

# GIORGIO ARMANI

## ARMANI SUPPLIER SOCIAL CODE OF CONDUCT

### INTRODUCTION

The Code encompasses all workers directly or indirectly involved in Supplier operations, the definition "worker" shall include but is not limited to management, office and production personnel, contracted and imported labor, homeworkers, and part-time, temporary and/ or seasonal labor.

In support of the Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work, Armani requires all Suppliers Armani contractually engages in business with to adhere to the following standards and requirements.

The Supplier Code of Conduct is referenced in Armani's Terms and Conditions so as to hold Suppliers legally accountable to this Code.

### LAWS AND REGULATIONS

Suppliers shall at a minimum abide by all applicable laws and regulations of the country or countries in which they are doing business. This Code may set standards that go beyond local legislation and reference internationally accepted best practice or conventions; in such instances Suppliers shall abide by the stricter standard. Should such action contradict local laws and regulations or incur noncompliance with local legislation, Suppliers shall immediately inform Armani of such instances.

### CHILD LABOR

In compliance with ILO Conventions No.182 Worst forms of Child Labor and No.138 Minimum Age, Suppliers shall not employ individuals under the age of 15 (or 14) and individuals under the age of 18 shall not be subjected to hazardous work, including night work and overtime.

Suppliers shall implement a management system that verifies the age of each employee by review of legally accepted documentation.

Employment of trainees/ apprentices both under and over the age of 18 shall be conducted in compliance with local legislation and this Code. Apprenticeship/ traineeship schemes shall not be used to systematically avoid the payment of wages and benefits.

Should Suppliers identify the existence of child labor in Supplier operations, the Supplier shall implement a remediation plan that effectively resolves the situation and takes into account the wellbeing of the child.

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## **MODERN SLAVERY**

### **Forced & Bonded Labor**

Workers shall not be subject to forced<sup>1</sup>, involuntary, prison, debt-bonded<sup>2</sup>, indentured, or slave<sup>3</sup> labor practices and trafficking in persons<sup>4</sup>. All workers shall be in possession or have direct access to their personal identity documents and must be guaranteed freedom of movement.

Workers shall not be subject to deposits or bonds as a condition for employment.

### **Foreign & Migrant Labor**

Suppliers shall, at minimum, reference ILO Convention No. 181 Private Employment Agencies for standards on workers hired through recruitment agencies. If applicable, Suppliers shall only engage with reputable, government-registered recruitment agencies.

Workers shall not pay any recruitment fees, travel expenses or administrative costs (e.g. visa application) for the purpose of employment and no fees may be charged related to a worker maintaining their job. Where migrant workers are recruited from abroad, the employer must provide for the cost of the employee's return transportation once the employment engagement ceases. Where any fees are charged, employers should seek to reimburse workers.

Suppliers shall engage in due diligence activities to ensure recruitment agency and/ or labor broker hiring and employment practices are in compliance with the law and this Code.

Where housing is provided by the Supplier, there shall be no unreasonable restrictions on workers' movement and workers should only be charged for housing at rates equivalent to the local market. Suppliers shall not discriminate against foreign and migrant workers in any way. Suppliers must respect the cultural and religious needs of foreign and migrant workers and accommodate religious practices to the extent possible.

All foreign and migrant workers must be given the opportunity to actively participate in freedom of association and collective bargaining. Where they are legally restricted from so doing, the Supplier must ensure alternative means of foreign and migrant worker representation.

## **DISCIPLINE, ABUSE AND HARASSMENT**

All workers shall be treated with dignity and respect. Workers shall not be subject to verbal, physical, or mental abuse, violence, threat, coercion or punishment, any form of harassment, including sexual harassment, or financial penalties/ deductions.

Suppliers shall implement a written disciplinary procedure that supports and implements the standards of this Code.

## **DISCRIMINATION**

In compliance with ILO Conventions No. 100 Equal Remuneration Convention and No. 111 Discrimination (Employment and Occupation) Convention workers shall not be subject to

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<sup>1</sup> As defined in ILO Conventions No. 105 Abolition of Forced Labour Convention and No. 29 Forced Labour Convention

<sup>2</sup> As defined in the Supplementary Convention on the Abolition of Slavery, the Slave Trade, and Institutions and Practices Similar to Slavery (1956)

<sup>3</sup> As defined in the Slavery Convention (1926)

<sup>4</sup> As defined in the Protocol to Prevent, Suppress and Punish Trafficking in Persons Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime (2000)

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discrimination in all aspects of employment, including but not limited to hiring, terms of employment, promotion, access to training, termination, and retirement on the basis of race, gender, color, nationality, religion, age, maternity, marital status, social or ethnic origin, sexual orientation, political opinion, disability, affiliation, non-affiliation, or any other status or personal characteristic. Workers shall not be subject to illegal medical testing as a condition for recruitment or employment.

## **FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING**

In compliance with ILO Conventions No. 87 Freedom of Association and Protection of the Right to Organise and No. 98 Right to Organise and Collective Bargaining, Suppliers must respect the workers' legal rights on freedom of association and collective bargaining without interference or retaliation. Where local legislation curtails these rights, Suppliers shall encourage alternative means to facilitate worker representation.

## **COMPENSATION**

Workers shall receive at least the legal minimum wage, the wage rate introduced through a collective bargaining agreement, or the wage that meets applicable industry standards, whichever is higher. Suppliers shall provide all legally and/or collective bargaining agreement mandated benefits and overtime shall be paid at a rate higher than regular rate.

Suppliers shall ensure regular and timely wage payment and shall furnish workers with an itemized pay slip each pay period.

Payroll records shall be kept verifying all worker payments, benefits and deductions from pay are in compliance with local laws and regulations, applicable collective bargaining agreements and this Code.

### **Benefits**

Suppliers shall furnish all workers with legal benefits, in particular social security, annual leave, statutory holidays and parental leave. Regardless of law, Suppliers should strive to provide a minimum of 14 weeks of maternity leave in accordance with ILO Convention No. 183 Maternity Protection, and are encouraged to provide both men and women with decent working conditions that can support them in their roles as parents and caregivers.

## **WORKING HOURS**

Workers shall not work more than 60 hours per week, including a maximum of 12 hours of overtime. Workers shall be informed about overtime in advance and permitted to reject the overtime request without punishment or retaliation. Suppliers shall provide rest breaks and daily rest in accordance with applicable laws and collective bargaining agreements. Workers shall be permitted at least one day off in a seven work day period.

Suppliers shall maintain accurate time records to verify each worker's regular and overtime working hours and rest periods.

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## **HIRING AND EMPLOYMENT PRACTICES**

All workers shall be in a legal employment relationship.

Suppliers must provide all workers with a copy of their employment terms in writing and in the official language and any language understood by the employee and make sure employees fully understand the employment terms prior to beginning to work for the Supplier. This information must include key terms and conditions, including wages and fringe benefits, the location of work, living conditions, housing and associated costs, any significant cost to be charged to candidate and, if applicable, the hazardous nature of the work. Employees should not be required to sign an incomplete contract. The use of contract, temporary or other non-full-time employment schemes shall not be used to systematically avoid the payment of worker benefits.

## **HEALTH AND SAFETY – WORK AND LIVING SPACE**

Suppliers shall provide all workers with a safe and healthy working and, if applicable, living environment, ensuring building and fire safety, machinery and equipment safety, access to potable water and suitable sanitary facilities, access to appropriate personal protective equipment and emergency care, and appropriate storage and handling of hazardous materials.

Suppliers shall implement a health and safety management system including, at a minimum, appropriate health and safety management personnel, a health and safety plan including accident prevention and emergency action, worker safety training, and means of communication between workers and management.

Workers shall be free to choose between Supplier-provided housing and other accommodation alternatives.

## **COMMUNITY ENGAGEMENT**

Suppliers are strongly encouraged to promote social and economic development in the communities in which they operate. This can be done by developing relationships with organizations working to support the wider community through sustainable means and in areas ranging from culture to humanitarian needs.

## **ENVIRONMENTAL PROTECTION**

Suppliers shall abide by all applicable environmental laws and regulations. At a minimum, Suppliers shall engage in activity to minimize their impact on the environment, their use of natural resources, and to be prepared for potential environmental hazards as a result of Supplier operations. Suppliers shall adequately manage air emissions, wastewater, and the use and disposal of hazardous materials.

## **SUBCONTRACTING**

Suppliers shall provide Armani with full disclosure of subcontracting activity and obtain approval of the use of subcontractors in Armani-related operations. All use of homeworkers shall be in compliance with applicable laws and regulations.

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Suppliers shall require all subcontractors engaged in Armani-related operations to abide by this Code. Suppliers shall engage in due diligence activities to verify such compliance.

## **MANAGEMENT SYSTEMS**

To manage compliance with this Code, Suppliers shall assign responsibility to personnel for communicating and implementing the standards of this Code. Such personnel shall be aware of all applicable legislation and any changes to such; shall inform all workers and Armani operations related subcontractors of the Code standards; and monitor adherence to the Code.

Suppliers shall communicate the Social Code of Conduct to all workers, staff, upstream suppliers and sub-contractors. Suppliers shall undertake all necessary steps to ensure due diligence in their supply chains in line with this Social Code of Conduct.

Suppliers shall implement a grievance mechanism that permits all workers to confidentially communicate any concerns, without the risk of retaliation, to management and/ or worker representatives.

## **ANTI-BRIBERY AND BUSINESS ETHICS**

Suppliers shall not engage in any form of corruption or bribery, including facilitation payments, illegal kickbacks, or secret or other improper payments in any form.

Suppliers shall establish a policy governing bribery and facilitation payments and ensure that whistleblower protections are implemented, as required by law.

Workers shall feel free to refuse to participate in bribery or facilitation payments supported by the facility and shall be aware that they will not suffer demotion, penalty or other adverse consequences for voicing a concern, or for refusing to pay a bribe or facilitation payment even if this action may result in the facility losing business.

Suppliers shall maintain accurate and honest business records, as required by law. Records shall not be falsified in any way or otherwise misrepresent the Supplier's practices. Workers may not be unduly influenced to make false representations about the Supplier's business.

Suppliers shall comply with all applicable data privacy laws and regulations. In particular, Suppliers shall collect, use and otherwise process all personal information, in particular of their workers, with reasonable care.

## **MONITORING AND COMPLIANCE**

Armani and/ or its representatives reserve the right to conduct semi-announced audits to monitor Code compliance of Suppliers and its subcontractors. Suppliers and subcontractors shall grant full access to all operations including worker accommodations, documentation, and grant permission to conduct confidential worker interviews.

Armani reserves the right to suspend or terminate Suppliers should Code non-compliances be detected.

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## **CORRECTIVE ACTION**

To continue business relations with Armani, Suppliers shall engage in corrective action of non-compliance within a time frame agreed upon between the Supplier and Armani.

## **CONTACT INFORMATION**

For any communication, please, send an email at CSR department to the following address:  
[Info.csr@giorgioarmani.it](mailto:Info.csr@giorgioarmani.it)

*Supplier's corporate seal:*

*signed on:*

*by (name and surname of signer in  
capital letters):*

*in his / her capacity as:* Legal Representative

*signature:*