

ORGANISATION MODEL



Organisation, management and control model pursuant

to Legislative Decree No. 231/2001

– GENERAL PART –

Approved by the Board of Directors of

DOLCE&GABBANA S.r.l.

on 23/09/2020

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GENERAL PART

Section One

1. Legislative Decree No. 231 of 8 June 2001

1.1 The Administrative Liability of Entities

Legislative Decree No. 231 of 8 June 2001, governing the "Administrative liability of legal persons, companies and associations including those without legal personality" (hereinafter "Decree No. 231/2001" or the "Decree"), which came into force on 4 July 2001, implementing Article 11 of the Enabling Law No. 300 of 29 September 2000, introduced, into the Italian legal system, in compliance with the provisions laid down by the EU law, the administrative liability of entities, where "entities" are understood to be businesses, corporates, partnerships and associations, including those without legal personality.

This new form of liability, albeit defined as "administrative" by the legislature, has the same features of criminal liability, it being the responsibility of the criminal court having jurisdiction to conduct investigations into the crimes from which it is derived, and the entity being granted the same guarantees of criminal proceedings.

The entity's administrative liability arises from the perpetration of crimes, expressly indicated in Legislative Decree No. 231/2001, committed in the interest or for the benefit of the entity itself, by individuals holding a representative, administrative or management role in the entity or one of its organisational units vested with financial and functional autonomy or exercising, even de facto, management and control ("senior managers"), or subject to the direction or supervision of one of the aforementioned individuals ("subordinates").

Aside from the existence of the aforesaid requirements, Legislative Decree No. 231/2001 also requires that the entity be found guilty in order to be able to establish its liability. This requirement is imputable to "organisational negligence", intended as the entity's failure to adopt the appropriate preventive measures to prevent the commission of the crimes listed in the following paragraph, by the subjects expressly identified in the Decree.

In the event whereby entities demonstrate that they have adopted and effectively implemented a suitable organisation preventing the commission of these crimes, through the adoption of the organisation, management and control model set forth by Legislative Decree No. 231/2001, such entities shall not be held liable from an administrative point of view.

1.2. Crimes envisaged by the Decree

The crimes, the perpetration of which gives rise to the entity's administrative liability, are those expressly and strictly referred to by Legislative Decree No. 231/2001, as amended and supplemented.

Below is a list of crimes currently included within the scope of application of Legislative Decree No. 231/2001, although the list is subject to being extended in the near future:

1. Crimes against the Public Administration (Articles 24 and 25)
2. Computer crimes and illegal data processing introduced into the Decree by Law No. 48/2008 (Article 24 *bis*)
3. Organised crime offences introduced into the Decree by Law No. 94/2009 (Article 24 *ter*)
4. Crimes relating to counterfeiting currency, legal tender, revenue stamps and stamped paper, identification instruments or identifying signs, introduced into the Decree by Law No. 409/2001 and amended by Law No. 99/2009 (Article 25 *bis*)
5. Crimes against industry and trade, introduced into the Decree by Law No. 99/2009 (Article 25 *bis* 1)
6. Corporate crimes, introduced by Legislative Decree No. 61/2002 and amended by Law No. 262/2005 (Article 25 *ter*)
7. Crimes for purposes of terrorism or subversion of the democratic order, introduced into the Decree by Law No. 7/2003 (Article 25 *quater*)
8. Practices of mutilation of female genital organs, introduced into the Decree by Law No. 7/2006 (Article 25 *quater* 1)
9. Crimes against the individual, introduced into the Decree by Law No. 228/2003 and amended by Law No. 38/2006 (Article 25 *quinquies*)
10. Market abuse, introduced into the Decree by Law No. 62/2005 and amended by Law No. 262/2005 (Article 25 *sexies*)
11. Transnational crimes, introduced into the Decree by Law No. 146/2006
12. Culpable crimes committed by violating the legislation on protection of workplace health and safety, introduced into the Decree by Law No. 123/2007 (Article 25 *septies*)
13. Money laundering crimes, introduced into the Decree by Legislative Decree No. 231/2007 (Article 25 *octies*)
14. Crimes involving copyright infringement, introduced into the Decree by Law No. 99/2009 (Article 25 *novies*)
15. Crime of inducement to not provide statements or to provide false statements to judicial authorities, introduced into the Decree by Law No. 116/2009 (Article 25 *decies*)
16. Environmental crimes, introduced into the Decree by Legislative Decree No. 121/2011 (Article 25 *undecies*)
17. Crime of employment of third-country citizens who are illegal residents, introduced into the Decree by Legislative Decree No. 109/2012 (Article 25 *duodecies*)
18. Crime of racism and xenophobia propaganda and criminal solicitation for reasons of racial, ethnic and religious discrimination (Article 604-bis of the Italian Criminal Code) introduced by

Law no. 167/2017 (Article 25 terdecies)

19. Crime of Fraud in sports competitions, abusive exercise of gambling or betting and games of chance exercised by means of prohibited devices introduced by Law no. 39/2019 (Article 25 quaterdecies)

20. Tax Crimes, introduced by Legislative Decree no. 124/2019 (Article 25 quinquiesdecies)

21. Smuggling crimes, introduced by Legislative Decree no. 75/2020 (Article 25 sexiesdecies).

Cross-reference is made to the document "Annex 1 Extended list of crimes" for the indication of all the offences referred to by Legislative Decree 231/2001.

1.3. Sanctions imposed by the Decree

The system of sanctions described by Legislative Decree No. 231/2001 provides for the application of the following administrative sanctions following the perpetration of the aforesaid crimes, depending on the crime committed:

- fines;
- restrictions;
- confiscation;
- publication of the judgment.

The restrictions, which may be applied only if expressly provided for, including as a precautionary measure, are as follows:

- disqualification from conducting business;
- suspension or revocation of authorisation, permits or concessions used to commit the crime;
- prohibition on entering into contracts with the Public Administration;
- exclusion from contributions, loans, grants and subsidies, and/or revocation of those already provided, if any;
- prohibition on advertising goods or services.

Legislative Decree No. 231/2001 also provides that, in the presence of the necessary conditions for the application of a restriction requiring the interruption of the company's business, the judge, instead of applying that sanction, may order that the business be continued by a judicial commissioner (Article 15 of the Decree) appointed for a period equal to the duration of the restriction that would have been applied, if at least one of the following conditions is met:

- the company provides a public service or a service of public benefit the interruption of which may seriously damage the community;
- the business interruption may cause a major impact on employment levels in view of the size of the company and the economic conditions of the area in which it is located.

1.4 Crimes committed abroad

Pursuant to Article 4 of the Decree, the entity may be held liable, in Italy, for the commission

of certain crimes outside national borders. More specifically, Article 4 of the Decree provides that entities having their head office in the territory of the State are also liable in relation to crimes committed abroad in the cases and under the conditions provided for in Articles 7 to 10 of the Italian Criminal Code, provided that the State of the place where the crime was committed does not bring proceedings against them.

Therefore, the entity is liable to prosecution when:

- it has its head office in Italy, i.e. the actual headquarters where the managerial and directive activities take place, possibly even other than the place where the company or registered office (entities with legal personality) is located, or the place where the activity is carried out on an ongoing basis (entities without legal personality);
- the State within whose jurisdiction the crime is committed is not prosecuting the entity;
- the request of the Minister of Justice, to which the punishment may be subject, is also referred to the entity itself.

These rules concern crimes committed entirely abroad by top management or subordinates. For criminal conduct that occurs even only partially in Italy, the territoriality principle pursuant to Article 6 of the Italian Criminal Code applies, according to which “the crime is deemed to have been committed in the territory of the State, when the action or omission, which constitutes it, takes place therein wholly or partly, or the event which is the consequence of the action or omission occurs therein”.

1.5 Condition for exemption from administrative liability

Art. 6 of Legislative Decree No. 231/2001 provides that the entity shall not be held liable from an administrative point of view if it proves that:

- the governing body has adopted and effectively implemented, before the fact, suitable organisation, management and control models for preventing crimes of the kind committed;
- supervision of the implementation of models, compliance with models and the updating thereof has been delegated to a specific body of the entity vested with autonomous powers of initiative and control (Supervisory Board);
- the persons committed the crime by fraudulently circumventing organisation, management and control models;
- supervision by the Supervisory Board has not been insufficient or lacking.

The adoption of the organisation, management and control model, therefore, allows the entity to be able to avoid the charge of administrative liability. The mere adoption of such a document, by resolution of the entity’s management body, is not, however, in itself sufficient to exclude such liability, it being necessary that the model be efficiently and effectively implemented.

With reference to the effectiveness of the organisation, management and control model for the prevention of the commission of crimes under Decree No. 231/2001, it is required for the same:

- to identify the business activities within the scope of which the crimes may be committed;

- to provide for specific protocols in order to schedule the making and implementation of the decisions adopted by the entity with regard to the crimes to be prevented;
- to identify the methods for managing suitable financial resources for preventing the perpetration of the crimes;
- to provide for reporting obligations to the body responsible for supervising the implementation of the models and compliance therewith;
- to introduce suitable disciplinary measures to punish non-compliance with the measures required by the organisation, management and control model.

With reference to the effective implementation of the organisation, management and control model, Legislative Decree No. 231/2001 requires:

- a periodic review, and, if any significant violations of the requirements imposed by the model are found or if any changes occur in the entity's organisation, activities or any legislative changes, the modification of the organisation, management and control model;
- the imposition of sanctions in the event of violation of the requirements imposed by the organisation, management and control model.

1.6 Confindustria "Guidelines"

Article. 6 of Legislative Decree No. 231/2001 expressly provides that the organisation, management and control models may be adopted on the basis of codes of conduct drawn up by the associations representing the entities.

The Confindustria Guidelines were approved by the Ministry of Justice with Ministerial Decree of 4 December 2003. The subsequent update, published by Confindustria on 24 May 2004, was approved by the Ministry of Justice, which deemed such Guidelines suitable for the fulfilment of the purposes set forth by the Decree. The said Guidelines were updated by Confindustria on 31 March 2008 and approved by the Ministry of Justice on 2 April 2008.

Finally, the afore-mentioned Guidelines were again updated in 2014.

The latest version adapts the previous text dating back to 2008 to new legislation, case law and application practice that have occurred in the meantime, maintaining the distinction between the two Sections, i.e. the general and special sections.

In particular, the main amendments and supplements to the General Part concern: the new chapter on the outlines of liability for crimes and the summary table of predicate crimes; the disciplinary system and sanction mechanisms; the supervisory board, with particular reference to its composition; the phenomenon of groups of undertakings.

The Special Part, dedicated to the in-depth analysis of predicate crimes through specific case studies, was the subject of a substantial review, aimed not only at dealing with the new types of predicate crimes, but also at introducing a more user-friendly schematic analysis method for the operators concerned.

As provided for by Legislative Decree no. 231/2001 (Article 6, para. 3), the document was submitted to scrutiny by the Ministry of Justice which on 21 July 2014 announced its final approval thereof.

In the definition of the organisation, management and control model, the Confindustria Guidelines entail the following project phases:

- identification of the risks, namely the analysis of the company environment in order to highlight in which business areas and in what ways the crimes under Decree No. 231/2001 may occur;
- preparation of a control system (protocols) suitable for preventing the risks of crime identified in the previous phase, through the evaluation of the existing control system within the entity and its level of adaptation to the requirements set forth by Legislative Decree No. 231/2001.

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

- provision of ethical principles and rules of conduct in a Code of Ethics;
- sufficiently formalised and clear organisational system, especially with regard to the allocation of responsibilities, reporting lines and job descriptions with the specific provision of control principles;
- manual and/or computerised procedures governing the performance of activities, with the performance of appropriate controls;
- authorising and signatory powers in line with the organisational and management responsibilities assigned by the entity, envisaging, where appropriate, the provision of spending limits;
- management control systems promptly reporting any possible critical issues;
- employee education and training.

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

- verifiability, traceability, consistency and appropriateness of each operation, transaction and action;
- application of the principle of separation of functions and segregation of duties (nobody may autonomously manage an entire process);
- establishment, performance and documentation of the control activity over processes and activities subject to the risk of crimes being committed.

Section Two

2. The Organisation, Management and Control Model of DOLCE&GABBANA S.r.l.

2.1 The Model preparation and implementation process

The Model, inspired by the Confindustria Guidelines, was developed taking into account the structure and business effectively carried out by the Company, the nature and size of its organisation.

The Company carried out a preliminary analysis of its business context and subsequently conducted an analysis of the operating areas and processes that present potential risk profiles in relation to the commission of the crimes specified by the Decree deemed applicable to DOLCE & GABBANA S.r.l. (hereinafter the "Company" or "DOLCE & GABBANA").

In particular, the analysis focused on the following areas, including but not limited to:

- the Company's history and the corporate context;
- the respective sector;
- the organisational structure;
- the existing corporate governance system;
- the system of delegated powers;
- any existing legal relationships with third parties;
- the typical ways of conducting the business;
- the practices and procedures formalised and disseminated within the Company for the performance of the company's activities.

The preliminary analyses formed the basis used to identify the corporate functions involved in the operating areas that present potential risk profiles in relation to the commission of the above-mentioned crimes, as well as the individuals belonging to these functions who occupy key roles within the company's organisation, i.e. the Key Officers, in order to be able to conduct the interviews relating to the subsequent investigation phase.

For the purpose of preparing this document, the Company therefore proceeded, through interviews with the Key Officers along with the documentary analysis:

- to identify Sensitive Activities and Instrumental Processes, namely the areas in which it is possible that the Crimes deemed applicable to DOLCE&GABBANA may be committed and the possible implementation methods thereof;
- to identify the operating methods used to carry out the Sensitive Activities and Instrumental Processes, the individuals involved and the responsibility sharing system;
- to identify the risks (Risk Assessment) of crimes being committed and the analysis of the Internal Control System suitable for preventing any potentially illegal conduct;
- to identify adequate control measures, required for the prevention of the afore-mentioned crimes or for the mitigation of the risk of committing said crimes.

In the light of the findings of the Risk Assessment, the Model therefore identified the general principles of conduct and the rules of prevention, which must be implemented in order to prevent, as far as reasonably possible, the commission of material Crimes for the Company.

To this end, the Company took into account the existing control and prevention tools, aimed at regulating corporate governance, such as the Articles of Association, the system of proxies and powers of attorney, contracts as well as the procedures and operating instructions drawn up by the individual corporate functions.

In particular, the results of the analyses conducted and described above, linked to the Risk Assessment, are included or referred to in the documentation in which the resulting findings are formalised, with particular reference to the following elements:

- the Sensitive Activities and Instrumental Processes and their implementation methods;
- the individuals involved in the Sensitive Activities and Instrumental Processes;
- examples of the possible ways of committing Crimes in the context of the Sensitive Activities and Instrumental Processes;
- the specific control protocols and systems identified by the Company in order to monitor/mitigate the "crime risks" linked to the Sensitive Activities and Instrumental Processes.

This documentation constitutes a prerequisite of this Model and is kept at the Company's registered office, making it available for future reference to the Board of Directors, the Statutory Auditors, the Supervisory Board and anyone who is authorised to examine it.

2.2 Purposes of the Model

DOLCE&GABBANA, operating in the fashion and luxury goods sector, has as its main corporate object the design, manufacturing, processing and marketing of items of clothing and accessories for men and women (including jewellery). The Company also provides, through regular service contracts, accounting, administrative, computer and financial services to companies of the Dolce&Gabbana Group.

The Company also manufactures and markets precious objects and is therefore entered in the register of beneficiaries of identification marks held by the Milan Chamber of Commerce as well as holding public security permits for the performance of such activities.

The Company is aware of the need to ensure conditions of fairness and transparency in the conduct of business and corporate activities, to safeguard its position, the Shareholders' expectations and the work of its employees and is also aware of the importance of adopting and effectively implementing an organisation, management and control model pursuant to Legislative Decree No. 231/2001, such as to prevent the commission of unlawful conduct in the corporate environment.

Consequently, by resolution of the Board of Directors on 30 March 2010, DOLCE&GABBANA S.r.l. approved the organisation, management and control model (hereinafter, the "Model"), on the assumption that the same constitutes a valuable tool for raising awareness among its recipients (as defined in paragraph 2.3) to behave correctly and transparently, so as to prevent the risk of committing crimes under the Decree. This Model was subsequently updated on 12 November 2014 and most recently on 23 September 2020 in order to incorporate the regulatory updates introduced by the Legislator, as well as the governance and business developments that concerned DOLCE & GABBANA.

Through the adoption of the Model, the Company intends to pursue the following aims:

- to prohibit any conduct that would give rise to the crimes under the Decree;
- to raise awareness that the violation of the Decree, of the provisions laid down in the Model and of the principles of the Code of Ethics may give rise to the application of sanctions (fines and restrictions) also against the Company;
- to raise awareness among the Recipients operating in processes at risk as to the fact that they may run into crimes involving sanctions against them and the Company and to make them aware all of the duties and conduct to which the same Recipients are bound in the

- performance of their duties and/or assignments;
- to enable the Company, through a structured system of protocols and procedures and a constant monitoring on the proper implementation of such a system, to prevent and/or promptly counter the commission of relevant crimes under the Decree.

To this end, this document aims to:

- identify the areas or processes at possible risk within the company's business, that is to say those activities wherein the possibility of Crimes being committed is considered to be highest;
- define the system of prevention protocols for each type of Crime and for each individual sensitive activity;
- assign to the SB the task of supervising the operation and observance of the Model and propose its updating.

D&G S.r.l., as the parent company of the Dolce & Gabbana Group, promotes the adoption of the Model by its Subsidiaries, which will adopt it by way of resolution of the respective Boards of Directors.

In exercising their autonomy, the individual Group companies are directly and solely responsible for the adoption and implementation of the respective Model. The adoption of the Model is approved by the respective Boards of Directors taking into account the interest of the individual Company as a Company belonging to a Group.

In implementing these guidelines, the Subsidiaries independently assess further specific areas at risk in relation to the specific activity carried out, following the analysis of the company's structure and operations.

Aware of the need to keep the Model updated so that it proves effective in order to prevent the commission of the predicate crimes provided for, the Company approved, by resolution of the Board of Directors on 23 September 2020, the version of the Model that incorporates the company assessment in relation to the new organisational structure and applicability to DOLCE&GABBANA S.R.L.'s operational context of the categories of crimes introduced after the approval of the previous Model.

2.3 Structure of the Model

This Model comprises:

- **General Part**, which contains the principles and general rules of the same Model, describes the regulatory framework, its aims, its structure, the Recipients and the essential elements of which it is composed, the requirements, powers and functions of the Supervisory Board, the System of Sanctions, as well as the process of implementation and adoption thereof.
- **Special Part**, which represents the core of the same Model and outlines the scenarios that might potentially give rise to the relevant crimes in DOLCE&GABBANA S.R.L.'s context, as well as the methodological approach used for the identification of sensitive activities, and the existing controls put in place in order to prevent the risk of crime identified.

2.4 Recipients

The provisions of this Model are binding upon the Directors and all those holding powers of representation, administration and direction or management and control, even de facto, within DOLCE&GABBANA, upon the employees (meaning all those who are tied to the Company under an employment agreement, including the managers), and upon any external co-workers subject to the direction or supervision of the Company's senior managers and in any event those acting in the name and on behalf of the Company (hereinafter the "Recipients").

2.5 Key elements of the Model

With reference to the requirements identified in Legislative Decree No. 231/2001, the key elements developed by the Company in the definition of the Model may be summarised as follows:

- mapping of the "sensitive" activities, with examples of possible ways of committing crimes and instrumental processes within the scope of which, in principle, the conditions and/or means for the commission of the crimes included in the Decree may arise;
- provision of specific protocols overseeing the instrumental processes deemed to be exposed to the risk of committing crimes;
- identification of the ethical principles, included both in the Code of Ethics adopted by DOLCE&GABBANA, and, more specifically, in the Special Part of this Model;
- establishment of a Supervisory Board and attribution to the same of specific supervisory duties in relation to the effective implementation and application of the Model;
- adoption of a system of sanctions to ensure the effective implementation of the Model and containing the disciplinary measures applicable in the event of violation of the provisions contained in the Model and aimed at protecting those reporting any unlawful conduct or violations of this Model (Whistleblowing);
- definition of communication channels, which enable to submit, in order to protect the Company's integrity, detailed reports of illegal conduct, of relevance pursuant to Legislative Decree 231/2001 or violations of this Model, guaranteeing the confidentiality of the whistle-blower's identity;
- education and training activities on the content of this Model;
- procedures for the adoption and effective application of this Model as well as for the necessary amendments or supplements thereto (updating of the Model).

2.6 Code of Ethics and Model

As mentioned above, DOLCE&GABBANA, committed to conducting business in compliance with the applicable laws and regulations and the principles of the Group to which it belongs, has formally adopted the Group Code of Ethics (hereinafter also referred to as the "Code"). This Code establishes a set of "business ethics" principles and rules of conduct that the Company recognises as its own and which it requires the compliance thereof both on the part of its corporate bodies and employees and of any third parties who, for whatever reason, entertain relations with it.

Conversely, the Model, whose provisions are consistent and compliant with the principles of the Code of Ethics, adheres to the specific provisions of Legislative Decree No. 231/2001, aimed at preventing the commission of the crimes included under the scope of the Decree

and is therefore binding on the Recipients as identified above.

Moreover, considering that the Code of Ethics also refers to principles of conduct that are also suitable to prevent the crimes referred to in Legislative Decree No. 231/2001, the said document is relevant for the purposes of the Model and it therefore constitutes a complementary element thereof.

2.7 Assumptions of the Model

Legislative Decree No. 231/2001 expressly provides, in Article 6, paragraph 2, sub-paragraph a) that the Organisation, Management and Control Model identify the corporate activities which might potentially give rise to the commission of the crimes under the Decree.

When drafting the Model, DOLCE&GABBANA, in order to analyse the business areas most exposed to the potential risk of committing the crimes under the Decree, considered a series of assumptions which are summarised below and detailed in the Special Part.

Firstly, the Company analysed its organisational structure, represented in the Organisational Chart, which identifies the corporate Departments/Functions and highlights roles and reporting lines. The aforesaid document is kept at the Company's registered office by the Human Resources & Organisation Department which takes care of its filing making it available for future reference to anyone who is authorised to examine it.

When drafting the Model, DOLCE&GABBANA also took into account its own internal control system, analysed and evaluated based on the information gathered by the corporate representatives (Directors and Line Managers), in order to verify its ability to prevent the crimes set out in Legislative Decree No. 231/2001 in the business areas identified as being at risk.

More in general, the Company's internal control system shall ensure, with reasonable certainty, the achievement of the objectives identified below:

- operational objective of the internal control system, which concerns the effective and efficient use by the Company of its resources, protecting itself against losses, and safeguarding corporate assets;
- information objective, which means prompt and reliable communications to enable the proper performance of each decision-making process;
- compliance objective, which ensures that all the Company's operations and actions are conducted in accordance with applicable laws and regulations.

More specifically, the internal control system is based on the following elements:

- segregation of duties through a clear allocation of responsibilities and adequate authorisation levels;
- formalised assignment of powers, including signatory powers, in line with the responsibilities allocated;
- truthfulness, verifiability, consistency, appropriateness and traceability of all operations and transactions;
- existence of rules of conduct aimed at ensuring the performance of corporate activities in

- compliance with the principle of legality;
- information systems geared towards the segregation of duties and the protection of the information contained therein from unauthorised persons, with particular reference to management and accounting systems;
- monitoring over processes and activities at risk;
- internal communication system and employee training.

The employees, within the scope of their respective duties, are responsible for the proper operation of the control system comprising the set of auditing activities that the individual corporate Departments/Functions perform on the related processes.

Section Three

3. Supervisory Board

Art. 6, paragraph 1, of Legislative Decree No. 231/2001 requires, as a condition to benefit from the exemption from administrative liability, that the task of monitoring the compliance and operation of the Model, as well as its updating, be entrusted to a Supervisory Board within the entity which, being vested with autonomous powers of initiative and control, exercises the duties entrusted to it on an ongoing basis.

In this regard, Confindustria Guidelines specify that, although Legislative Decree No. 231/2001 makes it possible to opt for either a single-member or multi-member composition, the choice between one or the other solution shall ensure the effectiveness of the controls in relation to the company's size and organisational complexity.

The Decree also requires that the Supervisory Board perform its duties outside of the Company's operational processes, reporting regularly to the Board of Directors, free from any hierarchical relationship with the Board itself and with the individual heads of the Functions/Departments.

In compliance with the provisions laid down by Legislative Decree No. 231/2001, with the indications set forth by Confindustria Guidelines and with established case-law guidelines on the matter, the Board of Directors of DOLCE&GABBANA established the Supervisory Board sitting as a collective body and reporting to the same Board.

In particular, the composition of the Supervisory Board was defined so as to ensure the following requirements:

- Autonomy and independence: this requirement is ensured by the collective composition, by the presence of "qualified external" members and by reporting directly to the Board of Directors.
- Professionalism: this requirement is ensured by the wealth of professional, technical and practical knowledge available to the members of the Supervisory Board. In particular, the chosen composition ensures adequate knowledge of the law and of the control and monitoring principles and techniques, as well as of the Company's organisation and main processes.

- Continuity of action: with reference to this requirement, the Supervisory Board is required to constantly supervise, through powers of investigation, the compliance with the Model by the Recipients, to oversee its implementation and updating, thereby representing a constant point of reference for all DOLCE&GABBANA employees.

3.1. Term of office, termination and removal

The members of the Supervisory Board shall remain in office for three years and may be re-elected in any case. They are selected among individuals in possession of an ethical and professional profile of unquestionable value.

Company employees and external professionals may be appointed as members of the Supervisory Board. The latter shall not entertain any such relations with the Company as to give rise to potential conflicts of interest.

The fees payable to the members of the Supervisory Board are defined by the Company's Board of Directors in the appointment resolution and do not constitute cases of conflict of interest.

Any legally incapacitated person, bankrupt or person sentenced, even if the judgment is not final, to a sanction resulting in a restriction, including of a temporary nature, from holding public office or incapacity to perform managerial functions, or person sentenced, even if the judgment is not final or with judgment imposing the sanction requested by the parties pursuant to Article 444 of the Code of Criminal Procedure (plea-bargain), on account of having committed one of the crimes provided for by Legislative Decree No. 231/2001, may not be appointed as member of the Supervisory Board and, if so appointed, shall be removed from office.

The members of the Supervisory Board are selected among persons who do not have any kinship, affinity or spouse relations up to the fourth degree with the Directors, insofar as such relations might prejudice their independence of judgement.

The Board of Directors may remove, by resolution of the Board itself, upon consultation with the Board of Statutory Auditors, the members of the Supervisory Board at any time but only for just cause.

The following constitute just cause for removal:

- material breach by the Supervisory Board of its duties;
- if the Supervisory Board fails to report a conflict of interest to the Board of Directors such as to make it impossible for it to maintain its role;
- a sentence on the Company, having become res judicata, or a plea bargain, when the records show omitted or insufficient supervision by the Supervisory Board;
- breach of the confidentiality obligations regarding facts and information acquired in the exercise of the duties within the remit of the Supervisory Board;
- for the member tied to the Company by an employment agreement, commencement of disciplinary procedures for acts which may result in the dismissal.

If the removal occurs without just cause, the removed member may request to be

immediately reinstated in office.

The members of the Supervisory Board who simultaneously hold the office of Director or Statutory Auditor within the Company shall be removed with immediate effect from their position as member of the Supervisory Board as soon as the office of Director or Standing Auditor is terminated.

The Chairman promptly notifies in writing the Board of Directors of the occurrence of a cause of termination, or, in the event whereby the cause of termination affects the Chairman, by the other members of the Body, including individually.

Each member may withdraw from office at any time with a written notice of at least 30 days, to be communicated to the Board of Directors by registered mail with return receipt. The Board of Directors shall appoint the new member during the first meeting of the same Board, and in any event within 60 days from the date of notice of the withdrawal.

The Supervisory Board is required to immediately inform the Board of Directors of the occurrence of any impediments to the requirements for qualification to be elected which a member of the Body shall comply with to be in office.

The Supervisory Board shall govern the rules for its operation independently in specific Regulations, in particular by defining the operational procedures for the performance of the duties assigned to it. The Regulations are then submitted to the Board of Directors for its acknowledgement.

3.2. Powers and duties of the Supervisory Board

The Supervisory Board is entrusted with the following duties:

- to supervise the circulation, within the Company, of the knowledge, understanding and observance of the Model;
- to supervise the compliance with the Model by its Recipients;
- to supervise the validity and adequacy of the Model, with particular reference to the conduct observed in the corporate context;
- to verify the effectiveness of the Model to prevent the commission of the crimes under the Decree;
- to monitor the implementation and compliance with the Model within the scope of the business areas potentially at risk of crime;
- to report to the Company the opportunity to update the Model, whenever the need arises to adapt it following changes to corporate and/or regulatory conditions.

In carrying out these activities, the Body shall fulfil the following obligations:

- to coordinate and collaborate with the corporate Departments (also through special meetings) for the best monitoring of the corporate activities identified in the Model as being at risk of crime;
- to verify the implementation and operation of specific “dedicated” information channels (e.g. e-mail address and mailbox for paper reports), aimed at supporting the flow of reports and information to the Supervisory Board;

- to conduct targeted checks on certain operations or specific acts, put in place within the scope of the business areas identified as being potentially at risk of crime;
- to monitor and control the regular keeping and effectiveness of all the documentation relating to the activities/operations identified in the Model;
- to verify the actual implementation of the information and training initiatives on the Model undertaken by the Company;
- to immediately report to the Board of Directors any violation of the Model, deemed to be founded, by the Company's Directors or senior managers of the same, in the latter case also informing the Head of Human Resources & Organisation Department;
- to immediately report to the Board of Statutory Auditors any violation of the Model, deemed to be founded, by the entire Board of Directors.

In order to fulfil the duties listed above, the Body is vested with the powers set out below:

- to issue provisions and service orders intended to govern its activities and prepare and update the list of information that shall be submitted to it by the Functions/Departments;
- to access, without prior authorisation, any relevant corporate document for the performance of the duties attributed to it by Legislative Decree No. 231/2001;
- to instruct the heads of the Functions/Departments, and in any case all the Recipients, to promptly provide the information, data and/or news required of them in order to identify any aspects related to the various relevant corporate activities pursuant to the Model, and the verification of the effective implementation thereof by the Company;
- to retain external consultants with proven expertise in cases where this is necessary for the performance of verification and control activities, or in order to update the Model.

The activities of manufacturing and trading of precious objects, together with the acquisition of the public security permit issued for such activities and the entry in the register of beneficiaries of identification marks held by the relevant Chamber of Commerce qualify DOLCE&GABBANA as a "recipient" of certain anti-money laundering obligations, in accordance with the provisions of Article 10 paragraph 2 sub-paragraph e) No. 2 and 3 of Legislative Decree No. 231/2007.

Therefore, the Company's Supervisory Board also monitors the aforesaid activities of manufacturing and trading of precious objects in order to fulfil the disclosure and reporting requirements laid down in Article 52 of Legislative Decree No. 231/2007.

In order to improve the performance of its activities, the Supervisory Board may appoint an internal (such as the Internal Audit function) or external member who shall fulfil the supervisory duties in the name and on behalf of the Body itself. With regards to the duties assigned, the responsibility arising therefrom falls to the same Body.

The Company's Board of Directors allocates an annual expenditure budget to the Supervisory Board in the amount proposed by the Body itself and, in any case, appropriate for the duties assigned to it. The Body autonomously decides the expenses to be incurred in compliance with the corporate signature powers and, in the event of expenditure above the budget, it shall be authorised directly by the Board of Directors.

3.3 Reporting of the Supervisory Board to the Corporate Bodies

In order to ensure full autonomy and independence in the performance of its duties, the Supervisory Board reports directly to the Company's Board of Directors.

More specifically, the Supervisory Board reports to the Board of Directors on the progress made in the implementation of the Model and the results of the monitoring activity conducted in the following manner:

- at least annually, to the Board of Directors, through a written report, which describes the monitoring activities carried out by the same Body, the critical issues identified and any corrective action or improvement suitable for the implementation of the Model. The Supervisory Board also informs the Board of Statutory Auditors of the content of the said written report;
- from time to time to the Board of Statutory Auditors, if the need arises, in relation to alleged violations committed by senior managers or by the members of the Board of Directors, as the Supervisory Board may receive from the Board of Statutory Auditors requests for information or clarification on the above alleged violations.

The Supervisory Board may be convened at any time by both the Board of Directors and the Board of Statutory Auditors and, in turn, may require consultation with these bodies should it deem it appropriate to report on matters relating to the operation and effective implementation of the Model, or in relation to specific situations.

To ensure a smooth and efficient flow of information, as well as for the full and proper performance of its duties, the Body is also entitled to request clarification or information directly from officers with the main operational responsibilities.

The afore-mentioned reporting activity is documented through minutes and kept in the Body's records (in the minutes book of the Supervisory Board), in compliance with the principle of confidentiality of the data and information contained therein, as well as with the regulatory provisions regarding personal data processing. The documentation in question must be kept and protected by the Supervisory Board, which will be able to determine the related procedures by means of specific provisions contained in its Regulations.

3.4 Information flows to the Supervisory Board from the Recipients

Legislative Decree No. 231/2001 states, among the requirements that the Model shall meet, the establishment of specific disclosure obligations vis-à-vis the Supervisory Board by the Company's Functions, intended to allow the same Body to fulfil its supervisory and audit activities.

In this regard, the following information shall be disclosed to the Supervisory Board:

- on a quarterly basis: information flows (previously identified by the Body and formally requested by the latter to the individual Functions/Departments) related to instrumental processes and activities at risk of crime;
- on an event basis: any information, data, news and document providing exemptions and/or exceptions to the company procedures (previously identified by the Body);
- within the scope of the Supervisory Board's activities, any information, data, and document deemed useful and/or necessary for the performance of the said checks, previously

identified by the Body and formally requested to the individual Functions/Departments;

- on an occasional basis, any other information of whatever nature, concerning the implementation of the Model in the business areas at risk of crime, as well as compliance with the provisions of the Decree, which might be useful for the performance of the Supervisory Board's duties (reports).

In this latter regard, the Recipients shall report to the Supervisory Board any information relating to conducts that might constitute a violation of the provisions of the Decree and/or the Model, as well as specific cases of crimes.

To this end, dedicated communication channels are put in place for consultation of the Supervisory Board disclosed to the company employees and to whom any reports may be sent and whose access is restricted to the Supervisory Board alone:

- paper mail to the address: ODV Dolce & Gabbana S.r.l., Via Goldoni 10, 20129 Milan
- electronic mail to the e-mail address: ODV231_DEG@dolcegabbana.it

Such methods of transmission of the reports are designed to ensure the utmost privacy of the reporting entities also in order to avoid any retaliation or any other form of discrimination or disadvantage against them.

In any event, all information in the possession of the Body's members is handled in accordance with the applicable legislation and, in particular, in accordance with Regulation (EU) 2016/679 (GDPR) and Legislative Decree No. 196/2003 (Data Protection Code).

The Supervisory Board shall evaluate the reports it receives, including anonymously, and may convene, if deemed appropriate, both the reporting entity, where known, in order to obtain more information, and the alleged perpetrator of the violation, also putting in place all the checks and investigations which are necessary in order to ascertain the validity of the report.

Having ascertained the validity of the report, the Body:

- in the event of the violations being committed by employees, it shall immediately notify in writing the Human Resources & Organisation Department in order to initiate the ensuing actions;
- in the event of violations of the Model, deemed to be founded, by the Company's senior managers, it shall immediately notify the Board of Directors, also informing the Head of Human Resources & Organisation Department;
- in the event of violations of the Model, deemed to be founded, by the Company's Directors, it shall immediately notify the Board of Directors;

in the event of violations of the Model, deemed to be founded, by the entire Board of Directors, it shall immediately notify the Board of Statutory Auditors.

In addition to the above information, the following information shall necessarily be submitted to the Supervisory Board with regard to:

- provisions and/or information from the judicial police, or any other authority, including administrative authorities, concerning the involvement of the Company or of senior

managers, which indicate the conduct of investigations, including against unknown persons, for the crimes under Legislative Decree No. 231/2001, notwithstanding the confidentiality and secrecy obligations required by the law;

- requests for legal assistance put forward by executives and/or employees in the event of judicial proceedings for the crimes under Legislative Decree No. 231/2001;
- changes in the system of proxies and powers of attorney, amendments to the Articles of Association or amendments to the company organisational chart;
- the outcome of any action taken as a result of a written report from the Supervisory Board concerning a confirmed violation of the Model, the successful application of disciplinary sanctions for violation of the Model, as well as the dismissal provisions and the related reasons;
- reporting of serious injuries (manslaughter or serious or very serious culpable personal injuries, in any event any injury with prognosis of more than 40 days and, in any case, the duration of which is more than 40 days) suffered by DOLCE&GABBANA's employees, staff and more generally by all those who have access to the Company's premises;
- alleged violations of the Code of Ethics received by the Supervisory Board from the Company's individual Functions/Departments. The Human Resources & Organisation Department is responsible for submitting the aforesaid information to the Supervisory Board.

The Supervisory Board, with the support of the Company, formally defines the methods of transmission of such information, thereby notifying the Functions/Departments responsible for sending it.

All information and documentation, including the reports provided for by the Model and the reports gathered by the Supervisory Board and received by the same in the performance of its institutional duties shall be kept by the Body itself in a special archive set up at the Company's headquarters and kept for 10 years, unless otherwise provided by law.

In compliance with Law no. 179 of 30 November 2017 (*"Provisions for the protection of whistle-blowers reporting crimes or irregularities of which they became aware in the context of a public or private employment relationship"*) the Company guarantees the protection of the whistle-blowers against any direct or indirect form of retaliation, discrimination or penalisation (application of sanctions, demotion, dismissal, transfer or subjecting to other organisational measures having direct or indirect adverse effects on working conditions) for reasons directly or indirectly connected with the whistleblowing.

Under all circumstances, the Company shall ensure the confidentiality and anonymity of the whistle-blower, without prejudice to the legal obligations and the protection of the rights of the Company or of the persons accused erroneously and/or in bad faith.

The Supervisory Board analyses and evaluates the reports received. If deemed appropriate, the Body may convene both the reporting entity, in order to obtain more information, and the alleged perpetrator of the violation, also putting in place all the checks and investigations which are necessary in order to ascertain the validity of the report.

Section Four

4. System of sanctions

The definition of a system of sanctions, applicable in the event of violation of the provisions of this Model and the principles of the Code of Ethics, constitutes a necessary condition to ensure the effective implementation of the Model, as well as a prerequisite to enable the Company to benefit from the exemption from administrative liability.

The disciplinary sanctions shall be applied regardless of the initiation and outcome of any criminal proceedings lodged in the event whereby the violation constitutes a crime under Legislative Decree No. 231/2001. The sanctions applicable differ depending on the nature of the relationship between the perpetrator of the crime and the Company, as well as the importance and materiality of the violation committed and the role and responsibility of the perpetrator.

In general, the violations may be classified as follows:

- a) conducts that constitute a negligent failure to implement the provisions of the Model, including company directives, procedures or instructions;
- b) conducts that constitute a negligent violation of the provisions of the Model, such as to jeopardise the relationship of trust between the perpetrator and the Company insofar as being unequivocally arranged to commit a crime.

More specifically, the following may be listed by way of an example and not limited to:

- obstacle to the Supervisory Board's institutional activities;
- impediment to access to the information and documentation required by the persons responsible for the implementation of the Model;
- engagement in any other conduct likely to elude the control system established by the Model.

The sanction procedure falls in any case under the responsibility of the relevant function and/or corporate bodies.

4.1 Sanctions applicable to employees

In relation to employees, the Company shall comply with the limits referred to in Article 7 of Law No. 300/1970 (the Workers' Statute of Rights) and the provisions contained in the applicable National Collective Bargaining Agreement (Trade, Textiles, Tourism), both as regards the sanctions and the manner in which the disciplinary power is exercised.

The employees' failure to comply with the provisions of the Model and of all the documentation that forms part thereof constitutes a breach of the obligations arising from the employment agreement pursuant to Article 2104 of the Civil Code and a disciplinary offence.

More specifically, a Company employee's conduct which, according to what is stated in the previous paragraph, may qualify as a disciplinary offence, also constitutes breach of the employee's obligation to perform the duties assigned to him/her with the utmost diligence,

by adhering to the Company's directives, as required by the National Collective Bargaining Agreement currently in force.

The following sanctions may be applied to employees under the National Collective Bargaining Agreement of the Textile-Clothing, Trade, Tourism and Industry Executives:

1. verbal reprimand for minor shortcomings;
2. reprimand in writing;
3. a fine not exceeding the amount of regular pay due for four hours;
4. suspension from work without pay for up to 10 days;
5. disciplinary dismissal without prior notice and other consequences of reason and law.

In order to highlight the criteria of correlation between violations and disciplinary measures it is specified that:

1. the disciplinary measure of verbal reprimand for minor shortcomings shall be imposed on the employee who:

- commits a violation, due to mere negligence, of company procedures and the provisions of the Code of Ethics or adopts, in carrying out activities in the areas at risk, a conduct that does not comply with the provisions of the Model, if the violation has no external significance;

2. the disciplinary measure of written reprimand shall be imposed on the employee who:

- commits, within a two-year period, at least twice violations to which verbal reprimand is applicable;
- commits a violation, due to mere negligence, of the provisions of the Code of Ethics or adopts, in carrying out activities in the areas at risk, a conduct that does not comply with the provisions of the Model, if the violation has no external significance;
- fails to draw up or prepare the documentation required by this Model or by the procedures established for its implementation;

3. the disciplinary measure of the fine not exceeding the amount of regular pay due for four hours shall be imposed on the employee who:

- commits, within a two-year period, at least twice violations to which written reprimand is applicable;
- draws up false documentation, removes, destroys, alters the documentation concerning the implementation of the Model or facilitates such conduct by other Recipients;
- as regards the hierarchical or technical level of responsibility, or in the presence of aggravating circumstances, compromises the effectiveness of the Model with conducts such as:
 - non-compliance with the reporting obligation to the Supervisory Board;
 - the repeated failure to fulfil the obligations laid down by the provisions set out in the Model, in the event whereby they concern a procedure or relation to which the Public

Administration is a party;

4. the disciplinary measure of suspension from work without pay for up to 10 days shall be imposed on the employee who:

- commits, within a two-year period, at least twice violations to which a fine, not exceeding the amount of regular pay due for four hours, is applicable;
- violates the provisions concerning the signatory powers and the system of powers of attorney granted with regard to acts and documents addressed to the Public Administration;
- violates the company rules concerning the conduct to adopt in dealing with trademarks, brands, designs and ornamental models;
- submits false or unfounded reports concerning the violations of the Model and the Code of Ethics;
- commits a violation of the internal control system by preventing control or access to information and documentation to the persons responsible thereof, including the Supervisory Board in such a way as to prevent the transparency and verifiability thereof;

5. the disciplinary measure of dismissal without prior notice shall be imposed on the employee who:

- fraudulently evades the provisions of the Model through conduct unequivocally intended to commit one of the crimes under Legislative Decree No. 231/2001.

The Company may not take any disciplinary measure against the employee without compliance with the procedures laid down in the National Collective Bargaining Agreement applicable to the individual case.

The principles of correlation and proportionality between the violation committed and the sanction imposed are ensured by meeting the following criteria:

- materiality of the committed violation;
- the employee's duties, role, responsibilities and autonomy;
- predictability of the event;
- wilful conduct or degree of negligence, carelessness or inexperience;
- the overall conduct held by the perpetrator, with regard to the existence or otherwise of previous disciplinary measures according to the terms laid down in the applicable National Collective Bargaining Agreement;
- other specific circumstances relating to the violation.

The existence of a system of sanctions associated with non-compliance with the provisions contained in the Model, and in the documentation that forms part thereof, shall necessarily be brought to the attention of employees through the means deemed most appropriate by the Company.

4.2 Sanctions applicable to employees holding executive roles

Failure, on the part of executives, to comply with the provisions of the Model, and of all the documentation that forms part thereof, including the violation of the reporting obligations to

the Supervisory Board and of the principles laid down in the Code of Ethics, results in the application of the sanctions referred to in the collective bargaining agreement for other categories of employees, in compliance with Articles 2106, 2118 and 2119 of the Civil Code and Article 7 of Law No. 300/1970.

In general, the following sanctions may be applied to executives:

- suspension from work;
- early termination of the employment agreement.

The detection of any violations, as well as inadequate supervision and the failure to submit timely information to the Supervisory Board, may result in employees holding executive roles being suspended, as a precautionary measure, from their job position, notwithstanding the executive's right to remuneration, and, again as a provisional and precautionary measure for a period not exceeding three months, being assigned to different duties in accordance with Article 2103 of the Civil Code.

In cases of material violations, the Company may proceed to the early termination of the employment agreement without prior notice pursuant to Article 2119 of the Civil Code.

4.3 Sanctions applicable to co-workers subject to direction or supervision

Failure – by co-workers subject to direction or supervision by the Company's senior managers – to comply with the provisions of the Model, including violation of the reporting obligations to the Supervisory Board and of the principles laid down in the Code of Ethics results, in accordance with what is regulated in the specific contractual relationship, in the termination of the related contract, notwithstanding the Company's right to claim compensation for the damages suffered as a result of such conduct, including damages caused by the application of the sanctions provided for by Legislative Decree No. 231/2001.

4.4 Measures against directors

In the event of a confirmed violation of the provisions of the Model, including those of the documentation that forms part thereof, by one or more Directors, the Supervisory Board shall promptly inform the entire Board of Directors and the Board of Statutory Auditors, in order to ensure that they take or promote the most appropriate and adequate initiatives in relation to the materiality of the violation found and in accordance with the powers provided for by the current regulations and the Articles of Association.

In the event of confirmed violation of the provisions of the Model by the entire Board of Directors, including the documentation that forms part thereof, the Supervisory Board shall immediately notify the Board of Statutory Auditors, so that it may promote the ensuing initiatives.

In particular, in case of violation of the provisions of the Model, including those of the documentation that forms part thereof, by one or more directors, the Board of Directors may directly apply, depending on the extent and materiality of the violation committed, the sanction of formal written reprimand or even partial revocation of the delegated powers and the powers of attorney granted.

In case of violation of the provisions of the Model, including those of the documentation that forms part thereof, by one or more Directors, unequivocally aimed at facilitating or inducing the commission of a relevant crime pursuant to Legislative Decree No. 231/2001 or committing the same, the sanctions (such as, but not limited to, temporary suspension from office and, in the most serious cases, the removal therefrom) shall be adopted by the Shareholders' Meeting, upon the proposal of the Board of Directors or the Board of Statutory Auditors.

4.5 Measures against senior managers

In any event, the breach of the specific obligation to monitor subordinates imposed on senior managers shall also result in the Company's application of the sanctions deemed most appropriate in relation, on the one hand, to the nature and materiality of the violation committed and, on the other, on the title of the senior member that were to commit the violation.

4.6 Disclosure of the system of san

This section of the Model, which contains the provisions relating to the crimes and the associated sanctions, shall be brought to the attention of the Recipients, by their being affixed in a place accessible to all (possibly including dissemination on the company website and Intranet), as well as through specific reference in the contracts or unilateral deeds of appointment relating to the other parties concerned, but not bound by an employment agreement.

4.7 Sanctions pursuant to Article 6, paragraph 2-bis, Legislative Decree 231/2001 (c.d. Whistleblowing)

With reference to the system of sanctions relating to the proper management of reports of crimes pursuant to Article 6, paragraph 2-bis, Legislative Decree 231/2001 (Whistleblowing), the following penalties apply:

- sanctions to protect the whistle-blower for those engaging in direct or indirect acts of retaliation or discrimination against the whistle-blower for reasons directly or indirectly connected with the report;
- sanctions against those who, engaging in wilful misconduct or gross negligence, submit reports that prove to be unfounded.

Section Five

5. Dissemination of the Model

DOLCE&GABBANA, aware of the prevention purpose of training and information, defines a communication and training plan designed to ensure the dissemination to the Recipients of the main content of the Decree and of the obligations arising therefrom, as well as of the provisions of the Model and the principles of the Code of Ethics.

The information and training activities offered to employees are organised by providing different levels of in-depth analysis according to the involvement of personnel in the activities at risk of crime. In any event, the content and methods of disclosure of training activities aimed at raising awareness of Legislative Decree No. 231/2001 and the provisions of the Model vary based on the Recipients' role, the risk level of the area in which they operate and whether or not the same hold Company representation and management duties.

The mandatory training activities, under the responsibility of the Human Resources & Organisation Department, involve the entire workforce, as well as all the resources that shall join the business organisation in the future. In this regard, the related training activities shall be planned and actually provided both at the time of recruitment, and in the event of any changes in duties, as well as a result of updates and/or amendments to the Model.

With regard to the dissemination of the Model within the corporate environment, DOLCE&GABBANA undertakes to:

- send a communication to all employees concerning the successful adoption and update of this Model;
- publish the Model and the Code of Ethics on the company intranet and/or any other means of communication deemed appropriate;
- organise training activities aimed at disseminating knowledge of Legislative Decree No. 231/2001 and of the provisions of the Model, as well as plan training sessions for employees when the Model is updated and/or amended, in the most appropriate way.

In any event, the training activities aimed at raising awareness of the regulations pursuant to Legislative Decree No. 231/2001 and the provisions of the Model adopted shall vary their content and methods of disclosure according to the Recipients' role, the risk level of the area in which they operate and whether or not the same hold Company representation duties.

The documentation relating to the information and training activities shall be kept by the Human Resources & Organization Department, and made available for consultation of the Supervisory Board and anyone authorised to examine it.

Furthermore, the Company also disseminates the content of the Code of Ethics and of the Model among business and financial partners, consultants, collaborators in various capacities, customers and suppliers to whom both documents are made available through online consultation on the Company's website.

Contracts with suppliers, consultants and business partners include a specific clause according to which they declare that they have read the Code of Ethics and the Organisation, Management and Control Model adopted by the Company pursuant to Legislative Decree 231/2001 and to have accepted the same, which are available on the website at <https://world.dolcegabbana.com/it//corporate/it/gruppo/codice-etico.html>". These entities agree to the principles set forth in the Organisation, Management and Control Model and Code of Ethics adopted by the Company and undertake to observe the provisions and inspiring principles and, in general, to refrain from any conduct designed to constitute the offences envisaged in the Legislative Decree 231/01 and referred to in the afore-mentioned Model.

6. Adoption and update of the Model

The adoption and effective implementation of the Model will, by express provision of law, be the responsibility of the Board of Directors. It follows that the power to adopt any updates to the Model falls, therefore, within the remit of the Board of Directors, which shall exercise it by resolution in the manner required for its adoption.

The updating activity, understood both as supplementation and amendment, is aimed at ensuring the adequacy and suitability of the Model, evaluated according to its function of preventing crimes under Legislative Decree No. 231/2001.

Conversely, it is incumbent upon the Supervisory Board to actually assess a need for or the appropriateness of updating the Model, by promoting this need to the Board of Directors. The Supervisory Board, within the scope of the powers granted to it in accordance with Article 6, paragraph 1, sub-paragraph b) and Article 7, paragraph 4, sub-paragraph a), of the Decree, is responsible for submitting proposals for the updating and adaptation of this Model to the Board of Directors.

The Model shall be promptly amended and supplemented by the Board of Directors, including at the request of and in any event subject to consultation with the Supervisory Board, upon occurrence of the following:

- variations and circumvention of the provisions of the Model that have demonstrated its ineffectiveness or inconsistency for the purpose of preventing the crimes;
- significant changes to the internal structure of the Company and/or the procedures for the business performance;
- regulatory changes.

Any amendments, updates and additions to the Model shall be reported to the Supervisory Board.

The operating procedures adopted in the implementation of this Model are modified by the relevant Functions/Departments, with the preliminary evaluation of the Internal Audit function, for the purposes of the proper implementation of the provisions of the Model. The relevant Functions/Departments also take care of the necessary changes or additions to the procedures required in order to implement any revision of this Model.

The Supervisory Board must be constantly informed by the corporate Functions as to the update of the existing procedures and the implementation of new procedures.

Approved by the Board of Directors of

DOLCE&GABBANA S.r.l.

on 23/09/2020

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