

CASTELLI

MILANO
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Sustainability Statement



BPMA

**StepForward Pledge
2024/2025**

PRODUCT



Commitment 1: Product Procurement

Signatories agree to: procure and supply an increasingly greater percentage of recycled and/or sustainably sourced products.

Castelli has expanded its product collection to include a diverse range of eco-focused items, utilising materials that are recyclable or derived from recycled and waste products, such as bottles and apples. We also produce some of our paper internals using 100% green hydroelectric energy, reinforcing our commitment to sustainable sourcing.

We actively promote our FSC accreditation and the use of FSC-certified paper across our product lines. Our eco-friendly products are featured prominently in trade advertising and communications, ensuring our sustainability efforts are clearly conveyed to customers and partners.

To further minimise our environmental impact, Castelli has implemented a paperless order system, significantly reducing paper usage. The paper we do use is sourced from an ethically-minded supplier participating in the Carbon Capture® Scheme, aiding our goal of achieving Net Zero carbon emissions.

For all new products, we provide detailed life-cycle information in our literature and online. This includes guidance on recycling products at the end of their life and disposing of individual components in an environmentally responsible manner.

We have upgraded our machinery to enhance branding quality while improving energy efficiency. These upgrades allow us to deliver high-quality products with reduced energy consumption, aligning with our sustainability goals.

Castelli prioritises sourcing from suppliers who adhere to fair labour practices, respect human rights, and comply with environmental regulations. We work exclusively with partners who share our commitment to ethical and responsible production, ensuring that all products meet our high standards.

We require our suppliers to provide clear and verifiable information regarding the origins of their products, including labour conditions, sourcing methods, and environmental impacts. We are committed to maintaining transparency in our supply chain by making this information accessible to our stakeholders.

Our procurement strategies are aligned with environmental sustainability goals, including selecting suppliers engaged in eco-friendly practices and using sustainable materials. We avoid sourcing products that contribute to deforestation, pollution, or other forms of environmental degradation.

We do not engage in 'impact washing' by exaggerating the ethical or sustainable aspects of our products or sourcing practices. All claims about the ethical and environmental benefits of our procurement processes are backed by concrete actions and evidence.

We are committed to sourcing products in a culturally sensitive and socially responsible manner, respecting the traditions and values of communities involved in the production process and ensuring no exploitation occurs.

We foster open communication and collaboration with our suppliers, encouraging them to adopt and maintain ethical and sustainable practices. We also actively seek feedback to continuously improve our procurement processes. Regular assessments are conducted to address any risks in our supply chain, including potential ethical violations, environmental impacts, and product safety issues. Immediate action is taken to mitigate these risks and ensure compliance with our ethical standards.

Commitment 2: Product Packaging

Signatories agree to: ensure an increasing number of products are packaged in materials that can be sustainably sourced, easily recycled, reused or are biodegradable.

Castelli has now eliminated plastics completely from all our packaging materials and replaced all pallet wrapping with paper which is fully recyclable. The machine that carries out this process is also more power efficient, drawing less energy.

We reuse all cardboard boxes and recycle responsibly any unwanted paper or cardboard on the premises.

All parcels are now sealed using paper-based adhesive tape as standard.

Plastic carton strapping/banding has now been removed completely from all shipments.

All Castelli paper and cardboard is FSC® certified from responsible sources.

Castelli continues to contribute to the Carbon Capture® Scheme by selecting an ethically-minded paper supplier to help mitigate our carbon emissions and assist Net Zero.

Commitment 3: Product Claims

Signatories agree to: make sustainability claims easily verifiable so that customers can trust the marketing messages they are presented with.

Castelli is dedicated to embedding sustainability into every aspect of our business. We prioritise the use of FSC-accredited paper, ensuring our products consistently meet high environmental standards. Our manufacturing practices are aligned with EU regulations, focusing on energy efficiency, conservation of natural resources, and waste minimisation. We continuously monitor and evaluate our processes to drive ongoing improvements.

We actively advocate for eco-minded behaviour within our company and across the industry. This includes promoting energy-saving measures, reducing waste, and integrating sustainability into every decision we make. Through trade advertising and industry engagement, we inspire others to adopt similar sustainable practices.

At Castelli, our product innovation is guided by a strong commitment to the environment. We develop eco-friendly products using sustainable materials, explore low-carbon manufacturing processes, and ensure our products are recyclable or biodegradable, reinforcing our dedication to sustainability.

Castelli is working towards an official certification that recognises companies committed to high standards of social and environmental responsibility. This will further demonstrate our dedication to ethical business practices.

Our ecological strategy includes global sourcing initiatives. By attending internationally recognised trade exhibitions and conducting thorough research, we source sustainable and recyclable materials for our products. These efforts have led to the introduction of new ecological materials in our product collection, reinforcing our commitment to sustainability.

PEOPLE



Commitment 4: People Training

Signatories agree to: train employees to incorporate sustainability into their day-to-day thinking.

At Castelli, all staff members have completed mandatory training in key areas to enhance their awareness and practices both at work and in their personal lives. This training covers:

- **Energy Saving at Work:** Practical strategies to reduce energy consumption.
- **Environmental Awareness:** Understanding the impact of our actions on the environment.

To reinforce our commitment to sustainability, each department within Castelli now includes sustainability reduction KPIs as part of their quarterly appraisals. These KPIs focus on:

- **Reducing Work-Related Travel:** Encouraging online meetings over in-person ones to minimise driving, excluding commuting.
- **Decreasing Electricity Consumption:** Promoting the efficient use of lights, heating, and air conditioning by turning them off or adjusting settings when not needed.
- **Minimising Business Travel:** Limiting flights and train journeys, and opting for economy travel to reduce our carbon footprint.
- **Conserving Water:** Encouraging the sparing use of water, prompt reporting of leaks, and ensuring taps are turned off.
- **Supporting Fuel Emissions:** We have introduced electrical charge points for Hybrid and EV's for our staff and visitors to use at a reduced rate.

For the past two years, Castelli has actively participated in the BPMA Sustainability Conference, involving new employees to help share the sustainability message across the company. Through this engagement, we have embraced the pledge to commit to making ethical and ecological changes wherever necessary, ensuring that our team is well-equipped to drive our sustainability goals forward.

Commitment 5: People Wellbeing

Signatories agree to: focus on employee wellbeing.

At Castelli, we prioritise the well-being of our employees through various initiatives designed to support both physical and mental health:

- We provide ergonomic workstations to ensure comfort and prevent strain.
- We offer healthy food and drink options to promote overall wellness.

Examples of which consist of: a variety of dairy free milks to suit lactose intolerance; a wide range of decaffeinated and selected herbal teas; there is always fruit available in the canteen; dietary needs are always met when visitors attend the building.

- We offer comprehensive mental health support through our free-to-access Employee Wellbeing programme provided by Health Assured (www.healthassured.org).

- Our hybrid working scheme provides flexibility to improve work-life balance, fostering a collaborative and successful work environment.
- We conduct annual appraisals to give staff the opportunity to review their performance, discuss strengths and areas for improvement, and share their own feedback and thoughts.
- Employees are encouraged to use their lunch breaks to engage in activities such as walking, promoting physical health and mental relaxation. We also advocate for regular movement breaks throughout the day to refresh and re-energise.

Commitment 6: People Community

Signatories agree to: support the local community.

At Castelli, we are dedicated to enhancing the economic and social well-being of the communities where we operate. Our community-focused initiatives include:

- **Volunteering Leave:** We are looking to offer all staff one to three days of annual leave to participate in supporting local charities, encouraging active involvement in community service.
- **Support for Conservation Efforts:** Over the past year, we have supported organisations such as the Butterfly Conservation (www.butterfly-conservation.org) and the Marine Conservation Society (www.mcsuk.org), reflecting our commitment to environmental stewardship and aligning with our core values.
- **Donation and Sponsorship:** We continue to donate end-of-line items to selected charities and local schools and sponsor community events, contributing to local initiatives and education.
- **Exploring New Partnerships:** In the coming year, we aim to explore further collaboration with 'A Good Thing' (<https://www.agoodthing.org.uk/>), enhancing our community impact through meaningful partnerships that send less to landfill.

Commitment 7: People Pay & Conditions

Signatories agree to: pay employees a living wage and provide flexible working conditions.

At Castelli, we are committed to fostering a diverse and equitable workplace where every employee has the opportunity to succeed. Key aspects of our approach include:

- **Diversity and Equality:** We actively recruit from diverse backgrounds and ensure equal opportunities for career advancement, as outlined in our Equality & Diversity Employment Policy. This policy is accessible to all staff, promoting an inclusive environment where everyone can thrive.
- **Hybrid Working Scheme:** Our hybrid working model provides flexibility, supports a harmonious work-life balance, and reduces commuting time and costs, contributing to a more productive and collaborative work environment.
- **Sustainable Recruitment:** We are dedicated to interviewing and recruiting individuals who align with our sustainable values, ensuring that new hires share our long-term commitment to ethical practices.

PLANET



Commitment 8: Planet Energy

Signatories agree to: increasingly procure renewable energy tariffs for business premises.

At Castelli, we are dedicated to minimising our environmental impact by enhancing our energy efficiency and resource management. Our initiatives include:

- **Efficient Production Methods:** We focus on reducing water, energy, and raw materials through improved production techniques, recycling, and reusing materials. Our goal is to inspire others to adopt similar practices.
- **Power Consumption Monitoring:** We monitor our power usage to reduce peak electricity demands. An energy management company has conducted a comprehensive energy audit, guiding our efforts to implement targeted improvements.
- **Desktop Computers:** We have replaced 70% of desktop computers with energy-efficient laptops, and aim to increase this to 90% by the end of 2024, supporting hybrid working and reducing power consumption.
- **Electric Car Charging Facilities:** We have introduced electrical charge points for Hybrid and EV's for our staff and visitors to use at a reduced rate.
- **Lighting Upgrades:** We have upgraded 97% of our lighting to LED across our accounts, warehouse, and production areas, with a goal to achieve 100% LED lighting throughout the building.
- **Machinery:** Our upgraded machinery is designed for high performance while being more power-efficient.
- **I.O.T Network:** We have established an isolated I.O.T network to control building services, including air handling units, drinking water services, and staff kitchen lighting. This system activates or deactivates services based on occupancy and will be expanded building-wide by the end of the year.
- **Power Reduction:** We plan to power off offices, warehouses, and production areas when not in use, and are working on reducing power consumption in our server room, aiming for an additional 10% reduction by the end of 2024.
- **Solar Panels:** We are exploring the installation of high-capacity solar panels with on-site storage to lower our reliance on the national grid.
- **Hazardous Materials and Recycling:** We ensure responsible disposal of hazardous materials, provide battery collection boxes for staff and visitors, and recycle all paper and cardboard through Veolia waste services. None of our general waste is sent to landfill.

Through these measures, Castelli is committed to advancing our energy efficiency and reducing our environmental footprint, setting a standard for sustainable practices.

Commitment 9: Planet Delivery Partners

Signatories agree to: choose delivery partners that take steps to improve fuel efficiency.

At Castelli, we are committed to minimising our environmental impact through sustainable delivery and transportation practices. This includes prioritising delivery contractors who utilise electric vehicles. We believe that these efforts are essential in reducing our carbon footprint.

To further reduce transportation impacts, we strive to create products and processes that remain on-site. When sourcing components, we prioritise purchasing locally to save on fuel costs and reduce emissions. When local sourcing is not feasible, we opt to purchase components from within Europe rather than from China or Asia, ensuring easier transportation and lower emissions.

As part of our commitment to sustainability, we have established a European entity in the Netherlands. This strategic move helps us avoid the high transportation costs and environmental impact associated with shipping products from the UK to Europe.

Castelli is dedicated to promoting good manufacturing practices industry-wide, adhering to EU standards. We regularly service and check all vehicles used at our site to ensure they meet emission standards and use fuel efficiently.

Castelli will continue to work with suppliers who share our commitment to minimising environmental impact. By partnering with like-minded organisations, we strengthen our collective efforts towards sustainability.

Commitment 10: Planet Circular Economy

Signatories agree to: use resources efficiently and transition towards a circular economy.

Castelli is committed to sourcing materials from sustainable and renewable sources wherever possible. We use fair trade alternatives that align with our business needs and maintain our full accreditation with the Forestry Stewardship Council (FSC), ensuring all standard Castelli paper-based products and sales literature are made from FSC certified materials (Accreditation number C143836).

We are accredited by SEDEX; Reference Number: ZC1001710, which supports the empowerment of ethical supply chains, and our operations are regularly audited to meet the ethical principles stipulated by SMETA. We prioritise working with like-minded suppliers who share our commitment to minimising environmental impact.

Our products are designed to last, and we emphasise the importance of recycling to prevent landfill waste. We actively promote effective recycling methods and have implemented strategies to minimise waste across our operations. This includes recycling and composting programmes, evaluating operational efficiency, and sourcing reclaimed materials wherever possible.

Castelli has implemented a Plastic Elimination Programme, aiming to minimise plastic use through alternative packaging solutions, reducing single-use plastics, and promoting recycling and reuse. Additionally, we track material sources to identify areas for waste reduction and ensure compliance with all relevant environmental legislation.

Castelli focus on efficient resource use across all operations, including:

- Regular servicing and upgrading of machinery to extend its lifespan and improve efficiency.
- Reducing transportation needs by utilising public transport, conference calls, and sourcing locally.
- Conserving energy and water through measures like upgraded lighting, efficient equipment use, and ensuring lights and machines are turned off when not in use.
- Using scrap paper for drafts, printing double-sided in mono, and recycling all waste cardboard and plastics.

Castelli remains informed of and compliant with all applicable environmental legislation. We continuously review and improve our environmental practices to ensure a sustainable and responsible approach in all our operations.

Commitment 11: Planet Emissions

Signatories agree to: measure and reduce emissions from supply chains.

Castelli is committed to maintaining compliance with all environmental legislation relevant to our operations. We stay informed of regulations, continuously review our practices, and implement sustainable approaches to ensure we meet the highest standards of environmental responsibility.

Our Plastic Elimination Programme focuses on minimising the use of plastic and non-toxic processes across all operations. We regularly review our packaging solutions to reduce single-use plastics, promote recycling and reuse, and support fair trade alternatives, all of which contribute to lowering carbon emissions. Additionally, we implement recycling and composting programmes and track material sources to minimise waste.

Castelli has significantly reduced energy consumption by investing in energy-efficient equipment and incorporating renewable energy sources. We have installed power monitoring devices throughout our production areas, which have informed our ongoing transition to automated LED lighting. This initiative has already reduced our power consumption by 773KW per month. In the next phase, we will introduce automated power control systems and additional energy-saving practices.

Castelli is dedicated to reducing toxic emissions and offsetting greenhouse gas emissions through accredited programmes. We actively support reforestation efforts and hold certifications like the Forest Stewardship Council (FSC) to further our environmental impact. As members of the Carbon Capture® scheme, we remain committed to ensuring a greener future.

We have introduced a new digital printing machine that uses environmentally friendly inks, supporting both our environmental goals and business growth.

Castelli promotes environmental awareness and encourages eco-friendly practices both within our company and across the industry. We engage in trade advertising, share best practices, and collaborate with other organisations to drive collective action for a more sustainable future. Our factory's SMETA (Sedex Members Ethical Trade Audit) certification further underscores our commitment to ethical working conditions and environmental performance throughout our supply chain.

Commitment 12: Planet Greening Government Commitments

Signatories commit to: meet or exceed the Greening Government Commitments by reducing climate impacts.

Castelli is dedicated to ensuring the sustainability of our supply chain by regularly monitoring and assessing the environmental performance of our partners. We are committed to maintaining and improving sustainable procurement practices.

We are actively involved in the Carbon Capture® Scheme as part of our commitment to achieving net-zero emissions. This involvement includes supporting reforestation efforts through the purchase of FSC-certified paper, contributing to sustainable practices that positively impact the environment.

Castelli is focused on minimising waste and enhancing resource efficiency across our operations. Our Plastic Elimination Programme is central to this effort, aiming to reduce plastic usage and promote non-toxic processes. We continually monitor our sustainability programmes to ensure they are effective and aligned with our environmental goals.

To conserve water, we have implemented low-level flushers in our toilets and equipped our urinals with body-heat sensors that trigger flushing only after use. These measures contribute to our overall goal of reducing water consumption.

We are committed to improving sustainable procurement by developing innovative products that incorporate environmentally friendly components. These components, often overlooked or discarded, are now integral to our product design, promoting a circular economy.

In addition to our Carbon Capture® Scheme involvement, Castelli is part of the Gold Standard Impact Registry. Through this partnership, we support certified climate projects like the Chaiyaphum Wind Power Project in Thailand, which generates renewable energy and reduces greenhouse gas emissions. We also contribute to the Myanmar Stoves Campaign, which has sold 55,000 fuel-efficient stoves, benefiting over 250,000 people and reducing carbon emissions.

We are committed to reducing the environmental impact of our Information Communication Technology (ICT) by investing in high-spec IT equipment. This approach ensures longevity, reliability, and a reduced need for frequent replacements, contributing to lower electronic waste.

Castelli continues to support nature recovery efforts through our association with the Forest Stewardship Council and active participation in the Carbon Capture® Scheme. These initiatives are part of our broader commitment to a greener, more sustainable future.

Commitment 13: Planet Reporting

Signatories agree to: report on sustainability performance in a transparent manner.

Castelli is committed to clear and transparent communication about our sustainability efforts, ensuring that our stakeholders are fully informed. Our Sustainability Statement is displayed on our website to engage customers and suppliers with our progress.

We continuously evaluate our ethical practices to identify areas for improvement and ensure we meet our sustainability goals. This ongoing analysis is crucial to our responsible business operations.

Castelli is working towards an official certification, which reflects our dedication to rigorous social and environmental performance, transparency, and accountability. Since 2023, we have participated in the BPMA Step Forward Pledge and actively seek other relevant sustainable certifications to support our sustainability claims.

We prioritise clear, informative, and truthful messaging across all platforms, including our website and social channels. Our communication is regularly updated to reflect any changes, ensuring that our stakeholders remain informed.

Castelli actively promotes environmental awareness and sustainable practices within our industry. We engage in trade advertising, share best practices, and collaborate with other organisations to drive collective action towards a greener future.

We are committed to openness and honesty in all customer interactions. We provide comprehensive information about our products, services, and social responsibility initiatives, and we listen to client feedback to continually improve our offerings. We avoid pressure-selling techniques and promptly address any issues to maintain trust and transparency.

As outlined in our Ethical Marketing Policy, Castelli is dedicated to honesty in our marketing efforts, whether for our own campaigns or those conducted with customers, partners, and suppliers. By upholding these principles, we build stronger consumer relationships, enhance our brand reputation, and contribute to a more ethical and sustainable marketplace.

We commit to providing clear and accessible information about the environmental impact of our products, services, and operations. This includes reporting on carbon emissions, resource usage, and other relevant environmental metrics. Our reporting aligns with our broader environmental and social sustainability goals, highlighting our eco-friendly practices, fair labour standards, and community engagement initiatives.

Castelli explicitly rejects 'greenwashing,' which involves exaggerating or misrepresenting the environmental benefits of our products or operations. All claims regarding our environmental impact are supported by concrete actions and verifiable evidence to ensure honesty and integrity in our reporting.

Our planet reporting is grounded in measurable data and credible sources. We use reliable methods to track and report on our environmental performance, ensuring that stakeholders can trust the information we provide. We are committed to continually improving our environmental performance and reporting practices, regularly updating our methods to reflect the latest standards in sustainability and environmental responsibility.

We engage with stakeholders, including customers, partners, and suppliers, to gather feedback on our environmental practices and reporting. We address any concerns raised in a timely and respectful manner, ensuring that our planet reporting remains responsive to stakeholder needs and expectations.

By adhering to these principles, Castelli aims to contribute to a more sustainable and environmentally conscious marketplace while maintaining the trust and confidence of our stakeholders.

Mark Poland
Managing Director

23rd August 2024