



DIVERSITY
POLICY

*Guidelines on diversity
of the Board of Directors and the Board of Statutory Auditors*

Santa Maria di Sala (Venice), Italy, September 10, 2020

PREMISES

Piovan Group, operating in a multinational environment, welcomes the benefits coming from diversity of its social bodies and the management in all respects, including gender, age, qualification and skills. One of the key principles of the Piovan S.p.A.'s Code of Ethics (“**Piovan**” or the “**Company**”) is *Community and Environment*: Piovan is thoroughly dedicated to the corporate responsibility for the impact its business activities may have on the surrounding community and environment.

Following a process of analysis and assessment of the current composition of the management and control bodies, the Company has deemed it appropriate to identify a policy concerning the diversity in the composition of the corporate bodies which takes into account the regulatory provisions in force as well as the founding principles of the corporate system governance and the Code of Ethics of Piovan.

This document illustrates the criteria adopted by Piovan S.p.A. in order to identify an adequate composition of its corporate bodies and ensure that they can effectively carry out their functions by making use of the contribution of a plurality of qualified points of view, in compliance with the relevant laws and regulations and the provisions of the Corporate Governance Code to which the Company adheres.

In particular, the guidelines refer to those involved in the selection and appointment of members of the Company's Board of Directors and therefore:

- Shareholders who wish to submit lists of candidates for the appointment of the social bodies;
- Shareholders' Meeting called to deliberate on the appointment of the Board of Directors and the Board of Statutory Auditors;
- Board of Directors of the Company should it be necessary to replace a member of the Board of Directors under art. 2386 civ.;
- Nomination and Compensation Committee, in cases where it is called upon to formulate opinions to the Board of Directors regarding its size and composition and to make recommendations regarding the professional figures whose presence on the Board is deemed appropriate or to propose candidates to the office of director in cases of co-optation, where it is necessary to replace independent directors.

This document is made available to the public at the Company's registered office, in Italy, Santa Maria di Sala (Venice), Via delle Industrie, n. 16, as well as on the website www.piovangroup.com.

DEFINITION

This section provides a list of definitions of the uncustomary terms used in this document:

Board of Directors	means the Board of Directors of the Company.
Board of Statutory Auditors	means the Board of Statutory Auditors of the Company.
Bylaws	means the Bylaws of Piovan S.p.A.
Code of Ethics	means the Code of Ethics approved by the Board of Directors of the Company.
Company, or Piovan	means Piovan S.p.A., with registered office in Santa Maria di Sala (Venice), Italy, Via delle Industrie n. 16.
Consolidated Finance Act or CFA	means the Legislative Decree no. 58 of February 24, 1998 and its subsequent amendments and additions.
Corporate Governance Code	means the Corporate Governance Code of listed companies currently in force as promoted by the Corporate Governance Committee, formed by Borsa Italiana S.p.A., to which the Company has adhered, from time to time in force.
Executive Chair, or Chair of the Board of Directors	means the Chair of the Board of Directors of the Company.
Issuer Regulation	means Consob Regulation no. 11971 of May 14, 1999 implementing the legislative decree no. 58 of February 24, 1998, concerning the rules applicable to issuers of financial instruments, from time to time in force.
Model of Organization, Management and Control, or 231 Model	means the Model of Organization, Management and Control pursuant to Legislative Decree 213/2001 adopted by the Company, in the latest version approved by the Board of Directors.
Nomination and Compensation Committee	means the Nomination and Compensation Committee formed and appointed by the Board of Directors of the Company in adherence to the Corporate Governance Code.
Piovan Group, or Group	means the Company and its Subsidiaries.

1. REGULATORY REFERENCES

This document (the “Guidelines” or the “Diversity Policy” or the “Policy”) has been prepared in consideration of the Italian and European regulations in force, and in particular pursuant to art. 123-*bis* of CFA, art. 147-*ter* and 148 of CFA and art. 144-*undecies.1* of Issuer Regulation with specific reference to the provisions on gender representation, as well as in accordance with the Corporate Governance Code approved by the Italian Corporate Governance Committee.

In detail, art. 123-*bis*, paragraph 2, let. d-*bis*, CFA, imposes some disclosure obligations on the issuing companies with reference to corporate diversity policies, requiring them to include in the Corporate Governance & Ownership Structure Report a “*a description of the diversity policies applied regarding the structure of the administrative, management and auditing bodies in relation to aspects such as age, gender and training/professional courses taken, with a description of the objectives, implementation methods and results of said policies. If no policy is applied, the company must clearly and precisely indicate the reasons for said choice*”.

With particular reference to gender representation, the 2020 Budget Law (Law No. 160 of December 27, 2019) amended the rules in terms of gender balance in the administrative and control boards of listed companies, providing the extension of the term of three mandates originally indicated in Law 120/2011 to a longer term of six mandates, and introducing a new criterion for the gender equality quota through which at least two-fifths of Directors and Statutory Auditors must belong to the under-represented gender with effect from the first renewal subsequent to the date of the law's entry into force (commencing from the first renewal of corporate boards after January 1, 2020) provided that, for the first reappointment of the Board of Directors subsequent to the listing, the under-represented gender makes up at least one-fifth of elected members.

Finally, it is to be noted that art. 2, principle VII of the new Corporate Governance Code, which is applicable from the first financial year starting after December 31, 2020, provides that “*The company applies diversity criteria, including gender ones, to the composition of the board of directors, ensuring the primary objective of adequate competence and professionalism of its members.*”.

2. OBJECTIVES OF THE DIVERSITY POLICY

This Policy is a valuable tool for creating the necessary conditions for the Company's administrative and control boards to be able to effectively exercise their duties, ensuring a plurality of qualified and diversified contributions in their decision-making processes and increasing their ability of reacting to changes in the structural and operational context.

In particular, through the adoption of the Policy, the Company intends to:

- set up diversified corporate bodies, encouraging their debate and improving their decision-making processes;
- allow a better understanding of the perspectives of the various stakeholders;
- underline the Company's commitment to the enhancement of gender balance also considering the composition of corporate bodies;
- guide the candidatures formulated when renewing the Board of Directors (or integrating its composition) and renewing the Board of Statutory Auditors;
- align the procedures applied with the latest regulatory provisions.

3. THE BODIES INVOLVED

3.1 Board of Directors

3.1.1 Diversity profiles

Below are listed the characteristics to consider for the composition of the Board of Directors of the Company in consideration of the objectives of the Policy itself.

Gender Diversity

The Company intends to adopt a Bylaws compliant with the relevant legislation. More precisely, art. 14.3 of the Bylaws provides that slates submitted by the shareholders for the appointment of the Board of Directors shall be formulated in compliance with the laws and regulations in force, including with regard to the applicable rules on gender balance. More precisely, following to the changes provided for in paragraph 1-ter, art. 147-ter, CFA, slates with more than three candidates must be composed of candidates belonging to both genders, so that the under-represented gender represents at least two-fifths of the candidates. At the first renewal of the Board of Directors subsequent to the listing of the ordinary shares of the Company on the Italian Stock Exchange organized and managed by Borsa Italiana S.p.A., such criterion is equal to at least one fifth. In case the application of the allotment criterion does not result in an integer number of members belonging

to the under-represented gender, such number is rounded up to the next higher unit, except for the corporate bodies made up of three members, for which the rounding takes place by default to the lower unit.

Therefore, the Company intends to respect at least the allotment of one fifth of the under-represented gender for the renewal of the bodies scheduled at the Shareholders' Meeting called to approve the Financial Statements for the year ended December 31, 2020, as this will be the first renewal following the starting date of the negotiation. In the following renewals, the Company will be required to apply the allotment criterion of at least two-fifths of the under-represented gender.

Age and seniority diversity

Piovan S.p.A. deems it advisable that the Board of Directors guarantees a balanced combination of different age groups and seniority in order to ensure a plurality of managerial and professional experiences. A balanced combination of various age groups allows to obtain a higher number of perspectives and skills during the discussions of the Board of Directors, countering the risk of homologated opinions, also in view of the significant changes in the macro-economic and competitive scenario.

Professional and managerial skills diversity

With reference to the training and professional path of the members of the Board of Directors, the Company deems it appropriate that the presence of diversified managerial and professional skills is always guaranteed, as far as possible. The presence of members with experience on the boards of directors of companies, preferably listed, and in international companies or groups of significant complexity or size should also be ensured. It is also desirable to have Directors with adequate knowledge of the sector in which the Company operates, and who are therefore competent in industrial matters and in sectors pertaining to the Piovan Group.

Regarding the composition of the internal Committees, their Regulations require that at least one of the members possesses specific skills, assessed at the time of appointment by the Board of Directors, such as:

- adequate knowledge and experience in financial matters or remuneration policies, in the case of the Nomination and Compensation Committee;
- adequate experience in accounting and finance or risk management, in the case of the Control, Risks and Sustainability Committee.

In addition to the above mentioned elements of diversity, Piovan S.p.A. considers essential that all members of the Board of Directors ensure an adequate time availability for the workload and a responsible performance of their duties.

3.2 Board of Statutory Auditors

3.2.1 Diversity Profiles

Below are listed the characteristics to consider for the composition of the Board of Statutory Auditors of the Company in consideration of the objectives of the Policy itself.

Gender Diversity

Similarly to the provisions for the Board of Directors, the Company intends to adopt a Bylaws compliant with the relevant legislation. More precisely, art. 25.2 of the Bylaws provides that slates submitted by shareholders for the appointment of the Board of Statutory Auditors shall be formulated in compliance with the applicable rules on gender balance. More precisely, following the changes provided for in paragraph 1-*bis*, art. 148, CFA, slates with a number of candidates equal to or higher than three candidates must be composed of candidates belonging to both genders, so that the under-represented gender represents at least two-fifths of the statutory auditors to appoint. In case the application of the allotment criterion does not result in an integer number of members belonging to the under-represented gender, such number is rounded up to the next higher unit, except for the corporate bodies made up of three members, for which the rounding takes place by default to the lower unit.

It is understood that at the first renewal of the Board of Statutory Auditors subsequent to the listing of the ordinary shares of the Company on the Italian Stock Exchange organized and managed by Borsa Italiana S.p.A., such criterion is equal to at least one fifth (in any case rounded up).

Therefore, the Company intends to respect at least the allotment of one fifth of the under-represented gender for the renewal of the bodies scheduled at the Shareholders' Meeting called to approve the Financial Statements for the year ended December 31, 2020, as this will be the first renewal following the starting date of the negotiation. In the following renewals, the Company will be required to apply the allotment criterion of at least two-fifths of the under-represented gender.

Age and seniority diversity

Piovan S.p.A. considers it advisable that the Board of Statutory Auditors guarantees a balanced combination of different age groups and seniority, in order to ensure a plurality of managerial and professional experiences. A balanced combination of various age groups allows to obtain a higher number of perspectives and skills during the discussions of the Board of Statutory Auditors, countering the risk of homologated opinions.

Professional skills diversity

Under art. 2397 civ., at least one Statutory Auditor and one Alternate Auditor must be chosen among the statutory Auditors (*revisori legali*) enrolled in the register. The remaining Auditors, when not enrolled in the register, must be chosen among those enrolled in the professional registers identified by Decree of the Italian Ministry of Justice, or among university professors with tenure in economics or law.

With reference to the training and professional path of the Statutory Auditors, the Company deems it appropriate that the presence of professional figures in possession of good standing and professionalism requirements provided for by the laws and regulations in force, as provided for in art. 25.1 of the Bylaws. The same article also specifies that the subject matters inherent to the business segment of the Company, as well as the subject matters relating to private law, administrative, tax-related, economic and financial disciplines, as well as those relating to economy, organization and corporate finance, shall be deemed to be closely connected with the scope of the Company's business.

The presence of members with experience on boards of statutory auditors of companies, preferably listed, and in international companies or groups of significant complexity or size should also be ensured.

4. DIVERSITY POLICY ENFORCEMENT

4.1 Approval procedure

On September 10, 2020, the Board of Directors resolved, upon a proposal of the Nomination and Compensation Committee which met on September 8, 2020, to submit the approval of the adoption of this Policy. Therefore, the Policy comes into effect on September 10, 2020.

4.2 Amendments

This Policy is strictly related to current time-to-time legislation and should therefore be reviewed at the time of any regulatory updates.

The Board of Directors, with the support of the Nomination and Compensation Committee and, where appropriate, the Board of Statutory Auditors, is responsible for updating this Policy.

A description of the implementation of this Policy will be provided, starting from the first year after the adoption of this Policy, in the Corporate Governance & Ownership Structure Report in accordance with art. 123-*bis* of the CFA.