

COMPANY POLICY

CANDIANI S.P.A.

Candiani S.p.A., with production plants in Robecchetto con Induno and Malvaglio (MI), operates in the textile industry and specializes in the production of Denim from the raw material (bales of cotton) to the finished fabric.

Fully engaging its Customers and Employees to significantly improve its environmental footprint, Candiani S.p.A. has identified the main objectives for its Policy on Environmental Safety in the Workplace and Corporate Social Responsibility by obtaining UNI ENI ISO 14001:2015 (Environment) and SA 8000:2014 (Social Responsibility) certification.

Furthermore, the corporate management system is integrated with the occupational health and safety management system in accordance with the BS OHSAS 18001:2007 (Safety) framework and the Organization and Management Model as per Legislative Decree 231/01 et seq.

Candiani S.p.A. is aware of the role it holds in the social, environmental and economic contexts it operates in and therefore it periodically issues a Sustainability Report to all of its stakeholders, which includes complete and updated information on these topics.

Management makes every effort to respect the laws relating to the environment and safety in the workplace, as well as the principles laid down in the Conventions and Recommendations of the International Labor Organization and the Conventions and Declarations of the UN regarding human rights and the rights of the child, aiming for continuous improvement in corporate practices for the protection of the environment and employees through socially responsible behavior.

Candiani
DENIM

Particular attention is given to respecting and safeguarding the environmental, economic and social contexts in which the Company operates.

To meet these objectives, the Company has developed an integrated Safety, Environment and Corporate Social Responsibility Management System.

The Directorate General has adopted the following principles as the foundation for this System:

- Work directly on developing the Safety, Environment and Corporate Social Responsibility Management System, particularly through annual objectives for measurable improvement.
- Adopt a preventive risk management plan that applies to the company's specific corporate context.
- Prevent and reduce workplace accidents, injuries and illness.
- Assess the potential environmental impact and any safety risks prior to implementing any new activities or processes.
- Implement, where possible, applied technology that minimizes environmental impact and safety risks in the workplace.
- Identify, assess and monitor hazards and risks in the workplace, defining measures to prevent and minimize risk.

- Prevent and mitigate any type of environmental disaster in a timely manner by following prevention and intervention procedures.
- Systematically analyze accidents and near misses, as far as possible, by planning and implementing corrective and/or preventive actions that have an effect on the causes, then share lessons learned with internal staff members.
- Get employees fully involved in working towards the best interests of Candiani S.p.A., making them aware of the influence their work has on important environmental aspects and risks linked to work activity, and in the active sharing in the principles of corporate social responsibility.
- Periodically inspect emissions into the atmosphere and wastewater discharge.
- Assure internal and external communications in order to establish a direct relationship with employees, customers and the general public.
- Ensure cooperation with public authorities and control entities.
- Limit and improve consumption of energy and natural resources by continuously monitoring use.
- Implement, where possible, applied technologies that minimize environmental impact.
- Periodically audit the system by analyzing nonconformities and warnings.
- Monitor and minimize, wherever possible, the environmental impacts linked directly and indirectly to corporate activity, namely that of suppliers and external collaborators.
- Ban child labor and forced labor.
- Respect the freedom of association and the right to collective bargaining.
- Banish any form of discrimination.
- Adopt fair disciplinary procedures that are commensurate with due respect for human rights.
- Offer suitable working conditions in terms of working hours and wages.

Robecchetto con Induno, March 20, 2017

Gianluigi Candiani
President, Candiani S.p.A.

This policy is being distributed to all those who work in the interest of the Company (internal and external staff members, suppliers, contractors and temporary employees) and is available to anyone upon request.