

GUCCI

SUSTAINABILITY
PRINCIPLES

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INTRODUCTION AND SCOPE

Gucci and Kering Group are committed to:

- ensure human rights, welfare and fair working conditions;
- ensure a basic living wage for all workers;
- avoid use of child and forced labour;
- use natural resources conscientiously and increase efficiency in the use of materials and resources;
- conserve and protect biodiversity and maintain ecosystem function;
- use water responsibly;
- optimise waste management and minimise waste production;
- promote resilience and mitigation of climate change;
- create positive impact within local communities;
- respect animal welfare, and ensure a minimal impact on the environment;
- support sustainable sourcing of production material and packaging.

These sustainability principles are in support of that commitment.

Gucci suppliers commit to comply with Sustainability Principles by signing and dating this document.

Gucci and Kering Group embrace the precautionary principle that means acting carefully and conservatively to minimise potential impact whenever there is a lack of scientific certainty regarding environmental challenges and issues relating to human health.

The scope of these Sustainability Principles concerns the supplier and any of its sub-suppliers, including suppliers of materials (production materials and packaging) and services used in the production or performance of activities on behalf of Gucci and any personnel acting for and/or on behalf of the supplier and its sub-suppliers.

The supplier shall comply and act in accordance with applicable regulations, directives, Collective Agreements and Supplementary Agreements in terms of human rights, workers' rights, preservation of the environment, respect for animal welfare and these Sustainability Principles, as well as the International Conventions and Declarations listed in section G of this document.

In the event that national laws, agreements or conventions, applicable in the geographical area where the supplier operates with regard to the agreed Sustainable Principles, share the same application scope as the agreed Sustainability Principles, we will require application of the most favourable provision to ensure the respect of human rights and environmental protection.

The supplier and its sub-suppliers shall condemn and fight corruption in all its forms, including extortion and demands for protection money.

The supplier shall communicate the Sustainability Principles to sub-suppliers involved in production, operations and raw materials/products sourcing and shall ensure that sub-suppliers have signed a document where they acknowledge and accept the

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Sustainability Principles, or ensure the creation of an equivalent statement from sub-suppliers.

The supplier may wish, where applicable, to include the Principles of Sustainability or equivalent statement in the contract with the sub-suppliers.

Underwriting principles shall be applied to all sub-suppliers used in the processes and supplies, excluding sub-suppliers engaged in the provision of goods or services not directly related to the object of the provision for Gucci (e.g. companies supplying electricity and gas, consultants, leather goods accessories etc.) and sub-suppliers of machinery and equipment used in production.

The supplier and its sub-suppliers shall be responsible for monitoring adherence to these requirements.

The supplier and its sub-suppliers shall allow access to its premises, staff and employees for inspection audits and checks by Gucci and/or Controllers, and information requests from Gucci and/or Controllers.

The supplier shall, where applicable, adopt and ask its sub-suppliers to adopt, ethical codes, certifications, and/or standards for processes/materials (where these are available and internationally recognised) in order to ensure compliance with the Sustainability Principles.

RESPECT FOR HUMAN RIGHTS AND EMPLOYEES' RIGHTS IN THE WORKPLACE

All workers, including those on part-time, temporary or agency contracts, shall have formal contracts of employment that satisfy local legislation. Contracts shall include details of wages, payment frequency, deductions, benefits, working hours, holidays, notice periods, sick pay, maternity pay and any other local aspects of employment.

Every possible effort shall be made to provide regular and secure employment. The use of temporary contracts or agency labour shall not be used as a means of denying workers their rights or benefits under employment law. Apprenticeships and training contracts are encouraged, but shall be legally compensated, providing, too, adequate levels of training and development.

Home working is permissible only where the employment relationship is governed by a legal contract that is compliant with the provisions herein for employment and health and safety, and shall comply with all applicable laws and regulations. Home work shall be paid based on a guaranteed hourly minimum wage with verifiable tracking of wage calculations and production output. Work that is started in a factory shall not be reallocated to be completed offsite.

The staff employed by the supplier and its sub-suppliers shall be constituted exclusively of salaried employees/working partners/ or collaborators (Staff) for which the supplier assumes full responsibility regarding:

staff administration

direct relations with them, both with regards to the authorities responsible for the application of current workplace safety and social security legislation, and relationships with trade unions.

The supplier and its sub-suppliers shall comply, in respect of its staff, with all the assumed obligations in relation to labour, health and safety, employment and compensation price, social security and assistance laid down by the law, the national collective agreement of its membership organisation, and territorial and enterprise agreements, including supplementary ones, in force throughout the time the contract is valid.

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CHILD LABOUR

The supplier and its sub-suppliers shall not use or support the use of child labour – that is, a person who is under 15 years old, except for all those cases in which the law establishes a higher employment age or age for the attendance of compulsory education, in which case the age taken as reference shall be the one that is applied by the country.

Children or young workers under the age of 18, however, shall not work during the night hours and must not be exposed to any situations – in or outside of the workplace – that are hazardous or unsafe to their physical and mental health and development.

The supplier and its sub-suppliers shall develop, take part in and give their contribution to policies and programmes for the remediation of children already found to be working, to ensure that they attain an adequate level of education.

The supplier and its sub-suppliers shall ensure that age verification procedures are in place and only rely on official government identification documents and educational records.

FORCED LABOUR

The supplier and its sub-suppliers shall not support the use of forced labour and shall not require its employees to pay deposits or to hold ID documents at the beginning of the working relationship.

Neither the company nor any other entity providing employment to the company shall hold any portion of employees' salaries, indemnities, property or documents with the purpose of forcing employees to continue their employment relationship with the company.

Employees have the right to leave the workplace at the end of the standard working day or in case of medical or family emergencies and should be free to terminate their work contract by informing the employer within a reasonable notice period as provided by governing law or international labour

standards, whichever is more stringent.

Neither the supplier nor any temporary employment agencies used by the supplier or by its sub-suppliers shall engage in the trafficking of human beings.

SAFE WORKPLACE

The supplier and its sub-suppliers shall guarantee a safe and healthy workplace and shall implement effective measures to prevent potential accidents and avoid jeopardising the health and safety of any worker in the workplace.

In doing this the supplier shall assess any specific related risk present within the workplace and reduce, so far as is reasonably practicable, the causes of such risks.

The supplier and its sub-suppliers shall guarantee a safe and healthy workplace providing personnel with specific equipment to protect themselves in any place where work is carried out, in accordance with current legislation.

The supplier and its sub-suppliers shall guarantee access to adequate hygienic sanitary arrangements, and, if workers are provided with housing, this has to be adapted to the workers' basic needs.

Moreover, the supplier and its sub-suppliers shall periodically train its personnel on safety aspects, standards and procedures to follow so that they can familiarise themselves with using safety equipment and assess accident risks in order to uncover potential risks and adopt preventive measures; also, this training is to make sure that standards and health and safety guidelines are consistently applied.

The supplier and its sub-suppliers shall appoint a senior management representative tasked with ensuring a safe and healthy workplace environment for all personnel.

FREEDOM OF ASSOCIATION

The supplier and its sub-suppliers shall guarantee the employees' rights to establish, participate in and organise trade unions according to their own will and their right to bargain collectively through the trade unions. In the event that freedom of association and the right to bargain collectively become limited by law, the company shall allow its workers

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to freely elect their own representatives.

The supplier and its sub-suppliers shall ensure that representatives of workers and any personnel engaged in organising workers are not subjected to discrimination, harassment, intimidation or retaliation.

Where the right to freedom of association and collective bargaining is restricted under law, the supplier and its sub-suppliers will facilitate, and not hinder, the development of parallel means for independent and free association and bargaining.

DISCRIMINATION

The supplier and its sub-suppliers shall not adopt nor promote any form of discrimination or preferential treatment in recruiting, remunerating, providing training for, promoting and dismissing personnel (nor, if applicable, in how they treat them in retirement) on the basis of race, social class, nationality, caste, familial situation including marital status or pregnancy, origin, religion, disability, gender, sexual orientation, civil status, trade union affiliation, political opinion, age or any other similar distinguishing condition.

The supplier and its sub-suppliers shall not engage in any conduct that is threatening, offensive or aimed at exploitation, or in sexual harassment, including gestures, language or physical contact, whether in the workplace or, if applicable, in residences or in other areas provided to employees by the company.

The supplier and its sub-suppliers shall treat all its employees with dignity and respect. The supplier and its sub-suppliers shall not promote nor tolerate physical punishment, mental or physical coercion, nor verbal abuse against employees.

WORKING HOURS

The supplier and its sub-suppliers shall comply with laws and industry standards governing work hours, public holidays and vacations. A standard working week, except for overtime work, shall be established by law; nevertheless, it shall not exceed 48 hours. Employment hours and work rules should be established by written contract with the employee. Employees shall get at least one day off after six consecutive working days.

All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole.

Any exceptions to this rule shall only be applicable upon the occurrence of all the following conditions:

governing law provides a work schedule that exceeds the above limit;

existence of a collective bargaining agreement that provides a flexible work schedule and includes suitable resting periods: overtime work must be voluntary and must not exceed 12 hours per week or be required on a regular basis. If overtime work is required in order to meet market demands within a brief period of time and the supplier and its sub-suppliers adhere to a contract derived from a collective bargaining agreement with the worker's organisation (as defined above), where it makes up a significant part of the workforce, the company may request overtime work in accordance with the established agreements;

the employer can demonstrate that exceptional circumstances apply, such as unexpected production peaks, accidents or emergencies.

Overtime shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, and should not place the employee's health and safety at risk.

FAIR WAGE

The supplier and its sub-suppliers shall respect employees' rights to a decent salary compensation and must ensure that the salary paid for a standard working week corresponds with legal standards or with minimum wage standards relevant to the sector and shall be enough to satisfy the employee's basic needs as well as providing a discretionary income.

Salary withholding due to disciplinary action shall not be allowed. Any exceptions to this rule will only be applicable upon the occurrence of both of the following conditions:

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salary withheld for disciplinary reasons permitted by national laws

there is an effective collective bargaining agreement

The supplier and its sub-suppliers shall ensure that employees' salaries and wage structures are clearly and duly specified in writing for each wage period. Moreover, the company must make sure that payment of salaries and wages conforms to applicable laws and that salary compensations are paid in cash or by other traceable means, whichever best suits workers.

All overtime work shall be paid at a higher rate as prescribed by national laws. However, in countries where overtime pay rates are not regulated by law nor by collective agreements,

employees shall be compensated for overtime according to the prevailing standards in the sector.

The supplier and its sub-suppliers shall not draw up agreements that provide off-the-books employment nor fraudulent apprenticeship with the only purpose of avoiding fulfilment of obligations in favour of employees as prescribed by applicable workplace regulations and social security law.

The supplier and its sub-suppliers shall exempt Gucci from any request, claim or objection that it might face from its administrators, managers, employees, workers and partners of whose activity the supplier makes use, also with regard to their employment relationship or the termination thereof, which in any way derives from acts or omissions of the supplier.

RESPECT FOR AND PROTECTION OF THE ENVIRONMENT

The supplier and its sub-suppliers shall comply with all Environmental Laws applicable to the activities outlined hereunder. The supplier and its sub-suppliers shall obtain and maintain all licenses, authorisations, certifications and approvals required under any applicable Environmental Law in relation to the activities carried out under this Agreement.

Pursuant to the Environmental Laws, during the duration of this Agreement, the supplier and its sub-suppliers shall not use or incorporate any material which is not fully compliant with applicable Environmental Laws and standards. In addition, the supplier and its sub-suppliers undertake to comply with the Manufacturing Restricted Substance List (MRSL) published by Gucci, according to the terms and provisions outlined in that list, on the understanding that Gucci will have the right to assess from time to time, including via its controls, the level of compliance achieved by the supplier and provide, if necessary, additional instructions designed to improve it.

Pursuant to the Environmental Laws the supplier and its sub-suppliers shall not permit the release of any hazardous material into the environment and, in the event of any such release, shall promptly perform any investigation, study, sampling, testing, clean-up, removal and remedial or other action necessary to remove and clean up any such hazardous materials in accordance with the requirements set forth by the applicable Environmental Laws.

The supplier and its sub-suppliers shall advise Gucci of any hazardous or toxic substance which is present in its Products, or may be encountered by Gucci and its Personnel, using or possessing the Products, and the supplier and its sub-suppliers shall use its best efforts to minimise the hazard or toxicity thereof. Subject to confidentiality or similar non-disclosure requirements, the supplier shall promptly provide to Gucci, upon request, copies of all environmental reports or surveys received or developed by the supplier and its sub-suppliers pertaining to the supplier and its sub-supplier's compliance as such Environmental Laws apply to the activities under this Agreement.

The supplier and its sub-suppliers shall inform Gucci in writing: (i) promptly upon obtaining knowledge of (x) any fact, circumstance, condition or occurrence that could form the basis of an Environmental Claim, arising with respect to any Product, against the supplier or its sub-suppliers, Gucci or any third party, or (y) any pending or threatened Environmental Claim arising with respect to any Product against the supplier or its sub-suppliers, Gucci or any third party. Such notice shall contain a detailed description of the Environmental Claim and a description of the action that such person or entity has taken or proposes to take with respect

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thereto (the second description could be sent as soon as possible thereafter), and, subsequently, from time to time detailed reports with respect thereto as Gucci may reasonably request should be forthcoming; and (ii) promptly upon their becoming available, copies of all written communications with any competent authority relating to any Environmental Law or Environmental Claim related to any Product.

The supplier and its sub-suppliers shall:

comply with all Environmental Laws and regulations;

embrace the precautionary principle that occurs every time there is a lack of scientific certainty regarding environmental challenges, to act carefully and conservatively to minimise potential impacts;

use the natural resources conscientiously and increase efficiency in the use of materials and resources;

reduce energy consumption;

improve water management, protect water sources, reduce water consumption and maintain water quality;

ensure its activities are carried out in full compliance with all applicable environmental laws and regulations and, in any case, to be available to implement actions that go beyond those needed for legal compliance;

optimise waste management and minimise waste and waste water production;

protect biodiversity and maintain ecosystem function, respecting protected wild flora and fauna in accordance with national and international laws, applying the most restrictive regulations;

promote transparency and accountability with regard to the environmental impact of its activities;

implement policies and management systems and actions that foster continuous environmental improvement in order to reduce the negative environmental impacts of its activities and, where possible and appropriate, also strive to offset residual negative impacts.

REDUCTION OF HAZARDOUS CHEMICALS

Gucci and Kering Group are committed to ensuring that all hazardous chemicals have been phased out and eliminated from production processes by 2020. To this end Gucci has adopted a Manufacturing Restricted Substances List or an MRSL.

The Manufacturing Restricted Substances List (MRSL) is intended to provide a guidance document to address hazardous substances potentially used and discharged into the environment during manufacturing and related processes, as well as those substances potentially present in finished products.

These restrictions are designed to ban Gucci's suppliers and sub-suppliers from intentionally using the substances listed in the MRSL.

Since 2015, Gucci has been chairing the Sustainability Commission at The National Chamber for Italian Fashion, with the aim of guiding the implementation of actions and projects in the area of social and environmental responsibility. One of the first results was the delivery of guidelines for eco-toxicological requirements for clothing, leather goods, footwear and accessories, as a reference for the whole chain.

ANIMAL WELFARE

Gucci and Kering Group are committed to ethical practices in the capture, maintaining, breeding, raising, transportation, handling, and slaughter of animals in our leather, fur, exotic skins and textile fibres supply chains. We believe that all such animals, while taking into account their species' needs, should benefit from:

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- freedom from hunger and thirst, by ready access to fresh water and a diet for full health and vigour;
- freedom from discomfort, by providing an appropriate environment, including shelter and a comfortable resting area;
- freedom from pain, injury or disease, by prevention or rapid diagnosis and treatment;
- freedom to express normal behaviour, by providing sufficient space, proper facilities and company of the animal's own kind;
- freedom from fear and distress, by providing conditions and treatment that avoid mental suffering.

The supplier and its sub-suppliers shall ensure that the capture, maintaining, breeding, raising, transportation, handling and slaughter of animals is in compliance with applicable local

animal welfare, social and environmental laws and regulations as well as internationally accepted human and labour rights standards. In addition, internationally accepted standards for animal welfare such as the standards developed by the World Organisation for Animal Health should be followed.

Use of animal skins or other products that originate from illegal wildlife trade is strictly prohibited.

SOURCING OF MATERIALS AND PACKAGING

Compliance with the Sustainability Principles shall be ensured throughout the supply chain. For this purpose, it is necessary for the supplier and its sub-suppliers to be aware of the main social and environmental impacts of the entire supply chain (procurement of raw materials, packaging and services, the activities carried out by third parties or contracted parties) and select subcontractors who operate in full compliance with the Sustainability Principles and shall:

- ensure human rights, welfare and fair working conditions;
- ensure a basic living wage to all workers. Wages should always be enough to meet at least the basic needs of workers and their families and any others, which might be considered reasonable additional needs;
- avoid use of child and forced labour;
- use natural resources conscientiously and use materials and resources with increased efficiency;
- ensure good management and conservation of soils (for agricultural raw materials)
- conserve and protect biodiversity and maintain ecosystem function;
- use water responsibly;
- optimise waste management and minimise waste production;
- promote resilience and mitigation of climate change;
- comply with national and international laws, international conventions and treaties;
- create positive impact within local communities;
- adhere to the animal welfare standards in these principles, ensure a minimal impact on the environment and biodiversity and reject any experiments involving animals;
- ensure that products supplied to Gucci do not contain metals derived from minerals or their derivatives originated from conflict regions that directly or indirectly finance or benefit armed groups;
- ensure complete traceability of raw materials and provide Gucci with information on sources.

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The following materials and services are concerned:

Leather

The supplier and its sub-suppliers shall:

ensure that the leather supplies do not come from farms involved in any form of deforestation in the Amazon biome since July 2006, or farms included in IBAMA's embargo list (www.ibama.gov.br), or farms located in Native Forest Land in Argentina under the Zoning Law;

ensure traceability (and documentation) of leather supplies;

guarantee that the capture, maintaining, breeding, raising, transportation, handling and slaughter of live animals is carried out with the highest standards of animal welfare and with minimal impact on the environment and biodiversity;

ensure that the leather supplies do not come from farms which directly or indirectly (through the production of livestock fodder) use lands recently (since 2009) converted to pasture in sensitive natural eco-systems (especially forests and grasslands) with a high conservation value;

guarantee that the leather sourced does not come from cattle grazing operations that occupy land disputed by indigenous groups or areas protected by federal, state or municipal legislation, or farms included in MTE's embargo list (Ministério do Trabalho e Emprego: www.mte.gov.br).

Precious skins

The supplier and its sub-suppliers shall:

not use any skins from species that are listed on the IUCN Red List as 'near threatened', 'vulnerable', 'endangered' or 'critically endangered';

ensure that all species listed in CITES Appendices have the appropriate CITES permits that have been verified by the supplier;

guarantee that they do not trade (buy or sell) illegal species (i.e. those listed in CITES Appendix I) and that all trade in skins complies with local and international laws;

ensure complete traceability of skins back to wild source and/or captive operations;

provide Gucci with information on sources of skins (down to country/farm level) as required;

adhere to the animal welfare standards in these principles and ensure a minimal impact on the environment and biodiversity;

incorporate standards on the humane killing of animals into sub-suppliers' contracts;

source preferentially from captive operations that can be verified by third parties as located in countries that have well-established and enforced legislation covering animal welfare and trade.

Fur free

On October 2017, Gucci announced that it will no longer use, promote or publicise animal fur beginning with its Spring Summer 2018 collection. As a commitment and thanks to a long term partnership with LAV and The Humane Society, Gucci joins the Fur Free Retailer Program.

Rubber

The supplier and its sub-suppliers shall:

guarantee that rubber sourced does not come from plantations that have been recently established (since 2004) by clearing natural forest or converting mixed agricultural-forestry production areas to monoculture plantations. High risk areas for sourcing are: Gabon, Laos, Cambodia, China and Indonesia;

guarantee that rubber sourced does not come from plantations that have been established on land taken from local communities without their 'free and prior informed consent'.

Wood, paper and derived products

The supplier and its sub-suppliers shall:

ensure that all wood, paper and derived products sourced are FSC; the inclusion of recycled fibres is preferred. Where FSC certification is not available, PEFC certification may be used;

ensure that paper sourced is chlorine-free.

Where certifications are not available, avoid using wood, paper and derived products originating:

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from high-risk countries including Indonesia, the Amazon or old-growth forest in Northern USA and Europe;

from tropical deforestation (i.e. natural forests);

from plantations that are converted tropical forests or peat land (cut-off date 1994);

from virgin forests, rainforests or endangered forests such as the Canadian and Russian Boreal Forests;

from controversial suppliers included in the Greenpeace list.

Plastic

The supplier and its sub-suppliers shall:

not use PVC in products or packaging;

prefer plastics that are made with recycled content or bio-content (non-fossil/petrol content), and prefer plastics that are biodegradable or compostable;

avoid the use of plastics that are not recyclable, and nano-plastics (plastic micro particles);

ensure that the bio-plastic component of the plastics (from crops, organic wastes, proteins etc.) has not been genetically modified;

ensure that the bio-plastic component used is not from a food source but is rather from non-edible parts of the plant, or comes from forestry, or is derived from proteins from discarded products etc.

Cotton

The supplier and its sub-suppliers shall:

not source cotton from producers/suppliers that use child labour. This condition excludes Uzbekistan as a source of cotton;

source certified organic cotton if possible, and consider Fairtrade cotton or organically grown cotton as a secondary alternative;

avoid using genetically modified cotton;

avoid using cotton from conflict areas.

Wool

The supplier and its sub-suppliers shall:

ensure that the sheep farming has not led to recent conversion of sensitive and important ecosystems and is

not seriously degrading the land through soil erosion and chemical inputs;

ensure that the wool sourced meets the EU Eco-label requirements. This certification ensures low levels of chemical residues in greasy wool;

guarantee that the wool supplied has not been produced using mulesing techniques;

adhere to the animal welfare standards in these Principles and ensure a minimal impact on the environment and biodiversity.

Down and feathers

The supplier and its sub-suppliers shall:

ensure sourcing of down and feathers from European Union countries;

ensure that down and feathers have not been removed from live animals;

ensure that down and feathers have not been taken from animals that are force fed during their lives for any reason;

ensure for all levels of the supply chain full traceability of down and feathers sourced.

Diamonds

The supplier and its sub-suppliers shall endeavour, as of now, to only supply Gucci with diamonds or products containing diamonds that are in line with the following provisions:

diamonds from direct and indirect suppliers who are RJC (Responsible Jewellery Council) Certified Members;

diamonds that are accompanied by the World Diamond Council System of Warranties statement (the application to cut and polished diamonds of the Kimberley Process), as follows:

'The Diamonds herein invoiced have been purchased from legitimate sources not involved in the funding of conflict and in conformance with United Nations resolutions. The seller hereby guarantees that these Diamonds are conflict free, based on personal knowledge and/or written guarantees provided by the supplier of these Diamonds.'

Diamonds can also be sourced through a supply chain composed of participants who implement one or several of the following private ethical standards:

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De Beers Best Practice Principles (BPP);

De Beers Forevermark;

Dominion Diamond CanadaMark™;

other existing standards or labels that Kering considers as equivalent to the social, economic, environmental and ethical standards set out above.

Suppliers of diamonds shall also engage in making all reasonable efforts to provide Gucci with information when requested about the origin and the 'journey' of the diamonds that they supply to Gucci. This information may include, but is not limited to, the following:

where the diamonds were mined and by whom;

who has traded the diamonds and where;

who has cut and polished the diamonds and where.

Gold

The supplier and its sub-suppliers shall supply Gucci, as of now, with gold or products containing gold that meet at least one of the following requirements:

gold that is sourced by the supplier through the Kering Ethical Gold Framework from one or several of Kering's selected refiners;

artisanal gold that is sourced by the supplier from mines that are certified by third parties such as Fairtrade or Fairmined organisations;

gold that is sourced by the supplier from RJC certified mines or RJC certified mining companies;

gold that is sourced by the supplier from verified operations that Kering or Gucci consider to meet equivalent standards to the social, economic, environmental and ethical standards set out above.

Precious metals and stones

The supplier and its sub-suppliers shall:

ensure that the precious metals and stones sourced do not derive from activities or organisations that finance conflicts, terrorism or human rights abuses;

ensure that the precious metals and stones sourced are extracted according to the highest social and environmental standards;

avoid sourcing precious metals and stones from conflict areas;

adopt internationally recognised certifications related to the integrity of the processes for producing, and of the supply chain concerning, precious metals and stones (for example, RJC COP – Responsible Jewellery Council – Code of Practices).

ensure that all the subjects in the supply chain (i.e. mining operations) adhere to the UN principles stipulated in the Declaration of Human Rights and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP).

Nanomaterials

The supplier and its sub-suppliers shall:

not use any nanotechnology applications (products, raw materials, processes) unless such applications are analysed and proved to have no potential impact on human health and the environment, including an evaluation of end of life impacts.

Perfumes and cosmetics

The supplier and its sub-suppliers shall:

avoid performing tests on animals for cosmetics and perfumes, and avoid using ingredients in their manufacture that have been tested on animals.

Food products

The supplier and its sub-suppliers shall provide food products that ensure the safety and health of the people who consume them. Therefore, it is essential to ensure the use of intrinsically safe products and to ensure the systematic monitoring of risks arising from the contamination of raw materials, packaging materials, plant and production and distribution processes. Regarding chemical, microbiological and biological contaminants and particulate matters, in addition to complying with applicable laws, the food product must also be:

obtained from non-GMO raw materials, containing no GMO's fractions and not produced from GMOs;

prepared by favouring the use of natural raw and biological materials or, where this is not possible because of the taste or for technological reasons, use components that are

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extracted naturally, and limiting the use of additives to cases of undoubted benefit for products and people too.

The food product packaging, in addition to what is required by law, must transparently provide the consumer with clear and complete information about the nutritional values of the product, the duration and procedure of preservation as it applies to the product, any allergenic substances present in it, as well as tips that people can use to control their eating habits. The package must also ensure maintenance of the organoleptic, nutritional and safety characteristics of the product.

After sales services

The supplier and its sub-suppliers shall:

use after sales products that do not contain hazardous chemicals and have low environmental impact;

use techniques and equipment that do not affect indoor air quality.

Cleaning services

The supplier and its sub-suppliers shall:

use cleaning products that do not contain hazardous chemicals and have low environmental impact;

provide regular training for staff about the correct procedures to be used to perform the cleaning activities safely and how to reduce environmental impact;

use cleaning techniques and equipment that minimise the amount of cleaning products, water and electricity used, the amount of waste produced and that do not affect indoor air quality.

Maintenance services

The supplier and its sub-suppliers shall:

use products and materials that do not contain potentially hazardous ingredients and that are readily biodegradable;

use techniques and equipment that minimise the amount of materials, water and electricity used, the amount of waste produced and that reduce the impact on indoor air quality.

Security services

The supplier and its sub-suppliers shall perform security services in accordance with the Voluntary Principles on Security and Human Rights for private security and, in particular, comply with the following principles:

adopt policies regarding good behaviour and the use of force to prevent abuse, and concerning the handling of any misconduct or violations of human rights;

provide services for prevention, protection, surveillance and defence and not engage in activities that are within the exclusive competence of the police;

it is forbidden to engage or hire persons involved in violations of human rights in the conduct of security services;

use of force is allowed when it is strictly necessary and in proportion to the threat;

utilise services, technology and security as a means of self defence, and not for offensive purposes.

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SUSTAINABILITY REPORTING

In order to evaluate the successful application of the Sustainability Principles the supplier and its sub-suppliers shall provide upon Gucci's request:

- reports and information on its environmental impacts, such as those that concern energy use, water use, waste, water discharge and materials;
- inventory of chemicals used during the production of Gucci's products;
- information about MRSL Compliance and MRSL implementation;
- information about sustainability programmes, actions and progress;
- information regarding new suppliers or sub-suppliers used in the production process and sourcing;
- information regarding traceability and sourcing of raw materials used for Gucci production.

LIST OF CONVENTIONS AND DECLARATIONS REGARDING SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

- ILO (International Labour Organization): www.ilo.org
- IPCC (Intergovernmental Panel On Climate Change): www.ipcc.ch
- IMO (International Maritime Organization): www.imo.org
- Millennium Ecosystem Assessment: www.unep.org
- OECD (Organisation for Economic Co-Operation and Development): www.oecd.org
- Ramsar Convention: www.ramsar.org
- Geneva Conventions: www.icrc.org
- International Covenant on Economic, Social and Cultural Rights
- International Covenant on Civil and Political Rights
- UN (United Nations) Convention on the Rights of the Child
- UN (United Nations) Convention on the Elimination of All Forms of Discrimination Against Women
- UN (United Nations) Convention on the Elimination of All Forms of Racial Discrimination
- UN Guiding Principles on Business and Human Rights
- UN Sustainable Development Goals
- UNDRIP UN principles in the Declaration of Human Rights and the United Nations Declaration on the Rights of Indigenous Peoples;
- Rio Declaration on Environment and Development: www.unep.org/rio20
- UNCTAD (United Nations Conference on Trade and Development): unctad.org/en/Pages/Home.aspx
- UNESCO (United Nations Educational, Scientific and Cultural Organization): en.unesco.org/
- UNEP (United Nations Environment Program): www.unep.org
- FAO (Food and Agriculture Organization): www.fao.org

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Rotterdam Convention: www.pic.int

WCED (World Commission on Environment and Development): <http://sustainabledevelopment.un.org/>

The Fundamental Conventions of the International Labour Organisation (ILO)

The Ethical Trading Initiative (ETI) Base Code

FLA Workplace Code of Conduct and Compliance Benchmarks

SA8000 Social Accountability International (SAI)

We therefore ask your company to commit to the following:

- to comply with Sustainability Principles by signing and dating this document;
- to provide, upon our request, detailed information about programmes, actions and progress on the application of Gucci's Sustainability Principles;
- to accept Audits, whether pre-announced or not, as our company is entitled to either conduct or assign someone to do an audit in order to make sure that the principles have been met;
- to implement the required corrective steps and actions for improvement;
- to provide up-to-date information regarding new suppliers or sub-suppliers used in the production process and sourcing;
- to provide records to persons in charge of auditing, making all information accessible as required in order to prove compliance with the principles subscribed to;
- to maintain, and make available to the people who will go to make an audit, appropriate records to demonstrate compliance with the principles subscribed to;
- to communicate these Sustainability Principles to the sub-suppliers involved in production, operations or/and sourcing, and ensure that they sign a document where they acknowledge and accept these Sustainability Principles, or create and sign an equivalent statement of compliance;
- to require your sub-suppliers to undertake your company's obligations, including the willingness to accept inspection audits, checks and information requests from our company and/or from our representatives;

We wish to point out that compliance with Sustainable Principles is an important assessment parameter in selecting our suppliers, therefore failure to comply with these principles or failure to cooperate in determining and adopting corrective actions may result in the termination of the business relationship.

We are certain that your company will help us to promote and implement these important values, which qualify us as an excellent operator, not only for the quality of our products, but also for our social, environmental and economical accountability to the communities where we operate.

Sincerely yours,

_____ (Place and Date)

_____ (Legal Representative of the Company)