

PAOLO CASTELLI



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CODE OF ETHICS

PAOLO CASTELLI S.P.A.

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OVERVIEW



Paolo Castelli S.p.A. (hereinafter referred to as "Paolo Castelli") is an Italian company and a well-known Global Contractor in the field of large projects and design.

Over the years, it has combined concepts such as innovation and respect for tradition, offering and ensuring the implementation of custom-made projects, in synergy with leading architects and interior designers, in Italy and worldwide.

It owns important collections of furnishing accessories and lighting solutions and even has a Marine Division.

The growth that it has experienced in recent years, together with its ambition to be an ambassador of Italian taste throughout the world, strengthen Paolo Castelli's desire to communicate its corporate identity.

NATURE AND OBJECTIVES OF THE CODE OF ETHICS

This Code of Ethics (hereinafter referred to as the "Code") preserves the set of principles and values on which Paolo Castelli is based, and governs its actions.

The Code is a binding document for all employees, collaborators, directors, suppliers, and in general for third parties that, for whatever reason, have business relations with Paolo Castelli, (hereinafter referred to as the "Recipients").

The Code was drafted to prevent, detect, and inhibit any violations of laws and provisions relating to any area of company activities; it establishes and governs the conduct that Recipients must comply with in order to interact with Paolo Castelli, the obligations that define the proper performance of work, and the conduct that in general Recipients are required to observe with regard to Paolo Castelli and in its name.

This Code was adopted following the resolution of 21 January 2019 of the Board of Directors, which is responsible for its updating and revision, if necessary.

PART I

VALUES AND PRINCIPLES OF PAOLO CASTELLI



1.1 PEOPLE ARE AT THE CENTRE OF OUR ACTIVITY

Paolo Castelli places People at the centre of its activities, that is, the result of the union of the essential qualities of individuals, such as intelligence, competence, experience, a passion for learning, a desire to grow, a positive attitude, creativity, and a lively team spirit.

For this reason, Paolo Castelli wants, and is committed to ensuring, a serene working environment, in which People can aspire to achieve their professional expectations, contributing to the achievement of corporate goals.

And it is People from whom Paolo Castelli requires integrity, seriousness, and respect, to continue to build and consolidate its business.

Professional commitment and dedication to one's job must not pursue personal interests, and must be aimed at achieving common goals.

Paolo Castelli demands integrity and fairness in relations between colleagues and supervisors and with suppliers and Customers; it requires and encourages attitudes of transparency towards everyone and at all times, leveraging the sense of responsibility of each, in avoiding individualistic or antagonistic behaviour, in favour of communication or operating methods that favour the satisfaction of the interests of the Paolo Castelli team.

1.2 HONESTY, INTEGRITY, AND PROPRIETY

Paolo Castelli considers it to be essential that the Recipients should conduct themselves according to the principles of honesty, fairness, loyalty, propriety, respect, efficiency, and openness to the market.

Where applicable, the Recipients must also comply with the ethical rules of their respective Professional Societies.

1.3 PRINCIPLE OF LEGALITY

Paolo Castelli considers it to be essential that the Recipients comply with all the regulations in force in all the countries in which it carries out its activities, as any conduct that differs, even partially, from the law is completely incompatible with it and is not tolerated.

In pursuing this aim, the Recipients must also be aware of the ethical value of their actions and must not pursue personal or business advantage that is in violation of the law and regulations in force and the principles of this Code.

1.4 COLLABORATION, DEVELOPMENT, AND RESEARCH

Paolo Castelli promotes the principle of fruitful collaboration with and between the Recipients, requiring their constant and mutual support.

Paolo Castelli values the different professional skills of the Recipients and promotes their synergies; it supports the Recipients' professional training - which they are required to complete - and the development of the company's activities, particularly encouraging research and innovation.

1.5 TRANSPARENCY

Paolo Castelli considers it to be essential that every Recipient adopts transparent conduct in every type of activity and/or communication, with the company and third parties.

To this end, the Recipients must always interact unequivocally, avoiding creating confusion regarding the purpose and methods of their actions, clarifying to the company any circumstances they are asked about.

Paolo Castelli undertakes to promote to Recipients truthful information about the activities performed and the development of such activities, except in the case of information which, due to its nature, is strictly confidential.



1.6 CONFIDENTIALITY

Paolo Castelli undertakes to maintain the strictest confidentiality for all information relating to its activities and/or with regard to its Recipients.

Recipients will also be required not to disclose, communicate, disseminate, or publish in any way Paolo Castelli's information, establishing the protection of expertise and privacy as its essential cornerstones.

1.7 SAFETY AND ENVIRONMENT

Paolo Castelli considers safety in the workplace to be a fundamental value, and undertakes to ensure that it is observed by the Recipients, who must cooperate in this regard, reporting to Paolo Castelli any useful information to avoid risks.

Likewise, Paolo Castelli recognises and considers the value of the environment in its activities; to this end, it adopts measures aimed at reducing the negative impact of its products on the environment, adopting eco-sustainable materials and techniques where possible, and monitoring relevant scientific progress.

PART II

STANDARDS OF CONDUCT



2.1 RELATIONS WITH EMPLOYEES AND COLLABORATORS

Without prejudice to the principles set forth in Part I, as well as the regulatory and contractual provisions regarding the workers' duties, employees and/or collaborators shall carry out their activities with constant commitment and with the professional efficiency necessary for the pursuit of the objectives established by Paolo Castelli.

In this sense, it is necessary for employees to adopt conduct aimed at facilitating teamwork, requesting support, where they deem it necessary, and complying with the operational instructions given by higher hierarchical levels.

Employees and collaborators must avoid any situation that could imply, even apparently, a conflict between their personal interests and those of the company, in their relations with customers, suppliers, contractors and actual or potential competitors, and the Public Administration, always acting in the sole interest of Paolo Castelli, excluding any other personal advantages.

Consultancy contracts (with the exception of agreements of a purely technical nature, such as legal and accounting consultancy) must always be signed by a member of the Board of Directors.

Employees are also required, throughout their career, to improve their professional skills through the opportunities offered and suggested by Paolo Castelli.

The Recipients undertake to safeguard, in the best possible way, the work tools made available by Paolo Castelli (e.g., computers, telephones, cars, etc.), since their use is permitted only for the needs and purposes of the company.

2.2 RELATIONS WITH SUPPLIERS

In their relations with Suppliers, Paolo Castelli's employees and/or collaborators have the obligation:

- (i) to comply with company procedures for the selection and management of relations with them; in this sense, the choice of supplier must be based on objective and impartial criteria such as quality, costs, structuring, and ability to manage the work order, and positive experiences with the supplier;
- (ii) not to engage in informal communications, collecting and organising complete and orderly documentation;
- (iii) to obtain the collaboration of suppliers in ensuring the achievement of the Project and the needs of Customers in terms of quality, cost, and delivery times;
- (iv) to observe and enforce the contractual conditions and maintain a dialogue with suppliers, in line with good business practice;
- (v) to promptly bring any problems that have arisen to the attention of Company Management, so that the consequences can be assessed;
- (vi) to seek to promote, where possible, an amicable solution to any incident that may arise;
- (vii) to refrain, in any case, from offering and/or accepting money, advantages, and in general benefits from Suppliers.

2.3 RELATIONS WITH CUSTOMERS

By Customer we mean the Party that has commissioned, directly or indirectly, the Service and/or the Work and/or the Product from Paolo Castelli, in whatever form they are requested.

Paolo Castelli considers the satisfaction of its Customers to be a primary and fundamental objective.

Work Orders must be carried out in a complete, precise, and timely manner, while safeguarding the asset and the interests of Paolo Castelli and the Customer.

The solution provided to the Customer, especially if it is an alternative to the one initially accepted, must always be shared and approved by Company Management.



Employees and/or collaborators of Paolo Castelli are required to:

- (i) observe the internal procedures for managing relations with Customers;
- (ii) provide accurate and comprehensive information about the products and services offered so that the Customer can make informed decisions;
- (iii) adhere to truth in their communications.

Employees and/or collaborators of Paolo Castelli must, in any case, refrain from engaging in, even potentially: favouritism, non-transparent behaviour, direct solicitation and/or solicitation through third parties of personal and career advantages for themselves or for others.

Gifts or other benefits are also prohibited, while acts of commercial courtesy, such as gifts or forms of hospitality, are permitted when they are of modest value and in any case such as not to compromise the integrity or reputation of either of the parties and not to be interpreted as having the goal of acquiring advantages in an improper manner.

2.4 RELATIONS WITH THE MEDIA

Recipients must ensure that the Company's image and good international name are always protected.

Relations with the media are reserved exclusively for the functions specifically assigned to manage them and are agreed on with them in advance.

Employees and/or collaborators and/or suppliers may not provide information or opinions, make statements on behalf of Paolo Castelli to media representatives, or undertake to make such statements without the necessary authorisation of the competent functions.

PART III

MONITORING AND PENALTY SYSTEM



3.1 DISSEMINATION OF THE CODE OF ETHICS

Paolo Castelli monitors the effective observance of the Code, providing suitable information, prevention, and monitoring tools, intervening, where necessary, to suppress any actions that are not consistent with the principles of the Code.

This Code of Ethics is delivered to all Recipients and is available on Paolo Castelli's website.

The Recipients must promptly report to Company Management any information they learn about the violation of the rules of this Code, to allow Paolo Castelli to prepare appropriate measures to protect the Code itself and in general to take useful action to bring the activities in line with the principles expressed above and, where appropriate, to comply with the law.

Paolo Castelli undertakes to treat every report received with confidentiality, in line with the regulations in force, and to safeguard the anonymity of the reporter, thus ensuring that he or she is not subject to any form of retaliation.

3.2 PENALTIES FOR EMPLOYEES AND THIRD PARTIES

The violation of the rules of the Code by the Employees of Paolo Castelli constitutes a breach of the contractual obligations of the employment relationship under Article 2104 of the Italian Civil Code, and is subject to disciplinary action, up to possible termination of employment, with the obligation to pay compensation for damages.

The violation of the rules of the Code by the Recipients who, for any reason, have relations with Paolo Castelli (specifically, Collaborators, Consultants, Agents or distributors or intermediaries, Business Brokers, business partners, Customers, or suppliers), may constitute, depending on the seriousness, just cause for termination or revocation of contracts between Paolo Castelli and the above-mentioned third parties, with all the legal consequences, including the payment of compensation for damages.