



CODE OF ETHICS

We thank

Giulio Rufo Clerici, a lawyer appointed by the Chamber of commerce of Milan Monza Brianza Lodi for cooperating to draw the Code of Ethics.

December 2017

Pursuant to Article 27/bis of the Legislative Decree 206 dated 6 September, 2005, the entity responsible for this Code of Ethics is the Federazione Nazionale Commercianti Mobili e Arredamento – Federmobili – Confcommercio Imprese per l'Italia (National Federation of Furniture and Furnishing Dealers). For brevity, Federmobili.

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FOREWORD

This Code of Ethics promotes the transparency and performance of the market to protect the public, the business and professional entities involved in the distribution of furniture and furnishings and the consumers, spreading best practices and correct information, in compliance with the principles set out by Art. 27 bis, third paragraph, Legislative Decree 206 dated September 6, 2005 (Consumer Code), as well as current international, EU and national provisions.

PRELIMINARY PROVISIONS AND GENERAL PRINCIPLES

1. ASSOCIATING WITH FEDERMOBILI, ADOPTION AND UPDATING OF THE CODE

By associating with Federmobili, the business partners (as per Article 6, paragraph 1, letter b of the Federmobili Articles of Association) adopt this Code of Ethics contextually and integrally.

The Board of Federmobili updates the Code and promotes its dissemination. In case the Code is amended, Federmobili publishes its updated version. After six months, it becomes effective for all business partners.

2. PARTICIPATION IN THE ASSOCIATION

The business partners contribute with ideas, proposals, opinions and projects, in order to make the associative life and being part of Federmobili more useful and profitable.

The business partners undertake to communicate in advance to Federmobili their possible partnership with other associations, with scopes that are compatible with those of Federmobili.

3. GENERAL DUTIES OF THE BUSINESS PARTNERS

The business partners engage to:

- to act in observance of the principles and norms of the legal system and of this code;
- to promptly observe the principles and standards referred to in Legislative

Decree 196 30 June 2003 (Code for the protection of personal data), and following amendments, informing employees, collaborators, customers, and suppliers, by means of specific clauses indicated on the company's forms, regarding the rights and guarantees provided for the protection of personal data;

- to act with integrity towards the State, the Public Administration, the Political Parties, and every Institution;
- to observe, when performing the activities, the principles of loyalty and fairness towards all entities, public and private, with whom they are in contact, whether they are customers, suppliers, competitors, associates or third parties;
- to pursue the quality standards set forth in Art. 5 of this Code;
- to promote the rights of consumers and to act in their favour with the utmost transparency and fairness, in compliance with the provisions of Legislative Decree 206 6 September, 2005, in particular;
- to protect the environment in the context of ecologically sustainable economic progress;
- to collaborate with Federmobili in the initiatives for the analysis and development of the furniture sector.

SECTION I - CLIENTS

4. SERVICE TO THE CLIENTS

Business partners consider the sale and service to customers as the basis and scope of their business, committing to incorporating the needs of customers to better meet them.

5. QUALITY STANDARDS

In relations with customers, business partners engage to inform consumers in advance on the existence of the Code of Ethics and to comply with, in particular, the quality standard referred to at point c) of this article, as well as at least four other standards of their choice among the following:

- a) Availability of this Code of Ethics at the shop, in a well visible and accessible place for the public, as well as on the possible corporate website.
- b) Availability of complete and transparent information regarding the

- quality of the products, the guarantees accompanying them, the methods of assembly and the after-sales service.
- c) Adoption of the Model Contract for the sale of furniture and furnishings published by Federmobili, by the signatory consumer Associations and by the Chamber of Commerce of Milan Monza, Brianza and Lodi, or other contractual models that reflect the principles included in this kind of Agreement and that are not in conflict with them.
 - d) Clear and unambiguous indication of the price of the supply, in its various service and product elements.
 - e) Delivery as established and within the terms agreed upon unless the purchaser is unavailable.
 - f) Delivery to the client of a questionnaire to assess the satisfaction of the purchase and service.
 - g) Availability of a complaints service, accessible by telephone or online.
 - h) Customer assistance for the post-sales management.

6. TRUTHFULNESS AND CORRECTNESS OF THE ADVERTISING INFORMATION

The business partners undertake to provide customers with only information that is drawn up in such a way as not to lead to wrong convictions, refraining from using misleading, incorrect, or fake advertising in compliance with the principles and provisions of Legislative Decree 145 2 August 2007 (rules on misleading advertising) and following amendments.

SECTION II - COMPETITORS AND SUPPLIERS

7. RELATIONS WITH COMPETITORS

Competition among business partners ought to be based on facts, like professional competence, the capacity of innovation, the quality of the products and of the services offered, as well as the quality/price ratio.

The business partners engage towards the maximum mutual fairness in the relationships with possible shared customers.

If they accept a joint contract, the business partners collaborate in a fair and tangible way, with the sole scope of satisfying the customer's needs.

The business partners abstain from carrying out unfair competition, as defined by Art. 2598 of the Civil Code, as well as from expressing judgements

on the professionalism of the competing business partners. Notwithstanding the foregoing, it is allowed to make reports and comparisons with the goods and services offered by the latter, using truthful, homogeneous and objective parameters.

8. RELATIONS WITH THE SUPPLIERS

The relationships between business members and suppliers are based, as well as on a negotiation of the best commercial conditions, also on other factors such as, but not limited to, constancy and quality care, both in terms of the product and services offered, the ability to implement corrective actions with a declared non-conformity, punctuality in compliance with delivery times, transparency in market distribution, assessment of mutual business development and marketing plans, availability to make joint or at least shared investments. The last two factors have a particular importance in the case of continuous relationships with suppliers.

SECTION III - EMPLOYEES AND COLLABORATORS

9. GENERAL PRINCIPLES FOR THE HUMAN RESOURCES MANAGEMENT

The business partners engage to apply the collective and individual labour Contracts strictly and behave with correctness and fairness for the treatment towards all their employees and collaborators, encouraging their professional growth and underlining their merits.

10. INVOLVEMENT IN THE COMPANY POLICIES

Business partners involve employees and collaborators, also through specific training initiatives, to pursue company objectives.

11. COMPLIANCE WITH THE CODE

The business partners ensure that the work of their employees and collaborators is not in contrast with the principles and norms of this Code.

12. PROHIBITION OF DISCRIMINATION AND RESPECT FOR EQUAL OPPORTUNITIES

Business partners engage to avoiding discrimination based on sexual identity, marital status, socio-economic condition, belief, religion, political or union belief, race, age, language, ability, or disability, both in terms of recruitment and career progress, and any other relevant scope.

13. HEALTH AND SAFETY AT WORK

The business partners engage to observe the rules scrupulously to safeguard the safety at work for all those who, for whatever reason, are inside the company premises, and are also committed to protecting the health and psychological well-being of their employees and collaborators, in compliance with the principles and norms of Legislative Decree 81/2008 (Consolidated Text on health and safety at work) and following amendments.

SECTION IV - FINAL PROVISIONS

14. CONCILIATION AND ARBITRATION

The business partners preferentially adopt out-of-court dispute settlement instruments, availing themselves of the assisted negotiation institute and, if this ends without reaching an agreement, of the mediation process of the arbitration service offered by the Arbitration Chambers established at the Chambers of Trade, Industry, Craft, and Agriculture.

15. PRESIDENTIAL COMMITTEE SUPERVISION

The Federmobili Presidency Committee ensures that the business partners operate in compliance with the principles and norms of this Code. The Presidency Committee can evaluate and update the levels of effective application of the Code, adopting information measures, for example through sample surveys carried out among the business partners.

16. VIOLATIONS OF THE CODE

The violations of the Code by the business partners, except for any different

and further liability profile, are a violation of the Federmobili Articles of Association.

17. DISCIPLINARY PROCEDURE

The disciplinary procedure, before the Federmobili Presidency Committee, is carried out in compliance with the principles of informality, brevity, gratuity, confidentiality, adversarial and equal treatment of all the entities involved.

Anyone can send a non-anonymous and written report for a business partner to the Federmobili Presidential Committee.

After the appropriate checks have been carried out, the Federmobili Presidency Committee, even upon its own initiative, decides to open the disciplinary procedure or to immediately dismiss it, sending a written notice to the author of the report and to the involved party.

In case a procedure is opened, it is regulated so that:

- a) the involved parties can defend themselves by exchanging a brief pleading and a possible rebuttal;
- b) if necessary, the involved parties are invited to provide news or clarifications, by also participating in a hearing;
- c) if possible, a conciliation is reached;
- d) if a conciliation is not reached, the procedure follows Art. 9 and 10 of the Federmobili Articles of Association, if applicable.

18. SANCTIONS

The penalties applicable to the business partner, in compliance with the aforementioned provisions, are the written disapproval, suspension and consequent temporary exclusion from exercising the social rights, as well as being deprived from the status of business partner.

FOR ACCEPTANCE

COMPANY NAME _____

THE LEGAL REPRESENTATIVE:

NAME _____ SURNAME _____

DATE _____

SIGNATURE

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Chamber of commerce of Milan Monza Brianza Lodi

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