



ANTI-CORRUPTION POLICY

Approved by the Tod's S.p.A. Board of Directors on 13/03/2023

(TRANSLATION OF THE DOCUMENT ISSUED AND APPROVED IN ITALIAN BY THE BOARD OF DIRECTORS OF THE COMPANY IN THE MEETING HELD ON MARCH 13TH 2023, SOLELY FOR THE CONVENIENCE OF INTERNATIONAL READERS)

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I. FOREWORD

Tod's Group promotes integrity, honesty, ethics, and lawfulness, it works actively to prevent and fight - pursuant to a “zero tolerance” policy - corruption in any form, ensuring compliance with all anti-trust laws in any country in which it operates.

That perspective, as well as the terms of the Code of Ethics, prompted Tod's Group to codify into the instant Anti-Corruption Policy (hereinafter also denoted “Policy”) the set of behavioural guidelines needed to prevent the risk of any act of corruption being committed. The Policy will serve to reinforce those values and principles which have been the hallmark of the Group's activities, its interactions with employees, associates, customers, suppliers, shareholders, partners, and the entities of the Public Administration. In a word, all those with whom it interfaces as it carries out its business operations.

Tod's Group is aware that the implementation of an Anti-Corruption Policy that delineates the set of rules and values that underlie the pursuit of its business practices, in a straightforward and transparent manner, is of critical importance to ensure the utmost transparency and ethics in the carrying out of its own business affairs and company operations, to protect its image and reputation, to safeguard shareholder and employee interests, as well as those of all stakeholders in general.

Tod's Group is convinced that corruption in any form is neither excusable nor tolerable even where deemed “business as usual” in a given country where Tod's Group companies have operations.

To further reinforce its commitment, TOD'S has signed on to the United Nations Global Compact, promoting respect for its ten fundamental principles¹ and contributing to the achievement of the UN 2030 Agenda sustainable development goals (SDGs).

¹ Including Principle X “*Businesses should work against corruption in all its forms, including extortion and bribery*”. Additional information can be found at the following link: <https://globalcompactnetwork.org/it/il-global-compact-ita/i-dieci-principi/introduzione/2-i-dieci-principi.html>.

2. DEFINITIONS

Term	Definition
Corruption	Offering, promising, providing, accepting, or requesting any undue advantage, or anything of value (be it economic or non-economic value), whether directly or indirectly, in any location, violating or attempting to violate applicable law as an incentive or payment to induce a party into an act or omission touching on the performance of that person's job duties.
Conflict of Interests	A situation in which the commercial, economic, family, political, or personal interests of an individual interfere with such individual's judgement in the carrying out of duties on behalf of Tod's Group.
Recipients	Corporate Bodies, Employees, Agents, Suppliers, Associates, and anyone assisting or cooperating in any manner in the pursuit of Tod's Group objectives, irrespective of their specific type of contractual relationship.
Facilitation Payments	Payments made for the purpose of accelerating or guaranteeing the performance of a duty considered routine in the performance of a public duty (e.g. customs compliance).
Public Servant	Anyone who carries out an official public function, or any public function, or more generally one who acts in the name of, and on behalf of, any government entity, international organisation, or a fully or partially owned State subsidiary; political parties, along with their representatives or candidates holding a public offices; any person responsible for a public service, meaning an activity governed as a public function but devoid of any power typical of the latter.
Whistleblowing Office	<p>The Whistleblowing Office is made up of the Director of the Internal Audit Department, the Director of the Whistleblowing System (appointed by the Board of Directors, generally from amongst the Independent Directors).</p> <p>The Whistleblowing Office is the body tasked with supervising the implementation and dissemination of the instant Anti-Corruption Policy.</p>

3. OBJECTIVES

By implementing the instant Anti-Corruption Policy, Tod's Group intends to pursue the following goals:

- To define an approach that seeks to contrast any form of corruption, censuring any type of unlawful behaviour as violative not only of the law, but of the ethical principles to which the Group subscribes as it carries out company operations;
- To reinforce a corporate culture of integrity and compliance, as well as supervision of company operations and procedures, and interactions with third parties;
- To establish rules that all Recipients (identified in Par. 4 herein) must implement in order to prevent acts of corruption;
- Raise awareness amongst the Recipients regarding the chance of incurring - should they breach the instant Policy - the commission of unlawful acts subjecting them to criminal penalties, as well as administrative fines or sanctions, and disciplinary action imposed by the company.

The Whistleblowing Office is the body tasked with supervising the implementation and dissemination of the instant Anti-Corruption Policy.

4. RECIPIENTS

The present Policy applies to all Corporate Bodies, Employees, Agents, Suppliers, Associates, and anyone assisting or taking part in any capacity in the pursuit of Tod's Group objectives, irrespective of their specific type of contractual relationship, hereinafter also denoted "Recipients".

Moreover, Directors of any company within the Group shall adhere to the standards and rules contained herein, in setting company objectives, in proposing investments and undertaking projects, and in any and all decisions or actions relating to the management of the same. By the same token, the company department heads and directors, in giving concrete execution to Group company operations, shall adhere to the same standards and rules both in-house (thereby promoting buy-in and a spirit of mutual collaboration) as well as externally, with the third parties with whom Group companies interact.

Tod's Group company personnel carry out their job duties according to the tenets of honesty, ethics, diligence, and professionalism. In carrying out tasks assigned to them, they abide by the law.

Every action, transaction, negotiation and more generally any activity undertaken by Tod's Group company staff shall comply with the rules of managerial ethics, transparency, completeness, and truthfulness as to any document or item information, as well as with respect to company procedures.

The principles of teamwork, loyalty, and mutual respect shall permeate all interactions amongst employees at any level, and between these persons and any third parties with whom they interact on the job.

More specifically, staff persons shall be required to:

- Scrupulously adhere to the provisions set forth herein, refraining from any conduct contrary to the same;
- Report any information relating to a suspected violation of the instant policy to the Whistleblowing Office through the dedicated IT platform, accessible via the following link: <https://areariservata.mygovernance.it/#!/VWB/tods>;
- Cooperate fully with any investigations into potential and/or presumed violations of the instant Policy;
- Advise any third party entering into a relationship with Group companies regarding the provisions of the instant Policy, and request adherence to the same.

5. STATUTORY FRAMEWORK

Tod's Group has operations in a variety of countries and legal jurisdictions, and is subject to the domestic laws of those countries and jurisdictions. Amongst these are laws ratifying international treaties that prohibit corruption with entities of the Public Administration, as well as private-sector corruption, such as:

- The Convention of the Organisation for Economic Cooperation and Development on Combating the Bribery of Foreign Public Officials in international economic transaction;
- The UN Treaty against Corruption;
- The Foreign Corrupt Practices Act (FCPA) promulgated in the U.S.;
- The UK Bribery Act promulgated in the UK.

Over the past few years, the fight against corruption has progressively – on both the domestic and foreign fronts – gained importance for reasons including the toughening of sanctions against both the natural and legal person (i.e. fines, injunctions, detention), as well as because of the consequences in terms of a reputational impact.

Government administrations on both the national level, as well as through international agreements, have promoted a legal framework aimed at discouraging incidents of corruption.

Within that context, the present Policy is supplemented by an overarching risk management and control system to which the Group is subject. It includes the following components

- Code of Ethics;
- Whistleblowing Management Procedure (Whistleblowing Channel);
- Analysis and assessment of the risks of commission of any corruptive / unlawful acts;
- Standards, behavioural guidelines, and procedures to supervise at-risk areas for corruptive incidents;
- Recipient informational and educational activities;
- Periodic corruption-risk monitoring, and Anti-Corruption Policy assessments.

6. STANDARDS OF BEHAVIOUR

6.1 Interactions with suppliers

Tod's Group manages interactions with suppliers and consultants in full compliance with the law, with regulations, and with all internal policies. Such interactions are grounded in impartiality, cost-savings, the free market, professionalism, and trustworthiness.

To wit, in all interactions with their suppliers and contractors, Group companies abide by the following principles:

- Transparency and documentation of the vetting process for all suppliers of goods/services, and of all contractors, by way of a submission-of-tender system;
- Adequate retention of all documentation proving compliance with internal procedure, and the reasons underlying the expenditure.

Assumption of obligations, and the management of supplier/contractor relationships (be they current or prospective) shall take place in accordance with Group directives on conflicts of interest and transaction management.

Requesting or accepting money or any other benefit from the employee or representative or counterparty as part of any contract for goods or services, shall be strictly prohibited; likewise prohibited is the giving or promising of money or any other form of benefit to any employee or representative of a counterparty in order to grant or obtain an undue advantage.

6.2 Interactions with customers

Giving or promising money or other benefit to customers with the intent to close a sale with particularly advantageous terms shall be prohibited. By the same token, any demand or acceptance of money or other benefit for the purpose of applying conditions not supported by the underlying contract, and to the customer's advantage, or in any other way to facilitate anomalies or fraud, shall be strictly prohibited.

The setting of any price, discount, promotion, or bonus to customers shall be done within approved limits, and be subject to tracking as set by company procedures.

6.3 Interactions with entities of the Public Administration

Interactions with the Public Administration and Supervisory and Control Authorities shall take place with scrupulous compliance with all applicable law, as well as adherence to the tenets of transparency, honesty and ethics, impartiality and teamwork, and shall not in any way compromise the Tod's Group's integrity or reputation.

In all interactions with the Public Administration, Group companies shall not unduly influence public-servant discretion with respect to those persons with decision-making authority over the same. More specifically, the following shall be strictly forbidden:

- Offering, promising, giving, paying, or authorising any person to offer, promise, give or pay - be it directly or indirectly - an economic advantage or other benefit of any kind to any party acting in the name of, or on behalf of, the Public Administration or other private-sector party;
- Complying with any demand from, or solicitation by, or authorising any party to make such demand or solicitation - be it directly or indirectly - of any economic advantage or other benefit from a Public Official or any private-sector counterparty.

Interactions with the Public Administration and the Supervisory and Control Authorities shall be reserved exclusively to those parties duly designated and authorised to do so, in accordance with the duties assigned, and powers delegated to them.

6.4 Facilitation Payment

The term “facilitation payment” refers to payments made to any Public Official and/or public servant within the Public Authorities or Supervisory Authorities, or to any public servant in order to accelerate, facilitate, or ensure an operation contemplated within such party's scope of duties, including but not limited to: the securing of permits or licenses, certifications, permits, grants, other official documents, or other types of authorisations needed for company operations.

Facilitation payments constitute a form of bribery, and are therefore forbidden in any form, regardless of any laws or local custom in the countries where Tod's Group operates.

6.5 Conflict of Interests

In conducting company affairs, and in the myriad relationships set up by and with Group companies, all situations wherein parties to the transaction have or might have a conflict of interest shall be avoided. "Conflict of interest" shall include situations wherein a Recipient pursues an interest other than that of the Group, or carries out activities that might, in any case, interfere with his/her ability to make decisions exclusively in the interest of Tod's Group companies, or wherein such Recipient gains personal advantage through a Tod's Group business deal.

6.6 Due diligence with counterparties

With respect to specific categories of parties (e.g. suppliers, trade partners, etc.), or with respect to special types of transactions, projects, or activities (i.e. selecting and hiring personnel, grant and sponsorship programmes, special/unusual transactions, etc.), it is imperative that assessment or "due diligence" aimed at assessing the nature or magnitude of the risk of corruption associated with entertaining relationships with such parties, or related to the carrying out of certain transactions, projects, or activities, shall be performed. Due diligence is aimed at securing information for the purpose of revealing actual or potential corruption risks, and shall be conducted according to the instructions contained in ad-hoc company procedures governing at-risk processes/operations.

Regardless, as a baseline requirement, all due-diligence activities conducted by Group companies shall include an analysis of "red flags". "Red flags" shall include, but not be limited to:

- Insufficient, false, or inconsistent information supplied by the counterparty, or apparent attempts to mask the identity of the person at the top of the chain of command;
- Transactions or requests that do not align with counterparty operations;

- Requests for cash payments, or unusual payment requests (e.g. to a high-risk country, as determined by current international indices).
- Requests to structure a transaction so as to elude normal accounting and reporting rules, or in such a way that there is no discernible, legitimate commercial purpose;
- Use of consultants or other counterparties with close ties to a government administration or political party, or which have been specifically recommended by a public official or customer;
- Not having the requested skills, experience, or resource for the type of activity in question;
- Refusal to sign a contract;
- Refusal to agree to adhere to the instant Policy and/or other internal procedures adopted within the Group.

6.7 Real-estate management

Real-estate transactions such as purchase, lease, conveyance, or the setting up / remodelling of a store, represent strategic operations for Tod's Group; as such, they shall be managed in accordance with specific procedures, especially in terms of contract negotiation.

In particular, the management of negotiations, and the assumption of duties to purchase or lease real property, and all related investments, shall be done by duly authorised parties, and in accordance with the tenets of ethics and transparency, ensuring the ability to track any commercial agreements as entered into with a counterparty.

Requesting or accepting money or other benefit from the employee or representative or counterparty for the management of real property shall not be allowed, nor shall the giving or promising of money or any other form of benefit to any employee or representative of a counterparty in order to grant or obtain an undue advantage.

Interactions with any estate agents acting on Tod's behalf shall be managed in accordance with the principles of lawfulness, and shall not in any way be an instrument for corruption; more generally, interactions with suppliers and consultants in contracting and engagements shall take place with adherence to the standards appearing in paragraph 5.1 herein. "Interactions with suppliers".

Relationships with entities of the Public Administration in any activities involving applications for, and managing applications for, the administrative rulings needed to secure a license or to start construction, refurbishment, or maintenance of any real property shall be managed in accordance with the standards appearing in paragraph 5.3 herein. “Interactions with entities of the Public Administration”

6.8 Personnel selection and hiring

In terms of personnel selection, hiring, and HR management, Recipients shall act in the best interest of all Group companies, making decisions in a transparent, reliable, and unbiased manner according to the tenets of honesty, ethics, and good faith.

To wit:

- The process to select and hire personnel shall take place in accordance with the principles of segregating requesting functions from those making the hire, and shall ensure the absence of a conflict of interest between those making the selection, and the candidate him/herself;
- No employee or contractor may be hired upon explicit recommendation by a third party in exchange for a favour, compensation, or other advantage for oneself and/or the Group;
- The distribution of any bonuses shall be predicated on objective, defined, codified, shared criteria, as well as based on adequate levels of authorisation, implementing sufficient measures to avoid the same be used to indirectly incentivise the carrying out of any corruptive activities;
- Expense-reimbursement requests shall only be paid upon submission of adequate supporting documentation, and with proper authorisation, within the limits of, and in accordance with, applicable company procedures;
- The use of reimbursements for travel expenses for purposes other than those for which the reimbursements were intended shall be strictly prohibited;
- All activities shall be adequately traceable and formalised; all documentation shall be properly filed.

6.9 Gratuities; food and entertainment expenses

Giving, offering, accepting, or receiving any gratuity as part of one's job duties in the Group - except for those of de minimus value attributable to common courtesy or trade practices, and provided they do not in any way compromise the integrity and reputation of the parties, or which might be construed by an impartial observer, as intended to secure an undue advantage - shall be strictly prohibited.

Tod's Group company management of bonuses and prize awards with respect to its own initiatives and sales / marketing / PR strategies, shall be limited to those cases contemplated in company procedures, and shall be limited to properly delegated company functions, and duly authorised staff; every programme involving the granting of prize awards or bonuses shall be subject to tracking in a company database.

Furthermore, any type of expense reimbursement to non-employees, where not contemplated by contract / engagement letter (e.g. consultant / testimonial), and unless supported by an invoice submitted by such party, shall be strictly prohibited.

6.10 Grants and sponsorships

Grants and sponsorships to foundations, institutions, organisations, or entities dedicated to social and cultural activities may be permitted insofar as they wholly comply with law and internal procedure, and so long as they avoid tarnishing the integrity and reputation of Tod's Group.

Moreover, Recipient of the instant Policy authorised to carry out grant/sponsorship programmes shall abide by the following principles:

- All programmes shall be authorised and codified into appropriate documentation that provides unequivocal evidence of the counterparty to the programme, and the motivations underlying the disbursement;
- The programme beneficiary shall be vetted in advance in order to assess its legitimacy and trustworthiness;
- The process of distributing the grant, if disbursed in cash, shall be made through an authorised bank / financial intermediary;

- Offering or paying a sponsorship and grant/award where such largesse might be construed as attempting to influence independent decision making, or to curry favour or advantage, shall be strictly prohibited;
- All transactions shall be properly traceable and filed.

6.11 Accounting and cash-flow procedures

Each employee - within the scope of his/her duties, and with respect of the duties and tasks assigned to the same - shall be required to cooperate fully to ensure that all business transactions are properly and timely entered into the company's accounting system, and to retain all supporting documentation therefore, to ensure that it might be easily found and reviewed by any control authority.

All financial transactions, as well as all inflows and outflows of cash, shall be performed by persons vested with appropriate authority, upon authorisation for the same, and shall always be justifiable, traceable, and recorded. More specifically, payments to any persons / legal entities that do not match the accounting documents received (i.e. the invoice) shall be strictly prohibited.

7. DISSEMINATION AND REPORTING SYSTEM

7.1 Dissemination and Training

Tod's Group undertakes to ensure the widest possible circulation of the instant Policy to all Recipients, as well as to ensure a suitable communication, training, and awareness-raising programme, to be determined and coordinated through the Human Resources Office².

All Recipients of the instant Policy shall be required to be familiar with the instant document, with each Recipient contributing - within the scope of his/her role - to compliance with the same.

7.2 Violations and penalty system

Observation of the rules set forth in the Anti-Corruption Policy shall be deemed an essential component of the contractual obligations incumbent on all Tod's Group employees in accordance with applicable law.

Any breach of the provisions set forth herein may constitute a breach on the part of Tod's Group company employees of their employment contract and/or a disciplinary infraction, with all attendant legal consequences, including in terms of keeping their job, and may give rise to a claim for damages arising from such breach.

With reference to any third party, any breach of the provisions contained in the present document may lead to serious consequences, including contract performance being tolled and/or contract rescission or termination for breach, as well as a restriction against any commercial interactions with Tod's Group, without prejudice to any claim for damages relating thereto.

No Recipient shall face discrimination or punishment of any kind for having refused to carry out corruption or potential corruption in any form, even where such refusal leads to the loss of a deal, or other prejudicial effect for Tod's Group's business.

² The Corporate Human Resources Office, with the support of any local Human Resources Department.

7.3 Reporting system

All Recipients, should they become aware of any suspected breach of the instant Anti-Corruption Policy, or of any behaviour not conforming to the rules of conduct implemented by Group companies, shall report it through the dedicated IT platform, available at the following link: "<https://areariservata.mygovernance.it/#!/WB/tods>".

Roles, procedures and responsibilities concerning the management of the whistleblowing system are defined in the "Whistleblowing management (whistleblowing channel)" procedure, which should be referred to for the details.

Any reports lacking the elements defined in the procedure mentioned above will not be taken into consideration; clarifications may also be requested if necessary, which the whistleblower will not be able to refuse to provide without justification.

Whistleblowers will be guaranteed protection against any form of retaliation, discrimination (direct or indirect) or penalisation for reasons directly or indirectly linked to the report. The confidentiality of the whistleblower's identity will also be guaranteed, without prejudice to legal obligations and the protection of individual rights.

8. APPROVAL AND UPDATES

The present Anti-Corruption Policy has been approved by the Tod S.p.A. Board of Directors.

Companies belonging to the Tod's Group have adopted the Policy by resolution of their respective Governing Bodies, adapting it as needed to their particular needs and local customs in accordance with the principle of managerial independence.

Any change and/or update to the same shall be approved by the same entity, and promptly provided to all Recipients.