GUCCI

SUSTAINABILITY PRINCIPLES
INTRODUCTION AND SCOPE
Gucci and Kering Group are committed to:

- ensuring protection of human rights, the health and well-being of employees and fair working conditions;
- ensuring a basic living wage for all workers;
- avoiding use of child and/or forced labour;
- using natural resources conscientiously and increase efficiency in the use of materials and resources;
- preserving and protecting biodiversity and the ecosystem functions;
- using water responsibly;
- optimising waste management and minimising waste production;
- promoting respect for the environment and mitigation of climate change;
- creating positive impact within local communities;
- respecting animal welfare, and ensuring minimal impact on the environment;
- supporting sustainable sourcing of production material and packaging.

These Sustainability Principles are in support of that commitment.

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

Gucci and Kering Group embrace the precautionary principle, which 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 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 with the International Conventions and Declarations listed in section “List of Conventions and Declarations regarding social and environmental responsibility” of this document.

If the scope of these Sustainability Principles coincides with that of national laws, by virtue of agreements or conventions in force in the geographical area where the supplier operates, we will require application of the most rigorous provisions to ensure 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 racketeering.

The supplier shall communicate the Sustainability Principles to its sub-suppliers concerned in production, other operations and raw materials/products sourcing and shall ensure that its sub-suppliers have signed a document where they acknowledge and accept the Sustainability Principles, or ensure the creation of an equivalent statement from sub-suppliers.

The supplier may wish, where applicable, to include the Sustainability Principles or an equivalent statement in its contracts with sub-suppliers.
The foregoing Principles shall be applied to all sub-suppliers, including the suppliers of materials (raw materials, semi-finished products and packaging) and services used in the processes and other activities on behalf of Gucci and to any employee acting for and/or on behalf of the supplier and its sub-suppliers. The foregoing Principles do not apply to sub-suppliers engaged in the provision of goods or services not directly related to supplies to Gucci (e.g. electricity and gas providers, consultants, suppliers of goods and 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 to answer requests for information from Gucci and/or Controllers.

The supplier shall, where applicable, adopt and ask its sub-suppliers to adopt, codes of ethics, 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’ RIGHT IN THE WORKPLACE

PEOPLE

All workers, including part-time, fixed-term or agency workers, shall be employed on the basis of formal contracts in compliance with local legislation. Employment contracts shall specify, inter alia, wage, payment frequency, deductions, benefits, working hours, holidays, notice periods, sick pay, maternity pay and any other local requirements.

Every possible effort shall be made to ensure regular and secure employment conditions. Fixed-term contracts or agency labour agreements shall not be used as a means of denying workers their rights or benefits under labour law. Apprenticeships and training contracts are encouraged on the condition that remuneration is in compliance with local legislation and that adequate levels of training and development are ensured.

Working from home is allowed only where the employment relationship is governed by a formal contract drawn up in compliance with the employment and health and safety provisions mentioned herein and shall comply with all applicable laws and regulations. The work from home shall be paid based on a guaranteed hourly minimum wage with verifiable tracking of wage calculations and production capacity. Work that is started in a factory shall not be reallocated to be completed offsite by working from home.

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

- staff administration
- direct relations with them, both with regard 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 any and all obligations in relation to labour, health and safety, employment and remuneration, social security and welfare laid down by law, by the national bargaining agreements applicable to their respective industrial sector, and by any territorial and enterprise agreements, including supplementary agreements, in force throughout the term of the contract.
CHILD LABOUR
The supplier and its sub-suppliers shall not use or support the use of child labour.

Child labour refers to the employment of a person who is under 15 years old, except if the law establishes a higher employment or compulsory school attendance age, in which event the higher age shall prevail.

Children or young workers under 18, however, shall not work during night hours and must not be exposed to situations – within or outside 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 remedial programmes for teen workers, 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 deliver their ID documents at the inception of their working relationship.

Neither the company nor any other entity providing labour to the company shall withhold any portion of the employees’ salaries and/or indemnities, and nor shall they seize their 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 hours or in case of medical or family emergencies and should be free to terminate their work contract upon a reasonable notice to the employer, as provided for by applicable 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 trafficking in human beings.

WORKPLACE SAFETY
The supplier and its sub-suppliers shall guarantee a safe and healthy workplace and implement effective measures to prevent potential accidents and avoid jeopardising the workers’ health and safety in the workplace.

In so doing, the supplier shall assess any specific risk present in the workplace and endeavor to reduce the risk factors as far as reasonably practicable.

The supplier and its sub-suppliers shall provide specific personal protective equipment to its personnel in accordance with applicable laws.

The supplier and its sub-suppliers shall guarantee access to adequate hygienic sanitary facilities, and, if workers are provided with housing, this must be suitable to satisfy 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 with the use of protective equipment and the assessment of accident risks in order to identify risk factors and adopt preventive measures; the supplier and its sub-suppliers shall also ensure that health and safety standards and guidelines are consistently applied.

The supplier and its sub-suppliers shall appoint a 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 to freely elect their own representatives.

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

Where the right 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 or 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, family 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 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 incite or tolerate physical punishment, mental or physical coercion or verbal abuse against employees.

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

Overtime work shall not be mandatory and must be requested responsibly, taking into account the following factors: the extent, frequency and hours worked by individual workers and the workforce as a whole.

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

- the work schedule provided by applicable law exceeds the above-mentioned limit;

- existence of a collective bargaining agreement that provides for a flexible work schedule and includes suitable rest periods; overtime work must be subject to acceptance 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 short period of time and the supplier and its sub-suppliers adhere to a contract resulting from a collective bargaining agreement with the worker’s organisation (as defined above), which represents a significant portion of the workforce, the company may request overtime work in accordance with the established agreements;

- the employer can demonstrate that its request for overtime work is due to the occurrence of exceptional circumstances, 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 to legal standards or the minimum wage standards relevant to the sector and is in any event sufficient to satisfy the employee’s basic needs, as well as providing a discretionary income. Salary withholdings for disciplinary purposes shall not be allowed. Any exceptions to this rule will only be applicable upon the occurrence of both of the following conditions:

- salary withholdings for disciplinary reasons are permitted by national laws;

- said disciplinary measure is contemplated by a collective bargaining agreement in force.

The supplier and its sub-suppliers shall ensure that employees’ salary 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 complies with applicable laws and that payments are made in cash or
by other traceable means, whichever best suits the workers’ wishes. 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 or by collective bargaining agreements, overtime work shall be paid according to the prevailing standards in the sector, on conditions that are more favourable to the worker. 

The supplier and its sub-suppliers shall not draw up agreements that provide off-the-books employment or fraudulent apprenticeship with the only purpose of avoiding the fulfillment of obligations to employees as prescribed by regulations applicable in the workplace and social security law. 

The supplier and its sub-suppliers shall hold Gucci indemnified and harmless from any request, claim or objection lodged by 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 by the supplier.

RESPECT FOR AND PROTECTION OF THE ENVIRONMENT

The supplier and its sub-suppliers shall comply with all applicable Environmental Laws. The supplier and its sub-suppliers shall obtain and maintain all licenses, authorisations, certifications and approvals required under any applicable Environmental Laws.

Pursuant to the applicable Environmental Laws, 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 applicable 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, they shall promptly perform any investigation, study, sampling, testing, clean-up, removal and remedial or take 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 when using or possessing the Products, and 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 Gucci, upon request, with copies of all environmental reports or surveys received or developed by the supplier and its sub-suppliers with reference to the supplier’s and its sub-supplier’s compliance with such Environmental Laws that apply to the activities hereunder.

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 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 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 of the action that such person or entity has taken or proposes to take in that respect (the second description may be sent as soon as possible thereafter) and, subsequently, from time to time, the supplier and its sub-suppliers shall provide detailed reports as Gucci may reasonably request; and (ii) promptly upon their becoming available, copies of all written communications exchanged with any competent authority or howsoever related to any Environmental Claim referred to any Product. 

The supplier and its sub-suppliers shall: 

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comply with all Environmental Laws and regulations;
embrace the precautionary principle whenever there is a lack of scientific certainty regarding environmental challenges, and
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 that its activities are carried out in full compliance with all applicable environmental laws and regulations and, in any
case, 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 functions, respecting protected wild flora and fauna in accordance with national
and international laws and applying the most restrictive standards;
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 any adverse environmental impacts of its activities and, where possible and appropriate, also strive to offset residual
adverse 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 the issue of 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 prevent Gucci’s suppliers and sub-suppliers from intentionally using the substances listed in the
MRSL through the adoption of measures that will be notified by Gucci in writing.
Since 2015, Gucci has chaired 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
issuance 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 complying with ethical practices in any phase of 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 animals, while taking into account their species’ needs, should benefit from:

freedom from hunger and thirst through a ready access to fresh water and a diet that is appropriate to keep them healthy;
freedom from discomfort, by providing an appropriate environment, including shelter and a comfortable resting area;
freedom from pain, injury or disease, by prevention or a rapid diagnosis and treatment;
freedom to express normal behaviour, by providing sufficient space, proper facilities and company of the animal’s own
species;
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 at all times 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. For more details, make reference to the paragraph “Animal welfare” in the document “Kering Standards for Raw Material and Manufacturing Processes” published on www.kering.com.

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, as well as any activities outsourced or contracted to third parties) and select subcontractors who operate in full compliance with the Sustainability Principles and shall:

- ensure human rights protection, welfare and fair working conditions;
- ensure a basic living wage to all workers. Wages should always be sufficient to meet at least the workers’ and their families’ basic needs and any other reasonable additional needs;
- avoid using child and/or forced labour;
- use natural resources conscientiously and use materials and resources with increased efficiency;
- ensure good management and preservation of soils (for agricultural raw materials);
- preserve and protect biodiversity and maintain ecosystem functions;
- use water responsibly;
- optimise waste management and minimise waste production;
- promote environment respect and mitigation of climate change;
- comply with national and international laws, international conventions and treaties;
- create positive impact within local communities;
- avoid using raw materials derived from genetically modified organism (GMO);
- adhere to the animal welfare standards described 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 support armed groups;
- ensure complete traceability of raw materials and provide Gucci with information on their sources;
- provide the supporting documentation of any declared certification of process or materials (an indicative list of the recommended certifications is to be found in the document “Kering Standards for Raw Material and Manufacturing Processes” published on www.kering.com.
Leather
The SUPPLIER and its sub-suppliers shall:

- ensure that 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 complete traceability of leathers from farming to any single tanning processes;
- provide, in accordance with the procedures set out by Gucci, information on the origin of leathers, slaughterhouse and tanning processes (detail of the processes, related environmental impacts, location and names of the suppliers concerned);
- guarantee that the capture, maintaining, breeding, raising, transportation, handling and slaughter of live animals is carried out in compliance with the highest standards of animal welfare and with minimal impact on the environment and biodiversity. For more details, make reference to the paragraph “Indicative List of preferred Sourcing Countries for Leather” under the section “Leather” of the “Kering Standards for Raw Material and Manufacturing Processes” document published on www.kering.com;
- ensure that leather supplies do not come from farms which directly or indirectly (through the production of fodder for livestock) use land recently (since 2009) converted to pasture from sensitive natural ecosystems (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);
- minimize the environmental impact and use of hazardous chemicals throughout all the production processes, from raw material to the product supplied to Gucci.

Precious skins
The SUPPLIER and its sub-suppliers shall:

- not use animal skins from species that are listed in 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 in (buy or sell) illegal species (i.e. CITES Appendix I) and that all trade in skins complies with local and international laws;
- ensure complete traceability of skins from the animal breeding or capturing operations to any single tanning processes;
- provide, in accordance with the procedures set out by Gucci, information on the source, processing facilities and tanning processes of skins (detail of processes, location and names of the suppliers concerned);
- adhere to the animal welfare standards described in these Principles and ensure minimal impact on the environment and biodiversity;
- source preferentially through captive-breeding operations that can be verified by third parties when their countries have well-established and enforced legislation covering animal welfare and trade. For more details, make reference to the paragraph “Indicative list of preferred source of Precious Skins” under the section “Precious Skins” of the “Kering Standards for Raw Material and Manufacturing Processes” document published on www.kering.com;
- minimize the environmental impact and any use of hazardous chemicals throughout all the production processes.
processes, from raw material to the product supplied to Gucci.

**Fur free**
On October 2017, Gucci announced that it would no longer use, promote or publicize 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 has joined the Fur Free Retailer Program. According to the “Fur-Free Alliance” and the “Fur Free Retailer Program”, fur means any animal skin or part of it comprised of the relevant hair and fur fibers, either in its raw or processed status, that comes from animals bred or captured specifically for their fur. The SUPPLIER and its sub-suppliers shall not use any fur for Gucci products.

**Rubber**
The SUPPLIER and its sub-suppliers shall:
- Guarantee that the 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 (e.g. “jungle rubber”) to monoculture plantations. High risk areas for sourcing are: Gabon, Laos, Cambodia, China, Indonesia;
- Guarantee that the rubber sourced does not come from plantations that have been established on land taken away from local communities without first obtaining their ‘free and prior informed consent’.
- Ensure complete traceability of raw materials from cropping/harvesting to any single transformation process;
- Provide, in accordance with the procedures set out by Gucci, information on the origin of raw materials, cropping/harvesting areas, and transformation processes (details of the processes, location and names of the suppliers concerned);
- Minimize the environmental impact and use of hazardous chemicals throughout all the production processes, from raw material to the product supplied to Gucci.

**Wood, paper and derived products**
The SUPPLIER and its sub-suppliers shall:
- Ensure that all wood, paper and derived products sourced are FSC certified; the use of recycled fibers is preferred. Where FSC certification is not available, PEFC certification may be used;
- Ensure that manufacturing process are Chlorine-free;
- Ensure complete traceability of raw materials from cropping/harvesting to any single transformation process;
- Provide, in accordance with the procedures set out by Gucci, information on the origin of raw materials, cropping/harvesting areas and transformation processes (details of the processes, location and names of the suppliers concerned);
- Minimize environmental impact and use of hazardous chemicals throughout all the production processes, from raw material to the product supplied to Gucci.

Where certifications are not available, avoid using wood, paper and derived products originated from:
- high-risk countries including Indonesia, the Amazon or old-growth forest in northern USA and Europe;
- tropical deforestation (i.e. natural forests);
- plantations obtained from the conversion of tropical forests or peat land (cutoff date 1994);
- virgin forests, rainforests or endangered forests such as the Canadian and Russian Boreal Forest;
- controversial suppliers included in the Greenpeace list.

**Cellulose fabrics**
The SUPPLIER and its sub-suppliers shall:
- Ensure that all Cellulose fibers sourced are FSC; the use of recycled fibers is preferred. Where FSC certification is not available, PEFC certification may be used;
- Ensure that manufacturing processes are Chlorine-free;
- Ensure complete traceability of raw materials from cropping/harvesting to any single transformation process;
Provide, in accordance with the procedures set out by Gucci, information on the origin of raw materials, cropping/harvesting areas and transformation processes (detail of the processes, location and names of the suppliers concerned);

Minimize environmental impact and use of hazardous chemicals throughout all the production processes, from raw material to the product supplied to Gucci.

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

- high-risk countries including Indonesia, the Amazon or old-growth forest in northern USA and Europe;
- tropical deforestation (i.e. natural forests);
- plantations obtained from the conversion of tropical forests or peat land (cut-off date 1994);
- virgin forests, rainforests or endangered forests, such as the Canadian and Russian Boreal Forest;
- controversial suppliers included in the Greenpeace list.

**Plastics**

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);
- prefer plastics that are biodegradable or compostable;
- avoid the use of non-recyclable plastics, nano-plastics (plastic micro particles) and oxo-fragmentable plastics;
- ensure that the bio-plastic component uses feedstock that is not a food source, but it is rather from non-edible parts of the plant or from forestry, proteins from discarded sources, etc.;
- ensure that the production of the bio-plastic component uses feedstock that have not been genetically modified (GMO); provide, in accordance with the procedures set out by Gucci, information on the origin of raw materials, cropping/harvesting areas (only for bioplastics), and transformation processes (detail of the processes, location and names of the suppliers concerned);
- minimize the environmental impact and use of hazardous chemicals throughout all the production processes from raw material to the product supplied to Gucci.

**Cotton**

The SUPPLIER and its sub-suppliers shall:

- not purchase cotton from Uzbekistan, Syria, Turkmenistan or any other country which is considered to be at high risk due to the use of child labour, forced labour or any other violation of the human rights;
- use, if possible, fibers, yarn and/or fabrics that are Global Organic Textile Standard (GOTS) certified or alternatively recycled or regenerated fibers that are Global Recycling Standards (GRS) certified;
- use Fairtrade-certified cotton or adopt, maintain and verify a sourcing policy that guarantees full compliance with the Sustainability Principles;
- avoid using genetically modified cotton;
- ensure complete traceability of raw materials from cropping/harvesting to any single transformation process, from raw material to the fabric;
- provide, in accordance with the procedures set out by Gucci, information on the origin of raw materials, cropping/harvesting areas, and transformation processes (detail of the processes, location and names of the suppliers concerned);
- minimize environmental impact and use of hazardous chemicals throughout all the production processes, from raw material to the product supplied to Gucci.

**Cashmere**

The SUPPLIER and its subcontractors shall:

- ensure that the animal 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;
- guarantee that the cashmere supplied respect the animal welfare criteria defined in the paragraph “Animal welfare” of this document.
use, if possible, fibers, yarn and/or fabrics that are Global Organic Textile Standard (GOTS)-certified, or recycled or regenerated fibers that are Sustainable Fibre Alliance (SFA) or Global Recycling Standard (GRS);

guarantee complete traceability of raw materials from farming to any single transformation process from raw material to the fabric;

provide, in accordance with the procedures set out by Gucci, information on the origin of raw materials, farming areas and transformation processes (detail of the processes, location and names of the suppliers concerned);

minimize the environmental impact and use of hazardous chemicals throughout all the production processes, from raw material to the fabric supplied to Gucci.

Wool
The SUPPLIER and its sub-suppliers shall:

ensure that animal 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;

guarantee that the wool supplied has not been produced using “mulesing” techniques and respects the animal welfare criteria defined in the paragraph “Animal welfare” of this document.

use, if possible, fibers, yarn and/or fabrics that are Global Organic Textile Standard (GOTS), Responsible Wool Standard (RWS) or recycled or regenerated fibers Global Recycling Standard (GRS) certified;

provide, in accordance with the procedures set out by Gucci, information on the origin of raw materials, farming areas and transformation processes (detail of the processes, location and names of the suppliers concerned);

minimize environmental impact and use of hazardous chemicals throughout all the production processes, from raw material to the fabric supplied to Gucci.

Other animal fibers
The SUPPLIER and its sub-suppliers shall:

ensure that animal 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;

guarantee that the wool supplied respects the animal welfare criteria defined in the paragraph “Animal welfare” of this document.

use, if possible, fibers, yarn and/or fabrics that are Global Organic Textile Standard (GOTS), Responsible Wool Standard (RWS) or recycled or regenerated fibers Global Recycling Standard (GRS) certified;

provide, in accordance with the procedures set out by Gucci, information on the origin of raw materials, farming areas and transformation processes (detail of the processes, location and names of the suppliers concerned);

minimize environmental impact and use of hazardous chemicals throughout all the production processes, from raw material to the fabric supplied to Gucci.

Down and feathers
The SUPPLIER and its sub-suppliers shall:

ensure that feathers or downs are Responsible Down Standard (RDS)/Traceable Down Standard (TDS) certified or adopt, maintain and verify a sourcing policy that ensures there has been no live plucking and they don’t derive from animals that have undergone force-feeding during the reproductive phase of their lives;

ensure complete traceability of raw materials from farming to the single transformation processes;

provide, in accordance with the procedures set out by Gucci, information on the origin of raw materials, farming areas and transformation processes (detail of the processes, location and names of the suppliers concerned);

minimize the environmental impact and use of

from raw material to the fabric supplied to Gucci.
hazardous chemicals throughout all the production processes, from raw material to the product supplied to Gucci.

Diamonds
The SUPPLIER and its subcontractors shall endeavor, as of now, to provide GUCCI with diamonds or products containing diamonds that comply with the following requirements:

Diamonds must come from direct suppliers and a supply chain (Mining, Cutting, Polishing and Trading) in which each supplier is a certified member of the Responsible Jewellery Council (RJC) or:

- a RJC member who will shortly achieve the certification;
- adherent to the De Beers (BPP) principles of best practice;
- a CanadaMark™ and Forevermark label certified supplier;
- a supplier adopting other existing Standards that Kering considers to be equivalent to those mentioned above socially, environmentally, economically and ethically.

The invoice for diamonds must be accompanied by a declaration issued by the System of Warranties of the World Diamond Council (which is applicable to cut and polished diamonds of the Kimberly Process) stating that:

“The diamonds invoiced herein have been purchased from legitimate sources, not involved in the funding of conflicts and in compliance with United Nations resolutions. The seller represents and warrants that these diamonds are not sourced from conflict-affected environments, either based on its personal knowledge and/or written guarantees from the supplier of these diamonds”.

The invoice and/or accompanying documents of diamonds must contain a declaration, in line with the “Charter on Disclosure of Synthetic, Treated Natural and Natural Diamonds” of the World Federation of Diamond Bourses, which shall include the following information:

- a proper description of the type of diamonds indicating whether they are natural, processed or synthetic and whether they are rough or polished.
- a specific statement for natural diamonds: “The diamonds herein invoiced are exclusively of natural origin and untreated based on personal knowledge and/or written guarantees provided by the supplier of these diamonds”.

Suppliers of diamonds also undertake to make every reasonable effort to provide Gucci with additional information about the diamonds supply chain. Such information may include, by way of example and not limited to, the following elements:

Where diamonds is mined and by whom;
Who has traded diamonds and where;
Who has cut and processed diamonds and where;

Gold
The SUPPLIER and its subcontractors shall provide, as of now, GUCCI with only gold or products containing gold that comply with the following requirements:

- gold is purchased from one or more suppliers through the Kering Responsible Gold Framework. For more details make reference to box 1 “Kering Responsible Gold Framework” under the section “Gold” of the “Kering Standard for Raw Material and Manufacturing Process” document published on www.kering.com;
- the purchased gold is Fair mined (FM) or Fairtrade (FT) certified;
- the purchased gold is RJC CoC- certified;
- gold is purchased from the supplier through verification procedures that Kering considers to be equivalent to those set out above socially, economically, environmentally and ethically.

Additionally the supplier and its subcontractors shall:

- ensure complete traceability of raw materials from mining to any single transformation process;
provide, in accordance with the procedures set out by Gucci, information on the origins of the raw materials, mining operations and transformation processes (detail of the processes, location and names of the suppliers concerned);

minimize the environmental impact and the use of hazardous chemicals throughout all the production processes from raw material to the product supplied to Gucci;

the invoice to Gucci shall enclose a statement about the origin of gold from legitimate sources, not involved in the funding of conflicts in compliance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. This statement, in case of RJC CoC-certified gold, may be replaced by the Transfer Document attached to the invoice.

Other precious metals and stones
The SUPPLIER and its sub-suppliers shall:

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

ensure that precious metals and stones sourced are extracted in compliance with the highest social and environmental standards;

avoid purchasing precious metal and stones from conflict-affected environments;

adopt internationally recognized certifications related to the integrity of the processes and of the supply chain of precious metals and stones (for example RJC COP - Responsible Jewellery Council - Code of Practice);

ensure that all the stakeholders in the supply chain (e.g. mining operators) adhere to the UN principles in the Declaration of Human Rights and the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP);

ensure the complete traceability of raw materials, from mining to any single transformation process;

provide, in accordance with the procedures set out by Gucci, information about the origins of the raw materials, mining operations and transformation processes (detail of the process, location and names of the suppliers concerned);

minimize environmental impact and use of hazardous chemicals throughout the entire production processes, from raw material to the product supplied to Gucci;

the invoice to Gucci shall enclose a statement regarding the origin of the metal and stones from legitimate sources, not involved in the funding of conflicts and in compliance with the la OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

Nanomaterials
The SUPPLIER and its sub-suppliers shall not use any nanotechnology applications (products, raw materials, processes) unless such applications are analyzed 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 as well as for all the ingredients used in their manufacturing.

Food products suppliers
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 the systematic monitoring of risks arising from the contamination of raw materials, packaging materials, plant and production and distribution processes.

Insofar as concerns 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 GMOs fractions and not produced from GMO;

prepared by favoring 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 extracted naturally and limit the use of additives to cases of undoubted benefit for products and people too.
Food product packaging, in addition to what is provided by law, must transparently provide the consumer with clear and complete information about nutritional values, shelf life, methods of preservation and use of the product and any allergenic substances present in it, as well as tips to help people improve their eating habits. The packaging must also ensure the maintenance of organoleptic, nutritional and safety characteristics.

**Products cleaning and care services**
The supplier and its sub-suppliers shall:

- use after-sale 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 continued training to staff about the correct procedures to be used to perform the cleaning activities safely and reducing environmental impacts;
- use cleaning techniques and equipment that minimize 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 minimize 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 the security services in accordance with the Voluntary Principles on Security and Human Rights on private security and shall, in particular, comply with the following principles:

- adopting policies regarding good behavior and the use of force to prevent abuse and handling any misconduct or violations of human rights;
- providing services for prevention, protection, surveillance and defense and not engaging 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;
- the use of force is allowed only when it is strictly necessary and in proportion to the threat;
- utilizing services, technology and security as self-defense actions and not for offensive purposes.
SUSTAINABILITY REPORTING

To ensure that the Sustainability Principles are actually applied, the supplier and its sub-suppliers shall provide the following at Gucci’s request:

- its environmental impacts in terms of use of energy and water, waste production, water discharge and disposal of materials;
- inventory of chemicals used during the production of GUCCI’s products;
- information about MRSL Compliance and MRSL implementation;
- information about sustainability programs, actions and progress;
- information regarding new suppliers or sub-suppliers used in the production process and sourcing;
- information regarding the application of nanomaterials and/or nanotechnologies in the production processes;
- 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 Due Diligence Guidance for Responsible Supply Chain from Conflict-Affected and High Risk Areas https://mneguidelines.oecd.org/mining.htm
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
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
Rotterdam Convention: www.pic.int
The Fundamental Conventions of the International Labour Organisation (ILO)
The Ethical Trading Initiative (ETI) Base Code
FLA Workplace Code of Conduct and Compliance Benchmarks
Social Accountability International (SAI)
Responsible Jewellery Council (RJC)
Voluntary Principles on Security and Human Rights http://www.voluntaryprinciples.org/
We therefore ask your company to commit to the following:

- to comply with Sustainability Principles by signing and dating this document;
- to provide, at our request, detailed information on programmes, actions and progress regarding the actual application of Gucci’s Sustainability Principles;
- to accept Audits, whether or not pre-announced, which our company is entitled to conduct directly or cause to be conducted in order to ensure that the Principles are being respected;
- to implement any corrective steps and actions for improvement requested;
- to provide up-to-date information regarding new suppliers or sub-suppliers used in the production process and sourcing;
- to keep, and make available to the people instructed to conduct the audit, appropriate records to prove compliance with the Principles subscribed to;
- to communicate these Sustainability Principles to your sub-suppliers involved in the production, processing or/and procurement of materials, raw materials and services 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 their 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 Sustainability Principles is an important assessment parameter in selecting our suppliers. Therefore, your failure to cooperate in determining and adopting corrective actions may result in the termination of our business relationship.

We are certain that your company will help us 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,

(Company Name)________________________________________________________________
(Place and date)________________________________________________________________
(Stamp and signature of the Company legal representative) ______________________________