

GIORGIO ARMANI

ARMANI SUPPLIER ENVIRONMENTAL CODE OF CONDUCT

INTRODUCTION

The Giorgio Armani group of companies ("ARMANI") works to ensure that its products are safe, in compliance with the strictest legislations and also acknowledges that the usage of certain chemical substances in the manufacturing of textile and clothing products, even if not harmful for the consumers of such products, may cause release of substances in the environment where the manufacturing facilities are located.

Objective:

Armani believes that we have a role to play in avoid the negative environmental impact of our business activities, and that the products and services of Armani should enrich people's lives and the environment.

This Supplier Environmental Code of Conduct demonstrates the strong commitment and vision of Armani towards environmental protection and natural conservation. Armani requires all Suppliers adhere to the following standards and requirements. The Supplier Code of Conduct is referenced in Armani's Terms and Conditions, holding Suppliers legally accountable to this Code.

Scope:

Suppliers to Armani, and their subsidiary companies, are committed to enforce and promote the principles of the code with their suppliers, sub-contractors and subsidiary companies.

Principle:

The Environmental Code on Conduct is established based on the principle of minimizing the negative environmental impacts through pollution control, waste minimization and resource conservation.

General Provision:

Monitoring and Compliance:

Compliance with this Environmental Code of Conduct will be considered as a mandatory condition in all contractual relationships between Suppliers and Armani and/or its subsidiary companies. Failure to comply may lead to immediate corrective measures, suspension or termination of contractual relations, depending on the gravity of the violation(s) of the abovementioned principles. 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.

GIORGIO ARMANI S.p.A.

Sede legale: Via Borgonuovo, 11 · 20121 Milano · Tel. +39 02 72318.1 · Fax. +39 02 58191900

Unità locali: Via Borgonuovo, 18 · 20121 Milano · Tel. +39 02 72318.1

Via Bergognone nr. 38, 46 e 59 · 20144 Milano · Tel. +39 02 83106.1

Capitale sociale Euro 10.000.000,00 interamente versato · Registro Imprese Milano

Codice fiscale: 02342990153 e Partita IVA di Gruppo: 10985020964 · R.E.A. MI 919502

GIORGIO ARMANI

Communication:

Suppliers shall communicate the Environmental 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 Environmental Code of Conduct.

LAWS AND REGULATIONS

The Supplier and/or its subcontractors, sub-suppliers and/or sister companies shall comply with all applicable legal requirements. The Supplier Environmental Code of Conduct does not exempt the Supplier and its subcontractors, suppliers, subsidiaries, and/or sister companies from compliance with all applicable national and international laws in as much as those laws are more rigorous in their application of the following principles. Should such action contradict local laws and regulations or incur non-compliance with local legislation, Suppliers shall immediately inform Armani of such instances.

The supplier shall obtain all the relevant environmental permits including, but not limited to, wastewater discharge, air emission, solid waste discharge and noise emission.

ENVIRONMENTAL MANAGEMENT SYSTEM

Suppliers shall have an environmental policy which is endorsed by top management.

Suppliers shall appoint a core team or person in charge of the environmental management activities.

The key person shall have good knowledge and skills on environmental management.

All environmental risks and impacts originated from on-site activities shall be identified and assessed. Corresponding controls to significant environmental risk shall be implemented.

Adequate environmental procedures, training, communication, audit, emergency preparedness and response shall be established, implemented and maintained.

Suppliers shall have systems to regularly review and monitor environmental permits' status, renewals, and ensure all legal requirements are met.

Suppliers shall have systems to ensure they remain current on any changes to environmental requirements and are able to address these.

Suppliers shall monitor and measure their environmental performance against their environmental objective and target.

Management review of the environmental management systems shall be carried on an annual basis.

ENERGY USE AND GREENHOUSE GASES (GHGS)

The data of energy consumption (including renewable energy) and GHG emission shall be recorded and analyzed in a regular basis.

Where present, steam / compressed air pipelines shall be regularly checked to prevent leakages.

Suppliers shall have energy meters at department or process levels to identify factors that require the highest energy consumption. Energy saving targets and objectives shall be set. Energy saving programs or measures shall be documented, implemented and maintained.

GIORGIO ARMANI

WATER USE

If required by law, Suppliers shall obtain water use permits if the water source is natural water (e.g. surface water and groundwater) and comply with the permit requirements.

Water consumption data within the supply base shall be recorded and analyzed in a regular basis.

Water pipelines in both working and living areas shall be regularly checked to avoid water loss.

Suppliers shall have water meters at department or process levels to identify factors that require the highest water usage.

A water conservation target shall be set. Water conservation programs or measures shall be documented, implemented and maintained.

WASTEWATER / EFFLUENT

All wastewater sources shall be identified and documented. A drainage plan shall be in place to identify all the industrial wastewater flows and discharge points.

All the wastewater quality and quantity shall be regularly monitored to ensure the compliance with the legal requirement.

Wastewater controls procedures shall be in place and implemented accordingly.

Suppliers shall have onsite ETPs (Effluent treatment plant) or offsite ETPs (treatment contract shall be in place) to treat the industrial wastewater before discharge.

ETPs shall have sufficient capacity for the volume of treated wastewater.

Where there are onsite ETPs or pre-treatment plants, Suppliers shall implement and document maintenance programs.

AIR EMISSION

Air emission controls procedures shall be in place and implemented accordingly.

All the airborne pollutants emission sources, including both stationary and fugitive sources, shall be identified and documented.

An inventory of equipment containing ODS (Ozone Depleting Substances) shall be kept, and the equipment shall be regularly maintained to avoid the risk of ODS leakage.

The air emission quality shall be regularly monitored to ensure compliance to legal requirements.

Proper air emission treatment units shall be installed as required by law and EIA (Environmental Impact Assessment) requirements.

If there are on-site air emission treatment units, the Supplier shall implement and document maintenance programs.

WASTE MANAGEMENT

Waste generation quantities shall be recorded on a regular basis. A waste inventory shall be kept and cover waste type, quantity and disposal method, including waste linked to the facility (e.g. paper, plastic, glass and packaging) and waste linked to product (off-cuts and textile wastage). Suppliers shall take measures to reduce the generation of waste and divert waste through optimized alternatives including re-using or recycling waste. The waste linked to product (e.g. off-cuts and

GIORGIO ARMANI

textile wastage) shall be internally reused or recycled by a qualified party, rather than disposed as domestic waste by method of incineration or landfill.

Non-hazardous waste shall be properly stored and never mixed with hazardous substances.

Non-hazardous waste shall be stored in a well-marked and designated area.

Hazardous waste shall be stored in well-marked and designated areas with protection measures and access control. The hazardous waste container shall be properly labelled.

Both non-hazardous and hazardous waste shall be transported, treated and disposed by a registered waste contractor in a legally approved manner.

On-site waste burning or landfilling of waste is forbidden.

Waste management procedures shall be in place and implemented accordingly. Waste reduction targets and objective shall be set. Waste reduction programs or measures shall be documented, implemented and maintained.

NUISANCE MANAGEMENT

The potential nuisance from site activities and associated impacts (including odor, noise, visual and general housekeeping) shall be identified and documented.

Noise emission quality shall be regularly monitored to ensure compliance with the legal requirement.

Nuisance controls procedures shall be in place and implemented accordingly.

HAZARDOUS SUBSTANCES

No legally banned chemicals shall be used or stored by the Suppliers. No restricted chemicals shall be used or stored unless gaining appropriate authorization.

An experienced person shall be appointed to be in charge of the chemical management in factory.

Suppliers shall start to phase out, and ultimately eliminate, the use of hazardous substances as defined in Armani's MRSL.

Suppliers shall maintain a chemical inventory which covers all chemicals used in the production process and ETP.

A process shall be in place to ensure the used chemicals comply with Armani's MRSL.

A process shall be in place to ensure the final product complies with Armani's RSL.

Suppliers shall maintain all chemical's SDS (Safety data sheet) in the local language. SDS shall be posted in both the storage and usage area.

Chemical safety management procedures shall be documented and implemented.

Chemicals shall be segregated and stored in a designated area with access controls. All chemicals shall be properly labelled.

Proper measures shall be in place to prevent the risk of chemical spill and leakage.

Chemical hazard signage and safe handling equipment shall be provided in all chemical usage areas.

Workers exposed to chemical risk shall wear proper PPE; eyewash and shower stations shall be in place and not far from the risk area.

LAND USE & BIODIVERSITY

Environmental Impact Assessments (EIA) shall be conducted as per legal requirement.

GIORGIO ARMANI

Legally required EIA Approval, Land Use or Development Permit shall be in place and maintained. Procedures on assessment of impact on land use and biodiversity management shall be in place and implemented.

ENVIRONMENTAL EMERGENCY

Suppliers shall have a procedure on identification and assessment of potential environmental emergency.

An environmental emergency preparedness and response plan shall be in place and emergency drills shall be regularly carried out. The emergency plan shall be communicated to all employees.

Environmental emergency provision shall be in place and regularly inspected or maintained.

An emergency team shall be established and all the members shall be properly trained.

EMPLOYEE TRAINING

Management & Supervisor: Environmental training shall be provided to managerial staff which enables those managerial staff demonstrate comprehension of on-site environmental impacts and formulate regulatory controls for general staff.

General staff: General environmental training shall be provided to all general staff on company's environmental requirement and policy.

Environmental management related staff: Additionally relevant and specific training shall be provided to staff whose duties is related to on-site environmental management, including but not limited to, wastewater treatment operator and maintenance staff, air emission treatment and maintenance staff, waste handlers, chemicals handling staff, environmental management representative / committee, emergency response team members and internal auditors.

ANIMAL WELFARE

Suppliers shall comply with all relevant legal guidelines and policies relating to animal health and welfare and shall commit to the welfare of the animals including but not limited to breeding, raising, handling/herding, transportation, catching and slaughtering. Suppliers may not conduct or use third-parties to conduct harmful experiments on animals.

Suppliers shall ensure the respect of the "Five Freedoms" for welfare of farmed animals:

- Freedom from Hunger and Thirst – by providing ready access to fresh water and a diet to maintain full health and vigor;
- Freedom from Discomfort – by providing an appropriate environment including shelter and a comfortable resting area;
- Freedom from Pain, Injury and Disease – by ensuring prevention or rapid diagnosis and treatment;
- Freedom to Express Normal Behavior – by providing sufficient space, proper facilities and company of the animal's own kind; and
- Freedom from Fear and Distress – by ensuring conditions and treatment which avoid mental suffering.

GIORGIO ARMANI

Suppliers shall follow all advisable practices aimed at protecting the animals' emotional condition, biological functioning and natural behavior, taking into account the needs of the species and the biodiversity of the habitats in the regions where animal products are sourced. Suppliers shall also undertake to protect populations of wildlife species. Suppliers shall guarantee that animal-based materials are legally sourced. Suppliers shall constantly improve and supervise animal welfare.

CONTACT INFORMATION

For any communication, please, send an email at CSR department to the following address:
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: