



GIORGIO ARMANI

THE ARMANI GROUP  
AND SUSTAINABILITY

2020

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“We are going through a complicated period, which nevertheless offers us the truly unique possibility of setting right that which is wrong, and thereby regaining more of the somewhat forgotten human dimension. This crisis should serve as an opportunity to slow down and realign everything, to delineate a more realistic horizon, and restore a notion of authentic behaviour to its place of value.

Because fashion can and must be a great stimulus for renewal, it is imperative that our actions be coherent and cohesive in the service of getting closer to addressing the real needs of the consumer, while also being respectful of what increasingly appear to be our most precious assets, worthy of our enduring protection: the environment and a healthy social fabric.”

*Giorgio Armani*

# 2020

## IN FIGURES AND FACTS

**9.729**

Employees worldwide

Over

**100.000**

Hours of training-education  
provided during the year

**623**

Directly managed  
sales outlets

**6**

Industrial sites

**1.594**

Million of €  
in economic value generated

**1.302**

Million of €  
in economic value distributed

**-4%**

Absolute energy  
consumption as compared  
to 2019

**96**

Audits performed at  
suppliers' factories

## DIVERSITY LEADERS RANKING

In 2020, the Armani Group achieved the sixth position worldwide, with top ranking among Italian companies, in the Diversity Leaders Ranking, as drawn up by the Financial Times based directly on employee feedback solicited for assessing the company's perceived inclusivity.

## FASHION PACT: PRELIMINARY RESULTS

The Armani Group confirmed having acceded to the Fashion Pact, an international initiative that brings together over 250 leading brands and companies in the fashion and textile industries, all with the desire to promote a virtuous transformation of the sector. In its first year of operation, promising results have been achieved in respect of two of the three pillars: Climate –with over 40% of the energy consumed deriving from renewable sources; and Oceans –with 70% of the signatories making a concrete commitment to reduction in the use of single-use plastics. In addition, the work on issues relating to Biodiversity continues.

## GLOBAL REPTRAK® 100

Yet again for 2020, the Armani Group appears among the best companies in the world based on the Global RepTrak® 100 analysis, the ranking compiled by the Reputation Institute, thus maintaining its position among the top five Italian companies in the ranking, and placed twenty-fourth in the world.



# BRANDS

GIORGIO ARMANI  
PRIVE

GIORGIO ARMANI

ARMANI / CASA

EMPORIO ARMANI

EA7  
EMPORIO ARMANI

A | X  
ARMANI EXCHANGE

GIORGIO ARMANI  
beauty

ARMANI  
Hotels & Resorts

ARMANI / FIORI

ARMANI / DOLCI

FOOD & BEVERAGE

# THE ARMANI GROUP WORLDWIDE

AS AT 31 DECEMBER 2020

## AMERICAS

● 258  
● 4

## EUROPE

● 121  
● 10  
● 5



## ASIA PACIFIC

● 244  
● 5  
● 1

- Directly Managed Sales Outlets
- Corporate Offices
- Industrial Sites



# THE SUSTAINABILITY

## TIMELINE

1996

- Exhibition of a recycled jeans model at the Museum of Science and Technology in Milan

2003

- CA-RI-FE Award for the reintroduction of textile hemp in the Italian fashion sector

2010

- Launch of the Acqua for Life project

2012

- Outfit made from recycled PET on the Golden Globes Red Carpet

2013

- Establishment of the Corporate Social Responsibility department
- Publication of RSL Specifications

2014

- Publication of code of conduct and first social and environmental audits performed on the supply chain
- Installation of the first photovoltaic systems in the buildings located in Via Bergognone, Milan

2015

- First Life Cycle Assessment (LCA) studies performed on best sellers (Project of the Ministry of the Environment)
- Armani/Silos opening

2016

- Fur Free Policy and PETA Fashion Award
- Publication of the "Guidelines on the Eco-Toxicological Requirements" by Italy's Camera Nazionale della Moda Italiana - CNMI (National Chamber for Italian Fashion)

2017

- Green Carpet Fashion Award
- Publication of the "Guidelines for Chemical Mixtures" and "Guidelines for the Sustainability of Retail" by CNMI

2018

- Armani Sustainability Project (ASP) pilot project
- Olimpia Milano Team uniform made from recycled PET
- First year of public reporting (Sustainability Report 2018)

2019

- Sustainability-themed 'Armani Development Programme'
- Signing on to the Fashion Pact
- Opening of the first Green concept outlet

2020

- Launching of the Emporio Armani Recycled Capsule collection
- Support for the COVID-19 emergency



# THE SUSTAINABILITY PLAN

THE 5 PILLARS COVER THE ENTIRE  
ARMANI GROUP'S VALUE CHAIN

PILLAR	SDGs	OBJECTIVE
RESPONSIBLE MANAGEMENT OF THE SUPPLY CHAIN	 	<ul style="list-style-type: none"> <li>» Use of 25% of raw materials that meet specific sustainability criteria by 2025</li> <li>» Raising the quality standards for suppliers of the Group by 2030</li> </ul>
ENVIRONMENTAL PROTECTION AND EFFICIENT USE OF RESOURCES	   	<ul style="list-style-type: none"> <li>» Reduction by 30% of emissions under direct control by 2030</li> <li>» Use of electricity produced 100% from renewable sources for the Group's Italian offices and stores by 2023</li> <li>» Use of electricity produced 100% from renewable sources for the Group's European offices and stores by 2025</li> <li>» Commitment to purchase 100% of FSC / PFSC certified paper: B2C by 2025 - B2B by 2030</li> <li>» Commitment to eliminate single-use plastic from packaging: B2C by 2025 - B2B by 2030</li> <li>» Commitment to purchase 50% recycled plastic for packaging: B2C by 2025 - B2B by 2030</li> </ul>
EMPLOYEE WELL-BEING AND TALENT DEVELOPMENT	 	<ul style="list-style-type: none"> <li>» Involvement of all corporate areas in the Group's sustainability plan</li> <li>» Improvement of well-being</li> <li>» Development of talents</li> <li>» Enhancement of female talent</li> <li>» Enhancement of diversity and inclusion</li> </ul>
FOCUS ON THE CUSTOMER	 	<ul style="list-style-type: none"> <li>» Improvement of the relationship with the customer, of the customer journey, and raising awareness on sustainability issues</li> </ul>
SUPPORT AND INVOLVEMENT OF COMMUNITIES	   	<ul style="list-style-type: none"> <li>» Support for the local area and communities</li> <li>» Support for research in the medical-scientific field</li> <li>» Undertaking initiatives in support of culture</li> <li>» Contribution to research in the area of environmental protection</li> <li>» Promotion of ethical principles and values in sports</li> </ul>

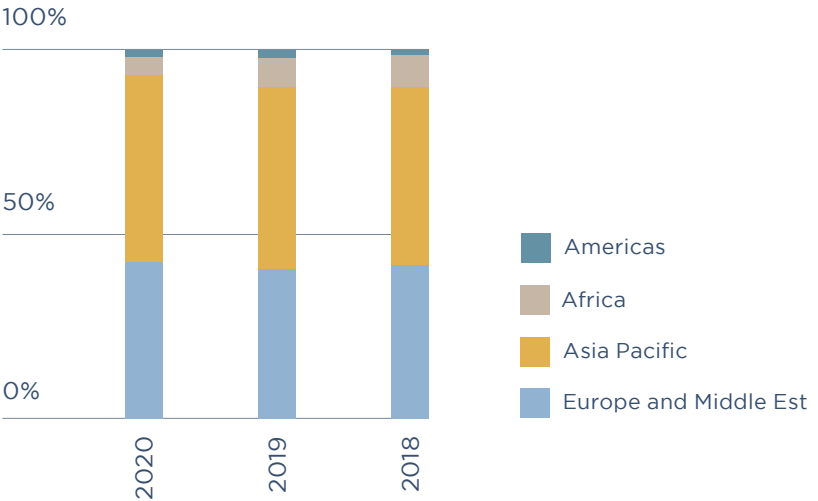


# RESPONSIBLE MANAGEMENT OF THE SUPPLY CHAIN

Suppliers constitute one of the pillars of the Group's sustainability policy as well as the vehicle for disseminating good social and environmental practices in the sector.

Achieving improvement in the Group's performance is necessarily inseparable from the imperative of continuous collaboration with its suppliers which is aimed at promoting research on and seeking raw materials with low environmental and social impact.

**Breakdown of purchasing by geographic area 2018-2020**  
(Providers of services excluded)



In order to monitor compliance with the codes of conduct and augment the level of sustainability of the supply chain, the Group has implemented a monitoring process by means of social and environmental audits, which is reassessed annually.

Over the three-year period 2018-2020, **51%** of the total number of **suppliers** were inspected and validated by means of audits.



## Innovative raw materials

In 2020, the ASP Protocol (**Armani Sustainability Project**) came into being with the objective of providing indications for the selection of sustainable raw materials and guidelines for the application of the logo to the Group's products.

From an analysis of the certifications voluntarily acquired by the Group's raw materials suppliers, it emerged that 45% of the latter (calculated on the basis of purchasing volumes) possess at least one of the certifications mentioned in the ASP Protocol.



## Emporio Armani Recycled capsule collection

For the Fall Winter 2020 season, Emporio Armani presented a workwear-inspired selection of apparel and accessories made from materials that are recycled, regenerated, or derived from organic sources.

Wool and nylon derive from local pre-consumer waste and textile scraps, and organic cotton is cultivated using non-GMO seeds and organic production systems.

The collection was completed with a model of sunglasses and a watch made with recycled and bio-based materials.

## The commitment of Armani Exchange

The Armani Exchange brand is committed to the selection of recycled and organic materials. This made possible the achievement of 16% sustainable items in the Fall Winter 2020 Women's Wear Collection. Whereas outdoor clothing is characterised by the use of post-consumer regenerated nylon, in knitwear and denim use is made, often in combination, of recycled denim and cotton, and organic cotton.

The same attention is also evident in the selection of materials for the labels which, in addition to presenting the ASP logo, provide additional information for end customers about the origin and added value of the raw materials used.



## Giorgio Armani Beauty: My Way

In September 2020 the Group launch the My Way fragrance reflecting the commitment to protecting the environment and combatting climate change. For the very first time in the perfume industry a recyclable and refillable glass bottle was designed.

In addition, the natural ingredients of the fragrance have been responsibly harvested through programmes based on fair trade principles.

My Way has achieved carbon neutrality thanks to the offsetting of the 7,000 tonnes of residual emissions during the first year.





# ENVIRONMENTAL PROTECTION AND EFFICIENT USE OF RESOURCES

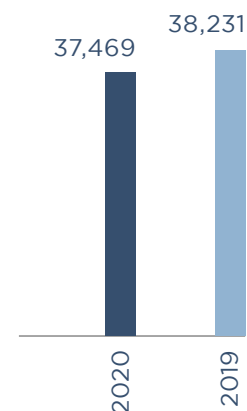
The Group commitment to constantly improve its own environmental performance focuses on:

- optimization of resources;
- transition towards the use of renewable energies;
- attention to waste differentiation;
- awareness and involvement of personnel on issues related to environmental protection.

The emissions are strictly linked to the Group's energy consumption, **decreased by approximately 4%** as compared to 2019, and to business travels.

The emissions are evaluated in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) and in 2020 they **decreased of approximately 2%**. The reduction is mainly due to extraordinary closures of corporate sites and stores, the reduction of business travels, and the use of energy from renewable sources for some Group corporate sites.

Greenhouse gas  
emission [ton CO<sub>2</sub>e]



## COMMITMENT TO RENEWABLE ENERGY

The Group has initiated a journey to gradually increasing coverage of its needs through energy from renewable sources. Already during 2020, some of the Group's corporate offices made use of it: Switzerland, Spain and Portugal. Furthermore, starting from 2014, the Italian headquarters in Via Bergognone have been producing a portion of its energy needs through a photovoltaic system installed on its rooftop. In 2020 about 13% more electricity was produced than in 2019.



# EMPLOYEE WELL-BEING AND TALENT DEVELOPMENT

## COVID 19 MEASURES IN RESPONSE

For the Armani Group guarantee personal developments and well-being of employees means:

- enhancing diversity and promote inclusion;
- improving wellness through dedicated welfare initiatives;
- investing in training activities;
- protecting health and safety.

The circumstances in 2020 encouraged the Group to adopt exceptional measures designed to overcome a crisis that affected primarily employees' health and safety.

### REORGANISATION OF ACTIVITIES

Offices and industrial sites have been closed, out-of-country travel remained limited, the adoption of smart working and e-learning trainings was favoured.

### PROTECTION OF EMPLOYEE HEALTH

The measures include distribution to all personnel of masks, sanitising gels and other personal protective equipment, monitoring of body temperature, and thorough sanitisation of all work environments.

### COMMUNICATION AND TRAINING

Disseminations of the decalogue of health-sanitation and behavioural measures to be complied with and the opening of communication channels to be used for requesting information.

### DEFINITION OF MONITORING MEASURES

Control measures for individuals external to the company.



## Armani People Care

The Group appropriately adapted the welfare tools to the emergency situation (special agreements, discounts and offers with companies operating in various sectors, such as food, technology, health, and leisure; reimbursement for the purchase of masks, disinfectant gels, Covid-19 serological tests and PCR nasal swab tests; as well as for streaming services).



## Training

The entirety of the training activities took place in digital mode, through e-learning, to give continuity to the training processes.

During the months of the lockdown, the Training and Development Office launched GROW@Armani, an online platform dedicated to providing training for employees.

The hours of training provided during 2020 are in line with the previous years data, thanks to the dynamism of the Armani Group, who has been able to adapt training offer.





The Group commitment towards its customer is reflected in:

- guaranteeing authenticity, quality and safety for the product;
- ensuring client data protection;
- promoting and raising awareness of sustainability issues.

The Armani Group, always active in protecting its intangible assets, during 2020 increased the activity relating to preventive protection and the fight against online infringement. The CERTILOGO® system has proved to be a valuable partner by collecting, during 2020, more than **420,000 authentications** in 230 countries.



## OUTLET GREEN

Sales stores represent one of the main channels for communicating a brand's identity and values. A key attraction along the virtuous route being traversed by the Armani Group with a view to promoting sustainable development and a circular economy, is the shopping experience offered in the Armani Green Outlets – sales outlets built using materials that are recycled and recyclable at the end of their life. Since being inaugurated in 2019, this model has also been adopted for several new store openings in Europe and Asia and is planned for other openings over the coming years.





# SUPPORT AND INVOLVEMENT OF COMMUNITIES

## COVID 19 SUPPORT TO COMMUNITIES

The Armani Group, ever cognisant of its responsibility towards the community being one of the founding values of its business and activities, has for years been supporting and promoting important projects in various social, cultural and environmental domains. Even during the emergency that affected the whole world, the Group continued the range of non-profit activities, renewing consolidated collaborations and creating new ones.



### 3 MILLIONS € DONATED

2 millions euros from the Armani Group and 1 million euros from the Olimpia Milano team were donated to help **hospitals** and the Italian **Civil Protection Department**.

### PRODUCTION CONVERSION

to undertake the production of **disposable gowns** intended for personal protection of healthcare workers, which were donated to hospitals, healthcare facilities and nursing homes.

### SUPPORT OF 52 NO-PROFIT ORGANIZATIONS

on the occasion of the reopening of the company-owned sales stores part of the **proceeds from the sales** were donated to 52 different no-profit organizations.

### MORAL SUPPORT

Giorgio Armani expressed his moral support through an **open letter** complemented by a dedication placed on the mural in Via Broletto.

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GIORGIO ARMANI SpA  
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2021



*For detailed and supplementary information please refer to  
2020 Sustainability report viewable on the Group website.*



*Biodegradable and recyclable paper from materials sourced from responsibly managed  
forests, consisting of pure cellulose with at least 25% recovered fibres and produced in  
adherence with sustainability criteria during its processing.*



A dense bamboo forest with green leaves and stalks. The image is a full-page background for an Armani advertisement. The bamboo stalks are vertical and green, with some yellowish-brown patches. The leaves are long, narrow, and green, with some yellowing at the tips. The overall tone is dark and moody.

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