

# CANDIANI S.P.A.'S CORPORATE POLICY

By means of its factories located in Robecchetto con Induno and Malvaglio (MI), Italy, Candiani S.p.A. works in the textile industry and is specialised in manufacturing "Denim" fabric from the raw material (cotton bale) to obtain the finished fabric.

Candiani S.p.A. established that full satisfaction of Customers and Employees, as well as the improvement of its own environmental performance, are the priority goals of its Policy about Environment, Occupational Safety and Social Responsibility, obtaining the certifications in compliance with the UNI EN ISO 14001:2004 (Environment) and SA 8000:2008 (Social Responsibility) standards.

The corporate management system is also integrated with occupational safety as per the BS OHSAS 18001:2007 (Safety) standard.

The Management undertakes to comply with environment and occupational safety laws, as well as to look for a continuous improvement in the protection of the environment and its collaborators by means of a socially responsible attitude.

Special attention will also be given to respect and protect the environmental, economic and social context where the company works.

To reach the above-mentioned goals, it developed an integrated Safety, Environment and Social Responsibility Management System.

The General Management puts the following principles at the base of the above-mentioned System:

- direct commitment to develop the Safety, Environment and Social Responsibility Management System, particularly by means of measurable annual improvement goals;
- prevention and reduction of accidents, injuries and industrial diseases;
- advance assessment of environmental impacts and possible risks for the safety of all new business activities and processes;
- implementation, where possible, of applied technologies which allow reducing the environmental impact and the occupational risk;
- identification, assessment and monitoring occupational hazards and risks by defining specific measures to prevent or reduce them;
- prevention and prompt management of any type of environmental accident by applying prevention and intervention procedures;
- systematic analysis of accidents and the "near misses" as much as possible by scheduling and implementing corrective and/or preventive actions that have an impact on the causes, and by sharing the acquired experience with in-house collaborators;
- full involvement of the personnel who works in the interest of Candiani S.p.A. and provide awareness about the impact of everyone's work on significant environmental aspects, the risks connected with the working activity and the active sharing of social responsibility principles;
- periodical control of atmospheric emissions and water drains;
- assurance of internal and external communications to establish direct relationships with employees, customers and, generally speaking, with the general audience;
- assurance of the cooperation with public authorities and control bodies;
- reduction and improvement of the use of natural and energy resources by constantly monitoring them;
- implementation, where possible, of applied technologies which allow further reducing the environmental impact;
- periodical check of the system by examining non-conformities and received reports;
- monitoring and reduction, where possible, of the environmental impacts that are directly and indirectly connected with corporate activities, that is, identified by suppliers and external collaborators;
- exclusion of the use of child and forced labour;
- respect of the freedom of association and the right to collective bargaining;
- elimination of all forms of discrimination;
- implementation of disciplinary procedures that are fair and respecting human dignity;
- offer of working conditions that are suitable in terms of working hours and compensation.

Robecchetto con Induno, Italy, 7<sup>th</sup> January 2014

Mr. Gianluigi Candiani  
President of Candiani S.p.A.