

CORPORATE CODE OF ETHICS



PAOLO CASTELLI

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Premises

Paolo Castelli S.p.A. (hereinafter referred to as “Paolo Castelli”) is an Italian company recognized as a leading Global Contractor in the large-scale supply and design sector. Over the years, it has successfully combined innovation with respect for tradition, offering and ensuring the execution of custom-made projects in collaboration with renowned architects and interior designers in Italy and worldwide. The company boasts prestigious collections of furniture accessories and lighting solutions. The significant growth achieved in recent years, along with the ambition to be an ambassador of Italian taste globally, strengthens Paolo Castelli’s commitment to communicating its corporate identity.

Nature and Objectives of the Code of Ethics

This Code of Ethics (hereinafter referred to as the “Code”) encompasses the set of principles and values upon which Paolo Castelli bases its identity and guides its actions. The Code is a binding document for all employees, collaborators, directors, suppliers, and, in general, any third parties engaged in commercial relations with Paolo Castelli (hereinafter the “Recipients”). The Code serves as a reference point for preventing, identifying, and inhibiting potential violations of laws and regulations related to all areas of the company’s operations. It establishes and governs the conduct that Recipients must adhere to when interacting with Paolo Castelli. The principles and content outlined in the Code exemplify the obligations that define the proper fulfillment of work duties and the general behavior Recipients are expected to uphold towards and on behalf of Paolo Castelli. This Code was adopted following the resolution of the Board of Directors on January 21, 2019.

PART ONE

VALUES AND PRINCIPLES OF PAOLO CASTELLI

1.1 PEOPLE AT THE CENTER

Paolo Castelli places People at the core of its operations, valuing the essential qualities of individuals, such as intelligence, competence, experience, passion for learning, the desire to grow, a positive attitude, creativity, and a strong team spirit. For this reason, Paolo Castelli is committed to ensuring a positive and serene work environment where individuals can pursue their professional aspirations while contributing to the achievement of company goals. It is from the Individual that Paolo Castelli demands integrity, professionalism, and respect to continue building and strengthening its entrepreneurial endeavors. Professional commitment and dedication must not serve personal interests but focus on achieving common objectives. Paolo Castelli demands honesty and fairness in relationships among colleagues, superiors, suppliers, and clients. It promotes and encourages transparent behavior in all situations, emphasizing individual responsibility to avoid self-centered or antagonistic actions in favor of communication and operational methods that prioritize the interests of the Paolo Castelli team.

1.2 HONESTY, INTEGRITY, DECORUM

Paolo Castelli considers it essential that Recipients conduct themselves with honesty, fairness, loyalty, decorum, respect, efficiency, and openness to the market in their interactions with the company. Where applicable, Recipients must also comply with the professional ethics codes of their respective professional orders.

1.3 PRINCIPLE OF LEGALITY

Paolo Castelli deems it imperative that Recipients comply with all applicable laws in every country where the company operates. Any behavior that even partially violates legal norms is entirely incompatible with the company's values. In pursuit of this goal, all employees and collaborators must recognize the ethical value of their actions and must not seek personal or corporate advantages that contravene the laws, regulations, or principles of this Code.

1.4 COLLABORATION, DEVELOPMENT, AND RESEARCH

Paolo Castelli promotes fruitful collaboration with and among Recipients, requiring constant and mutual support. The company values the diverse professional skills of its Recipients and encourages synergy among them. Paolo Castelli actively supports the professional training of its Recipients—which they are required to pursue—and fosters corporate growth, particularly by encouraging research and innovation.

1.5 TRANSPARENCY

Paolo Castelli considers transparency essential in every activity and communication, both within the company and towards third parties. To this end, Recipients must always interact clearly and avoid creating confusion regarding the purpose and methods of their actions. They must promptly clarify any requested information with the company. Paolo Castelli is committed to providing truthful information to Recipients about the company's operations and development, except for data that is strictly confidential by nature.

1.6 CONFIDENTIALITY

Paolo Castelli is committed to maintaining strict confidentiality regarding all company-related information and any information concerning its Recipients. Recipients are equally obligated not to disclose, share, distribute, or publish any information related to Paolo Castelli in any form. The protection of the company's know-how and privacy is a fundamental cornerstone of its operations.

1.7 SAFETY AND ENVIRONMENT

Paolo Castelli considers workplace safety a fundamental value and is committed to ensuring that it is respected by all Recipients, who must cooperate by reporting any information useful for preventing risks. Similarly, Paolo Castelli acknowledges the importance of environmental responsibility in its operations. To this end, the company adopts measures to reduce the environmental impact of its products by using sustainable materials and techniques whenever possible and by continuously monitoring scientific advancements in this field.

PART TWO

RULES OF CONDUCT

2.1 RELATIONS WITH EMPLOYEES AND COLLABORATORS

In compliance with the principles outlined in Part One, as well as the legal and contractual provisions concerning employee duties, employees and/or collaborators must perform their work with constant commitment and the professional efficiency necessary to achieve the objectives assigned by Paolo Castelli. Employees are required to adopt behavior that facilitates teamwork, seeking support when necessary and adhering to operational instructions provided by higher hierarchical levels. Employees and collaborators must avoid any situation that could create, even in appearance, a conflict between their personal interests and those of the company when dealing with clients, suppliers, contractors, competitors (actual or potential), and public administration entities. They must always act solely in the interest of Paolo Castelli, excluding any pursuit of personal gain.

Consulting contracts (excluding purely technical agreements such as legal and accounting consulting) must always be signed by a member of the Board of Directors. Additionally, employees are required to improve their professional skills through the opportunities offered and suggested by Paolo Castelli. Recipients must safeguard, to the best of their ability, the tools and equipment provided by Paolo Castelli (e.g., computers, telecommunication devices, vehicles, etc.), using them solely for business needs and purposes.

2.2 RELATIONS WITH SUPPLIERS

In dealings with suppliers, Paolo Castelli's employees and/or collaborators must:

- (i) Comply with company procedures for supplier selection and relationship management. Supplier selection must be based on objective and impartial criteria, such as quality, costs, organizational structure, project management capacity, and previous positive experiences.
- (ii) Avoid informal communications by collecting and organizing complete and orderly documentation.
- (iii) Obtain supplier cooperation to ensure the success of the project and meet client needs regarding quality, cost, and delivery times.
- (iv) Comply with contractual conditions and maintain open dialogue with suppliers, following sound commercial practices.
- (v) Promptly inform company management of any issues that arise so their consequences can be evaluated.
- (vi) Strive, when possible, to amicably resolve any disputes.
- (vii) Refrain from offering or accepting money, benefits, advantages, or any form of gain from suppliers.

2.3 RELATIONS WITH CLIENTS

A Client is defined as any party who has directly or indirectly commissioned a service, project, or product from Paolo Castelli, in any form. Paolo Castelli considers client satisfaction a primary and fundamental objective. Projects must be executed thoroughly, accurately, and punctually while safeguarding the interests of both Paolo Castelli and the client. Any alternative solution proposed to the client must always be shared with and approved by company management.

Paolo Castelli employees and/or collaborators must:

- (i) Follow internal procedures for managing client relationships.
- (ii) Provide accurate and comprehensive information about products and services to enable clients to make informed decisions.
- (iii) Be truthful in all communications.

Employees and/or collaborators must strictly avoid favoritism, non-transparent behavior, or solicitation—directly or indirectly—of personal or career advantages for themselves or others. Gifts or other benefits are strictly prohibited. However, commercial courtesies such as small gifts or forms of hospitality are allowed if they are of modest value and do not compromise the integrity or reputation of either party or appear to seek improper advantages.

2.4 RELATIONS WITH MEDIA ORGANIZATIONS

Recipients must act to ensure that the company's international reputation is always protected. Relationships with media organizations are strictly reserved for designated functions and must be pre-approved by them. Employees, collaborators, and suppliers are not authorized to provide information, express opinions, or make statements on behalf of Paolo Castelli to media representatives without the necessary authorization from the designated company functions.

PART THREE

CONTROL AND SANCTIONING SYSTEM

3.1 DISSEMINATION OF THE CODE OF ETHICS

Paolo Castelli ensures compliance with the Code by implementing appropriate tools for information, prevention, and control, and intervening when necessary to address actions that are not aligned with the principles of the Code. This Code of Ethics is available on Paolo Castelli's official website and is also posted on the notice boards at the company's offices for employees and collaborators. The Board of Directors is responsible for updating and revising the Code when necessary.

Non-compliance with the Code undermines the relationship of trust with Paolo Castelli. Recipients must promptly report to Company Management any information they become aware of regarding violations of the Code to enable Paolo Castelli to take appropriate measures to protect the Code and, more broadly, to implement actions that realign operations with the principles expressed herein and, if necessary, with legal requirements.

Paolo Castelli is committed to handling all reports received with confidentiality and discretion, in line with current legal provisions, and to protecting the anonymity of the notifier, ensuring that they are not subjected to any form of retaliation.

3.2 SANCTIONS FOR EMPLOYEES AND THIRD PARTIES

Violations of the Code by Paolo Castelli employees constitute a breach of their contractual obligations under Article 2104 of the Italian Civil Code and may result in disciplinary actions, up to and including termination of employment, along with liability for damages.

Violations of the Code by Recipients engaged with Paolo Castelli in any capacity—especially collaborators, consultants, agents or distributors, intermediaries, business brokers, commercial partners, clients, and suppliers (including contractors)—may, depending on the severity, constitute valid grounds for the termination or revocation of contracts with Paolo Castelli, with all related legal consequences, including claims for damages.

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