.1 of the Whistleblowing Procedure. Furthermore, the confidentiality of the identity of the person involved and of the person in any case mentioned by the Report, as well as the content of the latter and of the relevant documentation, must be ensured.

The Whistleblowing Procedure describes the operating procedures of the Whistleblowing management process in its main stages, the actors involved and the field of their intervention and responsibilities, as well as the methods for archiving submitted documentation, with particular regard to the implementation of confidentiality protection and to the following aspects:

- submission of the Report by the Whistleblower;
- receipt and registration of the Report;
- preliminary assessment and classification of the Report;
- internal audits and investigations;
- response to the Report;
- process conclusion;
- reporting to senior management;
- storage of Whistleblowing Reports and related documentation.

The person in charge of receiving and managing Whistleblowing Reports is the Group Internal Audit Director, an employee of Industries S.p.A.

3.3 Prohibition of retaliation

The Company guarantees Whistleblowers in good faith against any form of retaliation, discrimination or disadvantage for reasons connected, directly or indirectly, to the Whistleblowing Report, including the cases identified by way of example in the Italian Legislative Decree 24/2023 and in the Whistleblowing Procedure, to which express reference is made.

The aforementioned protections also apply to:

- individuals who assist the Whistleblowers in the reporting process ("facilitators");
- persons within the same work environment as the Whistleblower and who are linked to the latter by a stable emotional or family relationship up to the fourth degree;
- colleagues of the Whistleblower, who work in the same work environment as the Whistleblower and who have a regular and current relationship with him/her;
- entities owned by the Whistleblower or for which the latter works, as well as entities operating within the same work environment as the Whistleblower.

The aforementioned protections may not be ensured in the event that the Whistleblower is found, even by a court of first instance decision, to be criminally liable for offences of defamation or slander, or civilly liable for the same, in cases of wilful misconduct or gross negligence. The Whistleblowing Report shall be deemed to be made in good faith if the Whistleblower, when making the Report, had reasonable grounds to believe that the information on the reported violations were true.

Information relating to disciplinary proceedings and penalties handed out or measures for discontinuance of such proceedings with the respective reasons must mandatorily be forwarded to the SB.

4 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 offence pursuant to the Decree or a relevant criminal or administrative offence under the legislation on the protection of occupational health and safety. 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 offence and of whether the Judicial or Administrative Authorities intend to bring action against such an offence 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 with the reporting of offences of which it becomes aware in the performance of its functions.

Except as provided in paragraph 2.2 (“Duration in office, forfeiture and removal”), the disciplinary system defined may also be applied to members of the SB, with respect to the functions assigned to them by this Model (see on this point paragraph 4.5 below).

The disciplinary system is made accessible to all Employees.

4.1 Violations of the Model

The following represent violations of the Model:

1. behaviour that constitutes one of the offences listed in the Decree;
2. behaviour that, although not constituting one of the offences listed in the Decree, is unilaterally aimed at the commission thereof;
3. behaviour that does not comply with the procedures or provisions laid down or referred to in the Model;
4. uncooperative behaviour towards the SB, including, but not limited to, refusal to provide the requested information or documentation, not complying with the general and specific instructions given by the SB in order to obtain the information it deems necessary for the performance of its duties, failure to participate without good reason in inspections planned by the SB, or failure to participate in training sessions.

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

- presence and intensity of the subjective element, whether intentional or negligent;
- presence and intensity of negligent, reckless, inexpert conduct, or otherwise unlawful conduct;
- presence and intensity of recidivism;

- extent of the danger and/or consequences of the violation for the persons to whom the legislation on the protection of occupational health and safety is addressed, as well as for the Company;
- predictability of the consequences;
- time and manner of the violation;
- circumstances in which the violation took place.

4.2 Violations relating to the whistleblowing system

The following also represent violations of the Model:

- retaliation of any kind (see para. 3.3);
- attempted obstruction to Whistleblowing;
- obstruction to Whistleblowing;
- breach of confidentiality obligations;
- failure to adopt procedures for the making and management of Whistleblowing Reports/adoption of procedures not compliant with the provisions of Articles 4 and 5 of Italian Legislative Decree 24/2023 by the directors;
- failure to verify and analyse the Whistleblowing Reports received.

Moreover, in cases where it is found that a Whistleblowing Report is unfounded and has been made with wilful misconduct or gross negligence on the part of the Whistleblower, the Whistleblowing manager will forward the relevant report to the competent corporate function for the assessment of the appropriate initiatives, including disciplinary ones.

4.3 Measures against employees

Violation of the individual rules of conduct set out in this Model by employees constitutes a disciplinary offence in accordance with the applicable National Collective Labour Agreement (CCNL) for the Textile and Clothing Industry, CCNL for Trade for employees of tertiary, distribution and service companies).

Any kind of violation of the rules of conduct contained in the Model in any case authorises the SB to ask the competent corporate department to commence disciplinary proceedings and possibly to impose one of the penalties listed below, determined on the basis of the severity of the violation committed in light of the criteria set out in paragraph 4.1 and of the behaviour implemented previously (e.g. any previous violations committed) 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 Italian Law no. 300 of 30 May 1970 (Workers' Statute) and any special regulations in force, as well as the aforementioned CCNL, are those provided for by the following system of penalties:

- a. verbal warning (CCNL for the Textile and Clothing Industry) / verbal reprimand (CCNL for Trade for employees of tertiary, distribution and service companies);
- b. written warning (CCNL for the Textile and Clothing Industry) / written reprimand (CCNL for Trade for employees of tertiary, distribution and service companies);
- c. fine of no more than two hours' hourly pay calculated on the tabular minimum (CCNL for the Textile and Clothing Industry) / fine of no more than four hours' hourly pay calculated on the tabular minimum (CCNL for Trade for employees of tertiary, distribution and service companies);

- d. suspension from work and pay of up to a maximum of 3 days (CCNL for the Textile and Clothing Industry) / suspension from work and pay of up to a maximum of 10 days (CCNL for Trade for employees of tertiary, distribution and service companies);
- e. dismissal for just cause with immediate termination of the employment relationship.

In any case, the SB will always be kept informed as to the penalties imposed and/or any violations ascertained by the relevant corporate department.

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

1. a **verbal warning/reprimand or written warning/reprimand** (based upon the respective CCNL of reference), according to the severity of the violation, will be imposed on any employee who violates the procedures established by this Model or adopts, when carrying out operations in risk areas, behaviours in violation of the requirements of the Model, provided that such conduct does not result in the application of the measures set forth in the Decree;
2. a **fine of no more than 2 hours of hourly pay / a fine not exceeding 4 hours of hourly pay** (based upon the respective CCNL of reference) will be imposed on any worker who repeatedly violates the internal procedures established by this Model or adopts several times, when carrying out operations in risk areas, behaviours in violation of the requirements of the Model - provided that such conduct does not result in the application of the measures set forth in the Decree, or carries out acts of retaliation against a person who has made a Whistleblowing Report for reasons directly or indirectly connected with such Whistleblowing Report;
3. **suspension from work and pay of up to a maximum of 3 days / suspension from work and pay of up to a maximum of 10 days** (based upon the respective CCNL of reference) will be applied to any employee who:
 - by violating the internal procedures established by this Model or, when carrying out operations in risk areas, behaves in violation of the requirements thereof, causes damage to the Company or exposes it to an objective situation of danger to the integrity of its assets, provided that such conduct is in any case not exclusively aimed at the commission of the Offence or does not result in the enforcement of the measures set forth in the Decree;
 - engages in particularly serious acts of retaliation against a person who has made a Whistleblowing Report for reasons directly or indirectly linked to such Whistleblowing Report;
 - obstructs or attempts to obstruct Whistleblowing;
 - does not carry out verification and/or analysis of the Whistleblowing Report received;
 - breaches the confidentiality obligations concerning the Whistleblower's identity;
 - makes, both in case of wilful misconduct or gross negligence, a Whistleblowing Report that proves to be unfounded;
4. the measure of **dismissal** for just cause, with immediate termination of the employment relationship, will be applied against the employee who:
 - does not behave in a manner that conforms to the provisions of this Model and is unequivocally aimed at committing an offence sanctioned by the Decree,
 - clearly violates the provisions of this Model, such as to determine the concrete application against the Company of the measures provided for in the Decree;

- as a retaliation, dismisses anyone who has reported unlawful conduct, relevant for the purposes of Decree 231/2001, or a violation of the Model, for reasons directly or indirectly linked to the report itself;
- violates confidentiality obligations concerning the Whistleblower's identity causing serious harm to the Whistleblower;
- maliciously makes an unfounded Whistleblowing Report, attributing to others the commission of unlawful conduct, relevant for the purposes of Decree 231/2001.

With reference to the risk of committing offences in violation of the legislation on occupational health and safety envisaged by Article 25-septies of the Decree, also in accordance with the provisions of Circular no. 15816 of the Italian Employment Ministry of 11 July 2011 concerning the "Organisation and Management Model pursuant to Article 30 of Italian Legislative Decree 81/2008", the possible violations are listed below, ranked in increasing level of penalties:

1. a **written warning/written reprimand** (based upon the respective CCNL of reference) will be issued to any employee who fails to comply with the Model, if 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;
2. a **fine of no more than 2 hours of pay/fine of no more than four hours of pay** (based upon the respective CCNL of reference) will be imposed on any employee who fails to comply with the Model, if 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 behaviour 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;
3. **suspension from work without pay for up to a maximum of 3 days/suspension from work without pay up to a maximum of 10 days** (based upon the respective CCNL of reference) will be imposed on any employee who does not comply with the Model, if 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;
4. **dismissal for misconduct** will be imposed on any employee who does not comply with the Model, if the violation causes an injury, which may be qualified as "very serious" pursuant to Article 583, paragraph 2 of the Italian Criminal Code to the physical integrity or death of one or more persons, including the offender.

² Article 583 of the Italian Criminal Code Aggravating circumstances

The personal injury is serious and a term of imprisonment of three to seven years applies

1. if the act results in an illness which endangers the life of the injured person, or an illness or incapacity to deal with ordinary occupations for more than forty days;
2. if the event has caused the permanent impairment of a sense or an organ;

The personal injury shall be deemed to be 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 use of an organ or the ability to procreate, or a permanent and serious speech impediment;
4. permanent deformation or disfigurement of the face.

If the ascertained offence 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 CCNL mentioned above.

4.4 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 offence.

Any kind of violation of the rules of conduct contained in the Model in any case authorises the SB to ask the Managing Body to impose one of the penalties listed below, determined on the basis of the severity of the violation committed in light of the criteria set out in paragraph 4.1 and the conduct implemented previously (e.g. any previous violations committed by the person involved) and after the fact 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 Italian Law no. 300 of 30 May 1970 (Workers' Statute), of the CCNL for managers of reference 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 ascertained by the relevant corporate department.

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

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

The manager incurs one of the above penalties, depending on the seriousness, if he/she is found liable for one or more of the violations provided for with regard to the whistleblowing system, or:

- retaliation of any kind (see para. 3.3);
- attempted obstruction to Whistleblowing;
- obstruction to Whistleblowing;
- breach of confidentiality obligations;

- failure to adopt procedures for the making and management of Whistleblowing Reports/adoption of procedures that do not comply with the provisions of Articles 4 and 5 of Italian Legislative Decree 24/2023;
- failure to verify and analyse Whistleblowing Reports received (where applicable);
- making a wilful or grossly negligent Whistleblowing Report that proves to be unfounded.

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

5. failure to comply with the direction or supervision duties over subordinated workers as to the proper and effective application of the Model;
6. failure to comply with the direction and supervision duties over other workers who, despite not being bound to the Company by an employment relationship (for example, Consultants, Independent Contractors, etc.), are nevertheless subject to the direction and supervision of such “manager” pursuant to Article 5, paragraph 1, letter b) of Decree 231/01, without prejudice to the qualification of the contract with those workers.

4.5 Measures against Members of the Managing Body, Board of Statutory Auditors and SB

In the event of a violation of the Model by one or more members of the Company’s Managing Body, the SB will inform the entire Board of Directors and the Board of Statutory Auditors, which will take appropriate action consistent with the severity of the violation committed, in light of the criteria set out in paragraph 4.1 and in accordance with the powers granted by law and/or the Articles of Association (statements in the minutes of meetings, requests to convene, or convocation of the Shareholders’ Meeting to discuss appropriate measures against the individuals responsible for the violation, etc.).

The disciplinary measures that may be imposed in respect of one or more members of the Company’s Managing 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 Association, by resolution of the Shareholders’ Meeting, are those provided for by the following system of penalties:

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

In particular, with reference to violations of the Model perpetrated by one or more members of the Company’s Managing Body, it is established that:

1. in the case of a non-serious violation of one or more procedural or behavioural rules set forth in the Model, including those relating to the whistleblowing system, the member of the Managing Body will be issued with a **written warning** consisting of a reminder to comply with the Model, which constitutes a necessary condition for maintaining the fiduciary relationship with the Company;
2. in the case of a serious violation of one or more procedural or behavioural rules set forth in the Model, including those relating to the whistleblowing system, the member of the Managing Body will incur a **temporary suspension from office**;
3. in the case of a serious violation of one or more procedural or behavioural rules set forth in the Model, including those relating to the whistleblowing system, such as to harm the fiduciary relationship irreparably, the member of the Managing Body will incur the **removal from office**.

4. the member of the Board of Directors incurs one of the above penalties, depending on the severity, when he/she is found liable for one or more of the violations provided for with reference to the whistleblowing system, i.e.:
 - retaliation of any kind (see para. 3.3);
 - attempted obstruction to Whistleblowing;
 - obstruction to Whistleblowing;
 - breach of confidentiality obligations;
 - failure to adopt procedures for the making and management of Whistleblowing Reports/adoption of procedures that do not comply with the provisions of Articles 4 and 5 of Italian Legislative Decree 24/2023;
 - making a wilful or grossly negligent Whistleblowing Report that proves to be unfounded.

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 Managing Body.

In the event of a violation of the Model by the Company's entire Managing 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 the event of a 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 Managing Body, which will take appropriate action consistent with the severity of the violation and in accordance with the powers granted by law and/or by the Articles of Association (statements in the minutes of meetings, requests to convene, or convocation of the Shareholders' Meeting to discuss appropriate measures against the individuals held responsible for the violation, etc.).

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

In particular, if the violation is committed by a member of the SB who is also an employee or manager of the Company, the penalties provided for in Paragraphs 4.3 and 4.4 will apply.

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

4.6 Measures against Consultants, Suppliers, Contractors, Partners, Independent Contractors and representatives of the other Group companies involved in Sensitive Activities

Any violation implemented by Consultants, Suppliers, Contractors, Partners, Independent Contractors 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 the Company, as in the case of application of the measures provided for in the Decree by a Law Court.

5 Distribution of the Model

The Company, aware of the importance held by training and informative aspects in terms of prevention, defines a communication and training programme to guarantee dissemination to the Recipients of the main content set forth in the Decree and the resulting obligations, as well as the requirements laid out in the Model.

Employee information and training activities are organised with various levels of detail depending on the different degree of personnel involvement in activities at risk of offences. In any case, the training activity aimed at disseminating knowledge of Decree 231/2001 and the requirements of the Model are differentiated in terms of content and training methods based on the role of the Recipients, the level of risk of the area in which they work and whether they are vested with Company representation and management functions.

The training activity involves all existing staff, as well as all resources that are included in the company organisation in the future. In this respect, the respective training activities must be planned and carried out upon hiring as well as whenever the employee changes jobs, and when the Model is updated and/or amended.

With regard to the distribution of the Model within the company, the Company undertakes to carry out the following communication activities:

- when the employee is hired, the Human Resources Department informs the new hires of the Organisation, Management and Control Model pursuant to Decree 231/2001 and the Code of Ethics;
- publish the Model on the company intranet and/or any other communication tool deemed suitable;
- promote training activities aimed at disseminating knowledge of Decree 231/2001 and the provisions of the Model, and plan training sessions for personnel when the Model is updated and/or amended, by the methods deemed most suitable.

Communication is also enacted through organisational tools that are adequate to ensure widespread, effective, authoritative (i.e. issued at the adequate level), clear and detailed communication, which are periodically updated and repeated.

The Human Resources Department tracks and records personnel participation in the training courses, which is mandatory. General documentation on informative and training activities will be retained by the Human Resources Department and made available for consultation by the Supervisory Body and any other party with the right to view it.

The Company also promotes knowledge and observance of the Code of Ethics and the Model amongst its commercial and financial partners, advisors, associates on various bases, customers and suppliers, to which both documents are made available by means of online consultation on the Company's website.

6 Adoption and updating of the Model

The adoption and effective implementation of the Model are, by express legislative provision, a responsibility of the Board of Directors. As a result, the power to adopt any updates to the Model is therefore entrusted to the Board of Directors, which will exercise such power by passing resolutions by way of the procedures established for its adoption.

Updating activities, including both additions and amendments, are intended to guarantee the adequacy and suitability of the Model, assessed with respect to prevention of the commission of the offences laid out in Decree 231/2001.

On the other hand, the Supervisory Body is responsible for the actual verification of the need or opportunity to update the Model, and it reports this need to the Board of Directors. Within the scope of the powers attributed to it in compliance with Art. 6, paragraph 1 letter b) and Art. 7, paragraph 4 letter a) of the Decree, the Supervisory Body is responsible for making proposals to the Board of Directors with respect to the updating and adjustment of this Model.

In any case, the Model must be promptly amended and supplemented by the Board of Directors, also at the proposal of and in any event upon consultation with the Supervisory Body, when the following take place:

- changes and evasions of the requirements of the Model which have brought to light its ineffectiveness or inconsistency for the purpose of preventing offences;
- significant changes in the internal structure of the Company and/or the methods for carrying out business activities;
- regulatory changes.

The Supervisory Body remains responsible for the following duties:

- conducting periodic reconnaissance activities to identify any updates in the company's business in order to update the mapping of sensitive activities;
- coordinating with the HR Department for continuous monitoring of the implementation level of employee training programmes;
- interpreting relevant regulations with respect to the predicate offences, as well as any Guidelines prepared, also as updates of existing ones, and verifying the adequacy of the internal control system in relation to regulatory requirements or requirements relating to the Guidelines;
- verifying the updating requirements of the Model.

The Managers of the Departments involved develop and make changes to the operating procedures under their responsibility when such changes appear to be necessary for the effective implementation of the Model, or when the procedures are found to be ineffective for the proper implementation of the provisions of the Model. The competent company departments also handle amendments or additions to procedures required to implement any revisions of this Model.

Amendments, updates and additions to the Model must always be reported to the Supervisory Body.

7 Organisation, Management and Control Model of Sportswear Company S.p.A.

7.1 Purpose of the Model

With a view to developing a new vision of luxury together, by combining and strengthening their respective capacities to interpret evolutions in the cultural codes of new generations, on 31 March 2021 Sportswear

Company S.p.A. joined the Moncler Group, with which it shares the philosophy “Beyond fashion, beyond luxury”.

The activity of Sportswear Company S.p.A. (hereinafter, the “Company” or also “Sportswear” or “SPW”) consists of producing informal men’s apparel sold under the Stone Island brand. Sportswear’s apparel is all produced with innovative materials and fabrics and the Company is continuously committed to research by conducting experimentation on and manipulating fabrics and dyes.

The Company, aware of the importance of adopting and effectively implementing an organisation, management and control model pursuant to Decree 231/2001 suitable to prevent unlawful conduct within the company, has approved, by way of the resolution of the Board of Directors passed on 28/07/2014, its own organisation, management and control model (the “Model”), on the assumption that this Model constitutes a valid tool for raising awareness amongst the recipients (as defined in paragraph 7.2) so that their conduct is correct and transparent.

By adopting the Model, the Company intends to pursue the following goals:

- prohibit behaviours that may constitute the types of offence pursuant to the Decree;
- spread awareness that the violation of the Decree, the prescriptions laid out in the Model and the principles of the Code of Ethics may result in the application of penalties (fines and bans), which may also be applied against the Company;
- allow the Company, thanks to a structured system of protocols and procedures and constant monitoring over the proper implementation of such system, to prevent and/or promptly combat the commission of the relevant offences pursuant to the Decree.

It should be specified that Sportswear Company S.p.A. is an Italian company, which controls Italian and foreign companies.

7.2 Recipients

The provisions of this Model are binding for directors and all parties, in Sportswear or in any of its organisational units with financial and functional autonomy, who are vested with representation, administration or management and control functions, even de facto, and employees (including executives) and independent contractors subject to management or supervision by the senior management of the Company (hereinafter, the “Recipients”).

Based on their specific acceptance or dedicated contractual clauses, the following external parties may also be recipients of specific obligations for compliance with the content of this Model:

- advisors and in general parties that carry out activities as independent contractors;
- suppliers and partners (also in the form of temporary consortia, including staff leasing companies and joint ventures);

to the extent to which they operate on behalf and in the interest of the Company within the areas of activity identified as sensitive in this Model.

7.3 Fundamental elements of the Model

The fundamental elements developed by the Company in defining its Model may be summarised as follows:

- the mapping of so-called “sensitive” activities, with examples of how the offences may be committed and the instrumental processes within which, in principle, the conditions and/or means may arise for the commission of the offences set forth in the Decree;
- the identification of ethics principles in relation to the behaviour that may amount to the offences set forth in the Decree, which are established in the Code of Ethics adopted and in more detail in this Model;
- the establishment of specific controls to oversee the instrumental processes deemed exposed to the potential risk of offences being committed;
- the establishment of a Supervisory Body, with the attribution of specific supervisory duties over the effective implementation and application of the Model;
- the adoption of a penalty system aimed at guaranteeing the effective implementation of the Model and containing the disciplinary measures applicable in the event of a violation of the requirements laid out in the Model;
- the execution of informative and training activities on the content of this Model.

7.4 Code of Ethics and Model

Sportswear intends to act according to ethical principles and rules of conduct intended to ensure that its business operations, the pursuit of the corporate purpose and the company growth are inspired by respect for laws and regulations in force in Italy and in all the countries in which it operates either directly or through foreign subsidiaries and associates.

To that end, Sportswear has adopted a Code of Ethics defining a series of “company ethics” principles, rules of conduct and values that it recognises as its own and that it requires its corporate bodies and employees to observe, as well as everyone who cooperates with the Company or its subsidiaries in pursuing the business objectives.

Thus, the Code of Ethics is general in nature and represents a set of rules spontaneously adopted by Sportswear and its subsidiaries that are recognised, accepted and shared, in order to disseminate solid ethical integrity and a strong sensitivity towards respect for the regulations in force.

The Model, on the other hand, responds to specific requirements contained in Decree 231/2001, expressly intended to prevent the commission of the types of offences set forth in the decree itself (for acts which, apparently committed in the interest or for the benefit of the Company, may give rise to the Company’s administrative liability resulting from an offence).

In view of the fact that the Code of Ethics cites principles of conduct that are also suitable for preventing unlawful conduct under Decree 231/2001, this document acquires relevance for the purposes of the Model and therefore constitutes a complementary element to it.

7.5 Methodological process for defining the Model

Italian Legislative Decree 231/2001 expressly requires, in Art. 6, paragraph 2, letter a), the organisation, management and control model of the entity to identify the company’s activities within which the offences included in the Decree may potentially be committed.

Accordingly, the Company has conducted a thorough analysis of its business activities.

As part of this process, the Company firstly analysed its organisational structure, represented in the organisation chart, which identifies the company's Departments and Functions as well as the respective roles and hierarchies. This document is managed by the Human Resources Department.

Subsequently, the Company analysed its business activities on the basis of information gathered from points of contact within the company (Department Directors and Managers) who, due to their roles, have the broadest and deepest awareness of the operations of the company area for which they are responsible. In particular, the activities at risk within the company processes were identified on the basis of a preliminary analysis of:

- the organisation chart, which highlights the hierarchical and functional lines of reporting;
- the resolutions and reports of the management and control bodies;
- the company's regulations (i.e. procedures, organisational provisions) and the general system of controls;
- the system of powers and delegations;
- the indications set forth in the Confindustria Guidelines updated to July 2021;
- the "history" of the Company, or the harmful events that have involved the business in the past.

The results of the activity described above were collected in specific documents, which illustrate in detail the risk profiles of commission of the offences referred to in Decree 231/2001, in the context of the Company's activities. Those documents are kept at the Company's offices by the Finance & Control Department, which handles their archiving, making them available for consultation by the Directors, Statutory Auditors, Supervisory Body and anyone with authorisation to view them.

In particular, the documents cited here represent the company areas potentially at risk of commission of the offences envisaged by Decree 231/2001 (so-called "sensitive activities"), the offences that may be associated with them, examples of possible ways and means of carrying them out, as well as the processes in the performance of which, again in principle, the conditions, instruments and/or means for the commission of such offences could be created (so-called "instrumental processes").

7.5.1 Instrumental processes

As part of the activity described above, the so-called "instrumental" processes were also identified. These are processes in which, in theory, the conditions and/or means could arise for the commission of the types of offences relevant for the Decree, including:

- Purchases of goods, services and consulting;
- Management of cash and financial flows, formation of the financial statements and relationships with the Control Bodies;
- Management of relations with the public administration and management of public financing;
- Selection and hiring of personnel;
- Management of production, secondary processing and product marketing;
- Fulfilments in relation to health and safety pursuant to Italian Legislative Decree 81/2008;
- Management of the technological infrastructure;

- Management of environmental impacts generated by activities and production processes;
- Management of sponsorships, donations and gifts;
- Management of taxation;
- Management of disputes.

7.5.2 Protocols

Once the activities at Risk of Offences and the related instrumental processes are identified, Sportswear, being sensitive to the need to ensure conditions of correctness and transparency in conducting company business and activities and, in particular, to prevent the commission of unlawful conduct relevant for the purposes of the Decree, has adopted operating conduct protocols (the “Protocols”) to oversee the at-risk processes.

These Protocols, identified within the “Operating control protocols” section of this Model, substantially contain the regulations deemed most suitable to govern the risk profiles identified, structuring a set of rules originating from a detailed analysis of each individual company activity and the related control system (pursuant to the subsequent paragraph).

In order to allow for ex ante controls as well as the ex post reconstruction of each company decision-making process and the respective phases, the Protocols establish specific, uniform principles which must be respected in carrying out company activities, namely:

- Principles of legality;
- Principles of objectivity, consistency and comprehensiveness;
- Principles of segregation of duties;
- Principles of accountability, traceability and verifiability.

Furthermore, such Protocols may make reference to company procedures relating to the specific area they govern, which contain more detailed operating procedures.

Each Protocol constitutes a company rule of conduct and forms an essential part of this Model.

7.6 Internal control system

In drawing up the Model, the Company took account of the internal control system existing in the company, in order to verify if it was capable of preventing the specific offences set out in the Decree in the areas of activity at risk that were identified.

The control system involves all sectors of business conducted by the Company by separating operational duties from control duties, reasonably reducing all possible conflicts of interest, when possible.

In particular, the Company’s internal control system is based on the rules of conduct set forth in this Model as well as the following elements:

- the Code of Ethics;
- the above-mentioned operating conduct protocols;
- the system of company processes;

- the hierarchical/functional structure (organisation chart);
- the system of delegations and powers of attorney;
- the information systems oriented towards the separation of functions and the protection of the information they contain, with reference to management and accounting systems as well as the systems used to support operating activities associated with the business.

The current internal control system, meaning the process implemented by the Company to manage and monitor the main risks and to facilitate the fair and sound management of the company, is capable of guaranteeing the achievement of the following objectives:

- effectiveness and efficiency in using company resources, in protecting the company from losses and in safeguarding the Company's assets;
- respect for applicable laws and regulations in all of the Company's operations and actions;
- reliability of information, meaning prompt and reliable communications guaranteeing the proper performance of every decision-making process.

The following control principles underlie this internal control system:

- every operation, transaction and action must be truthful, verifiable, consistent and documented;
- nobody should be able to manage an entire process alone ("segregation of duties");
- the internal control system must be able to document the controls carried out, including supervisory.

The responsibility for the functioning of the internal control system is assigned to each Department/function for all the processes for which it is responsible.

The type of structure of existing company controls at the Company entails:

- line controls, carried out by the individual Departments/functions on the processes under their operational responsibility, aimed at ensuring the correct execution of transactions;
- monitoring activities, carried out by those responsible for each process and intended to verify the proper performance of the underlying activities.

SPECIAL PART

8 Relevant risks-offences, sensitive activities and principles of conduct

This Special Part includes a brief introduction on the relevant crimes within the company Sportswear S.p.A., the specific rules of conduct and the procedures to be used in carrying out company activities in risk areas.

8.1 Offences relating to fraud to the detriment of the State and public funds

Considering the risk analysis conducted, the following offences could in abstract be committed in the business context of Sportswear S.p.A.:

- **Misappropriation of public funds**, Article 316-bis, Italian Criminal Code;
- **Undue receipt of public funds**, Article 316-ter, Italian Criminal Code
- **Fraud against the State or another public entity of the European Union**, Art. 640, paragraph 2, no. 1, Italian Criminal Code;
- **Aggravated fraud to obtain public funds**, Article 640-bis, Italian Criminal Code

The activities and processes identified as being at risk of commission of offences pursuant to the Decree are summarised below:

- Acquisition and management of contributions, subsidies, financing, insurance or guarantees granted by public entities;
- Management of relations with the Customs Agency and related fulfilments
- Management of marketing / communication, events, advertising / promotional activities aimed at promoting the Stone Island branded product;
- Management of relations with public bodies for obtaining/renewing authorisations and licences for the exercise of business activities;
- Management of relations with public entities concerning the recruitment of personnel belonging to protected categories or whose recruitment is facilitated;
- Management of relations with Supervisory Authorities relating to the performance of activities regulated by law;
- Management of staff social security treatments and/or management of related assessments/inspections;
- Management of relations with the Tax Authorities.

Principles of conduct

In addition to what is specifically set forth in the Code of Ethics, the following general principles of conduct apply to Recipients of this Model who, on any basis whatsoever, are involved in “sensitive” activities with respect to the offences referred to in Art. 24 of Decree 231/2001.

In general, Recipients are prohibited from inappropriately and/or unlawfully influencing the decisions of Representatives of the Public Administration.

In particular, they are prohibited from:

- engaging in misleading conduct which may cause the Public Administration to make errors in the technical-economic evaluation of the documentation presented by the Company;
- omitting information due to the Public Administration in order to influence decisions in their favour;
- presenting false declarations to national and/or EU public bodies in order to obtain public funds, such as grants, financing or other facilitations.

8.2 Cyber crimes

Considering the risk analysis conducted, the following offences could in abstract be committed in the business context of Sportswear S.p.A.:

- **Fabrications in public electronic documents or electronic documents used as evidence**, Art. 491-bis, Italian Criminal Code;
- **Unauthorised access to an IT or telecommunications system**, Article 615-ter, Italian Criminal Code;
- **Unauthorised possession, dissemination and installation of equipment, codes and other means of accessing computer or telecommunications systems**, Article 615-quater, Italian Criminal Code;
- **Dissemination of computer equipment, devices or programmes to damage or disrupt a computer or telecommunications system**, Article 615-quinquies, Italian Criminal Code;
- **Damage to computer information, data and programmes**, Article 635-bis, Italian Criminal Code;
- **Damage to computer information, data and programmes used by the State or another public body or otherwise of public benefit**, Article 635-ter, Italian Criminal Code;
- **Damage to IT and electronic systems**, Art. 635-quater, Italian Criminal Code;
- **Unauthorised possession, dissemination and installation of equipment and other means of intercepting, obstructing or interrupting computer or telecommunications communications**, Article 635-quinquies, Italian Criminal Code.

The activities and processes identified as being at risk of commission of offences pursuant to the Decree are summarised below:

- Management of the IT system.

Principles of conduct

The following general rules of conduct apply to Recipients of this Model who, for any reason, have been designated or appointed to manage and maintain servers, databases, applications, customers and telecommunications networks, as well as to all those who have been assigned passwords and access credentials to the company IT system:

- personnel can access the company IT system only using their assigned identification codes, and periodically changing them;

- personnel shall refrain from any conduct that could compromise the confidentiality and integrity of the information and data of the company and of third parties;
- personnel shall refrain from any conduct that aims to overcome or evade the protections of company or others' IT systems;
- personnel shall store the identification codes assigned, refraining from communicating them to third parties who could thus unlawfully access confidential company data;
- personnel must not install programmes without informing in advance the company function in charge of managing IT security;
- personnel must not use connections other than those provided by the Company in carrying out work for the Company;
- access to the information on servers and in company databases, including customers, is limited by authentication instruments;
- the system administrator has authentication credentials;
- the Company's accounting and administrative systems are protected by suitable access registration systems, as well as electronic processing and filing systems accessible only to system administrators and the Finance & Control Department. These records (access logs) have characteristics of comprehensiveness, inalterability and possibility of verification of their integrity, adequate to achieve the auditing purpose for which they are required;
- employees are provided with unique authentication credentials for access to customers;
- access to applications by IT personnel is guaranteed through authorisation instruments;
- the company server and laptops are periodically upgraded based on specific needs;
- the company data transmission network is protected by appropriate instruments that limit access (firewalls and proxies);
- electronic routing devices are located in dedicated and protected areas so that they can be accessed only by authorised personnel;
- the company server and laptops are protected against the risk of intrusion using antivirus programmes that are automatically upgraded;
- a formal approval process is in place for the allocation of software to be installed;
- rules for the correct use of the Internet and e-mail are provided which involve mechanisms to block the downloading, receipt and sending of attachments of particular types (e.g. .mp3, .exe, etc.);
- a process is in place to inventory and control corporate software, including user licences;
- the management of activities in compliance with the procedures, policies and guidelines governing and defining access to information, information systems, the network, operating systems and applications, reserved exclusively for authorised (internal and external) users and their individual authentication by means of an identification code and password; the identification and implementation of minimum security requirements when acquiring development and maintenance

services for equipment, devices and/or computer programmes (e.g. applications, software licences, etc.); mechanisms to prevent users from installing software on their workstations.

8.3 Organised crime offences

Considering the risk analysis conducted, the following offence could in abstract be committed in the business context of Sportswear S.p.A.:

- **Criminal association**, Article 416, Italian Criminal Code;

The activities and processes identified as being at risk of commission of offences pursuant to the Decree are summarised below:

- Credit management, sales invoicing and the issuing of credit notes;
- Procurement of goods and services, including tenders;
- Management of marketing / communication, events, advertising / promotional activities aimed at promoting the Stone Island branded product;
- Assignment and management, including indirectly, of external consulting assignments;
- Selection and hiring of human resources;
- Research and development of style and conceptual innovation;
- Management of intercompany relationships;
- Management of sponsorships, donations and gifts;
- Management of the relations with the Tax Authorities;
- Management of the distribution network, including through partnerships/joint ventures;
- Management of partnerships, special projects, co-marketing;
- Management of financial flows - payments and collections;
- Management of litigation (ordinary, administrative, labour law);
- Management of relations with public bodies for obtaining/renewing authorisations and licences for the exercise of business activities;
- Management of commercial relationships - wholesale, retail and e-commerce outlets.

Principles of conduct

In addition to what is specifically set forth in the Code of Ethics, the following general principles of conduct apply to Recipients of this Model who, on any basis whatsoever, are involved in “sensitive” activities with respect to the offences referred to in Art. 24-ter of Decree 231/2001.

In particular, it is required to:

- ascertain, through the means available, the integrity and reliability of suppliers/customers and business partners (commercial and financial), by acquiring information on the legal representative,

directors and shareholders, based on the type of company, as well as acquiring public data relating to indicators of incompatibility (e.g. protests, pending bankruptcy proceedings).

- ensure that personnel selection takes place on the basis of principles guaranteeing that candidates are assessed in compliance with the principles set out in the Code of Ethics and that the traceability of the selection process is guaranteed through the use of appropriate documentation at the various stages of the process;
- before formalising the employment of a selected resource, verify they meet the requisites of honourableness, by requesting a criminal record (or other documentation such as a self-declaration of the absence of previous convictions);
- the representatives of the other group companies belonging to the HR Department and performing such services also in respect of Sportswear must carry out a check of the name on the blacklist issued by the European Community to support the activity of preventing and combating international terrorism, in accordance with company procedures;
- organise specific information and training sessions aimed at disseminating knowledge and news on the forms of crime in the territory in which the Company operates, as well as updates on the evolution of risks of infiltration by organised crime;
- manage the allocation of company assets in accordance with the relevant company policies/procedures;
- refrain from using company assets assigned in their favour in an improper manner, contrary to the law and/or the relevant company organisational procedures;
- be inspired by criteria of fairness, cooperation and transparency in the exercise of the Company's activities, in compliance with the law and internal and group company procedures in the phases of selection, choice and formalisation of relations with partners and customers in the wholesale sector, paying the utmost attention to news concerning third parties with whom the Company has relations of a commercial nature that may even only generate the suspicion of commission of one of the offences referred to in this special part;
- scrupulously comply with the operational instructions and formalised company organisational documentation with reference to the Sensitive Activities under consideration;
- ensure that the choice of Partners and customers in the wholesale sector takes place through clear, certain and non-discriminatory qualification procedures, comparing a shortlist of potential offers and ensuring the orientation towards parties that provide the greatest guarantees in terms of ethical, organisational, technical and financial aspects, verifying the existence of the requisites of integrity and professionalism, as well as the necessary technical and authorisation requirements, so that the activities take place in full compliance with the internal company and group procedures, as well as with the Model and the Code of Ethics, avoiding any involvement in activities that, even potentially, could facilitate the commission of the offences set out in Art. 24-ter of Decree 231/2001;
- ensure that the criteria used for assessing Partners and customers in the wholesale sector are derived from a set of "anomaly indicators" for the detection of suspicious transactions which, although flexible and necessarily adaptable to the type of transaction and subject identified in the individual case, are identified on the basis of standard criteria, referring to the following parameters:

- ✓ subjective profile (e.g. existence of a criminal record; questionable reputation; admissions or statements by the same person concerning his/her involvement in criminal activities);
 - ✓ conduct of the person (e.g. the customer unreasonably postpones the submission of business documents; the customer refuses or appears unjustifiably reluctant to provide the information necessary to carry out the transaction or in any case provides manifestly inaccurate or incomplete information on the transaction; the person is uncooperative in communicating any other information that, under normal circumstances, is acquired in the course of the transaction; the person insists that the transaction be concluded in haste, or that it be carried out regardless of the price);
 - ✓ economic-financial profile of the transaction requested by the person (e.g. the person, in the absence of plausible justifications, requests the performance of transactions that are manifestly unusual, unjustified, or not proportionate to the normal exercise of his/her profession or activity; the person requests the performance of transactions that use funds that appear excessive with respect to his/her economic-financial profile, or requests the performance of transactions that do not appear to have economic and financial justifications);
 - ✓ territorial location of the person (e.g. the person is based in a country not usual for the type of transaction carried out, or in a foreign country known as an offshore centre characterised by privileged regimes in terms of taxation or banking secrecy, or reputed to be uncooperative in terms of anti-money laundering obligations);
 - ✓ characteristics and purpose of the transaction (the transaction appears not economically advantageous for the person; the transaction appears excessively complex or unusual for the declared purpose; the deal is carried out by means of individual deliveries staggered over a short period of time in order to conceal the size of the total amount; transactions with an illogical configuration, especially if economically and financially disadvantageous for the person);
- ensure that contracts with Partners and customers are clear and concluded in accordance with the commercial policies and guidelines defined by the Company, in compliance with the applicable procedures and policies; the corporate procedures and policies must indicate the roles and responsibilities of the corporate figures involved, the procedures for managing relations with partners and customers, as well as the controls to be put in place by the Company to ensure compliance, and training activities aimed at disseminating the commercial guidelines;
 - ensure that the products offered for sale or made available for sale to customers, in the Company's sales channels (retail, wholesale and e-commerce), as well as through Partners, including the relevant commercial, technical and labelling documentation (brochures, customer communications, general terms and conditions, advertising, economic offer), contain correct and up-to-date data and information on the qualitative and quantitative characteristics of the product offered.

In particular, it is prohibited to:

- associate in any form whatsoever to pursue purposes not permitted by law;

- carry out transactions that could be anomalous in terms of type or purpose or subject or that could result in the establishment or maintenance of relationships with anomalous aspects in terms of the reliability and/or reputation of the counterparties.

8.4 Offences relating to Bribery towards the Public Administration and inducement to provide or promise benefits

Considering the risk analysis conducted, the following offences could in abstract be committed in the business context of Sportswear S.p.A.:

- **Corruption for exercise of the role**, Art. 318, Italian Criminal Code;
- **Corruption for an act contrary to official duty**, Art. 319, Italian Criminal Code;
- **Aggravating circumstances**, Art. 319-bis, Italian Criminal Code;
- **Corruption of a public service representative**, Art. 320, Italian Criminal Code;
- **Sanctions imposed on the corruptor**, Art. 321, Italian Criminal Code;
- **Solicitation to corrupt**, Art. 322, Italian Criminal Code;
- **Improper inducement to give or promise benefits**, Art. 319-quater, Italian Criminal Code;
- **Corruption in legal proceedings**, Art. 319-ter, Italian Criminal Code;
- **Trafficking in unlawful influences**, Art. 346-bis, Italian Criminal Code.

The activities and processes identified as being at risk of commission of offences pursuant to the Decree are summarised below:

- Management of relations with public bodies for obtaining/renewing authorisations and licences for the exercise of business activities;
- Management of staff social security treatments and/or management of related assessments/inspections;
- Selection and hiring of human resources;
- Management of marketing / communication, events, advertising / promotional activities aimed at promoting the Stone Island branded product;
- Management of relations with public entities for the registration of trademarks and obtaining/renewing patents;
- Management of public relations as part of inspections in the field of occupational safety and health protection;
- Management of relations with public entities concerning the recruitment of personnel belonging to protected categories or whose recruitment is facilitated;
- Management of relations with the Customs Agency and related fulfilments;
- Management of relations with Supervisory Authorities relating to the performance of activities regulated by law;
- Management of expenses notes and related reimbursements;

- Credit management, sales invoicing and the issuing of credit notes;
- Procurement of goods and services, including tenders;
- Assignment and management, including indirectly, of external consulting assignments;
- Management of sponsorships, donations and gifts;
- Acquisition and management of contributions, subsidies, financing, insurance or guarantees granted by public entities;
- Management of litigation (ordinary, administrative, labour law);
- Management of intercompany relationships;
- Management of the incentive and reward system;
- Management of financial flows - payments and collections;
- Research and development of style and conceptual innovation;
- Management of the distribution network, including through partnerships/joint ventures;
- Management of partnerships, special projects, co-marketing relationships.

Principles of conduct

The following general rules of conduct apply to Recipients of this Model who, for any reason, and on behalf or in the interest of Sportswear, engage in relations with Italian or foreign public officials, public service officers or, more generally, representatives of the Public Administration and/or of the Supervisory Authorities or Independent Administrative Authorities (hereinafter, "Public Administration Representatives").

In general, Recipients are prohibited from inappropriately and/or unlawfully influencing the decisions of Representatives of the Public Administration.

In particular, they are prohibited from:

- promising or making payments in cash to Public Administration Representatives to obtain benefits for the Company;
- promising and/or offering and/or paying Public Administration Representatives, either directly or through third parties, amounts of money or other benefits in exchange for favours, compensation or other advantages for the Company;
- offering and/or providing gifts or forms of hospitality that exceed normal commercial and/or courtesy practices and/or, in any case, are likely to compromise the impartiality and independence of judgment of Public Administration Representatives;
- favouring, in hiring or purchasing processes, employees, independent contractors, suppliers, advisors or other parties based on specific recommendation by Public Administration Representatives, in exchange for favours, compensation or other advantages for themselves and/or for the Company;
- engaging in misleading conduct which may cause the Public Administration to make errors in the technical-economic evaluation of the documentation presented by the Company;

- omitting information due to the Public Administration in order to influence decisions in their favour;
- presenting false declarations to national and/or EU public bodies in order to obtain public funds, such as grants, financing or other facilitations;
- submitting untruthful statements to national and foreign government agencies in order to obtain permits, licences and administrative measures of any kind;
- concluding 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;
- allocating public funds, grants or financing for purposes other than those for which they were originally requested and intended.

The following is also provided:

- all managers are required to archive information flows from and to the Public Administration in the context of their activity, including a copy of the information transmitted to the competent offices electronically;
- in the event of inspections by Public Bodies, the persons delegated as special attorneys of the Company must guarantee the correct performance of the audit or inspection activities, if necessary delegating other Department Managers responsible for the activities being audited. The Responsible Party, or his/her delegate, confirms the purpose of the inspection and then supervises the audits, with the support of other specialised personnel. During the assessment/inspection phase, the Responsible Party, or his/her delegate, makes available to the Public Administration representatives all documentation and information necessary for their activities, and draws up the list of documents/objects/locations subject to inspection or seized, as well as any photocopied documents. The Responsible Party shall ensure that minutes are taken of the Inspection.
- all deeds and minutes, including during inspections, assessments or visits, and communications in general binding the Company in relation to the Public Administration must be duly formalised and signed only by specifically appointed and duly empowered representatives of the Company, in accordance with corporate policies and procedures, as well as with the principles laid down in the Code of Ethics;
- the traceability of all inspections or onsite inspections carried out by Public Administration representatives must be ensured by signing the minutes submitted or by drawing up a specific internal report;
- the proper archiving and storage of all documents produced must be ensured in such a way as not to allow access to third parties that are not expressly authorised, in particular:
 - o any documentation showing evidence of meetings with officials of the State Tax Authorities (e.g. Finance Police, Italian Tax Authority, etc.), and in particular the minutes issued by the Revenue Agency, must be archived by the Finance & Control Department;
 - o technical documentation, inspection reports issued in connection with periodic inspections and/or audits on occupational health and safety or environmental matters (e.g. inspections by the local health authority, etc.) carried out at the site or at the local operational units must be kept by the competent corporate department;

- relations with the Public Administration and Independent Administrative Authorities are exclusively managed by persons vested with suitable powers or by those formally delegated by such parties, and in any case in compliance with company procedures governing this specific matter;
- all statements and disclosures made to Public Administration Representatives and required by existing rules or specifically requested by the aforesaid persons (for example for the request for contributions or public grants) must comply with the principles of clarity, correctness, completeness and transparency;
- in the selection and choice of shipping agents and in general of all Suppliers, Contractors, Consultants and/or Independent Contractors, involved in the management of the Sensitive Activity in question, the following rules must be observed:
 - the choice and involvement of the above parties must be made on the basis of criteria of integrity, honesty, competence and professional commitment, verification and monitoring the existence of these requirements, along with the technical and authorisation requirements necessary for performing the activity, with possible registration in specific registers, based upon 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;
 - in particular, the choice must take place on the basis of requirements predetermined by the Company, reviewed by the same and, where appropriate, updated on a regular basis, within the scope of internal and group procedures; the Company also formalises the criteria on the basis of which those persons may be removed from a specific list of the Company and the decisions as to their retention or removal from the aforesaid list may not be made by a single person and must always be motivated. This selection must be carried out through clear, certain and non-discriminatory procedures, comparing, where possible, a shortlist of potential offers and giving preference to persons providing the greatest guarantees in terms of ethical, organisational, technical and financial aspects;
 - the Company will determine the criteria for the evaluation of the aforementioned Suppliers, Contractors, Consultants and/or Independent Contractors, 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 inferred from elements such as their criminal record and company search); b) objective evidence (e.g. activities usually performed, consistency between the same and the type of transaction requested from 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 relation to which the following is known or suspected: commission of crimes against the Public Administration, membership of criminal organisations or organisations operating outside the law, such as for example, but not limited to, persons associated with, or in any way related to, the environment of organised crime, money laundering and financing of terrorism, drug trafficking, usury, etc.;
 - all deeds, declarations and communications, also on the occasion of audits, surveys or inspections, which bind the Company in relation to the Public Administration must be duly formalised and signed only by specifically appointed representatives of the Company with adequate powers, in accordance with corporate policies and procedures, as well as with the principles dictated by the Code of Ethics, or managed and signed only by shipping agents or other Suppliers, Contractors, Consultants and/or Independent Contractors with appropriate powers,

according to the regulatory and organisational instruments of the Company; such powers of representation must be contractually established and formalised with the issue of a formal power of attorney, identifying the scope and limits of the power to act in the name and on behalf of the Company in the performance of customs procedures, with the right of the Company to revoke the aforementioned power of attorney;

- the contract with shipping agents and other Suppliers, Consultants, Contractors, Independent Contractors, involved in the Sensitive Activity to expressly provide for the power of representation in dealings with the Customs Authority, must include specific powers of attorney identified, from time to time, by the Company, defining in particular the obligations and powers of the shipping agent and the power of revocation of the power of attorney by the Company;

Recipients who engage in relations with the judicial authority on behalf of Sportswear (in proceedings of any nature whatsoever) are obliged to apply the same rules of conduct also in such relations.

8.5 Crimes of counterfeiting currency, public paper, revenue stamps and distinctive instruments or signs

Considering the risk analysis conducted, the following offences could in abstract be committed in the business context of Sportswear S.p.A.:

- **Circulation of counterfeit currency received in good faith**, Art. 457, Italian Criminal Code;
- **Counterfeiting, altering, using trademarks or distinctive signs or patents, models and designs**, Art. 473, Italian Criminal Code;
- **Introduction into the national domain and trading in products with false trademarks**, Art. 474, Italian Criminal Code.

The activities and processes identified as being at risk of commission of offences pursuant to the Decree are summarised below:

- Research and development of style and conceptual innovation;
- Management of relations with public entities for the registration of trademarks and obtaining/renewing patents;
- Procurement of goods and services, including tenders;
- Management of the distribution network, including through partnerships/joint ventures;
- Management of partnerships, special projects, co-marketing relationships.

Principles of conduct

In addition to what is specifically set forth in the Code of Ethics, the following general principles of conduct apply to Recipients of this Model who, on any basis whatsoever, are involved in “sensitive” activities with respect to the offences referred to in Art. 25-bis of Decree 231/2001.

In particular, the following measures are adopted in order to mitigate the risk of commission of the offences described above:

- do not transfer, for any reason, except through banks or e-money institutions or Poste Italiane S.p.A., cash or bearer bank or postal deposit books or bearer securities in Euro or in foreign currency, when

- the total value of the transaction, even split up, is equal to or higher than the threshold established by anti-money laundering regulations in force;
- do not issue bank and postal account cheques for amounts equal to or exceeding the threshold established by anti-money laundering regulations in force which do not indicate the name or company name of the beneficiary or the specification that they are non-transferable;
 - do not endorse for collection bank or postal account cheques issued on the order of the drawer to parties other than banks or Poste Italiane S.p.A;
 - do not make payments to current accounts of banks operating in countries included in “tax haven” lists and/or in favour of offshore companies, unless authorised in writing by the Finance & Control Department;
 - do not make payments and/or money transfers to encrypted or anonymous current accounts, or current accounts opened at banks that lack physical premises;
 - do not make payments to parties whose registered offices are located in countries classified as “uncooperative” according to the Bank of Italy;
 - do not purchase goods and/or services against payment of fees that are abnormally low as compared to the market value of the goods or the service.
 - include contractual clauses with suppliers that provide for the guarantee by them and any of their subcontractors that they will not infringe third-party rights in the course of their activities;
 - establish suitable procedures to verify that the products being developed for production and/or marketing are not subject to patent protection or trademarks already in existence;
 - establish suitable procedures to prevent the marketing of products with counterfeit distinctive signs and/or with false marks such as to mislead the buyer about the origin, source or quality of the work or product;
 - hold periodic meetings involving all Departments/Functions involved in the creative process in order to assess the existence of any third-party property rights in relation to products that are subsequently produced and marketed;
 - provide for the collection of information on the industrial property rights of the selected third parties, including, for example, by systematically requesting documents, such as a self-declaration or copy of the title attesting to the patent/trademark/distinctive sign or certification of non-infringement of third-party rights in the case of products not branded or patented by the supplier, certification on the use of distinctive signs that do not mislead the customer/buyer; on the actual characteristics of the products sold, on compliance with Community regulations and other regulations on the origin and quality of products;
 - ensure that contractual standards are systematically updated in line with developments in the relevant legislation (e.g. with regard to the protection of industrial property rights);
 - ensure the insertion of clauses containing guarantees and commitments of the Supplier/Contractor/Collaborator on the ownership of trademarks/patents/industrial property rights over the purchased goods, on the delivery of documentation attesting to such ownership, on the

- certification of non-infringement of third-party rights in the case of products not branded or patented by the other party;
- ensure the inclusion of clauses containing an undertaking by the Supplier/Contractor/Independent Contractor to communicate without delay any disputes by third parties concerning the ownership of industrial property rights or distinctive signs, or disputes by other buyers concerning the characteristics of the goods or distinctive signs of the goods; establish penalty clauses following the finding of such facts;
 - maintain and update a register of all patents or licences owned by Company and/or other Group companies, indicating the relevant expiry dates;
 - where patent applications are made and filed, perform a check on patentability and non-infringement of third-party rights, including through prior art and benchmark checks;
 - ensure the systematic monitoring of research and style development activities;
 - the study of new products/technologies/formulations must be authorised and carried out by the competent internal departments on the basis of the existing system of delegated and proxy powers and the relevant internal procedures; decisions on patent searches/verifications of prior art on the existence of patents must be authorised by the competent persons on the basis of the existing system of delegated and proxy powers;
 - prior art verifications may be carried out through external consultants, selected and authorised according to company procedures, or by consulting authoritative databases;
 - any contracts with Consultants/Suppliers/Contractors/Independent Contractors concerning research and development activities must contain guarantees regarding the non-infringement of industrial property rights of third parties, under penalty of contract termination.

8.6 Crimes against industry and trade

Considering the risk analysis conducted, the following offences could in abstract be committed in the business context of Sportswear S.p.A.:

- **Fraud in the exercise of trade**, Art. 515, Italian Criminal Code;
- **Sale of industrial products with counterfeit marks**, Art. 517, Italian Criminal Code;
- **Manufacture and trade of goods produced in violation of industrial property rights**, Art. 517-ter, Italian Criminal Code;

The activities and processes identified as being at risk of commission of offences pursuant to the Decree are summarised below:

- Management of product data sheets (and the underlying product bill of materials) and labels, including the translation into foreign languages;
- Management of activities and relations with Private Bodies, even in representation of foreign Bodies, in order to obtain the product certifications necessary to attest to specific characteristics;
- Procurement of goods and services, including tenders;
- Management of commercial relationships - wholesale, retail and e-commerce outlets;

- Management of the distribution network, including through partnerships/joint ventures;
- Management of partnerships, special projects, co-marketing relationships.

Principles of conduct

The following rules of conduct apply to Recipients who, in the performance of their activities, are, for any reason, designated or engaged in the design, production and marketing of products:

- prepare suitable control procedures by including contractual clauses with suppliers that include a guarantee that they will not infringe third-party rights in the course of their activities;
- include contractual clauses with suppliers that provide for the responsibility of the latter also for the work of any subcontractors;
- establish controls on the quality, provenance, characteristics and origin of the products to be marketed subsequently;
- in connection with dealings with the Customs Agency, pay duties due or guarantee the due payments;
- ensure that the products offered for sale or made available for sale to customers, in the Company's sales channels (retail, wholesale and e-commerce), as well as through Partners, including the relevant commercial, technical and labelling documentation (brochures, customer communications, general terms and conditions, advertising, economic offer), contain correct and up-to-date data and information on the qualitative and quantitative characteristics of the product offered.

8.7 Corporate Crimes, Bribery between Private Parties and market abuse

Considering the risk analysis conducted, the following offences could in abstract be committed in the business context of Sportswear S.p.A.:

- **False corporate communications**, Art. 2621, Italian Civil Code;
- **Minor events**, Art. 2621-bis, Italian Civil Code;
- **Obstruction of supervisory activities**, Art. 2625, Italian Civil Code;
- **Undue restitution of contributions**, Art. 2626, Italian Civil Code;
- **Illegal distribution of profits or reserves**, Art. 2627, Italian Civil Code;
- **Unlawful transactions involving the shares or quotas of the company or the parent company**, Art. 2628, Italian Civil Code;
- **Transactions to the detriment of creditors**, Art. 2629, Italian Civil Code;
- **Fictitious capital creation**, Art. 2632, Italian Civil Code;
- **Bribery between private parties**, Art. 2635, Italian Civil Code;
- **Incitement to bribery between private parties**, Art. 2635-bis, Italian Civil Code;
- **Undue influence on the shareholders meeting**, Art. 2636, Italian Civil Code;

- **Hindrance to the performance of supervisory functions by public supervisory authorities**, Art. 2638, Italian Civil Code;
- **Market manipulation**, Art. 185, Italian Legislative Decree 58/1998 “Italian Consolidated Law on Finance”;
- **Abuse or illegal communication of inside information and recommending or inducing others to commit insider dealing**, Articles 184 and 187-bis, of Italian Legislative Decree 58/1998 “Italian Consolidated Law on Finance”.

The activities and processes identified as being at risk of the commission of offences pursuant to Art. 25-ter of the Decree are summarised below:

- Management of litigation (ordinary, administrative, labour law);
- Preparation of financial statements, and communications to shareholders and/or the market, relating to the economic, asset or financial situation of the Company;
- Management of relations with shareholders, board of statutory auditors and auditing firm;
- Capital transactions: management of contributions, corporate assets, profits and reserves, transactions on shareholdings and capital;
- Management of activities and relations with Private Bodies, also representing foreign Bodies, in order to obtain the product certifications necessary to attest to specific characteristics;
- Management of expenses notes and related reimbursements;
- Credit management, sales invoicing and the issuing of credit notes;
- Selection and hiring of human resources;
- Assignment and management, including indirectly, of external consulting assignments;
- Procurement of goods and services, including tenders;
- Management of sponsorships, donations and gifts;
- Management of relations with Supervisory Authorities relating to the performance of activities regulated by law;
- Management of marketing / communication, events, advertising / promotional activities aimed at promoting the Stone Island branded product;
- Management of financial flows - payments and collections;
- Research and development of style and conceptual innovation;
- Management of intercompany relationships;
- Management of the incentive and reward system;
- Management of the distribution network, including through partnerships/joint ventures;
- Management of partnerships, special projects, co-marketing relationships.

The activities and processes identified as being at risk of the commission of offences pursuant to Art. 25-sexies of the Decree are summarised below:

- Management and communication of news and data to the outside world concerning the company and/or the group;
- Management of confidential/privileged information;
- Transactions involving the purchase and sale of its own financial instruments or those of its subsidiaries.

The governance of these Sensitive Activities, which are relevant for the purposes of the crimes and administrative offences of Market abuse, is the exclusive responsibility of the listed company Moncler S.p.A., which manages the relevant phases in compliance with the provisions of the law and through the use of an adequate internal control system which translates into procedural and organisational measures established by the same.

Nonetheless, by virtue of the work activity and functions carried out within the business operations, as well as by virtue of intercompany service contracts, Company representatives could be involved in these sensitive areas as persons who, by virtue of the organisational role covered, may deal with inside information concerning Sportswear Company S.p.A. itself, the parent company Moncler S.p.A., the companies belonging to the group, third-party companies in business relations with them and the financial instruments issued by these companies. For this reason, the Company has decided to adopt principles of conduct in the Model aimed at preventing the undue use of such inside information, as well as the perpetration of conduct potentially relevant to the crimes and administrative offences of Market abuse.

Principles of conduct in relation to Corporate Offences.

In addition to what is specifically set forth in the Code of Ethics, the following general principles of conduct apply to Recipients of this Model who, on any basis whatsoever, are involved in “sensitive” activities with respect to the offences referred to in Art. 25-ter of Decree 231/2001.

The Recipients are required to:

- archive the documentation supporting the accounting records in a manner so that it can be easily retrieved and ordered according to logical criteria;
- engage in correct, transparent and cooperative conduct, in compliance with the rules of law and company procedures, in all activities for the purpose of forming the financial statements and the other corporate communications, in order to provide the shareholder and the public with true and correct information on the Company’s income statement, balance sheet and cash flows;
- observe the rules set out by law to protect the integrity and existence of the share capital, in order to avoid harming the guarantees of creditors and third parties in general;
- ensure the regular operation of the Company and the company bodies, guaranteeing and facilitating all forms of internal control over company operations envisaged by law;
- with regard to the methods for managing petty cash, comply with the maximum expenditure limits and the types of expenses/categories eligible for reimbursement with cash;

- base intercompany relations upon fairness and transparency, in compliance with the principle of autonomy of group companies and the principles of proper management, accounting transparency and asset separation, so as to ensure the protection of shareholders of all the companies of the group;
- ensure the timely verification of the effectiveness and appropriateness of the services in relation to intercompany transactions involving the purchase or sale of goods and services and, more generally, the payment of remuneration for activities carried out within the group context: in particular, intercompany transactions and/or transactions with affiliated companies must always take place in accordance with criteria of substantial fairness and must be regulated in advance on the basis of written contracts, which must be retained and kept on file by each of the contracting companies. These conditions must be regulated at market conditions, or equivalent, on the basis of assessments of mutual economic convenience, having regard, however, to the common objective of creating value for all group companies. In any case, the obligation to comply with the provisions of the Italian Civil Code on the management of conflicts of interest of directors remains unaffected;
- ensure strict compliance with all legal provisions protecting the integrity and effectiveness of the share capital, so as not to damage the guarantees of creditors and, more generally, third parties. From this perspective, it is prohibited to: a) return, even at the same time, contributions to shareholders or release them from the obligation to make them, except, obviously, in the case of a legitimate reduction of share capital; b) distribute profits or advances on profits not actually earned, or allocated by law to reserves, or distribute reserves, even if not established with profits, which may not be distributed by law; c) purchase or subscribe company shares or shares of the parent company beyond the cases permitted by law, thereby causing damage to the integrity of the share capital or reserves not distributable by law; d) reduce the share capital or carry out mergers with other companies or demergers in breach of law, thereby causing damage to creditors; e) fictitiously form or increase the share capital by allocating shares for a lower amount than their nominal value, reciprocally subscribe shares or quotas, significantly overvalue contributions in kind or receivables, or the company assets in the event of transformation;

It is prohibited to:

- return, or pretend to return, contributions to the shareholder or release it from the obligation to make them, subject of course to the possibility of a legitimate share capital reduction;
- purchase or subscribe treasury shares or shares of a subsidiary beyond 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 contributions of shares for an amount under their nominal value, mutual subscription of shares or quotas, significant overvaluation of contributions in kind or credits, or company assets in the event of a transformation;

- disseminate, both to personnel and externally to the Company, through any information channel, including the internet, information, rumours or news not corresponding to reality or information whose truthfulness is uncertain, which may, or is even potentially likely to, provide false or misleading indications about 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 respective financial instruments;

Furthermore,

- the management of the relationships in question must be carried out exclusively by the competent corporate departments; everyone must behave collaboratively with the shareholders and corporate bodies, in compliance with the principles of the Code of Ethics;
- one or more persons responsible for collecting and processing the information requested and forwarded to the shareholders and corporate bodies must be identified, in accordance with the regulatory and organisational instruments adopted by the Company;
- these persons, when requested to provide information by the shareholders and corporate bodies, must verify the completeness, relevance and correctness of the documentation sent;
- requests and transmissions of data and information as well as any findings, communications or assessments made by the shareholders and by the corporate bodies must be documented and retained;
- anyone who provides or receives information about the company or its activities is required to ensure its security and completeness;
- the person responsible for filing the information, who is legitimately requested to provide information, must provide it within a reasonable time, certifying, where possible, the completeness and truthfulness of the information provided or indicating the persons who can provide such a certification;
- the transmission of information within the Company is only permitted to authorised persons and only by technical means that guarantee the security of transmission and respect for the principle of confidentiality of information;
- correctness must be observed in the drafting of other communications imposed or otherwise required by law and addressed to the shareholders or the public to ensure that they contain clear, accurate, truthful and complete information;
- segregation of duties must be ensured between those who prepare the financial statements, adjusting and supplementing entries, those who approve them and those who verify their accuracy;
- if any critical issues are found in the performance of the audit activities, one or more meetings, with minutes to be drawn up, must be held between the Independent Auditing Firm for the performance of the accounts audit and the Board of Statutory Auditors - prior to the meetings convened for the approval of the financial statements - concerning the draft financial statements;
- it is prohibited to record in the company accounts or hold as evidence *vis à vis* the tax authorities fictitious liabilities resulting from invoices or other documents for non-existent transactions at the time of submitting tax returns;

- it is prohibited to indicate in the financial statements inaccurate, misrepresented, incomplete or otherwise untrue data on the Company's economic, equity or financial situation. It is also forbidden to engage in activities and/or transactions aimed at creating non-accounting assets (e.g. using invoices for non-existent transactions or over-invoicing), or aimed at creating "black funds" or "parallel accounting". Particular attention must be paid to the estimation of accounting items: those involved in the estimation process must comply with the principle of reasonableness and clearly set out the applied valuation criteria, providing any additional information necessary to ensure the truthfulness of the document. The financial statements must also be complete in terms of corporate information and must contain all elements required by law and the Supervisory Instructions. The same accuracy is required for directors, auditors, general managers, if any, and liquidators in the preparation of all other communications imposed or in any case required by law and addressed to shareholders or the public, so that such communications to contain clear, precise, truthful and complete information;

All transactions on the company's share capital, the allocation of profits and reserves, the purchase and sale of shareholdings and business units, mergers, demergers and spin-offs, as well as all transactions, even within the group, that could potentially damage the integrity of the company's share capital, must be carried out in accordance with procedures that provide in particular for:

- the assignment of decision-making and operational responsibilities for the aforementioned operations as well as the coordination mechanisms between the various corporate departments involved;
- reporting by company management and discussion of the aforementioned transactions in meetings with the Board of Statutory Auditors;
- preparation by the department proposing the transaction, based upon company procedures, of appropriate documentation in support of the proposed transaction, as well as a preliminary information report illustrating the content, underlying interest and strategic purpose of the transaction;
- preliminary verification of the completeness, relevance and correctness of the documentation supporting the transaction, for the purpose of recording the transaction in the accounts;
- explicit approval by the Board of Directors and/or the Shareholders' Meeting;
- the obligation of the directors to provide adequate and timely information on any situations of interest, on their own behalf or on behalf of third parties, in Company's transactions;
- the obligation for the Recipients, other than directors of the Company, to provide adequate and timely information on situations of conflict of interest, with reference also to positions held in subsidiaries;
- the identification of corporate representatives (other than directors of the Company) who hold offices or perform activities potentially liable to create situations of conflict of interest, with reference also to the offices held in other group companies, including through the establishment of an obligation to sign declarations certifying the non-existence of such situations.

Moreover, compliance with the following principles is expressly provided:

- confidentiality obligation in relation to confidential information acquired or of which knowledge has been gained by reason of the role whether relating to the Company or other group companies or third-party companies in business dealings with the same. No confidential information of which knowledge has been gained may be disclosed to a third-party or used improperly;

- should any confidential information be disclosed to third parties by reason of the role, it is mandatory to ensure that such third parties are subject to a legal, regulatory or statutory confidentiality obligation; failing that, the reciprocal duty of confidentiality regarding the information exchanged must be formalised by signing a confidentiality agreement;
- it is forbidden to disseminate to other personnel and externally to the Company, through any information channel - including the internet - information, rumours or news not corresponding to reality or information whose truthfulness is uncertain, which may, or is even likely to, provide 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;
- It is prohibited to carry out personal transactions, on one's own behalf or on behalf of third parties, including through intermediaries, using inside information acquired by virtue of one's functions, as well as to recommend or induce others to carry out transactions using the aforesaid inside information;
- furthermore, the conditions for any disclosure of confidential information to third parties must be identified in advance, and appropriate precautions must be applied to ensure the protection and safekeeping of documentation containing confidential information so as to prevent undue access;
- special training sessions are planned to provide all the elements and information to the Recipients to avoid the undue dissemination of confidential information that may affect the price of financial instruments;
- provision of specific contractual safeguards, aimed at regulating the handling of and access to inside information by consultants/business partners through the provision of specific confidentiality and compliance clauses with the Model.

The Finance & Control Department is also required to prepare and communicate the closing calendar to all Function/Department Managers who provide information used in the accounting closing process.

Any changes to activities or deadlines, within the limits set by Italian law on the approval of Statutory Financial Statements, are communicated to the parties involved by the Head of the Finance & Control Department. Likewise, any changes in the timeline requested by the Functions/Departments involved must be promptly communicated and agreed upon with it.

It is the responsibility of the Finance & Control Department to monitor the timeliness and comprehensiveness of the accounting data present in the system and, if necessary, to send a formal reminder to the Company Departments that are late in sending the required accounting information.

It is prohibited for the Recipients to:

- state, or transmit for processing and representation in the financial statements, reports or in other corporate communications, data that are false, incomplete or, in any event, untruthful, or to draw up corporate communications that do not truthfully represent the Company's income statement, balance sheet and cash flow;
- omit data and information required by law on the economic, asset and financial situation of the Company;
- return contributions or release shareholders from the obligation to make them, except in cases of lawful reduction of share capital;

- distribute profits or advances on profits not actually earned or allocated to reserves by law;
- acquire or subscribe shares of the Company, harming the integrity of the share capital;
- carry out reductions in share capital, mergers or demergers in violation of the provisions of the law protecting creditors, causing damage to them;
- carry out fictitious share capital increases, attributing shares for a value of less than their nominal value;
- carry out conduct which, by concealing documents or using other fraudulent means, prevents or obstructs control and auditing by the shareholder and the Board of Statutory Auditors.

Principles of conduct in relation to Bribery between Private Parties

The following general rules of conduct apply to Recipients of this Model who, for any reason, and on behalf or in the interest of Sportswear, engage in relations with customers, distributors, certification companies, suppliers and any private party (hereinafter “third parties”).

In general, the Recipients are prohibited from inappropriately and/or unlawfully influencing the decisions of third parties external to the Company.

In particular, they are prohibited from:

- promising or making payments in cash to third parties external to the Company to obtain benefits for the Company;
- promising and/or offering and/or paying third parties external to the Company, either directly or indirectly, amounts of money or other benefits in exchange for favours, compensation or other advantages for Sportswear;
- offering and/or providing gifts or forms of hospitality that exceed normal commercial and/or courtesy practices and/or, in any case, are likely to compromise the impartiality and independence of judgment of third parties external to the Company;
- making payments or providing other benefits to independent contractors, suppliers, advisors or other third parties working on behalf of the Company, which are not suitably justified by the contractual relationship in place;
- favouring, in the hiring or purchasing processes, employees, independent contractors, suppliers, advisors or other parties based on a specific recommendation by third parties external to the Company, in exchange for favours, compensation or other advantages for themselves and/or for Sportswear;
- proposing making a payment or providing another benefit to independent contractors, suppliers, advisors or other third parties working on behalf of the Company, which are not suitably justified by the contractual relationship in place.

Principles of conduct in relation to Market Abuse Offences.

In addition to what is specifically set forth in the Code of Ethics, the following general principles of conduct apply to Recipients of this Model who, on any basis whatsoever, are involved in “sensitive” activities with respect to the offences referred to in Art. 25-sexies of Decree 231/2001.

In addition, the following principles must be complied with in order to avoid the performance of activities capable of producing an influence on the market:

- 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 fairness, ensuring the timeliness, clarity, authenticity and completeness of the data processed, equal access to information, market protection and compliance with the procedures for 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 inside 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 inside 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 likely to affect the price of financial instruments.

Moreover, compliance with the following principles is expressly provided:

- confidentiality obligation in relation to confidential information acquired or of which knowledge has been gained by reason of the role whether relating to the Company or other group companies or third-party companies in business dealings with the same. No confidential information of which knowledge has been gained may be disclosed to a third-party or used improperly;
- should any confidential information be disclosed to third parties by reason of the role, it is mandatory to ensure that such third parties are subject to a legal, regulatory or statutory confidentiality obligation; failing that, the reciprocal duty of confidentiality regarding the information exchanged must be formalised by signing a confidentiality agreement;
- it is forbidden to disseminate to other personnel and externally to the Company, through any information channel - including the internet - information, rumours or news not corresponding to reality or information whose truthfulness is uncertain, which may, or is even only likely, to provide 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;
- it is prohibited to carry out personal transactions, on one's own account or on behalf of third parties, including through intermediaries, using inside information acquired by virtue of the role, as well as to recommend or induce others to carry out transactions using the aforesaid inside information.

8.8 Crimes against the individual

Considering the risk analysis conducted, the following offence could in abstract be committed in the business context of Sportswear S.p.A.:

- **Illicit brokering and exploitation of labour**, Art. 603-bis, Italian Criminal Code;

The activity and process identified as being at risk of the commission of offences pursuant to the Decree are summarised below:

- Selection and hiring of human resources;
- Procurement of goods and services, including tenders;
- Management of the incentive and reward system.

Principles of conduct

In addition to what is specifically set forth in the Code of Ethics, the following general principles of conduct apply to Recipients of this Model who, on any basis whatsoever, are involved in “sensitive” activities with respect to the offences referred to in Art. 25-quinquies of Decree 231/2001.

In particular, it is required to:

- identify roles, responsibilities and controls aimed at ensuring the correct management of activities that involve the direct or indirect use of labour, which must be carried out in compliance with the regulations in force on the employment of minors and in respect of contribution, remuneration and tax obligations;
- verify the working conditions of counterparty employees by requesting the DURC (single insurance contribution payment certificate), which must be carried out for supplies and services entrusted either through a tender procedure or directly.

In particular, it is prohibited to:

- establish and/or continue relationships with suppliers that use labour in exploitative conditions. One or more of the following conditions constitutes an indicator of exploitation:
- repeated payment of remuneration in a manner that is clearly not compliant with the applicable national collective labour agreements or in any case disproportionate to the quantity and quality of the work performed;
- repeated breach of regulations on working hours, rest periods, weekly rest periods, compulsory leave and holidays;
- existence of violations of occupational health and safety rules;
- subjecting the worker to degrading working conditions, surveillance methods or housing situations.

8.9 Crimes related to occupational health and safety

Considering the risk analysis conducted, the following offences could in abstract be committed in the business context of Sportswear S.p.A.:

- **Manslaughter**, Art. 589, Italian Criminal Code;
- **Negligence causing bodily harm**, Art. 590, Italian Criminal Code.

The activity and process identified as being at risk of the commission of offences pursuant to the Decree are summarised below:

- Management of occupational health and safety matters.

Principles of conduct

The Company promotes the dissemination of a culture of safety and the awareness of risks connected to work activities carried out at its premises, requiring responsible conduct at all levels of the company, in compliance with the procedures adopted on workplace safety.

In general, all Recipients, involved in company safety for various reasons, are required to implement, each to the extent of his/her responsibility, the delegations and powers of attorney received and the procedures adopted in that area, and the prevention and protection measures set up to control the safety risks identified in the Risk Assessment Document (the "DVR") relating to the offices and facilities.

More specifically, for effective risk prevention and in compliance with the requirements of Italian Legislative Decree no. 81/2008, as amended and supplemented, as well as in line with the allocation of roles, duties and responsibilities regarding safety, it is required:

- to company parties (Employer) and the company Departments and Functions involved on various bases in the management of safety to carry out their duties assigned by the Company on that matter in compliance with the powers of attorney or delegations received, the prevention measures adopted and existing company procedures, making sure to inform and train the personnel exposed to safety risks in carrying out their work;
- to persons appointed by the Company or elected by personnel under Italian Legislative Decree no. 81/2008 (i.e. Prevention and Protection Service Manager, Prevention and Protection Service personnel, persons responsible for implementing fire prevention measures, firefighting and evacuation of workers in case of danger, First Aid personnel, the company Doctor and the Workers' Safety Representative) to perform, each within the scope of his/her expertise and powers, the safety tasks specifically assigned under current law and required by the Company's safety system;
- the persons responsible for ensuring that all workers comply with the Company's safety measures and procedures to report any discrepancies or deficiencies in the safety system and any actions in violation of it; and
- all employees to take care of their own health and safety and that of other people who have access to the Company's structures, and to observe the safety measures and procedures and company instructions.

With particular reference to the pandemic emergency, it is prohibited:

- to use inadequate personal protective equipment (i.e. masks) that does not comply with regulations in force for the specific activities to be carried out;
- to deactivate or render even partially ineffective personal or collective protective and/or emergency/safety equipment;
- within the scope of the activity for which they are responsible, to carry out activities and operations outside the areas specifically identified for the required interventions;
- to access work areas if not recognised and authorised for the specific task and with the necessary mandatory training provided;

- to disregard personal hygiene precautions.

Any behaviour contrary to the rules on occupational health and safety adopted by the Company shall be sanctioned, as part of a disciplinary procedure in accordance with the provisions of the regulations on labour relations.

8.10 Offences of receiving stolen goods, money laundering, self-laundering and using money, goods or benefits of illegal origin

Considering the risk analysis conducted, the following offences could in abstract be committed in the business context of Sportswear S.p.A.:

- **Receiving stolen goods**, Art. 648, Italian Criminal Code;
- **Money laundering**, Art. 648-bis, Italian Criminal Code;
- **Use of money, property or benefits of illegal origin**, Art. 648-ter, Italian Criminal Code;
- **Self-laundering**, Art. 648-ter.1, Italian Criminal Code.

The activities and processes identified as being at risk of commission of offences pursuant to the Decree are summarised below:

- Assignment and management, including indirectly, of external consulting assignments;
- Procurement of goods and services, including tenders;
- Management of commercial relationships - wholesale, retail and e-commerce outlets;
- Management of financial flows - payments and collections;
- Credit management, sales invoicing and the issuing of credit notes;
- Preparation of financial statements, and communications to shareholders and/or the market, relating to the economic, asset or financial situation of the Company;
- Capital transactions: management of contributions, corporate assets, profits and reserves, transactions on shareholdings and capital;
- Management of intercompany relationships;
- Management of relations with the Customs Agency and related fulfilments;
- Management of taxation;
- Management of marketing / communication, events, advertising / promotional activities aimed at promoting the Stone Island branded product;
- Research and development of style and conceptual innovation;
- Management of sponsorships, donations and gifts;
- Management of expenses notes and related reimbursements;
- Management of the incentive and reward system;
- Assignment and management, including indirectly, of external consulting assignments;
- Management of the distribution network, including through partnerships/joint ventures;

- Management of partnerships, special projects, co-marketing relationships.

Principles of conduct

In addition to what is specifically set forth in the Code of Ethics, the following general principles of conduct apply to Recipients of this Model who, on any basis whatsoever, are involved in “sensitive” activities with respect to the offences referred to in Art. 25-octies of Decree 231/2001.

In particular, it is prohibited to:

- do not transfer, for any reason, except through banks or e-money institutions or Poste Italiane S.p.A., cash or bearer bank or postal deposit books or bearer securities in Euro or in foreign currency, when the total value of the transaction, even split up, is equal to or higher than the threshold established by anti-money laundering regulations in force;
- do not issue bank and postal account cheques for amounts equal to or exceeding the threshold established by anti-money laundering regulations in force which do not indicate the name or company name of the beneficiary or the specification that they are non-transferable;
- do not endorse for collection bank or postal account cheques issued on the order of the drawer to parties other than banks or Poste Italiane S.p.A;
- do not make payments to current accounts of banks operating in countries included in “tax haven” lists and/or in favour of offshore companies, unless authorised in writing by the Finance & Control Department;
- do not make payments and/or money transfers to encrypted or anonymous current accounts, or current accounts opened at banks that lack physical premises;
- do not make payments to parties whose registered offices are located in countries classified as “uncooperative” according to the Bank of Italy;
- do not purchase goods and/or services against payment of fees that are abnormally low as compared to the market value of the goods or the service.

In addition, the following controls are provided:

- the Recipients may not make payments to internal or external parties that are not adequately justified in light of the contractual relationship established with them, that do not take place as compensation for goods, services, etc. actually received by the Company in compliance with the contractual conditions or that are not due from the Company due to legal obligations.
- payments may only be made against a supporting document (e.g. invoice, expenses note, debit note, etc.) that is properly checked and authorised and must correspond in terms of the beneficiary, the payment amount, the timing and the payment method with what is set out in the supporting document itself or with what has been formally agreed (e.g. by means of a contract) between the Company and the payment recipient;
- transactions involving the use of economic or financial resources must always have an express reason and must be documented and recorded in accordance with the principles of professional correctness and accounting accuracy;

- the persons and organisational units involved in the processes in question must scrupulously observe the instructions contained in the specific organisation procedures governing the activities carried out in those processes;
- all receipts and payments arising from relations with third parties, including intercompany relations, must be settled exclusively through the banking channel, which is the only one capable of ensuring, thanks to modern electronic and telecommunications systems, adequate levels of security, traceability and efficiency in money transfer operations between economic operators;
- the Recipients may not grant third parties discounts, premiums, credit notes or the reduction in any other form of the sum due that are not adequately justified in light of the contractual relationship established with them and are not motivated by objective factors;
- receipts and payments should preferably be made by bank remittances;
- receipts and payments made with cash, the use of petty cash or credit cards must be duly documented and governed by appropriate internal procedures;
- no current accounts or savings books in anonymous or fictitious names may be used, either in Italy or in other foreign countries;
- no endorsements must be made for the collection of bank and postal cheques issued to the order of the drawer except in favour of a bank or Poste Italiane S.p.A.;
- formal and substantive controls and constant monitoring of the company's financial flows must be carried out, with reference to payments from and to third parties and intercompany payments/transactions, taking account:
 - o of the registered office of the counterparty company;
 - o of the credit institutions used (with particular reference to the registered office of the banks involved in the transactions, or to institutions that do not have physical establishments in any country);
 - o of any corporate shields and trust structures used for extraordinary transactions or operations.
- cash flows may only take place using the banking channel, in accordance with specific organisation tools that regulate access to and use of the remote banking system, also providing for the implementation of specific control activities for the traceability of financial flows and specific rules with reference to the allocation/use of any Company Credit Cards, the management of petty cash, with restriction on the use of cash in accordance with legal limits (Italian Legislative Decree 231/2007);

8.11 Crimes involving copyright infringement

Considering the risk analysis conducted, the following offences could in abstract be committed in the business context of Sportswear S.p.A.:

- **Dissemination of intellectual property through telecommunications networks**, Art. 171, Italian Law 633/1941;
- **Offences relating to software and databases**, Art. 171-bis, Italian Law 633/1941;
- **Offences relating to intellectual property intended for the radio, television and film or literary, scientific and educational circuits**, Art. 171-ter, Italian Law 633/1941;

- **Violations against the SIAE [Italian Society of Authors and Publishers]**, Art. 171-septies, Italian Law 633/1941.

The activities and processes identified as being at risk of commission of offences pursuant to the Decree are summarised below:

- Management of the IT system;
 - Management of marketing / communication, events, advertising / promotional activities aimed at promoting the Stone Island branded product;
 - Management of commercial relationships - wholesale, retail and e-commerce outlets;
- Research and development of style and conceptual innovation.

Principles of conduct

In addition to what is specifically set forth in the Code of Ethics, the following general principles of conduct apply to Recipients of this Model who, on any basis whatsoever, are involved in “sensitive” activities with respect to the offences referred to in Art. 25-novies of Decree 231/2001.

In particular, it is prohibited to:

- install and use software (programmes) not approved by the Company and not related to the professional activity carried out by the Recipients and users;
- install and use, on the Company’s computer systems, a software (so-called “P2P”, file-sharing or instant messaging) which can be used to exchange all types of files (such as videos, documents, music files or data) with other parties on the internet without any possibility of control by the Company;
- use software lacking the necessary authorisations/licences;
- use and, in particular, disseminate and/or transmit, through broadcasting channels (i.e. television), websites or other telecommunications instruments, third-party works protected by copyright in the absence of written formalised contractual agreements with the respective owners for their economic exploitation;
- use and, in particular, disseminate and/or transmit, through broadcasting channels (i.e. television), websites or other telecommunications tools, third-party works protected by copyright in violation of the terms and conditions set forth in such agreements;
- reproduce or duplicate the media in which such works are contained, without having acquired the respective rights;
- duplicate and/or disseminate in any form programmes or files except in the forms and for the purposes of the work for which they were assigned;
- copy CDs and more generally media subject to user licences;
- reproduce, duplicate, transmit or disseminate, sell or otherwise market, dispose of for any reason or illegally import copies or specimens of works protected by copyright and related rights.

If there are any doubts concerning the existence of the right to economic exploitation of the work, or concerning the related conditions or terms of exploitation, before using the work, it is obligatory to request

the necessary information from the IT Department and the Intellectual Property & Brand Protection Department.

The erroneous use of a third party's work protected by copyright, which is improperly transmitted or disseminated, must be immediately reported to the Intellectual Property & Brand Department, so that the most appropriate action plan can be initiated.

8.12 Solicitation not to provide statements, or to provide false statements, to the judicial authority

Considering the risk analysis conducted, the following offence could in abstract be committed in the business context of Sportswear S.p.A.:

- **Solicitation not to provide statements or to provide false statements to the judicial authority**, Art. 377-bis, Italian Criminal Code;

The activities and processes identified as being at risk of commission of offences pursuant to the Decree are summarised below:

- Management of litigation (ordinary, administrative, labour law);

Principles of conduct

The Company condemns all conduct which may, in any way, directly or indirectly constitute the offence of "solicitation not to provide statements, or to provide false statements, to the judicial authority" and/or facilitate or favour its commission.

In particular, it is prohibited to:

- promise or offer payments in cash or other benefits to parties involved in legal proceedings, in order to persuade them to conceal/omit facts that could result in punishments/penalties against the Company;
- persuade a party not to provide statements or to provide false statements to the judicial authority during criminal proceedings, through threats or violence (physical or moral coercion) in order to conceal/omit facts that could result in punishments/penalties against the Company.

Finally, the Recipients are required to meet the following requirements:

- relations with the judicial authorities of any order or degree must be managed by the responsible persons identified and adequately engaged by the Company;
- engagements given to external independent contractors (e.g. lawyers, advisors) must be drawn up in writing, indicating the subject of the engagement and the agreed fee, and be signed in accordance with the powers of attorney received;
- the Recipients of this Model must refrain from inducing persons called to testify before the Judicial Authorities not to provide the requested statements, or to provide untruthful information or statements, in relation to the Sensitive Activities in question.

8.13 Environmental offences

Considering the risk analysis conducted, the following offences could in abstract be committed in the business context of Sportswear S.p.A.:

- **Unauthorised waste management activities, also in collusion with third party companies that are assigned the service**, Art. 256, Italian Legislative Decree 152/2006;
- **Unlawful waste trafficking, also in collusion with third party companies that are assigned the service**, Art. 259, Italian Legislative Decree 152/2006);
- **Violation of the obligations of communication and keeping of mandatory records and forms**, Art. 258, Italian Legislative Decree 152/2006);
- **Offences relating to the protection of the air and the reduction of atmospheric emissions**, Art. 279, Italian Legislative Decree 152/2006);
- **Offences regarding ozone and the atmosphere**, Art. 3, Italian Law 549/1993;
- **Criminal sanctions for waste water discharges**, Art. 137, Italian Legislative Decree 152/2006;
- **Environmental pollution**, Art. 452-bis, Italian Criminal Code;
- **Environmental disaster**, Art. 452-quater, Italian Criminal Code;
- **Culpable offences against the environment**, Art. 452-quinquies, Italian Criminal Code;
- **Offences relating to the protection of endangered animal and plant species**, Articles 1-3-bis, 6, Italian Law 150/1992.

The activities and processes identified as being at risk of commission of offences pursuant to the Decree are summarised below:

- Waste management;
- Management of industrial emissions into the atmosphere;
- Management of industrial waste water discharges;

Principles of conduct

The following general principles of conduct apply to Recipients of this Model who, on any basis whatsoever, are involved in “sensitive” activities with respect to the offences referred to in Art. 25-undecies of Decree 231/2001.

In particular, it is required to:

- ensure that the waste analysis certificates contain correct and truthful information on the nature, composition and chemical-physical characteristics of the waste;
- verify that the providers of waste management-related services, where required by Italian Legislative Decree 152/2006 and other legislative and regulatory sources, declare and give, in any case, evidence, according to the nature of the service provided and of compliance with waste management and environmental protection regulations;
- verify, before establishing relationships, the respectability and reliability of suppliers of services connected with waste management, including by acquiring and verifying the communications, certifications and authorisations on environmental matters they have made or acquired in accordance with the law, refraining from engaging in relationships with suppliers that do not offer guarantees of integrity and professionalism;

- include in contracts entered into with suppliers of services connected to waste management specific clauses based on which the suppliers undertake with respect to the Company to keep the authorisations required by regulations for the performance of waste management activity valid and effective for the entire duration of the contractual relationship;
- include in the contracts entered into with suppliers of services connected with waste management specific clauses based on which the Company may reserve the right to check periodically the environmental communications, certifications and authorisations, considering their terms of expiry and renewal;
- periodically update the archive of authorisations, records and communications acquired from third party suppliers, and promptly report any change found to the function in charge;
- take all necessary measures to avoid even a temporary increase in atmospheric emissions;
- make sure that service providers working for the company are familiar with and comply with the company's environmental procedures.

It is expressly prohibited for the Recipients to:

- abandon or deposit waste in an uncontrolled manner or inject solid or liquid waste into surface or subterranean waters in violation of company procedures;
- mix different categories of dangerous waste (or mix dangerous waste with non-dangerous waste);
- violate the obligations of communication and keeping of mandatory records and forms for waste management;
- carry out or arrange organised activities for unlawful waste trafficking;
- falsify or alter the waste analysis certificate, also used within RenTRI;
- falsify or alter any document to be submitted to the Public Administration or control authorities, or fail to promptly communicate information or data on facts or circumstances that could compromise public health;
- refrain from engaging in relations with waste managers which, on the basis of the information acquired, may not guarantee professionalism in the running of their business;
- violate the emission limit values or the prescriptions established by the licence to operate the facility and exceed the air quality limit values established by regulations in force;
- omit, falsify or alter data relating to the atmospheric emissions produced by the plants during the production activities;
- prevent access to the facilities by the authorised parties responsible for controlling them.

8.14 Employment of illegally staying third-country nationals

Considering the risk analysis conducted, the following offence could in abstract be committed in the business context of Sportswear S.p.A.:

- **Employment of illegally staying nationals**, Art. 22, paragraph 12-bis, Italian Consolidated Law on Immigration.

The activity and process identified as being at risk of the commission of offences pursuant to the Decree are summarised below:

- Selection and recruitment of human resources.

Principles of conduct

The following general principles of conduct apply to Recipients of this Model who, on any basis whatsoever, are involved in “sensitive” activities with respect to the offences referred to in Art. 25-duodecies of Decree 231/2001.

In particular, it is required to:

- meet all obligations in relation to the competent Public Bodies envisaged by law for hiring non-EU personnel;
- accurately verify that new-hires have a valid stay permit and/or that such stay permit is renewed within the terms of expiry set out by law.
- in the case of employment of third-country nationals already in possession of a stay permit, verify the existence and validity of the latter, together with any other documentation required to finalise the employment;
- in the case of employment of third-country nationals not in possession of a stay permit, carry out the following:
 - a) a named request for clearance (employment authorisation) to be submitted to the office of the Prefecture with territorial jurisdiction;
 - b) deliver the clearance, once issued, to the citizen they intend to hire, so that he/she can apply to the competent offices for an entry visa for subordinate employment reasons and, following entry into Italy, a stay permit;
 - c) have the stay permit or the copy of the application for a stay permit submitted to the post office and its receipt delivered;
 - d) file a copy of the documentation referred to in point c) above together with the residence and work contract;
 - e) deal with the communications required by law to the Employment Centre and other competent bodies, ensuring that the information transmitted is true, complete and based on appropriate documentation;
- keep track of the number of workers concerned, the expiry dates of stay permits and any renewals of third-country workers employed;
- send notices to third-country workers when their stay permit is about to expire;
- verify, during the course of the employment relationship, the submission by the foreign worker of an application for renewal of his/her stay permit (for which the worker must produce a copy of the receipt issued by the post office where the application was made), close to the expiry of its validity and in any case not beyond sixty days from the same;
- obtain an undertaking from the worker hired by the Company to transmit to the Company any communication, letter and request from the competent Authorities and offices (Police Headquarters, Prefecture, Employment Centre) concerning the validity or expiry of the stay permit;
- use as intermediaries for the recruitment of workers only Employment Agencies authorised by the Ministry of Labour, pursuant to Italian Legislative Decree no. 276 of 2003 (Biagi Law);
- ensure proper information and/or training of the Recipients involved in the Sensitive Process indicated above on the regulations governing the employment of workers from third countries and

scrupulously comply with the company organisational documentation formalised with reference thereto.

It is also provided that:

- contracts with third parties involved in the Sensitive Activity (employment consultants, third parties in charge of administrative fulfilments related to personnel management, etc.) must be drafted in accordance with the company standards in use and must provide that the counterparties are informed of the Company's adoption of the Code of Ethics and 231 Model, in order to bind them to comply with certain principles contained therein, under penalty of termination of the contracts;
- all documentation covered by this Sensitive Activity (deeds, minutes, contracts, receipts, stay permits and other documents), both in electronic and in paper format, must be filed and easily traceable; in particular, the traceability of information sources/elements must be ensured and the filing of all the relevant documentation produced/received with reference to the activities preparatory to and consequent to the submission of the application for authorisation to hire a foreign worker must be ensured.

8.15 Tax offences

Considering the risk analysis conducted, the following offences could in abstract be committed in the business context of Sportswear S.p.A.:

- **Fraudulent declaration through the use of invoices or other documents for non-existent transactions (resulting in a fictitious liability equal to or greater than €100,000)**, Art. 2, paragraph 1, Italian Legislative Decree 74/2000;
- **Fraudulent declaration through the use of invoices or other documents for non-existent transactions (resulting in a fictitious liability of less than €100,000)**, Art. 2, paragraph 2-bis, Italian Legislative Decree 74/2000;
- **Fraudulent declaration using other artifices**, Art. 3, Italian Legislative Decree 74/2000;
- **Untrue declaration**, Art. 4, Italian Legislative Decree 74/2000;
- **Omitted declaration**, Art. 5, Italian Legislative Decree 74/2000;
- **Issuance of invoices or other documents for non-existent transactions (for amounts equal to or greater than €100,000)**, Art. 8, paragraph 1, Italian Legislative Decree 74/2000;
- **Issuance of invoices or other documents for non-existent transactions (for amounts less than €100,000)**, Art. 8, paragraph 2-bis, Italian Legislative Decree 74/2000;
- **Concealment or destruction of accounting documents**, Art. 10, Italian Legislative Decree 74/2000;
- **Undue offsetting**, Art. 10-quater, Italian Legislative Decree 74/2000;
- **Fraudulent evasion of tax payments**, Art. 11, Italian Legislative Decree 74/2000.

The activities and processes identified as being at risk of the commission of offences pursuant to the Decree are summarised below:

- preparation of financial statements, and communications to shareholders and/or the market, concerning the economic, asset or financial situation of the Company;
- procurement of goods and services, including tenders;
- assignment and management, including indirect, of external consultancy assignments;
- management of intercompany relationships;
- management of relations with the Customs Agency and related fulfilments;
- management of taxation;
- management of commercial relationships - wholesale, retail and e-commerce outlets;
- capital transactions: management of contributions, corporate assets, profits and reserves, transactions on shareholdings and capital;
- selection and hiring of human resources;
- management of litigation (ordinary, administrative, labour law);
- management of credit, sales invoicing and issuing of credit notes;
- management of sponsorships, donations and gifts;
- management of relationships with the Tax Authority;
- management of expenses notes and related reimbursements;
- management of the incentive and reward system;
- management of the distribution network, including through partnerships/joint ventures;
- management of partnerships, special projects, co-marketing relationships;
- transactions involving the purchase and sale of its own financial instruments or those of its subsidiaries;
- management of financial flows - payments and receipts.

Principles of conduct

The following general principles of conduct apply to Recipients of this Model who, on any basis whatsoever, are involved in “sensitive” activities with respect to the offences referred to in Art. 25-quinquiesdecies of Decree 231/2001.

In particular, it is required to:

- implement the tax/fiscal regulations in force and monitor their evolution, making use of external advisors in the case of doubts regarding the correct application;
- comply with laws, regulations and, in general, all applicable tax provisions;
- draw up tax returns for the purposes of tax assessment, taking care to include truthful asset and liability accounting elements representative of transactions actually carried out, supported by documentary evidence;

- establish relations with the other companies of the Moncler Group in keeping with the general principles of fairness, transparency, diligence, honesty, loyalty and good faith;
- promptly inform the Finance & Control Department regarding business decisions that could have significant impacts on the Company's tax position, so as to ensure a prior analysis of potential tax risks;
- ensure the systematic and timely communication of updates and amendments to tax regulations by the Finance & Control Department to the company structures concerned;
- if there are several alternatives to achieve the same business objective, select, in full compliance with regulations, the most efficient alternative from a tax perspective, taking into account practice, case law and any opinions provided by legal and tax advisors;
- manage Transfer Pricing regulations in accordance with the principles of the Organisation for Economic Co-operation and Development (OECD) and domestic regulations, also with the support of an external advisor;
- promptly report potential tax risks arising from operations and transactions and/or related to new activities or business initiatives;
- ensure compliance with fiscal/tax regulations and active cooperation in preventing and combating any violations, using normal diligence in identifying potentially anomalous situations;
- encourage the dissemination within the Company of a culture based on compliance and tax risk prevention, making everyone aware of tax issues for a preventive assessment of risks, but also of opportunities;
- ensure full and constant collaboration between the Business Departments and the Finance & Control Department, to guarantee timely identification, assessment and correct management of process tax risks;
- guarantee adequate training, specialisation and updating for Finance & Control Department personnel, but also for personnel from other Departments involved in activities relating to tax compliance, ensuring adequate oversight of tax obligations not directly managed by the Finance & Control Department;
- draw up tax returns, taking care to include truthful asset and liability accounting elements representative of transactions actually carried out, supported by documentary evidence;
- ensure the integrity and non-alteration of the data, information and computer programmes that constitute the tool for carrying out working activities, as well as the entire set of IT and electronic assets;
- guarantee fairness and good faith in all communications, declarations and information required by law and by announcements relating to subsidised funds or grants, facilitating the exercise of the audit functions carried out in the course of the reporting activity;
- fully and exhaustively collect all documentation necessary for the preparation of the financial statements and for the drafting of the compulsory accounting records so as to allow, on the basis of a true and fair accounting picture, for the fulfilment of all tax obligations;

- draw up tax returns for the purposes of tax assessment, taking care to include truthful asset and liability accounting elements representative of transactions actually carried out, supported by documentary evidence;
- comply with the procedures and carry out the controls established within the company and in current tax and fiscal practices;
- implement specific procedures in the event of receipts from parties other than the contractual counterparty (so-called Triangulations);
- verify that payments to suppliers, partners and/or advisors always refer to the agreed contractual relationship and to the agreements made, in addition to being consistent and inherent to the service received and always supported by suitable documentation attesting to the agreement made with the counterparty and the actual receipt of the goods/service agreed upon;
- ensure that the price paid to the supplier/advisor is in line with market prices and/or in any case justifiable in light of the service rendered and the specific expertise required;
- keep the tax documents, attached to the tax return, in compliance with regulatory requirements in force;
- fully and exhaustively collect all documentation necessary for the preparation of the financial statements and for the drafting of the compulsory accounting records so as to allow, on the basis of a true and fair accounting picture, for the fulfilment of all tax obligations;
- favour, when assessing the tax implications of the operations carried out, prudent approaches and rationales, in strict compliance with the applicable regulations and company procedures;
- ensure that the tax burden is correctly determined and indicated in the tax returns in accordance with regulations in force and the instructions provided by the tax authorities;
- develop and promote relations with the tax authorities based on the principles of fairness, honesty and mutual transparency;
- behave in accordance with the principle of maximum prudence. To this end, where the tax legislation applicable to the case is unclear or subject to multiple interpretations, it will be necessary to seek the support of external advisors with appropriate professional expertise. If deemed appropriate, make recourse to a further professional evaluation (“second opinion”) or to forms of preventive dialogue with the tax authorities in order to identify, by mutual agreement, the correct tax regime to be applied;
- make payments only against a supporting document (e.g. invoice, expenses note, debit note, etc.) that is properly checked and authorised and must correspond in terms of the beneficiary, the payment amount, the timing and the payment method with what is set out in the supporting document itself or with what has been formally agreed (e.g. by means of a contract) between the Company and the payment recipient;
- make payments only against approval of payment or evidence of receipt of goods/service;
- in assessing the tax implications of the transactions carried out, prudent approaches and rationales must be favoured, in strict compliance with the applicable regulations and company procedures;

- 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.

It is expressly prohibited for the Recipients to:

- make payments to third parties that are not included in the contractual relationship between the Company and the counterparty to the contract;
- issue payments for invoices and/or other documentation sent to the Companies without first verifying the presence of the approval of the service rendered or the actual receipt of the goods covered by the invoice received;
- record in the accounts receivable or payable bank transactions that do not actually correspond to the accounting documents proving the actual receipt or implementation of the service received or rendered;
- take part in, directly or indirectly (e.g. through third parties), and encourage the execution of transactions, or contrived tax optimisation schemes, with the aim of obtaining undue advantages and/or tax savings;
- submit untrue declarations to the Public Administration or other national or EU Public Institutions in order to obtain public funds, grants or subsidised financing;
- resort to various forms of aid or grants by simulating purchases of goods or professional services that do not exist in whole or in part, including through sponsorships or other advisory engagements;
- simulate acquisitions or sales of goods and services that do not exist in whole or in part, including with regard to other Group companies;
- display false or altered documents to the Public Administration, or withhold or fail to display, if required, documents, information or data of any kind, or behave in such a way as to mislead the Public Administration;
- issue invoices and/or other documentation to counterparties without prior verification of an order confirmation or of the service actually rendered;
- issue invoices and/or other documentation for operations or activities that have not been carried out or have been carried out partially, precisely following the contractual agreements entered into with the counterparty;
- record in the accounts receivable or payable bank transactions that do not actually correspond to the accounting documents proving the actual receipt or implementation of the service received or rendered;
- indicate in documentation submitted for the tax settlement procedure assets in an amount lower than the actual amount or non-existent liabilities;

- resort to offsetting, pursuant to Article 17 of Italian Legislative Decree 241/1997, using non-existent tax credits or credits not due with respect to the tax authorities in order to avoid paying the taxes due;
- record in the accounts receivable or payable bank transactions that do not actually correspond to the accounting documents proving the actual receipt or implementation of the service received or rendered;
- perform any fraudulent act on company or third-party assets in order to render ineffective the compulsory collection procedure for the payment of income tax or value added tax.

8.16 Smuggling offences

Considering the risk analysis conducted, the following offences could in abstract be committed in the business context of Sportswear S.p.A.:

- **Smuggling in the movement of goods across land borders and customs areas**, Art. 282, Italian Presidential Decree 43/1973;
- **Other cases of smuggling**, Art. 292, Italian Presidential Decree 43/1973;
- **Penalty for smuggling in the case of the non-assessment or incomplete assessment of the subject of the offence**, Art. 294, Italian Presidential Decree 43/1973;
- **Aggravating circumstances of smuggling**, Art. 295, Italian Presidential Decree 43/1973;
- **Non-submission or delayed submission of the customs declaration**, Art. 318, Italian Presidential Decree 43/1973;
- **Failure to comply with customs formalities**, Art. 319, Italian Presidential Decree 43/1973.

The activities and processes identified as being at risk of the commission of offences pursuant to the Decree are summarised below:

- Management of relations with the Customs Agency and related fulfilments.

Principles of conduct

The following general principles of conduct apply to Recipients of this Model who, on any basis whatsoever, are involved in “sensitive” activities with respect to the offences referred to in Art. 25-sexiesdecies of Decree 231/2001.

In particular, it is required to:

- comply with all the rules laid down by law and, in general, all provisions applicable to customs matters and submit the relevant declarations in accordance with the time limits laid down by law;
- behave in a correct, transparent and collaborative manner, in compliance with the law and internal company procedures, in relations with the Tax and Customs Authorities and, in general, in relations with public officials and/or public service officers and, in any case, liaise with them only if authorised to do so, within the limits of the powers attributed by the powers of attorney and delegations in force;
- transmit to the Customs Authority all documentation required by relevant regulations on the matter;

- ensure that exported goods are accompanied by all documentation required by relevant customs regulations;
- request the intervention of a specialised advisor in case of doubts and/or critical issues regarding the obligations prescribed by the relevant customs regulations;
- handle relations with carriers, ensuring the correct receipt and signing of the documentation required for customs purposes.

It is expressly prohibited for the Recipients to:

- alter or falsify not only electronic documents but also documents of any other nature, relevant for customs purposes;
- display false or altered documents to the Public Administration, and particularly to the Customs Authorities, or withhold or fail to display, if required, documents, information or data of any kind, or to behave in such a way as to mislead the Public Administration;
- make untrue statements about the quantity and quality of the goods shipped;
- import and/or export merchandise and/or goods in general in violation of the relevant customs regulations, including international regulations;
- conceal goods during inspections carried out by the Customs Authority.

In addition, it is provided that:

- the roles, tasks and scopes of activity of the persons involved in the Sensitive Activity who are not recipients of formalised delegations and powers are defined within specific internal organisational directives that explicitly describe the scope of action and responsibilities, with particular reference to the management of relations with the Customs Authorities during inspections;
- the system of powers and delegations establishes the powers of management autonomy by nature of expenditure and commitment, also with reference to those vis-à-vis the Customs Authorities.

8.17 Offences concerning non-cash means of payment

Considering the risk analysis conducted, the following offences could in abstract be committed in the business context of Sportswear S.p.A.:

- **Misuse and counterfeiting of non-cash payment instruments**, Art. 493-ter, Italian Criminal Code;
- **Fraudulent transfer of valuables**, Art. 512-bis, Italian Criminal Code.

The activities and processes identified as being at risk of the commission of offences pursuant to the Decree are summarised below:

- management of staff expenses notes and related reimbursements;
- management of financial flows - payments and receipts;
- management of commercial relationships - wholesale, retail and e-commerce outlets.

Moreover, with specific reference to the offence provided for in Article 512-bis:

- Capital transactions: management of contributions, corporate assets, profits and reserves, transactions on shareholdings and capital;
- Procurement of goods and services, including tenders.

Principles of conduct

The following general principles of conduct apply to Recipients of this Model who, on any basis whatsoever, are involved in “sensitive” activities with respect to the offences referred to in Art. 25-octies 1 of Decree 231/2001.

In particular, it is required to:

- observe all rules laid down by law and, in general, all applicable provisions concerning non-cash payment instruments;
- ensure that the devices provided (mobile phones, smartwatches, cold-wallets such as digital wallets in the form of USB sticks or tokens producing OTPs for authorisation of a certain transaction or tokens for OTPs) are equipped with a numerical unlocking code;
- observe formalised company procedures/rules governing the use of credit cards and cheques for payments;
- restrict the use of credit cards to authorised persons only;
- provide a system of locks/protections to prevent interventions and alterations in the payment management information/hardware systems;
- if a Customer requests the acquisition of a “credit” to be used as a “gift”, the Store Staff register the sales transaction in the retail operating system, entering the name of the Customer if registered in the registry who purchases the gift card in the transaction log;
- not hold relations, in particular, with persons (natural or legal) who are known, or suspected, to be engaged in unlawful activities or are subject to asset protection measures, or are otherwise involved in activities related to smuggling and money laundering;
- take immediate action in case of negative perceptions and/or reports about the integrity of those with whom they engage;
- report to the heads of department any situations of uncertainty concerning the possible involvement of counterparties in receiving, laundering and using money, goods and benefits of illicit origin, in smuggling or other criminal activities;
- retain all supporting documentation, taking all physical and IT security measures established by the Company and ensuring the traceability of the decision-making process in regard of financial and corporate transactions with third parties;
- behave cooperatively with the Supervisory and/or Judicial Authorities.

It is expressly prohibited for the Recipients to:

- make payments in cash or by means of bearer securities (cheques, postal orders, certificates of deposit, etc.), in euro or foreign currency, for amounts equal to or exceeding those provided for by the applicable anti-money laundering legislation, except through authorised intermediaries, such as banks, electronic money institutions and Poste Italiane, and in any case in accordance with the provisions of the appropriate organisational procedures. Payments made by cash or cheque, as well as the use of company credit cards, must be duly documented and in any case must be made in accordance with the appropriate organisational procedures. It is, in any case, forbidden to make cash payments to public bodies;
- issue bank and postal account cheques for amounts equal to or exceeding the set limit which do not indicate the name or company name of the beneficiary or the non-transferable clause;
- use counterfeit credit cards with which it is possible to make payments for business-related expenses;
- use payment devices other than those envisaged by the Company;
- accept forms of payment other than those expressly envisaged by the company procedures;
- assign or fictitiously register shares, shareholdings, moveable or immovable property, or business branches, as well as carry out other transactions in order to circumvent the laws on asset protection measures or smuggling, or in order to facilitate the commission of one of the offences referred to in Articles 648, 648-bis and 648-ter.

It is also provided that:

- before acquiring real estate, shareholdings, company shares or company branches, the Company carries out specific due diligence on the counterparties (also through the RDC system), in order to acquire information on their honourableness and possible involvement in criminal activities;
- the Company has adopted the Procurement Policy, which includes a phase of assessing the ethical, legal, economic and financial reliability of suppliers and qualifying them;
- before carrying out any transaction involving the acquisition of real estate, shareholdings, company shares or company branches, including from its own suppliers, it requests from them all the documentation necessary to prove their reliability and honourableness requirements;
- there is a prohibition on transferring back, for any reason whatsoever (rent, lease, loan or transfer) the availability of the purchased property (real estate, company shares, business, etc.) held by the transferor;
- it is prohibited to sell and purchase company shares/business branches if the transaction is entered into for the purpose of carrying out a fictitious transaction in order to facilitate the circumvention of a capital measure, the provisions on smuggling as well as to facilitate the commission of crimes.

8.18 Offences against cultural heritage and laundering of cultural assets and devastation and looting of cultural and landscape heritage

Considering the risk analysis conducted, the following offences could in abstract be committed in the business context of Sportswear S.p.A.:

- **Destruction, dispersion, deterioration, defacement, contamination and illegal use of cultural or landscape heritage**, Art. 518-duodecies, Italian Criminal Code

The activities and processes identified as being at risk of the commission of offences pursuant to the Decree are summarised below:

- Management of marketing / communication, events, advertising / promotional activities aimed at promoting the Stone Island branded product.

Principles of conduct

The following general principles of conduct apply to Recipients of this Model who, on any basis whatsoever, are involved in “sensitive” activities with respect to the offences referred to in Art. 25-*septiesdecies* and 25-*duodevicies* of Decree 231/2001.

In particular, it is required to:

- ensure the formalisation of ethical principles/guidelines of conduct and monitoring of the activities carried out within the framework of the organisation/management of events with a view to strict compliance with the regulations on the protection of cultural heritage;
- provide for checks prior to the possible organisation of events that may affect cultural heritage in order to verify the existence of the necessary authorisations by the competent corporate departments;
- assign to the competent corporate departments the task of monitoring any organisation/management of the event, also in the event that it is entrusted to third-party suppliers (e.g. agencies, services, etc.) in order to verify its adequacy and consistency with the authorisations obtained;
- provide, where a supplier is involved, for contractual standards and ad hoc 231 clauses in order to limit the 231 liability profiles of the entity;
- monitor on a regular basis the state of conservation of the cultural heritage, through the preparation of dedicated reports, drawn up by the competent corporate department;
- archive the documentation proving the cultural interest of owned or leased property;
- establish controls prior to interventions on assets subjects to restrictions in order to verify the existence of the necessary authorisations by the competent corporate departments;
- monitor interventions on assets subject to restrictions, in order to verify their appropriateness and consistency with the authorisations obtained.

9 Operational control protocols

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