

VALENTINO

CODE OF ETHICS

Approved by the Board of Directors on 28 May 2018

TABLE OF CONTENTS

FOREWORD

1. GENERAL PRINCIPLES

- 1.1 Scope and recipients of the Code
- 1.2. Commitments of the Valentino Group
- 1.3. Obligations of employees
- 1.4. Obligations for the Heads of Corporate Departments and Functions
- 1.5 Significance of the Code in relation to third parties
- 1.6 Bodies of reference for the application of the Code
- 1.7 Contractual value of the Code

2. CONDUCT IN BUSINESS MANAGEMENT

- 2.1 Business management in general
- 2.2 Gifts, give-aways and other benefits
- 2.3 Conflict of interests
- 2.4 Selection and contractual relationships with Suppliers
- 2.5 Relationships with Customers and protection of competition
- 2.6 Protection of intellectual property
- 2.7 Prevention of money laundering
- 2.8 Proper use of company assets
- 2.9 Sustainability
- 2.10 Mistreatment of animals

3. EXTERNAL RELATIONS

- 3.1 Relationships with Regulatory Authorities and Control Bodies
- 3.2 Relations with Parties, Trade Unions and Associations
- 3.3 Relations with Public Institutions
- 3.4 Relations with the media
- 3.5 Protection of personal data

4. CORPORATE INFORMATION

5. PERSONNEL POLICIES

- 5.1 Human resource management
- 5.2 Health and safety
- 5.3 Sexual harassment
- 5.4 Abuse of alcohol and drugs
- 5.5 Smoking
- 5.6 Respect for differences

6. TRANSPARENCY OF ACCOUNTING INFORMATION AND INTERNAL CONTROLS

- 6.1 Transparency of accounting records
- 6.2 Internal control system

7. ADOPTION, EFFECTIVENESS AND AMENDMENTS

8. OVERSIGHT COMMITTEE CONTACT INFORMATION



FOREWORD

The mission of Valentino S.p.A. (hereinafter also the "Company") is to play a leading role in the fashion and luxury market through the high quality and refinement of its products and the care and attention to the needs of a cosmopolitan clientele in constant evolution, pursuing excellence, in a continuous dialogue between passion and experience, through:

- ✓ *Innovation and creativity*
- ✓ *Differentiation and selection*
- ✓ *Flexibility and efficiency*
- ✓ *Continuity, quality and sustainability*
- ✓ *Centrality of the Consumer*

in full respect of the ethical principles of *fairness, honesty and transparency*.

Valentino S.p.A. and its subsidiaries pursuant to Article 2359, paragraphs 1 and 2, of the Italian Civil Code and Article 26 of Legislative Decree No. 127/1991 (hereinafter the "Group") represent an international network operating in a variety of institutional, economic, political, social and cultural contexts in continuous and rapid evolution.

All the Group's activities take place within the law, in a framework of fair competition, honesty, integrity, fairness and good faith, respecting the legitimate interests of customers, employees, business and financial partners and the communities in which the Group is present through its activities.

All those who work in and for the Group, without distinction or exception, are committed to complying with, and ensuring compliance with, these standards as part of their duties and responsibilities. Under no circumstances can the conviction of acting for the benefit or in the interest of the Group justify the adoption of practices contravening these principles.

Due to the complexity of the situations in which the Group operates, it is important to clearly define the set of values that the Group recognises, accepts and shares and the set of responsibilities that the Group assumes both internally and externally. For this reason, we have prepared this "Code of Ethics" (hereinafter, the "Code"), which contains a set of principles and rules whose observance by the recipients is essential for the proper functioning, reliability and reputation of the Group.

The Code of Ethics, also prepared pursuant to Legislative Decree No. 231/2001, intends to ensure that the Group's operations, behaviour, way of working and internal and external relations are characterised by honesty, fairness, integrity, loyalty and professional rigour, placing respect for the



laws and regulations of the countries in which the Group operates, as well as compliance with corporate procedures, at the centre of attention.

The Board of Directors of Valentino S.p.A., in conformity with the most advanced standards for corporate governance, has adopted the Code in order to ratify the aforesaid ethical principles.

The Group carefully monitors compliance with the Code of Ethics, preparing appropriate information, prevention and control tools, and ensuring the transparency of operations and behaviour, intervening, if necessary, with corrective actions and appropriate sanctions.

The Group provides for the widest dissemination of the Code of Ethics to all recipients and the general public, including through inclusion on the website www.valentino.com.



1. GENERAL PRINCIPLES

1.1 Scope and recipients of the Code

The Code applies to all companies in the Group, in Italy and abroad, and is therefore binding on the conduct of all "Recipients", subject to the mandatory provisions of law applicable to the individual Group companies.

The term "Recipients" refers to all subjects covered by the provisions of this Code of Ethics, and who are identified as:

- directors and members of the corporate bodies of the Group companies, Directors-General and any other person in a senior position, meaning any person invested with functions of representation, administration or management or who exercises, even de facto, management and control of the company or any of its units or divisions ("Company Representatives");
- all employees of the Group companies, including term or part-time workers and similar ("Employees");
- all those who, directly or indirectly, permanently or temporarily, establish relations with the Group, or in any way act to achieve its objectives, in all countries in which it operates ("Partners");

All those who, permanently or temporarily, provide – in whatever form – goods and/or services to Group companies ("Suppliers") are also bound by the provisions of this Code – in those parts applicable to them – in their relations with the Group.

All Recipients are required to be familiar with the Code of Ethics, comply with its provisions both in relations amongst themselves (internal relations) and in relations with third parties (external relations), actively contribute to its implementation and report any shortcomings to the competent reference function.

All actions, operations and negotiations and, in general, the conduct engaged in by Group employees and more generally by the Recipients in performing their work or providing services for and/or on behalf of the Group are therefore inspired by the highest levels of correctness in terms of management, completeness and transparency of information, legitimacy, in both formal and substantial terms, and the clarity and truthfulness of accounting according to current regulations and internal procedures.

IN PARTICULAR:

- Company Representatives are to embody the values and principles of the Code, by assuming internal and external responsibility and strengthening trust, cohesion and team spirit.



The members of the Board of Directors, in setting corporate strategies and objectives, proposing investments and implementing projects, as well as in any decision or action related to the management of the Group companies, are to be inspired by the principles of the Code.

- Employees of the Group, in due compliance with laws and regulations, shall adapt their actions and conduct to the principles, objectives and commitments envisaged by the Code.

To remain loyal to the principles set forth in this Code of Ethics, a reporting system is envisaged through which “Company Representatives”, “Employees” and “Partners” who were to identify conducts which are unlawful or relating to the violation of this Code of Ethics, submit detailed reports of unlawful conducts, based on specific and concurring factual elements, of which they have become aware due to their functions, to the Ethics Committee referred to in paragraph 1.6. below, for the purposes of the integrity of the entity. The reports shall be duly investigated and their confidentiality will be ensured.

The Company undertakes to ensure suitable measures for the safeguard of the whistleblowers setting forth the prohibition of retaliatory or discriminatory acts, whether direct or indirect, towards the whistleblower for reasons directly or indirectly related to the report.

In any event, any retaliatory or discriminatory measures as well as the dismissal adopted vis-à-vis the whistleblower for reasons directly or indirectly related to the report, are void.

1.2 Commitments of Valentino S.p.A.

The Company ensures, including through the designation of specific internal functions:

- the widest possible dissemination of the Code among Group companies and its effective implementation by them, including through inclusion, in their respective contracts, of special clauses that establish an obligation to comply with its provisions;
- the updating of the Code as required to reflect evolving civil sensibilities, the business environment and regulations of relevance to the Code itself;
- the investigation of all reports of violations of the standards of the Code;
- the assessment of the facts and the subsequent implementation, in the event of proven violations, of appropriate sanctions;
- that no one may suffer any retaliation whatsoever for having provided information regarding possible violations of the Code or of the reference standards.



1.3 Obligations of employees

All employees are required to be familiar with the rules of the Code and reference standards that regulate activities carried out as part of their duties. Group employees are required to:

- refrain from conduct contrary to these rules;
- consult their superiors and/or the Ethics Committee for clarification on how to apply them;
- promptly report to their supervisor and/or the Ethics Committee any information obtained directly or reported by others, concerning a possible violation or any request received to violate them.

1.4 Obligations for the Heads of Corporate Departments and Functions

Each Head of a Corporate Department or Function (meaning every persons that exercises, even de facto, management and/or control of a unit or division) has the obligation to:

- adapt their conduct to the principles set forth in this Code and the reference procedures, and ensure their observance by Employees and Partners. For the purposes of this Code, each manager shall supervise the Employees and Partners subject to his/her direction, coordination or control and shall take the necessary measures in order to prevent violations of this Code;
- work to ensure that Employees and Partners understand that compliance with the Code, as well as procedures and safety standards, is fundamental for the quality of their work, and that its violation can constitute a breach of contract and/or a disciplinary offence, in compliance with applicable law;
- carefully select, within his/her competence, internal and external staff to prevent assignments being given to persons who do not fully respect their commitment to observe the rules of the Code and procedures;
- adopt prompt corrective measures whenever necessary, and implement and promote the adoption of appropriate measures to prevent the recurrence of violations;
- promptly report findings to the Ethics Committee as well as any information reported to him/her by employees about potential or actual violations of this Code by any Employee or Partner.

1.5 Significance of the Code in relation to third parties

All Recipients, to the extent of their competence, in the context of their relations with outside parties, shall:

- adequately inform them about the commitments and obligations imposed by the Code;
- demand compliance with obligations related to their activities;
- take proper internal action and, if authorised, external action, in the event of a breach by third parties of the obligation to comply with the rules of the Code.

1.6 Body of reference for the application of the Code

The Body of Reference for the application of the Code is the Ethics Committee comprised of the Human Resources Director, the Director of Legal Affairs and of the Group Internal Audit, having the duty to investigate reports of possible violations and conducting the most appropriate investigations and checks, making use of the competent structures of the Group. Accordingly, it will be responsible for assessing and, based on the nature and seriousness of the violation, reporting the results of the investigations to the corporate and supervisory bodies which are competent in consideration of the nature and gravity of the violation for the adoption of the corrective measures to be taken. The Ethics Committee is also the point of reference for the interpretation of the relevant aspects of the Code.

1.7 Contractual value of the Code

Compliance with the Code is an essential part of the obligations of Employees of Group Companies, also pursuant to Article 2104 of the Italian Civil Code.

A violation of the Code may constitute a breach of the primary obligations of the employment relationship or a disciplinary offence, with all legal consequences, including with regard to the preservation of the employment relationship and may result in legal action for compensation of damages caused by that infringement.

For non-employee Recipients (such as partners and suppliers), compliance with the Code is a requirement for the continuation of the business, professional or collaborative relationship with the Group.

2. CONDUCT IN BUSINESS MANAGEMENT

2.1 Business management in general

In business relationships, the Group shall be inspired by principles of loyalty, fairness, transparency, efficiency and openness to the market.

Recipients who act in the name, or on behalf, of the Group, are required, in business dealings of interest to the Group and in relations with the Government, to maintain ethical, law-abiding conduct characterised by the utmost transparency, clarity, fairness and efficiency.

In commercial or promotional relations, Recipients are also required to act in line with the corporate policies of the Group, which can never be translated, even if intended to achieve the corporate purpose, into acts contrary to law, current regulations or the company procedures adopted for its individual functions.

2.2 Gifts, give-aways and other benefits

In relations with Customers, Suppliers and third parties in general including Public Officials, it is not allowed to make direct or indirect offers or concessions, even by inducement, of money, gifts or personal benefits of any nature aimed at obtaining undue advantages – real or apparent – of any kind (such as gifts, promises of economic benefits, favours, recommendations, promises of job offers, etc.) or in any case aimed at acquiring or reserving favourable treatment in conducting any activity related to the Company.

In any case, acts of business courtesy are allowed, provided they are of modest value and made in compliance with any applicable legislation and, in any case, such as not to compromise the integrity and reputation or influence the independent judgement of the Recipient.

A Recipient who receives gifts, beyond the limits of normal courtesy and not of modest value, must refuse them and immediately inform their supervisor and/or the Oversight Committee.

2.3 Conflict of interests

Recipients must avoid situations and/or activities that may lead to conflicts of interest with those of the Group or that may interfere with their ability to make impartial decisions, in safeguarding their best interests.

By way of non-limiting example, there is a conflict of interest in the case of:

- profit-sharing (overt or covert, direct or indirect) in the activities of suppliers, customers, and competitors and, in any case, with external parties that seek to do business with the Group;
- using one's own functional position in order to pursue interests in conflict with those of the Group;
- using information acquired in the course of work activities for the benefit of third parties and, in any case, in conflict with those of the Group;
- assuming corporate offices or carrying out work of any kind, even indirectly, with customers, suppliers, competitors and third parties in general in conflict with the interests of the Group;
- purchasing or selling shares (of Group or external companies) when, in relation to your work, you are aware of material information not yet in the public domain. In any case, trading of securities of Group companies by relevant persons must always be carried out with absolute transparency and fairness and compliance with the requirements of market information provided for by law;
- acting as mediator, business promoter or other intermediary on behalf of third parties in operations concerning the Group or its interests.

If a Recipient finds himself in a situation of conflict, even potential, with the Group's interests, the Recipient must immediately inform his/her superior and, in matters of greater importance, the Oversight Committee, and refrain from all activities related to the source of the conflict situation.

In relations between the Group and third parties, Recipients must act in accordance with ethical and legal standards, with the explicit prohibition of resorting to illegitimate favouritism, collusion, corruption or solicitation of personal advantage for themselves or others.

It is mandatory to promptly provide their supervisor and, in matters of greater importance, the Oversight Committee, any information that could imply or predict a situation of potential conflict of interest with the Group.

This is without prejudice to the rules on conflict of interest of members of the corporate bodies in accordance with law.

Recipients must also avoid situations and/or activities that are inconsistent with the provisions of Legislative Decree No. 231/2001 and subsequent amendments and additions.

2.4 Selection and contractual relationships with Suppliers

The selection of Suppliers and the formulation of the purchase conditions of goods and services for Group companies is based on the respect for the values of competition, objectivity, fairness, impartiality, fair price, quality of goods and/or services, respect for the ethical principles of protecting health, safety and the environment, carefully assessing the guarantees of assistance and the range of offers in general.

Procurement processes must be based on the search for the maximum competitive advantage for the Group and on fairness and impartiality towards each Supplier in meeting requirements. One must also obtain the cooperation of suppliers in constantly meeting the needs of the Group's customers in terms of quality and delivery times.

The signing of a contract with a supplier must always be based on extremely clear relationships, avoiding, wherever possible, the acceptance of contractual obligations that involve forms of dependence on the contracting supplier. Each contract shall contain an appropriate clause whereby the supplier is committed to full and timely compliance with the principles of this Code, subject to the Company's right to terminate the relationship and take action to obtain compensation for any damage.

In addition, in order to ensure respect for persons, the Group, in choosing suppliers (especially in countries "at risk", as defined by recognised organisations) shall be inspired by criteria that guarantee respect for the fundamental rights of workers, principles of equal treatment and non-discrimination and protection of safety and health in the workplace, asking that they not adopt production practices that could result in harm to the health of workers ("sandblasting", etc.) and prohibiting them to give course to any form of hard or child labour. To ensure compliance with these requirements, the Group reserves the right to conduct inspections at suppliers to ensure the professionalism and integrity necessary for the continuation of the collaboration.

2.5 Relationships with Customers and protection of competition

The Group pursues its success on international markets by offering products and services of high quality in competitive conditions and in compliance with laws that protect competition in the countries in which it operates and shall refrain from engaging in, and/or providing incentives for, conduct that may constitute unfair competition.

Valentino S.p.A. bases company activities and the conduct of business on quality, not only as an aspect of the product, but also as attention to the special needs of customers, professionalism, availability



and timeliness in responding to business inquiries and the punctual reviewing of complaints for full customer satisfaction.

In relations with customers and in compliance with internal procedures, each Recipient must aim for maximum customer satisfaction by providing, among other things, exhaustive and accurate information about the products and services provided to them, in order to facilitate knowledgeable choices.

2.6 Protection of intellectual property

The Group ensures compliance with internal, EU and international rules for the protection of industrial and intellectual property.

Recipients shall promote the proper use, for any purpose and in any form, of trademarks, brands and all creative intellectual works, including computer programs and databases, for the protection of copyrights and the moral rights of authors. In fact, it is forbidden to engage in any conduct aimed, in general, at counterfeiting, altering, duplicating, reproducing or distributing the work of others, in any form, without the right.

2.7 Prevention of money laundering

Recipients, in the context of the various relationships established with the Group, shall not, in any way and under any circumstances, be involved in events related to laundering money derived from criminal activity or receiving stolen goods or other assets of illicit origin.

Before establishing relations or stipulating contracts with suppliers and other partners in business relations, each company of the Group and/or partners must verify, on the basis of the available information, the moral integrity, reputation and good name of the other party.

In fact, it is obligatory to comply with all rules and regulations, both national and international, on the subject of combating money laundering.

2.8 Proper use of company assets

Each Recipient is responsible for the protection and proper use of Group assets, both tangible and intangible, including confidential information and computing and network resources, and has the duty to promptly inform the appropriate bodies of any threats or events that may damage the Group.

In particular, each Recipient must:

- work diligently to protect corporate assets by acting responsibly and in line with the operating procedures that govern their use;
- avoid improper use of company assets for purposes contrary to the mandatory provisions of law, public order or morality, as well as committing or inducing the commission of crimes and/or, in any case, racial intolerance, incitement of violence or the violation of human rights;
- obtain the necessary authorisations in the event of use of the asset outside the company.

The use of corporate assets for any purpose outside of the corporate activities can cause serious damage (economic, image, competitiveness, etc.) to the Group with the aggravating circumstance that improper use can lead to potential criminal and administrative sanctions for any offences and the need to take disciplinary action against the recipient.

A. Electronic Information

The growing dependence on information technology requires ensuring the availability, security, integrity and maximum efficiency of Group data that is electronically transmitted or stored.

Each Recipient is therefore required to:

- not send threatening and insulting e-mail messages, not use foul or, in any case, vulgar language and not make inappropriate or undesirable comments that may cause offence to persons and/or damage the corporate image and that in any case, constitute a violation of the values and policies of the Group such as, for example, sexual harassment and racial, or other forms, of discrimination;
- avoid *spamming* or "chain letters" that can generate data/information/process traffic in the company computer network that significantly reduces the efficiency of the network with negative impacts on productivity;
- not surf websites with content that is indecent and offensive or, even more so, pornographic or otherwise unacceptable or contrary to the law and common morality;
- scrupulously comply with corporate security policies in order not to compromise the functionality and security of information systems;



- avoid uploading borrowed or unauthorised software on corporate systems and not making unauthorised copies of licensed programs for personal, corporate or third-party use.

B. Traceability. Integrity of documentation

In compliance with company procedures, each Recipient shall maintain proper documentation of each operation, in order to be able, at any time, to verify the motivations and characteristics of the operation in the stages of authorisation, execution, registration and verification.

All financial reports, accounting statements, reports of research progress, sales reports, time sheets and any other document relating to the activities and organisation of the Group must reflect the relevant facts accurately and clearly and the true nature of each operation.

Each document, in whatever form, with any incorrect, incomplete or untrue content is against company policy and will therefore be considered unacceptable.

C. Travel and entertainment

Travel and entertainment must be compatible with work requirements. It is the Group's intention to ensure that employees and, more generally, Recipients, do not obtain unjustified or illegitimate benefits or suffer damage or economic loss as a result of business travel or entertainment. They are therefore required to use the Group's money and to manage it with the same care and caution with which they would spend their own.

When an expense report is submitted, you will be reimbursed for expenses that reasonable, actual and authorised, according to the rules in specific company procedures. Always request receipts and, under all circumstances, separate personal from work expenses.

D. Confidential Information

The documents and confidential information of the Group (including projects, proposals, strategies, negotiations, understandings, commitments, agreements, contracts being finalised, products not yet placed on the market, research results, financial projections and customer lists) can only be disclosed or communicated to the outside in accordance with company procedures.

Confidential information obtained as a Recipient cannot be used for the personal benefit of employees or recipients or other individuals associated or related to them. The use of such information for

personal benefit includes (a) using or providing information to others to use when trading in the Group's securities on the stock market, or (b) acquiring any interest whatsoever.

2.9 Sustainability

The Group conducts its business activities with the aim of ensuring product quality and sustainability, by integrating economic, ethical-social and environmental needs with its activities in order to safeguard the environment and society for present and future generations.

Valentino SpA, considering the environment a patrimony of the community, promotes its protection and preservation, encouraging and promoting corporate conduct aimed at reducing environmental impact, including through the reduction of energy consumption, limiting air emissions and reducing refuse and waste. The Group is therefore committed to achieving goals aimed at eliminating the use and release of hazardous chemicals in the production process and not contributing to deforestation in the supply of packaging and leathers. Valentino SpA informs the public of the actions taken to achieve these objectives by making the results transparent.

It should be clarified that the Group pays special attention to the trade in raw materials from species subject to the "Convention on international trade in species of fauna and flora threatened with extinction," marking the production and sale of its products in accordance with local regulations.

2.10 Mistreatment of animals

The Group, in the provisioning of raw materials of animal origin (such as feathers, down, leather and the like), asks its partners and suppliers to ensure that such materials have not been obtained through cruel ranching or collection practices, repudiating maltreatment and other harmful activities.



3. EXTERNAL RELATIONS

3.1 Relationships with Regulatory Authorities and Control Bodies

The Group is committed to full and strict observance of the rules established by Regulatory Authorities and Control bodies for compliance with applicable law, as well as basing its relations with these agencies on full respect for their institutional role and committing to promptly implementing their requirements.

3.2 Relations with Parties, Trade Unions and Associations

Relations with political parties, trade unions and other interest groups are conducted by the company representatives authorised to do so or by persons delegated by them, in compliance with the provisions of this Code, the articles of association and special laws, with particular regard to the principles of impartiality and independence.

The Group does not make direct or indirect contributions to political parties or to their representatives or candidates, and shall refrain from any direct or indirect pressure on political representatives (for example, by accepting recommendations for recruitment, consultancy contracts, etc.).

All employees must recognise that any form of involvement in political activities occurs on a personal basis, on their own time, at their own expense and in accordance with the laws in force.

Moreover, the does not make contributions to organisations with which there may be a conflict of interest (such as trade unions or consumer protection or environmental associations). Strictly institutional forms of cooperation are possible when: the objective is related to the Group's mission or referable to projects of public interest; the allocation of resources is clear and documented; there is an express authorisation by the appropriate corporate departments.

3.3 Relations with Public Institutions

Relations with public institutions and bodies, necessary for the development of the business plans of the Group, are reserved exclusively to the functions appointed to do so, in accordance with the provisions of this Code, the articles of association and special laws, with particular regard to the principles of fairness, transparency and efficiency.



Relations must be characterised by the utmost transparency, clarity and fairness and such as not to lead to partial, false, ambiguous or misleading interpretations by the public institutions with which we relate for various reasons.

3.4 Relations with the media

Communication plays a decisive role for the purpose of enhancing the image of the Group. Therefore, relations between the Group and the mass media is the competence of only the designated company functions and must be carried out consistently with the policy, strategies and communication tools defined by corporate bodies, as well as laws, rules and practices of professional conduct.

The information to the outside is inspired by criteria of truth and transparency and it is absolutely forbidden to spread false information.

In general, employees of Group companies may not provide information to representatives of the media or commit to provide it without the authorisation of the competent functions.

3.5 Protection of personal data

In order to ensure the protection of personal data, the Group, in carrying out its activities, undertakes to process it in compliance with the relevant legislation and in particular in accordance with the following criteria: transparency with respect to the persons to whom the data relates, legality and fairness of treatment, relevance of the treatment to the aims declared and pursued and guarantees of the security of the data processed.

"Personal data" is any information relating to natural persons, identified or identifiable, even indirectly, by reference to any other information including a personal identification number.

4. CORPORATE INFORMATION

Every action, operation or transaction must be correctly recorded in the corporate accounting system according to the criteria established by law and the applicable accounting standards, and should also be duly authorised, verifiable, legitimate, consistent and appropriate.

To ensure that accounting records meet the standards of truth, transparency and completeness of the data recorded, every transaction must be adequately preserved and completely documented in order to allow:

- Accurate accounting records;
- Immediate identification of the characteristics and motivations underlying the transaction itself;
- The easy formal and chronological reconstruction of the transaction;
- Verification of the decision-making, authorisation and implementation process, and the identification of the various levels of responsibility.

Each Employee works, to the extent within his competence, so that any fact relating to the management of the Company is properly and promptly recorded in the accounting records. Each accounting record must exactly reflect the results of the supporting documentation. Therefore, it is that task of the persons responsible to make sure that the documentation is readily available and filed according to logical criteria.

The circulation of information within the Company, for the purposes of drafting the financial statements and ensuring a clear and truthful representation of the economic and financial position of the Company, must take place according to the principles of truthfulness, completeness and transparency, while respecting autonomy of the Company and the specific areas of activity.

5. PERSONNEL POLICIES

5.1 Human resource management

Human resources are an indispensable element for the existence of the Company. The dedication and professionalism of its employees are determining values and conditions for its success.

The Group is committed to developing the development of capabilities and skills of each employee so that the energy and creativity of each individual is fully expressed in the achievement of our common business objectives.

The Group offers all employees the same opportunities for professional growth by ensuring that everyone can enjoy equal treatment based on merit, without any discrimination. The competent functions shall:

- adopt criteria of merit, competence, and assessment of individual capacity and potential and, in any case, strictly professional in all decisions concerning an employee;
- select, hire, train, compensate and manage employees without any discrimination;
- monitor the work environment so that personal characteristics cannot give rise to discrimination.

Each Recipient must actively cooperate to maintain a climate of mutual respect for the dignity and reputation of each.

Therefore, the Group combats any behaviour or attitude that is discriminatory, oppressive or harmful to persons and their beliefs and preferences.

Furthermore, any form of hard or child labour is rejected.

The Group defends and safeguards the dignity, liberty, equality of its employees and the safeguard of labour in terms of compensation, working hours and conditions.

Any violation of the provisions of this article shall be immediately communicated to the Human Resources Department and/or to the Ethics Committee.

5.2 Health and safety

The Group is committed to the dissemination and consolidation of a culture of safety, developing an awareness of risks and promoting responsible behaviour by all employees and partners and working to preserve, mainly through preventive actions, the health and safety of workers.



The Group's activities are carried out in full compliance with current regulations on prevention and protection; operational management must refer to advanced criteria of environmental protection and energy efficiency, pursuing the improvement of health and safety at work. The Group is also committed to monitoring working conditions and protecting the mental and physical health of workers, in respect of their moral personality and avoiding their suffering from illicit influences or undue discomfort.

In particular, the principles and fundamental criteria by which decisions are made, of all types and at all levels, regarding health and safety at work, can be identified as follows:

- a) avoid risks;
- b) assess risks that cannot be avoided;
- c) combat risks at the source;
- d) adapt the work to the person, in particular as regards the design of work stations and the selection of work equipment and work and production methods, in particular to reduce monotonous and repetitive work and to reduce their effects on health;
- e) take into account technical progress;
- f) replace what is dangerous with what is not dangerous or less dangerous;
- g) plan prevention, aiming at a coherent whole that integrates technique, the organisation of the work, working conditions, social relationships and the influence of the working environment;
- h) give priority to measures of collective protection with respect to personal protection measures;
- i) give workers adequate instructions.

The Group uses these principles to take the necessary measures to protect the safety and health of workers, including prevention of occupational hazards, information and training, as well as providing the necessary organisation and means.

5.3 Sexual harassment

The Group does not tolerate sexual harassment, meaning: the subordination of salary or career prospects to the granting of sexual favours; proposals of private interpersonal relationships, made despite explicit or reasonably clear distaste, that have the capacity, in relation to the specific situation, to disturb the serenity of the recipient.

5.4 Abuse of alcohol and drugs

The Group requires that each employee contribute personally to maintaining a work environment that is respectful of the feelings of others. Therefore, the following are considered to be unlawful behaviours: working while under the effects of the abuse of alcohol, drugs or substances with similar effect; consume or providing narcotics, for any reason, during work.

5.5 Smoking

In view of the desire to create a healthy and comfortable environment for its employees and visitors, the Group has implemented a general ban on smoking in the workplace.

5.6 Respect for differences

In conducting the business of the Group, employees must respect the dignity and rights of individuals without distinction of any kind. It is a Group policy and value not to discriminate against employees in any way and to observe the principle of equal employment opportunity regardless of age, sex, race, religion, colour, physical disability, citizenship, marital status or sexual orientation. No form of bullying will be tolerated.

6. TRANSPARENCY OF ACCOUNTING INFORMATION AND INTERNAL CONTROLS

6.1 Transparency of accounting records

The Group is aware of the importance of the truth, transparency, accuracy, completeness and regulatory compliance of accounting records.

To this end, it has provided administrative and accounting systems capable of correctly representing management events and the tools to identify, prevent and manage, as far as possible, financial and operational risks and fraud against the Group.

In particular:

- all activities and actions performed and carried out by Recipients as part of their work must be verifiable;
- accounting transparency is based on the truthfulness, accuracy, completeness and reliability of the documentation of management events and the related accounting records;
- each Recipient shall cooperate to ensure that management events are represented correctly and promptly in the accounting records;
- adequate documentation shall be kept for every transaction so as to allow easy accounting entry, identification of the various levels of responsibility and an accurate reconstruction of the operation;
- each accounting record must exactly reflect the results of the supporting documentation.
- Recipients who become aware of omissions, falsifications, alterations, incompleteness or carelessness of the information and supporting documentation are required to report the facts to their superiors and the Ethics Committee.

6.2 Internal control system

The Group considers it essential to promote, at all levels of the organisation, a corporate culture that is aware of the importance of an efficient internal control system, understood as a process designed to facilitate the achievement of corporate objectives, to conserve resources, prevent business risks, ensure compliance with the applicable laws and regulations and prepare financial statements and economic-financial data that is reliable, true and correct.

In particular, the internal control system must facilitate the achievement of corporate objectives and must therefore be geared to improving the effectiveness and efficiency of production and management processes.

All Recipients, as part of their respective functions, are responsible for the proper functioning of the control system.

7. ADOPTION, EFFECTIVENESS AND AMENDMENTS

This Code of Ethics was adopted by the Board of Directors of Valentino SpA, with immediate effect, on 28 May 2018.

Any update, amendment or revision of this Code of Ethics must be approved by the Board of Directors of Valentino SpA.

Each Group Company shall, by resolution of the Board of Directors or the delegated bodies administrative bodies, take note of the adoption of this Code by the parent company and approval, with any necessary adjustment to the relevant local law applicable from time to time.

8. CONTACT INFORMATION

The communications and reports required by this Code should be addressed:

(i) by mail:

To the kind attention of the Ethics Committee

*c/o Legal and Corporate Affairs Department
Via Turati 16,18
20121 Milan, Italy*

(ii) by e-mail, to the following e-mail address:

codice.etico@valentino.com

