



REPORT ON THE  
POLICY REGARDING  
REMUNERATION  
AND FEES PAID

pursuant to Article 123-ter of Legislative Decree No. 58 of February 24, 1998

Approved by the Board of Directors on March 19, 2021



## GLOSSARY

In addition to the definitions contained in this Report, the following terms are defined as follows:

**Shareholders' Meeting:** the Shareholders' Meeting of Piovan S.p.A..

**Corporate Governance Code / Code:** the new Corporate Governance Code of listed companies approved in January 2020 by the Corporate Governance Committee established and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria and applicable from the first financial year after December 31, 2020.

**Civil Code / Civ. Cod./C.C. :** the civil code.

**Board of Statutory Auditors:** the Board of Statutory Auditors of Piovan S.p.A..

**Control, Risks and Sustainability Committee/ CRSC:** the Control, Risks and Sustainability Committee of Piovan S.p.A.

**Nomination and Remuneration Committee/NRC:** the Nomination and Remuneration Committee of Piovan S.p.A.

**Board / Board of Directors:** the Board of Directors of Piovan S.p.A..

**Reporting Date:** the date of approval of the Report by the Board of Directors of Piovan S.p.A. of March 19, 2021.

**Managers with strategic responsibilities:** Managers with strategic responsibilities are those with the authority and responsibility, directly or indirectly, for planning, directing and controlling the Company's activities. They include the General Manager, pursuant to Article 65, paragraph 1-*quarter*, of the Issuers' Regulation, which refers to Annex 1 of the Related Parties Regulation.

**Piovan Group or Group:** collectively the Issuer and the companies controlled by this latter directly and indirectly pursuant to Article 93 of the CFA.

**Piovan/ Company:** the company Piovan S.p.A.

**Issuers' Regulation:** the Regulation issued by Consob Resolution No. 11971 of 1999 (as subsequently amended).

**Related Parties Regulation/RPT Regulation:** the Regulation issued by Consob Motion No. 17221 of March 12, 2010 (as subsequently amended with Consob Motion No. 21624) regarding related party transactions.

**Report:** the report on the policy regarding remuneration and fees paid that Piovan S.p.A. is required to prepare pursuant to Article 123-*ter* of Legislative Decree No. 58 of February 24, 1998, and in compliance with the Corporate Governance Code.

**Consolidated Finance Act / Consolidated Act/ CFA:** the Legislative Decree No. 58 of February 24, 1998 (as amended and supplemented from time to time) on financial intermediation.

## REPORT ON THE POLICY REGARDING REMUNERATION AND FEES PAID

This report on the policy regarding remuneration and fees paid ("**Report**"), approved on March 19, 2021 by the Board of Directors of Piovan S.p.A. ("**Piovan**" or the "**Company**"), has been prepared pursuant to Article 123-ter of the CFA and Article 84-*quater* of the **Issuers' Regulations** and in accordance with Annex 3A, Schedules 7-*bis* and 7-*ter*, of the same regulations.

The Report is organized into the following sections:

— Section I

- illustrates the Company's policy on the remuneration of the members of the board of directors, general managers and managers with strategic responsibilities and, subject to the provisions of Article 2402 of the Civil Code, of the members of the board of statutory auditors with reference to the financial years 2021, 2022 and 2023 (the "**Remuneration Policy**"), as well as the procedures for the adoption and implementation of the Policy;

— Section II, separately for the members of the board of directors and statutory auditors and collectively for managers with strategic responsibilities:

- provides an adequate representation of each of the items which comprise remuneration, including post-employment benefits, highlighting compliance with the Company's remuneration policy relating to the year;
- describes analytically the fees paid by the Company, its subsidiaries or associated companies for any reason and in any form during the year, indicating any components of the aforementioned fees that refer to work carried out in financial years prior to the year of reference. It also highlights the fees to be paid in one or more subsequent years for work carried out in the year of reference, indicating where necessary an estimated value for components that cannot be objectively quantified in the year of reference.
- illustrates how the Company took into account the vote cast the previous year on the second section of the report.

In line with regulations, the Remuneration Policy, outlined in Section I of this Report, will be submitted for the binding vote of the Shareholders' Meeting called, pursuant to Article 2364, paragraph 2, of the Civil Code, for the approval of the financial statements for the year 2020. In the event that the Shareholders' Meeting does not approve Section I of the Report, the Company will pay compensation in accordance with the last approved policy (i.e., the Remuneration Policy for fiscal year 2020) and a new remuneration policy will be submitted to a vote of the shareholders no later than the next Shareholders' Meeting.

In addition, pursuant to Article 123-*ter*, paragraph 6, of the CFA, Section II of this Report will be submitted to the non-binding advisory vote of the Shareholders' Meeting, that has been called, pursuant to Article 2364, paragraph 2, of the Civil Code, for the approval of the financial statements for 2020.

For the purposes of above, pursuant to Article 84-*quater* of the Issuers' Regulation, this Report will therefore be made available to the public in accordance with the methods and conditions set out by the law.

## Section I: Remuneration Policy

This section of the Report describes and illustrates the essential aspects of the Remuneration Policy adopted by the Company. This policy sets out the principles and guidelines to which the Group led by the Company shall adhere when determining and monitoring the remuneration of Board Members and other Managers with strategic responsibilities of Piovan and, where appropriate, equivalent key figures at other companies in the Piovan Group.

The Remuneration Policy, as included in this Report, was adopted by the Board of Directors on March 19, 2021, on the proposal of the Nomination and Remuneration Committee, also in consideration of the recommendations of the Corporate Governance Committee.

Any changes and modifications to the Remuneration Policy that may be made by the Company in the future will be appropriately highlighted and described in future years' remuneration reports.

In accordance with Consob Regulation No. 17221 of March 12, 2010 concerning related party transactions, as subsequently amended and supplemented (the "**Related Parties Regulation**"), as incorporated into the internal procedure adopted by the Company on November 12, 2018 in compliance with the same Related Parties Regulation - which will be updated following the amendments to the Related Parties Regulation in force from July 1, 2020, the approval of the Remuneration Policy at the Shareholders' Meeting exempts the Company from application of said procedure on related party transactions in resolutions on the remuneration of directors and of Managers with strategic responsibilities, provided that these are consistent with the Remuneration Policy approved by the Shareholders' Meeting and that the remuneration awarded is in compliance with this policy and quantified based on criteria that are not discretionary. Pursuant to Article 13, paragraph 1, of the Related Parties Regulation, said procedure does not apply to Shareholders' Meeting resolutions pursuant to Article 2389, paragraph 1, of the Civil Code concerning the remuneration of the Board of Directors, nor to resolutions concerning the remuneration of Directors with special assignments, within the overall amounts previously determined by the Shareholders' Meeting in accordance with Article 2389, paragraph 3, second sentence, of the Civil Code.

## **A) Boards or parties involved in the preparation and approval and revision of the Remuneration Policy and their respective roles, and the Boards or Parties responsible for the correct implementation of the policy**

The main parties and Piovani bodies involved in the preparation and approval of the Remuneration Policy are the Shareholders' Meeting, the Board of Directors, the Nomination and Remuneration Committee and the Board of Statutory Auditors.

### Board of Directors

The Board of Directors:

- (i) establishes internally a Nomination and Remuneration Committee;
- (ii) establishes, after examining the proposals of the Nomination and Remuneration Committee and having consulted with the Board of Statutory Auditors, the remuneration of the Chief Executive Officers and Directors with special assignments, as well as dividing the total fees to which the Directors are entitled among the individual members of the Board, if this has not already been decided by the Shareholders' Meeting;
- (iii) defines, on the proposal of the Nomination and Remuneration Committee, the Remuneration Policy;
- (iv) approves the Remuneration Policy and Report pursuant to Article 123-ter of the CFA, Article 84-quater of the Issuers' Regulation, and Article 5 of the Corporate Governance Code;
- (v) prepares any remuneration plans based on shares or other financial instruments for Directors, employees (including Managers with strategic responsibilities) and collaborators, submitting these for the approval of the Shareholders' Meeting in accordance with Article 114-bis of the CFA, and oversees their implementation.

### Nomination and Remuneration Committee

Pursuant to the internal regulations governing the composition, duties and operating procedures of the committee ("**Committee Rules**"), the Company's Nomination and Remuneration Committee, which was established within the Board of Directors in accordance with the Corporate Governance Code, is comprised of three non-executive directors, the majority of whom are independent, and is chaired by an independent director. At least one member of the Committee should possess appropriate financial or remuneration policy experience, as assessed by the Board of Directors on appointment.

The Nomination and Remuneration Committee, which supports the Board of Directors in its remuneration duties, also has the following investigative, proposal and consultation duties:

- (i) to formulate proposals to the Board of Directors for the drawing up of the remuneration policy for directors and Managers with strategic responsibilities;
- (ii) to periodically assess the suitability, overall consistency and real application

of the remuneration policy for Directors and Managers with strategic responsibilities. In the latter regard, it makes use of information provided by the Chief Executive Officers; and to formulate proposals to the Board of Directors in these matters;

- (iii) to present proposals or express opinions to the Board of Directors on the remuneration of Executive Directors and other Directors with special assignments and establish the performance objectives related to the variable component of this remuneration, monitoring the application of the decisions adopted by the Board and the achievement of the performance objectives;
- (iv) expresses an assessment on the particular and specific issues regarding the remuneration whose review has been requested by the Board of Directors.

This Remuneration Policy was therefore approved by the Board of Directors on the proposal of the Nomination and Remuneration Committee.

#### Shareholders' Meeting

As regards remuneration, the Shareholders' Meeting:

- (i) determines compensation of members of the Board of Directors and Board of Statutory Auditors in accordance with the law and company By-Laws;
- (ii) casts a binding vote on Section I of the Report on the policy regarding remuneration and fees paid prepared by the Board of Directors, pursuant to Article 123-ter, paragraph 3-ter, of the CFA;
- (iii) casts an advisory vote on Section II of the Report on the policy regarding remuneration and fees paid prepared by the Board of Directors, pursuant to Article 123-ter, paragraph 6, of the CFA;
- (iv) deliberates on any remuneration plans based on shares or other Company financial instruments for Directors, employees (including the Managers with strategic responsibilities) and associates, pursuant to Article 114-bis of the CFA.

#### Board of Statutory Auditors

The Board of Statutory Auditors expresses its opinion on proposals for the remuneration of Directors with special assignments pursuant to Article 2389, paragraph 3, of the Civil Code and Article 23, paragraph 2, of the company By-Laws.

#### **B) Nomination and Remuneration Committee, description of its composition, responsibilities and operating procedures, and any additional measures to avoid or manage conflicts of interest**

The Nomination and Remuneration Committee was established, implementing the recommendations of the then Code, by the Board of Directors resolution adopted on July 6, 2018.

In accordance with the Regulations of the Committee, the members of the Nomination and Remuneration Committee and its chairperson are appointed and

dismissed by the Board of Directors.

The Nomination and Remuneration Committee comprises 3 Independent, Non-Executive Directors: Lucia Giancaspro (Chairperson), Marco Maria Fumagalli and Chiara Mio. The majority of members have appropriate knowledge and experience in finance or compensation policy. The current Nomination and Remuneration Committee will be reappointed following the reappointment of the Board of Directors scheduled to take place at the Shareholders' AGM called for April 29, 2021.

The Nomination and Remuneration Committee has advisory and propositional functions as regards the Remuneration Policy, as specified in letter A) above.

Furthermore, pursuant to the Committee Regulations, except where otherwise decided by the Board of Directors upon appointment, the mandate for the Nomination and Remuneration Committee is the same as that of the Board of Directors, on which its members also sit.

The Chairperson of the Nomination and Remuneration Committee reports:

- (i) to the Board of Directors on its activities at least every half-year; and
- (ii) to the Shareholders' Meeting, at least annually, on the approval of the statutory financial statements according to its operating methods.

The Nomination and Remuneration Committee meets:

- (i) on convocation by its Chairperson, whenever the Chairperson deems it appropriate, and in any case at least once every six months; or
- (ii) when the Executive Directors, the Chairperson of the Board of Statutory Auditors or the Chairperson of the Board of Directors deem it necessary.

Nomination and Remuneration Committee meetings shall be validly constituted when the majority of its members in office are present.

Motions of the Nomination and Remuneration Committee are passed by absolute majority.

The Chairman of the Board of Statutory Auditors attends the Nomination and Remuneration Committee meetings (or another statutory auditor nominated by him/her), while the other statutory auditors may also attend. The Chairman, on a case by case basis, may invite to meetings of the Nomination and Remuneration Committee other members of the Board of Directors and of the Board of Statutory Auditors, the independent auditors, the heads of the various departments within the Company and the subsidiaries, or other parties whose presence may assist the functions of the Nomination and Remuneration Committee.

In order to prevent and avoid possible conflicts of interest, the Nomination and Remuneration Committee oversees the Board's compensation activities, and no director takes part in those Nomination and Remuneration Committee meetings where proposals are made to the Board of Directors regarding his or her own compensation.

**C) How the company has kept into account the compensation and working conditions of its own employees in determining its remuneration policy**

The Remuneration Policy pursues the same logic applied to the entire corporate employee base, in order to attract, motivate and retain people with the professional qualities necessary to contribute to the definition of the Company's growth strategy and the strengthening of the Company's long-term interests and sustainability.

The definition of the remuneration of the employees of Piovan and the Group takes into account numerous criteria, including the analysis of the marketplace, the internal opportunities within the Company, the role and responsibilities assigned, as well as the distinctive skills of the individuals, avoiding any form of discrimination.

**D) Details of any independent experts involved in the preparation of the Remuneration Policy**

In preparing the Remuneration Policy the Company did not use outside consultants.

**E) Purpose of the Remuneration policy, its underlying principles, its duration, and, in the event of revision, a description of the changes with respect to the last Remuneration Policy submitted to the Shareholders' Meeting and how such revision keeps into account the votes and evaluations expressed in the course of such meeting or afterwards.**

In line with the Remuneration Policy adopted for 2020, the 2021-2023 Remuneration Policy of the Company, for a three-year period, aims to attract, motivate and retain human resources possessing the professional qualities required to achieve the Company's objectives and, at the same time, the priority objective of aligning management interests with those of shareholders, and creating sustainable value in the medium to long term through the creation of a relationship between remuneration on the one hand, and individual and Company performance on the other.

Consistent with the recommendations set out in the Corporate Governance Code, the Remuneration Policy for Directors and Managers with strategic responsibilities is based on the following criteria:

- the fixed component and the variable component of the remuneration are appropriately balanced in view of the Company's strategic objectives and risk management policy, also taking into account the segment in which it operates and the type of work it performs;
- the fixed component should sufficiently remunerate the professional services of the Directors and Managers with strategic responsibilities where the variable component is not paid because the performance objectives indicated by the Board of Directors are not met;
- the performance objectives - i.e. the financial results and any other objectives giving rise to the variable components (including share-based

remuneration plans) - are pre-established, measurable and focused on the creation of value for shareholders over the medium to long term.

- the variable component of remuneration comprises a portion related to short-term criteria and a portion related to long-term criteria. The latter is deferred for an appropriate period of time as it is linked to the achievement of long-term objectives. The deferment duration is in line with the characteristics of company activity and related risk profiles.

The Remuneration Policy therefore pursues the creation of value in the medium to long term for the Company and its Shareholders, balancing fixed and variable remuneration with the aim of creating value in a sustainable manner for the company.

Remuneration is consistent with the complexity of the role and the responsibilities it entails, with the results achieved and the quality of individual professional contribution.

The financial compatibility of the Remuneration Policy is ensured through compliance with annually-defined budget policies and the identification of thresholds of access to variable remuneration systems based on expected profitability.

In line with the remuneration policy adopted for 2020, on April 29, 2020, the Shareholders' AGM approved three new incentive plans proposed by the Board of Directors, which are in effect as of the date of this Report:

- (i) "2020-2022 Performance Shares Plan" (the "**Performance Shares Plan**"), which governs allocation of rights to receive shares in the event that pre-established performance objectives are achieved;
- (ii) "2020-2022 Long-Term Monetary Incentive Plan" (the "**Monetary Incentive Plan**"), which governs disbursement of a monetary incentive to achieve the pre-established performance objectives;
- (iii) "2020-2022 Phantom Stock Option Plan" (the "**Phantom Stock Option Plan**"), which governs assignment of stock options and, where applicable, the disbursement of a monetary incentive (the Performance Shares Plan, the Monetary Incentive Plan and the Phantom Stock Option Plan are collectively referred to as the "**Plans**").

It should be recalled that, at the same time as approving the regulations of the Plans, the Shareholders' AGM of April 29, 2020 also resolved to revoke the two plans previously in force, namely the "2019-2021 Performance Shares Plan" and the "2019-2021 Long-Term Monetary Incentive Plan".

The Plans in force aim to incentivize and develop loyalty among those persons holding key roles within the Company and its subsidiaries pursuant to Article 2359 of the Civil Code, and they align the interests of these persons' remuneration objectives with those of increasing the value and return on investment for shareholders.

These plans are in line with market best practice, and aim to:

- (i) align the interests of the beneficiaries with those of shareholders and investors and with the Group's strategic plan in its entirety;
- (ii) link the remuneration of its beneficiaries, as individuals playing a key role in the achievement of the Group's objectives, to the effective performance of the Company, the creation of new value for the Group and the achievement of specific medium- to long-term objectives;
- (iii) orientate key company resources towards achieving long-term objectives, supporting the pursuit of the priority objective of creating value over the medium to long term;
- (iv) develop retention policies aimed at developing loyalty among key corporate human resources and encouraging them to remain with the Company or within the Group;
- (v) develop policies aimed at attracting talented managerial and professional figures in world markets, in order to continuously develop and strengthen the Company's key and distinctive skills;
- (vi) guarantee flexibility in their management, ensuring that they can be adapted to the Group's future needs.

The Group also has annual monetary incentive plans ("**MBOs**") in place for the Chief Executive Officer and the Managers with strategic responsibilities. The main criteria for the payment of the MBO are linked to financial performance objectives, identified from year to year by the Company in coordination with the Nomination and Remuneration Committee, among economic and financial indicators such as, by way of example, EBIT and backlog. In addition, the Company is considering whether to introduce additional non-financial objectives.

Specifically, variable compensation will be paid to the beneficiary Executive if certain conditions are met. These include, for example:

- (i) being employed by the Company at the end of the incentive plan period (and not being in a notice period following resignation or dismissal);
- (ii) not having been absent from work for any reason for a total period exceeding 9 months during the period in question.

The Company, after in-depth assessments, did not deem it necessary to make any significant changes to the Remuneration Policy set out in Section I of this Report compared to the remuneration policy adopted for 2020, as this was deemed to be in line with the objectives the Company intends to pursue in the medium and long term.

**F) Description of the policies concerning fixed and variable remuneration components, with specific regards to the identification of the related weight under the scope of total salary and the distinction between the short and medium- to long-term variable components.**

It should be noted that the term of office of the Board of Directors and the Board of Statutory Auditors currently in office will conclude with the Shareholders' AGM on April 29, 2021, called to approve the financial statements for the year 2020.

The guidelines relating to the 2021-2023 Remuneration Policy will therefore be applied, having heard the opinion of the Nomination and Remuneration Committee, by the new Board of Directors, which will be responsible for the specific determination of the remuneration of individual Executive Directors and the remuneration of individual Non-Executive Directors, including the compensation for participation of the latter in the Board committees, in implementation of the applicable provisions of law and the By-Laws.

### Remuneration of Directors

Remuneration of the directors is established in accordance with the general principles in letter E) above and comprises exclusively a fixed annual component determined such that it is consistent with the position and the responsibilities it entails, and which sufficiently remunerates their professional services where the variable component is not paid because the performance objectives as below are not met. This remuneration is defined within the limits of the total amount approved by the Shareholders' Meeting pursuant to Article 2389, paragraph 3, of the Civil Code and the By-Laws.

Furthermore, only with reference to the Chief Executive Officer, as part of his or her employment relationship, he/she is also entitled to remuneration in accordance with the principles set out below:

- (i) by a short-term variable component based on the achievement of annual objectives that are submitted to the Board of Directors on proposal of the Nomination and Remuneration Committee. The objectives and the amount of the variable component are decided annually by the Board of Directors according to the proposal made by the Nomination and Remuneration Committee, and are based on actual achievement of both set financial and non-financial objectives, as illustrated in letter E) above;
- (ii) by a medium- to long-term variable component based on the achievement of objectives over a multi-year period. These objectives are consistent with the goal of creating value for shareholders in the medium to long term with a proper risk management policy. The objectives and the amount of the variable component are decided by the Board of Directors according to the proposal made by the Nomination and Remuneration Committee, and are based on actual achievement of the set objectives.

The amount of the variable component to be paid is determined on the basis of the actual achievement of results, as verified by the Board of Directors with the support of the Nomination and Remuneration Committee.

Directors may also be beneficiaries of incentive and loyalty plans based on shares or other financial instruments of the Company, which may include retention and vesting periods aimed at fostering the incentive and loyalty objectives that underlie such plans.

Finally, expenses incurred by Directors in the performance of their duties are reimbursed by the Company.

#### Remuneration of Managers with strategic responsibilities

Managers with strategic responsibilities are those with the authority and responsibility, directly or indirectly, for planning, directing and controlling the Company's activities, including the General Manager, pursuant to Article 65, paragraph 1-*quater*, of the Issuers' Regulation, which refers to Annex 1 of the Related Parties Regulation.

Remuneration of Managers with strategic responsibilities is established in accordance with the general principles referred to in point E) above and comprises:

- (i) a fixed annual component determined such that it is consistent with the position and the responsibilities it entails, and which sufficiently remunerates their professional services where the variable component is not paid because the performance objectives as below are not met;
- (ii) a short-term variable component and/or a medium- to long-term variable component, which are completed by achieving pre-established corporate objectives linked to expected results.

Managers with strategic responsibilities may also be beneficiaries of incentive and loyalty plans based on shares or other financial instruments of the Company, which may include retention and vesting periods aimed at fostering the incentive and loyalty objectives that underlie such plans.

As regards the Incentive Plans, the relative regulations were prepared in compliance with applicable regulations for STAR issuers and, on the basis of the guidelines concerning incentive systems, approved by the Company's Board of Directors on September 14, 2018. Specifically, these established incentive systems based on equity and/or monetary instruments with a three-year vesting period and with operating conditions linked to the achievement of certain objectives based on the Group's performance.

The Plans, which in the opinion of the Company represent a valid tool for incentivizing and building loyalty, are reserved for certain individuals identified by the Board of Directors after consultation with the Nomination and Remuneration Committee. In particular, the Performance Shares Plan is reserved to beneficiaries identified among the executive directors (with the exclusion of the Executive Chairman), Managers with strategic responsibilities and employees or collaborators of the Company, or of the Group; the Phantom Stock Option Plan is reserved to beneficiaries identified among the executive directors, Managers with strategic responsibilities and employees or collaborators of the Company, or of the Group.

The Performance Shares Plan and the Phantom Stock Option Plan are therefore considered “of particular relevance” pursuant to Article 84-*bis*, paragraph 2, of the Issuers’ Regulation. The Monetary Incentive Plan, on the other hand, is reserved for Executives and employees or collaborators of the Company or of the Group. It is expected that an individual will be the recipient of only one of the Performance Share and Monetary Incentive Plans (and not both), while they may also be recipients of the Phantom Stock Option Plan. It should be noted that the Monetary Incentive Plan is not considered “of particular relevance” pursuant to Article 84-*bis*, paragraph 2, of the Issuers’ Regulation, as it does not apply to the subjects identified in Article 114-*bis* of the CFA.

For an in-depth description of the Performance Shares Plan, the Monetary Incentive Plan and the Phantom Stock Option Plan, see the relevant Disclosure Documents made available to the public by the Company pursuant to Article 114-*bis* of the CFA.

#### **G) The policy applied with regards to non-monetary benefits**

The Remuneration Policy establishes the assignment of non-monetary benefits in line with market standards and with the position and role held. These benefits generally include the use of a mobile phone, a company car and health, life and professional insurance coverage in line with those provided for the role performed and responsibilities held.

#### **H) Variable components: description of the financial and non-financial performance objectives, and where relevant keeping into account criteria of social corporate responsibility, on which base they are assigned, distinguishing between short and medium- to long-term components, and information on the link between changes in results and changes in remuneration**

Reference should be made to letter F).

#### **I) Criteria used for the evaluation of the performance objectives underlying the assignment of shares, options, other financial instruments or other variable remuneration components, specifying the variable component to be paid according to the level of achievement of the objectives**

The Performance Shares Plan and the Monetary Incentive Plan are long-term plans. They are divided into three cycles (“**Vesting Periods**”), each lasting three years. The Vesting Periods represent the periods at the end of which the shares or monetary incentives will be assigned, subject to Board of Director verification of the achievement of the performance objectives for each of these Vesting Periods, in 2020, 2021 and 2022 respectively (the “**Performance Periods**”).

In accordance with the regulations of the two Plans, each beneficiary will be assigned shares or monetary incentives free of charge, provided that: (i) the relevant performance objectives, set out by the Board of Directors after

consultation with the Nomination and Remuneration Committee, have been achieved; and (ii) the performance indicators measured in the Performance Period 2022 are at least equal to the performance objectives set out in the Performance Period 2020.

Assignment of 60% of the shares/cash incentives/exercisable options depends on the consolidated EBITDA results, while 40% of the shares/cash incentives/exercisable options is linked to the performance results of consolidated revenues (sales).

It should be noted that as per regulations, the duration of the Plans will be from the date of their approval by the Ordinary Shareholders' Meeting until December 31, 2022, with the last Vesting Period ending in 2024.

The Phantom Stock Option Plan is a long-term plan divided into three cycles (also known as "Vesting Periods"), each lasting three years. The Vesting Periods are the periods at the end of which it is possible to request payment of the incentive. The duration of the Phantom Stock Option Plan, therefore, will be from May 12, 2020 (date of the plan's approval by the Shareholders' AGM) until the date the incentive is paid. This will be in 2025, while the last Vesting Period will end on December 31, 2024. It should be noted that the Phantom Stock Option Plan is not based on the achievement of certain performance objectives.

**J) Information establishing the contribution of the Remuneration Policy, and in particular the policy on variable remuneration components, to the company's strategy, the pursuit of long-term interests and the sustainability of the Company and the Group.**

Reference should be made to letter E) and F).

**K) The terms for the maturity of rights ("Vesting periods"), any systems of deferred payment and indexing of deferred payments and the criteria utilized for the determination of these periods and, if established, *ex-post* correction mechanisms of the variable component (*malus* or *reimbursement of variable components*, "*claw-back*").**

As regards Vesting Periods, reference should be made to letter I).

Pursuant to the regulations of the Plans, the Company has the right: (i) to request for the restitution, in whole or in part, of variable components of remuneration already paid; or (ii) to withhold, in whole or in part, variable components of remuneration not yet paid, determined on the basis of data that subsequently turned out to be manifestly incorrect (so-called claw-back clause).

**L) Clauses for the maintenance in portfolio of financial instruments after their purchase: maintenance periods and criteria utilized for the determination of this period**

The Performance Shares Plan stipulates that, from the end of each Vesting Period, the shares to be assigned in the Period in question will be subject to an unavailability restriction ("**Lock-Up**"), in accordance with the following terms and

conditions: for Executive Directors the Lock-Up period lasts two years and applies to 40% of the shares to be assigned for each Vesting Period. For the remaining beneficiaries, the Lock-Up period lasts one year and applies to 20% of the shares to be assigned for each Vesting Period.

#### **M) Policy relating to treatments established in the event of termination of office or employment**

The Company's Remuneration Policy does not stipulate that Directors and Managers with strategic responsibilities sign specific agreements (other than those required by applicable collective contracts) governing *ex-ante* financial aspects in the case of termination of office, or with regards to any early resolution of contract initiated by the Company or by the interested party.

In order to benefit from the Performance Shares Plan and/or the Phantom Stock Option Plan, beneficiaries must hold and maintain a managerial, employment, freelance or consulting relationship with the Company or with the Group. In the cases provided for in the Performance Shares Plan and the Phantom Stock Option Plan, termination of this relationship affects the right to receive exercisable shares/options, resulting in their revocation and/or termination, according to the methods, terms and conditions set out in the respective regulations.

In order to benefit from the Monetary Incentive Plan, beneficiaries must hold and maintain an employment or consulting relationship with the Company or with the Group. In the cases provided for in the Monetary Incentive Plan (as well as relevant regulation), termination of this relationship affects the right to receive the incentive, resulting in its revocation and/or termination, according to the methods, terms and conditions set out in the regulation of the Monetary Incentive Plan.

Except as required by law and pursuant to collective bargaining agreements, there is no contractual indemnification in the event of termination of office or termination of employment and/or assignment or retention of non-monetary benefits or entering into consulting agreements subsequent to termination. As indicated above, the existence and maintenance of an employment and/or collaboration relationship between the beneficiaries and the Company, or between these parties and the Group, is a necessary requirement in order to benefit from the Plans.

#### **N) Insurance coverage, social security or pension payments, other than compulsory ones**

As indicated in paragraph G) above, non-monetary benefits may include life, accident and supplementary health insurance policies beyond obligatory cover.

#### **O) Remuneration policy in relation to: (i) Independent Directors, (ii) Committee membership and (iii) the discharge of specific positions (Chairperson, Vice Chairperson, etc.);**

When appointing the Board of Directors on September 14, 2018, the Ordinary Shareholders' Meeting of the Company resolved to set the total remuneration assigned to the Board at Euro 1,350,000.00, and stipulated that this be distributed

internally by the Board of Directors. On the same date, and having consulted the Board of Statutory Auditors, the Board of Directors resolved on the distribution of the emolument determined by the Ordinary Shareholders' Meeting of the Company, setting out the following remuneration:

- (i) Euro 20,000.00 for each Director (including Independent Directors);
- (ii) Euro 5,000.00 for each member of the Executive committees (Nomination and Remuneration Committee, Control, Risk and Sustainability Committee), with the exception of the members of the Related Parties Committee, who will receive no additional remuneration;
- (iii) Euro 1,200,000.00 for the Executive Chairperson.

It should be noted that the Board of Directors and the Board of Statutory Auditors currently in office will conclude with the Shareholders' AGM called, *inter alia*, to approve the financial statements for 2020.

The Shareholders' AGM scheduled for April 29, 2021, will therefore be called to resolve on the total remuneration due to the Board of Directors. The specific determination of the remuneration of individual Executive and Non-Executive Directors, including the remuneration for their participation in the Board committees, shall be carried out by the new Board of Directors in compliance with the applicable provisions of law and of the By-Laws.

**P) Any remuneration policies of other companies used as a benchmark in establishing the Remuneration Policy, and the criteria used in the choice of these companies**

In establishing the Remuneration Policy, the Company did not refer to the remuneration policies of any other companies.

**Q) Exceptions from the Remuneration Policy in the presence of exceptional circumstances, and without prejudice to the provisions of Regulation No. 17221 of March 12, 2010, any further procedural conditions under which departures may be applied.**

The Company reserves the right to temporarily waive the Remuneration Policy under exceptional circumstances.

Pursuant to Article 123-ter, paragraph 3-bis, of the CFA, exceptional circumstances only include situations in which a departure from the remuneration policy is necessary in order to pursue the long-term interests and sustainability of the company as a whole or to ensure its ability to compete on the market, and include but are not limited to the following situations:

- the need to acquire and/or retain individuals with skills and professional standards considered strategic to the interests and/or sustainability of the activities carried out by the Company and/or the Group;
- the need to replace, due to unforeseen events, a Chief Executive Officer and the need to quickly negotiate an appropriate compensation package;
- the need to protect company know-how;
- the need to motivate resources considered strategic when the failure to

achieve the performance objectives is linked to external circumstances and/or extraordinary and/or unforeseeable factors and/or not dependent on the will or the work of the individual person;

- significant changes in the scope of the Company's or the Group's activities during the period of validity of the Remuneration Policy approved, such as, for example, the acquisition of a significant business or the sale of a business unit and/or a significant business on which the performance objectives of the incentive plans adopted by the Company from time to time were based.

These exceptions may concern, *inter alia*, the awarding of variable compensation in replacement of or in addition to that provided for in the Remuneration Policy connected with performance objectives and/or quantitative parameters other than those set out in the Remuneration Policy.

In the cases of exceptions from the Remuneration Policy provided for in this section, the Company shall apply the procedure and obligations provided for by the RPT Policy adopted by the Company, even in the event of an exception provided for under the Related Parties Regulation. In any case, it is necessary to obtain the prior opinion of the Board of Statutory Auditors pursuant to Article 2389, paragraph 3, of the Civil Code in the case of Directors holding specific offices.

### **Remuneration of the Control Bodies**

With the approval of the Financial Statements at December 31, 2020 concludes the mandate of the Board of Statutory Auditors initially appointed by the Shareholders' Meeting of September 14, 2018 and subsequently amended in terms of its composition following the resignation of the Chairperson of the Board of Statutory Auditors in office on September 25, 2018. The Board of Statutory Auditors in office at the Report Date comprises: Carmen Pezzuto (Chair), Luca Bassan (Statutory Auditor), Patrizia Santonocito (Statutory Auditor), Kristian Sartor (Alternate Auditor) and Stefania Targa (Alternate Auditor).

Pursuant to Article 123-ter, paragraph 3, of the CFA, and subject to the provisions of Article 2402 of the Civil Code, the Shareholders' Meeting of September 14, 2018 approved the remuneration of the members of the control bodies, which consists of a fixed component only and amounts to Euro 16,700 per year for the Chairperson and Euro 11,200 per year for the Statutory Auditors. Pursuant to Article 2402 of the Civil Code and Article 25.1 of the By-Laws, on appointment of the Board of Statutory Auditors, the Shareholders' Meeting shall determine the annual remuneration due to the Statutory Auditors for the entire duration of their mandate.

## SECTION II: fees paid

### Section II - Part 1 - Items comprising remuneration

#### Remuneration of the Board of Directors

When appointing the Board of Directors on September 14, 2018, the Ordinary Shareholders' Meeting of the Company resolved to set the total remuneration assigned to the Board at Euro 1,350,000.00, and stipulated that this be internally distributed by the Board of Directors.

On the same date, and having consulted the Board of Statutory Auditors, the Board of Directors resolved on the distribution of the emolument as follows:

- (i) Euro 1,200,000.00 for the Executive Chairperson;
- (ii) Euro 20,000.00 for each Director;
- (iii) Euro 5,000.00 for each member of the Executive Committees (Nomination and Remuneration Committee, Control, Risk and Sustainability Committee), with the exception of the members of the Related Parties Committee, who will receive no additional remuneration.

These amounts are unchanged (as considered by the Nomination and Remuneration Committee and by the Board of Directors of the Company in line with the Remuneration Policy from time to time approved), and no agreements have been signed between the Company and the Directors stipulating indemnities and/or other benefits in the case of resignation or revocation of office without just cause or the termination of employment following a takeover or change of control. The remuneration of the Board of Directors was also deemed by the Company to be in line with the pursuit of its and the Group's long-term objectives as it helps align the interests of management with those of shareholders.

Following the resignation of Mr. Marco Milani from his position as a director of the Company and the appointment by co-optation, pursuant to Article 2386 of the Civil Code and Article 14.4 of the By-Laws, by the Board of Directors of Mr. Mario Cesari (subsequently confirmed by the Shareholders' Meeting of the Company), the Board of Directors of the Company, which met on November 11, 2020, resolved to allocate the annual fee to Mr. Cesari, in an amount equivalent in total to the amount previously allocated to Mr. Milani according to the division described above.

It should also be noted that the Shareholders' AGM held on March 19, 2020 revoked the two incentive plans previously in place ("2019-2021 Performance Shares Plan" and "2019-2021 Long-Term Monetary Incentive Plan"), and approved, in accordance with the principles of the Remuneration Policy, the adoption of regulations relating to:

- (i) the "2020-2022 Performance Shares Plan", which governs allocation of rights to receive shares in the event that pre-established performance objectives are achieved;
- (ii) the "2020-2022 Long-Term Monetary Incentive Plan", which governs disbursement of a monetary incentive to achieve the pre-established performance objectives;
- (iii) the "2020-2022 Phantom Stock Option Plan", which governs assignment of stock options and, where applicable, the disbursement of a monetary incentive.

For an in-depth description of the Performance Shares Plan, the Monetary Incentive Plan and the Phantom Stock Option Plan, please see the relevant Disclosure Documents made available to the public by the Company pursuant to Article 114-*bis* of the CFA.

Recognition of the variable component of remuneration is based on the achievement of set company objectives; however, since the performance objectives correlated to the variable component of remuneration envisaged by the Remuneration Policy approved by the Company are linked to the performance results of the Company and the Group (in terms of consolidated EBITDA and sales), the Company reserves the right, for reasons of confidentiality given the type of these parameters and as permitted by applicable provisions, to omit the indication of the objectives achieved in comparison with those originally envisaged as this information is commercially sensitive.

With regard to the indication of the proportion between fixed and variable remuneration, reference should be made to Table 1 prepared pursuant to Annex 3A, Schedule 7-*bis* of the Issuers' Regulations at the end of this Report. Except where specified in the section "Remuneration of Managers with strategic responsibilities" below, the Company is not party to non-compete agreements with members of the Board of Directors or the Group's Managers with strategic responsibilities.

#### Board of Statutory Auditors Remuneration

On September 14, 2018, the Ordinary Shareholders' Meeting of the Company set the gross annual remuneration of the Board of Statutory Auditors appointed on the same date at a total of Euro 39,100.00 per year, of which Euro 16,700.00 for the Chairperson and Euro 11,200.00 for each Statutory Auditor. Such compensation remained unchanged and was deemed by the Company to be in accordance with the Remuneration Policy approved from time to time.

#### Managers with strategic responsibilities remuneration

The compensation paid for any reason and in any form whatsoever by the Group to the Company's Managers with strategic responsibilities for the year ending December 31, 2020 amounted to a total of Euro 893,782, including extraordinary bonuses of gross Euro 247,154. This compensation was deemed by the Nomination and Remuneration Committee and the Board of Directors of the Company to be in line with the Remuneration Policy approved by the Shareholders' Meeting and in

line with the pursuit of the long-term objectives of the Company and the Group, insofar as they contribute to aligning the interests of senior management with those of the shareholders.

Non-monetary benefits paid to main Executives consist of the use of a company car (in line with corporate policy criteria and the employment contract).

Some Managers with strategic responsibilities, based on the responsibilities vested in key management personnel of the Group, also benefit from an MBO plan; in particular, with regard to the indication of the proportion between fixed and variable remuneration within the total remuneration of Managers with strategic responsibilities, reference should be made to point F) of Section I) above and to Table 1 prepared pursuant to Annex 3A, Schedule 7-*bis*, of the Issuers' Regulations at the end of this Report.

Recognition of the variable component of remuneration is based on the achievement of set company objectives; however, since the performance objectives correlated to the variable component of remuneration envisaged by the Remuneration Policy approved by the Company are linked to the performance results of the Company and the Group (in terms of consolidated EBITDA and sales), the Company reserves the right, for reasons of confidentiality given the type of these parameters and as permitted by applicable provisions, to omit the indication of the objectives achieved in comparison with those originally envisaged as this information is commercially sensitive.

Three Managers with strategic responsibilities signed non-compete agreements for consideration pursuant to Article 2125 of the Civil Code. These were Ms. Elisabetta Floccari (Chief Financial Officer since April 1, 2020), the Chief Technology & Innovation Officer Mr. Davide Cappellini and Mr. Peter Dal Bo (Chief Commercial Officer until May 8, 2020). Specifically, in consideration of these non-compete commitments, the payment of gross Euro 20,400, Euro 12,000.00 and Euro 20,400 for each year of employment relationship, respectively, is established for the entire duration of employment (except during the non-compete period).

#### Any indemnities and/or other benefits for termination of office or termination of employment

Given that the Company's Remuneration Policy does not stipulate that Directors and Managers with strategic responsibilities sign specific agreements (other than those required by applicable collective contracts) governing *ex-ante* financial aspects in the case of termination of office, or with regards to any early resolution of contract initiated by the Company or by the interested party, no indemnities or other benefits were paid during the year for termination of office or termination of employment.

#### Any exceptions to the Remuneration Policy

During the year no exceptions were applied with respect to the Remuneration Policy approved for the year.

### Possible application of ex-post correction mechanisms for variable remuneration

With reference to the incentive plans based on financial instruments pursuant to Article 114-*bis* of the CFA approved by the Company, the Remuneration Policy envisages that they provide for adequate ex-post correction mechanisms (so-called *claw back/malus* clauses), through which the Company reserves the possibility (i) to ask for the restitution, in full or in part, of variable components of remuneration already paid; or (ii) to withhold, in full or in part, variable components of remuneration not yet paid, determined on the basis of data that subsequently turned out to be clearly erroneous.

As at the Report Date, the Company has never exercised such *ex-post* correction mechanisms.

### Results of the Shareholders' Meeting on the Remuneration Report

The Shareholders' Meeting held on May 12, 2020 cast an advisory vote on Section II of the 2020 Remuneration Report. The favorable votes was 83.4% of the total voters.

Given the vote cast at the Shareholders' Meeting, the Company decided to maintain remuneration levels and components of remuneration substantially in line with the previous year.

### Comparison information

With reference to the period since October 19, 2018 (date of listing of the Company on the Mercato Telematico Azionario, organized and managed by Borsa Italiana S.p.A., STAR segment), it should be noted that the Company attributes constant remuneration to its directors, statutory auditors and employees with, in some cases, incremental changes in favor of certain senior management due to the good performance and growth in terms of results of the Company and the Group during the period.

For further information, reference should be made to the table below, which illustrates these changes with reference to the members of the Board of Directors, the members of the Board of Statutory Auditors and, in aggregate, the employees of the Company and the Group.

Comparison information is provided below, for the period of the Company's listing or for the shorter period of tenure of the individuals indicated, between the annual change:

- (i) of the total remuneration of each of the persons for whom the information in this section of the Report is provided, i.e. the members of the Board of Directors and the Board of Statutory Auditors; it should be noted that the data include the remuneration paid with reference to the offices held in Piovan S.p.A. and its subsidiaries;
- (ii) of the Group's and the Company's results and, in particular, the EBITDA and revenues;
- (iii) of the average gross annual remuneration, measured on full-time employees, of employees other than those whose remuneration is represented in this section of the Report.

		2019	2020	Change 2019 - 2020	Percentage change 2019 -2020
(i)	Nicola Piovan	Euro 1,206,000	Euro 1,211,000	+ Euro 5,000	+ 0.41 %
	Filippo Zuppichin	Euro 524,000	Euro 539,000	+ Euro 15,000	+ 2.86%
	Marco Maria Fumagalli	Euro 30,000	Euro 30,000	0	± 0 %
	Lucia Giancaspro	Euro 37,904 (*)	Euro 45,000 (*)	+ Euro 7,096	+ 18.72 %
	Marco Milani	Euro 25,000	Euro 9,221 (***)	N/A	N/A
	Mario Cesari	N/A	Euro 15,779 (***)	N/A	N/A
	Chiara Mio	Euro 30,000	Euro 30,000	0	± 0 %
	Marco Stevanato	Euro 20,000	Euro 20,000	0	± 0 %
	Carmen Pezzuto	Euro 16,700	Euro 16,700	0	± 0 %
	Luca Bassan	Euro 11,200	Euro 11,200	0	± 0 %
	Patrizia Santonocito	Euro 14,813 (**)	Euro 23,200 (**)	+ Euro 8,387	+ 56.62 %
(ii)	Group EBITDA	Euro 30,570,574	Euro 32,242,068	+ Euro 1,671,494	+ 5.47 %
	Piovan S.p.A. EBITDA	Euro 20,381,218	Euro 16,421,594	- Euro 3,959,624	- 19.43 %
	Group Revenues	Euro 234,359,868	Euro 225,179,982	- Euro 9,179,886	- 3.92 %
	Piovan S.p.A. Revenues	Euro 105,494,246	Euro 98,462,103	- Euro 7,032,143	- 6.67 %
(iii)	Gruppo Employees	Euro 40,856	Euro 38,019	- Euro 2,838	- 6.95 %
	Piovan S.p.A. Employees	Euro 44,062	Euro 42,906	- Euro 1,156	- 2.62 %

(\*) Ms. Giancaspro, who is Independent Director of Piovan S.p.A. and Chairman of the Supervisory Board of Piovan S.p.A. since 16.09.2019, is also Chairman of the Supervisory Board of Aquatech S.r.l. and member of the Supervisory Board of Penta S.r.l.

(\*\*) Ms. Santonocito, Statutory Auditor of Piovan S.p.A., is also a member of the Supervisory Board of Piovan S.p.A. since 09.09.2019, as well as a member of the Supervisory Board of Penta S.r.l. and Aquatech S.r.l. since 16.09.2019.

(\*\*\*) Following the resignation of Mr. Marco Milani on 12.05.2020, on 14.05.2020 the Board of Directors, proceeded, pursuant to Article 2386 of the Civil Code and Article 14.4 of the By-Laws, to co-opt a replacement, appointing Mr. Mario Cesari as a Director of the Company as well as a member of the Control, Risks and Sustainability Committee and the Related Parties Committee. The Shareholders' Meeting of the Company held on October 13, 2020 confirmed this appointment pursuant to Article 2386 of the Civil Code and Article 14.4 of the By-Laws. The remuneration shown in FY 2020 refers to the period for which the position was held, respectively.

## **Section II - Part 2 - Breakdown of fees paid during the year**

Part 2 provides a detailed breakdown of the fees paid by the Company, its subsidiaries and associated companies, for any reason and in any form, during the year. It uses the tables prepared below and reported in the appendix to part 2 of Section II.

This Report also includes Tables no. 1 and 2 as per Annex 3A, Schedule 7-ter of the Issuers' Regulation, which detail the investments held in the Company and its subsidiaries by the Directors, Statutory Auditors and Managers with strategic responsibilities, pursuant to Article 84-*quater*, paragraph 4, of the Issuers' Regulation.

**TABLE 1 - pursuant to Annex 3A, Schedule 7-bis of the Issuers' Regulation - Remuneration of members of the Board of Directors and Managers with strategic responsibilities in 2020.**

VALUES IN €1000												
Name	Office	Period of office	Concl. of office	Fixed Remun.	Remuneration for committee participation	Non-equity variable remuneration		Non-monetary benefits	Other remuneration	Total	Fair Value of equity remun.	Benefits on conclusion of office
						Bonuses for other incentives	Profit sharing					
Nicola Piovan	Sole Director	01/01/2018-28/06/2018	until approval of the financial statements as at 31.12.2020	1,200	-	-	-	9	-	1,209	-	-
	Executive Chairperson	29/06/2018-31/12/2020									-	-
(I) Emoluments for office in company				1,200	-	-	-	9	-	1,209	-	-
(II) Remuneration from subsidiary and associates				2 (*)	-	-	-	-	-	2	-	-
(II I) Total				1,202	-	-	-	9	-	1,211	-	-
Name	Office	Period of office	Concl. of office	Fixed Remun.	Remuneration for committee participation	Non-equity variable remuneration		Non-monetary benefits	Other remuneration	Total	Fair Value of equity remun.	Benefits on conclusion of office
						Bonuses for other incentives	Profit sharing					
Filippo Zuppichin	Group Managing Director	01/01/2018-28/06/2018	until approval of the financial statements as at 31.12.2020	337 (**)	-	134	-	65	1	537	-	-
	Chief Executive Officer	29/06/2018-31/12/2020									-	-
(I) Emoluments for office in company				337	-	134	-	65	1	537	-	-
(II) Remuneration from subsidiary and associates				2	-	-	-	-	-	2	-	-
(II I) Total				339	-	134	-	65	1	539	-	-

Name	Office	Period of office	Concl. of office	Fixed Remuneration	Remuneration for committee participation (***)	Non-equity variable remuneration		Non-monetary benefits	Other remuneration	Total	Fair Value of equity remun.	Benefits on conclusion of office
						Bonuses for other incentives	Profit sharing					
Marco Maria Fumagalli	Independent Director	19/10/2018 - 31/12/2020	until approval of the financial statements as at 31.12.2020	20	10	-	-	-	-	30	-	-
(I) Emoluments for office in company				20	10				-	30	-	-
(II) Remuneration from subsidiary and associates				-	-				-	-	-	-
(II I) Total				20	10				-	30	-	-

Name	Office	Period of office	Concl. of office	Fixed Remuneration	Remuneration for committee participation (***)	Non-equity variable remuneration		Non-monetary benefits	Other remuneration	Total	Fair Value of equity remun.	Benefits on conclusion of office
						Bonuses for other incentives	Profit sharing					
Lucia Giancaspro	Independent Director	29/06/2018 - 31/12/2020	until approval of the financial statements as at 31.12.2020	20	15	-	-	-	-	35	-	-
(I) Emoluments for office in company				20	15	-	-	-	-	-	-	-
(II) Remuneration from subsidiary and associates				-	10	-	-	-	-	10	-	-
(II I) Total				20	25	-	-	-	-	45	-	-

Name	Office	Period of office	Concl. of office	Fixed Remuneration	Remuneration for committee participation (***)	Non-equity variable remuneration		Non-monetary benefits	Other remuneration	Total	Fair Value of equity remun.	Benefits on conclusion of office
						Bonuses for other incentives	Profit sharing					
Marco Milani	Independent Director	29/06/2018 - 14/05/2020	Until approval 2020 Accounts (****)	7.4	1.8	-	-	-	-	9.2	-	-
(I) Emoluments for office in company				7.4	1.8	-	-	-	-	-	-	-
(II) Remuneration from subsidiary and associates				-	-	-	-	-	-	-	-	-
(II I) Total				7.4	1.8	-	-	-	-	9.2	-	-

  

Name	Office	Period of office	Concl. of office	Fixed Remuneration	Remuneration for committee participation (***)	Non-equity variable remuneration		Non-monetary benefits	Other remuneration	Total	Fair Value of equity remun.	Benefits on conclusion of office
						Bonuses for other incentives	Profit sharing					
Mario Cesari	Independent Director	14/05/2020 – 31/12/2020 (****)	until approval financial statements as at 31.12.2020	12.6	3.2	-	-	-	-	15.8	-	-
(I) Emoluments for office in company				12.6	3.2	-	-	-	-	15.8	-	-
(II) Remuneration from subsidiary and associates				-	-	-	-	-	-	-	-	-
(II I) Total				12.6	3.2	-	-	-	-	15.8	-	-

Name	Office	Period of office	Concl. of office	Fixed Remuneration	Remuneration for committee participation (***)	Non-equity variable remuneration		Non-monetary benefits	Other remuneration	Total	Fair Value of equity remun.	Benefits on conclusion of office
						Bonuses for other incentives	Profit sharing					
Chiara Mio	Independent Director	19/10/2018 - 31/12/2019	until approval financial statements as at 31.12.2020	20	10	-	-	-	-	30	-	-
(I) Emoluments for office in company				20	10	-	-	-	-	30	-	-
(II) Remuneration from subsidiary and associates				-	-	-	-	-	-	-	-	-
(II I) Total				20	10	-	-	-	-	30	-	-
Name	Office	Period of office	Concl. of office	Fixed Remuneration	Remuneration for committee participation (***)	Non-equity variable remuneration		Non-monetary benefits	Other remuneration	Total	Fair Value of equity remun.	Benefits on conclusion of office
						Bonuses for other incentives	Profit sharing					
Marco Stevanato	Director	19/10/2018 - 31/12/2019	until approval financial statements as at 31.12.2020	20	-	-	-	-	-	20	-	-
(I) Emoluments for office in company				20	-	-	-	-	-	20	-	-
(II) Remuneration from subsidiary and associates				-	-	-	-	-	-	-	-	-
(II I) Total				20	-	-	-	-	-	20	-	-

(\*) the item "Remuneration from subsidiaries and associates" includes the portion pertaining to Mr. Piovan with reference to his role as Chairman of the Board of Directors of Doteco S.p.A. in consideration of the period of office held (he was appointed on October 15, 2020).

(\*\*) the fixed compensation paid to Mr. Zuppichin includes Euro 317,000 as salary paid as an employee of the Company. The item "Remuneration from subsidiaries and associates" includes the portion pertaining to Mr. Zuppichin with reference to the office held in the subsidiary Doteco S.p.A. in consideration of the period of office held (he was appointed on October 15, 2020).

(\*\*\*) remuneration for committee attendance is allocated as follows:

- Marco Maria Fumagalli: total compensation of Euro 10,000 paid as a member of the Nomination and Remuneration Committee (5) and the Control, Risks and Sustainability Committee (5)
- Lucia Giancaspro: total remuneration of Euro 15,000 paid as member of the Nomination and Remuneration Committee (5) and member of the Supervisory Body of Piovan S.p.A. (10); the item "Remuneration from subsidiaries and associates" includes the compensation paid as member of the Supervisory Body of the subsidiaries Penta S.r.l. (3) and Aquatech S.r.l. (7)
- Marco Milani: total remuneration of Euro 1,844 paid as a member of the Control, Risks and Sustainability Committee in office until May 4, 2020. It should be noted that the fixed remuneration received in 2020 as a Director is equal to Euro 7,377, which is the share pertaining to the Shareholders' Meeting's resolution (equal to Euro 20,000 per year for the role of Director and Euro 5,000 per year as a committee member) in consideration of the period of office held.
- Mario Cesari: total remuneration of Euro 3,156 paid as a member of the Control, Risks and Sustainability Committee in office from May 4, 2020. It should be noted that the fixed remuneration received in 2020 as a Director is equal to Euro 12,623, which is the share pertaining to the Shareholders' Meeting's resolution (equal to Euro 20,000 per year for the role of Director and Euro 5,000 per year as a committee member) in consideration of the period of office held.
- Chiara Mio: total remuneration of Euro 10,000 paid as a member of the Nomination and Remuneration Committee (5) and the Control, Risks and Sustainability Committee (5)

(\*\*\*) Following the resignation of Mr. Marco Milani on May 12, 2020, on May 14, 2020 the Board of Directors, proceeded, pursuant to Article 2386 of the Civil Code and Article 14.4 of the By-Laws, to co-opt a replacement, appointing Mr. Mario Cesari as a Director of the Company as well as a member of the Control, Risks and Sustainability Committee and the Related Parties Committee. The Shareholders' Meeting of the Company held on October 13, 2020 confirmed this appointment pursuant to Article 2386 of the Civil Code and Article 14.4 of the By-Laws.

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
Name	Office	Period of office	Concl. of office	Fixed Remuneration €	Remuneration for committee participation	Non-equity variable remuneration		Non-monetary benefits	Other remuneration	Total	Fair value of equity remuneration	Benefits on conclusion of office
						Bonuses for other incentives	Profit sharing					
<b>Managers with strategic responsibilities (4 parties) (*)</b>												
(I) Remuneration from Company preparing the accounts				<b>538</b>		<b>150</b>		<b>109</b>	<b>97</b>	<b>894</b>		
(II) Remuneration from subsidiary and associates												
(III) Total				<b>538</b>		<b>150</b>		<b>109</b>	<b>97</b>	<b>894</b>		

*\*It should be noted that the figure includes compensation received by a Manager with strategic responsibilities who resigned during the year.*

Name	Office	Period of office	Concl. of office	Fixed Remuneration (***)	Remun. for committee attendance (**)	Non-equity variable remuneration	Non-monetary benefits	Other remuneration	Total	Fair Value of equity remuneration	Benefits on conclusion of office
Carmen Pezzuto	Chairperson Board of Statutory Auditors	25/09/2018 – 31/12/2019	Approval Accounts 31/12/2020	16.7					16.7		
Luca Bassan	Statutory Auditor	14/09/2018 – 31/12/2019	Approval Accounts 31/12/2020	11.2					11.2		
Patrizia Santonocito	Statutory Auditor	14/09/2018 – 31/12/2019	Approval Accounts 31/12/2020	11.2	12				23.2		
Cristina Targa	Alternate Auditor	14/09/2018 – 31/12/2019	Approval Accounts 31/12/2020								
Kristian Sartor	Alternate Auditor	14/09/2018 – 31/12/2019	Approval Accounts 31/12/2020								

(\*\*) the item "Compensation for committee participation" for the Statutory Auditor Patrizia Santonocito includes fees paid as a member of the Supervisory Boards of Piovan S.p.A. (6) and of the subsidiaries Penta S.r.l (3) and Aquatech S.r.l. (3)

**TABLE 2 - pursuant to Annex 3A, schedule 7-bis of the Issuers' Regulation - Stock options granted to the members of the Board of Directors, General Managers and Managers with strategic responsibilities**

As at December 31, 2019, no stock options were assigned to the members of the Board of Directors, General Managers or other Managers with strategic responsibilities and therefore there is no amount to report.

**TABLE 3A - Pursuant to Annex 3A, schedule 7-bis, of the Issuers' Regulation - Financial instrument-based incentive plans, other than stock options, in favor of members of the Board of Directors, General Managers and other Managers with strategic responsibilities.**

Name	Office	Plan	Financial instruments assigned in previous years not vested in the year		Financial instruments assigned in the year					Financial instruments vested in the year and not assigned	Financial instruments vested in the year and assigned		Financial instruments accruing in the year
			Number and Type financial instruments	Vesting period	Number and Type of financial instruments	Fair value at assignment date	Vesting period	Assignment date	Market price upon assignment	Number and type of financial instruments	Number and type of financial instruments	Value at maturation date	Fair Value
<b>Filippo Zuppichin</b>	<b>Chief Executive Officer</b>												
<b>(I) Remuneration from Company preparing the accounts</b>		<b>2020-2022 Phantom Stock Option Plan (12/05/2020)</b>	<b>N/A</b>	<b>N/A</b>	83,232 phantom stock options (*)	91,306	2021 - 2022	14.05.2020	3.9	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	147,246
		<b>2020-2022 Performance Shares Plan (12/05/2020)</b>	<b>N/A</b>	<b>N/A</b>	32,012 Rights to receive shares (*)	118,681	2021-2022	14.05.2020	3.9	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	85,451
<b>(II) Remuneration from subsidiaries and associates</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>(III) Total</b>		<b>2020-2022 Phantom Stock Option Plan (12/05/2020)</b>	<b>N/A</b>	<b>N/A</b>	83,232 phantom stock options (*)	91,306	2021 - 2022	14.05.2020	3.9	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	147,246
		<b>2020-2022 Performance Shares Plan (12/05/2020)</b>	<b>N/A</b>	<b>N/A</b>	32,012 Rights to receive shares (*)	118,681	2021-2022	14.05.2020	3.9	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	85,451

Name Office	Plan	Financial instruments assigned in previous years not vested in the year		Financial instruments assigned in the year					Financial instruments vested in the year and not assigned	Financial instruments vested in the year and assigned		Financial instruments accruing in the year
		Number and Type financial instruments	Vesting period	Number and Type of financial instruments	Fair value at assignment date	Vesting period	Assignment date	Market price upon assignment	Number and type of financial instruments	Number and type of financial instruments	Value at maturation date	Fair Value
<b>Managers with strategic responsibilities</b>												
<b>(I) Remuneration from Company preparing the accounts</b>	<b>2020-2022 Phantom Stock Option Plan (12/05/2020)</b>	<b>N/A</b>	<b>N/A</b>	142,016 phantom stock options (*)	155,792	2021 - 2022	14.05.2020	3.9	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	251,241
	<b>2020-2022 Performance Shares Plan (12/05/2020)</b>	<b>N/A</b>	<b>N/A</b>	53.260 Rights to receive shares (*)	197,456	2021- 2022	14.05.2020	3.9	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	142,168
<b>(II) Remuneration from subsidiaries and associates</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>(III) Total</b>	<b>2020-2022 Phantom Stock Option Plan (12/05/2020)</b>	<b>N/A</b>	<b>N/A</b>	142,016 phantom stock options (*)	155,792	2021 - 2022	14.05.2020	3.9	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	251,241
	<b>2020-2022 Performance Shares Plan (12/05/2020)</b>	<b>N/A</b>	<b>N/A</b>	53.260 Rights to receive shares (*)	197,456	2021- 2022	14.05.2020	3.9	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	142,168

(\*) Number of options as subsequently reduced following agreements between the Company and beneficiaries, in order to be more consistent with the objectives of the plan and maintain a balance between the parties involved and limit the number of options granted, also in view of the particular situation of economic and social uncertainty due to the emergency linked to Covid-19.

**TABLE 3B - Pursuant to Annex 3A, schedule 7-bis, of the Issuers' Regulation - Monetary incentive plans in favor of members of the Board of Directors, General Managers and other Managers with strategic responsibilities**

A Name	B Office	(1) Plan	(2) Bonus for the year			(3) Prior year bonuses			(4) Other bonuses
			(A)	(B)	(C)	(A)	(B)	(C)	
			Issuable/Issued	Deferred	Period of deferment	No longer issuable	Issuable/Issued	Still deferred	
Filippo Zuppichin	Chief Executive Officer	2020 MBO							
(I) Remuneration from Company preparing the accounts			134		From 1/1/2020 to 31.12.2020				
(II) Remuneration from subsidiaries and associates									
(III) Total			134						
Managers with strategic responsibilities (4)		2020 MBO							
(I) Remuneration from Company preparing the accounts			150		From 1/1/2020 to 31.12.2020				
(II) Remuneration from subsidiaries and associates									
(III) Total			150						

**TABLE No. 1 - pursuant to Annex 3A, Schedule 7-ter of the Issuers' Regulation - Shareholdings of the Management and Control Boards**

Name	Office	Investee	Number of shares held at the end of the previous year	Number of shares acquired	Number of shares sold	Number of shares held at the end of the present year
Filippo Zuppichin	Chief Executive Officer	Piovan S.p.A.	351,300		3,000	348,300
Nicola Piovan (held indirectly through Pentafin S.p.A.)	Executive Chairman	Piovan S.p.A.	30,083,379	958,931		31,042,310

Santa Maria di Sala, March 19, 2021

The Chairman of the Board of Directors

Nicola Piovan





Report on the policy regarding remuneration and  
fees paid of Piovan S.p.A.

PIOVAN S.p.A.  
Via delle Industrie 16 – 30036  
S. Maria di Sala VE - Italy