



**Sustainability**  
**Report 2020**  
executive summary

# CHAIRPERSON'S LETTER

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Dear reader,

2020 will, unfortunately, remain in our minds as the year of the global pandemic.

Against this backdrop, the Piovan Group has continued to implement a strategy that sees us focus on our three fundamental pillars: CUSTOMERS, STAFF and INNOVATION.

Financially, the Group reports revenues that have remained largely steady throughout this unusual period, in addition to improved margins and a solid balance sheet. These figures assure us that the right strategies have been adopted, and make us optimistic for the Group's future growth.

The Group has also increased its awareness of and commitment to ESG issues in pursuit of its objectives for balanced, sustainable growth.

The Group operates in sectors closely linked to the consumption of those plastics which are most often the subject of environmental discussion, and as such our commitment to sustainability must be even greater and more concrete. The Group is constantly increasing its focus on the reuse of plastics, and is working tirelessly with the sector's leading players to offer our customers innovative solutions using recycled or biodegradable plastic.

In this move towards a sustainable economy that brings together long-term profitability, environmental considerations and social equality, our Collaborators play a vital strategic role. Even during this difficult year, the Group has stayed true to its policy of training, development and valuing its human capital, and has laid the groundwork for further undertakings in this area.

We have also maintained our commitment to and focus on a Governance system that remains faithful to the principles on which the Company was founded, and which entirely correspond to the cornerstones of ESG.

Personally, I am increasingly convinced that ESG issues should not be viewed as a cost or bureaucracy, but rather that they represent a fantastic opportunity to create sustainable growth that fully respects the values of the environment, social equality and governance.

Nicola Piovan

# OUR VALUES



## CUSTOMERS

Our approach to business has always been rooted in our relationship with our customers.

We strive every day to build partnerships based on the creation and sharing of value, while promoting trust and providing solutions of excellence to achieve success.



### CUSTOMERS AND SUSTAINABILITY

Only by working in **harmony** with the customer can we reach our **goals of environmental sustainability**. In this way, it is possible to do things that would not have otherwise been possible for the Piovan Group alone, such as **effective and efficient** plastics recycling, through a cycle consisting of **collection, preparation and reuse**.



## PEOPLE

Businesses are made up of people, and our people are the true driving force behind the Piovan Group. Our shared values are the ultimate objective of all that we do.



### PEOPLE AND SUSTAINABILITY

People are fundamental to our philosophy of sustainability. First and foremost, our **employees** are able to count on an organization that **values and motivates** them and that provides a workplace that is ideally suited to developing their **talents**.

The performance and success of a company come out of the **well-being of the society** in which it operates. Each and every day, the Piovan Group works to **share knowledge and experience** with the community in order to be a **driver of sustainable development**.



## INNOVATION

Creating value for the customer through innovation has always been our strategic objective, right from the start. It is thanks to research, technological development, and the constant, determined exploration of new ways forward, as well as a keen awareness of our role, that we have been able to grow and to become a recognized leader.



### INNOVATION AND SUSTAINABILITY

It is possible to develop a path to environmental sustainability and make the transition to a circular economy only through real, concerted commitment to **innovation in both products and processes**.

We believe in research and development and in **sharing innovation** with our customers, because only through this synergy can we **take concrete action for the planet and its people**.

This is the only way to change our models of production and consumption. And it is the only way that sustainability can become a fundamental, integral part of our daily lives.

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# EXECUTIVE SUMMARY

Year founded:  
1934

Consolidated revenues for the  
year 2020:  
Euro 225 million

Employees:  
1,148, of which 601 in Italy  
and 547 in the Rest of the  
World

Production facilities:  
9 production sites  
on 4 continents  
5 in Italy  
1 in Germany  
1 in the USA  
1 in China  
1 in Brazil

Commercial network:  
33 local service and sales  
companies  
20 in EMEA  
7 in Asia  
5 in North America 1 in  
South America

Commercial network and  
distributors in 70 countries  
around the world. Customers  
in 120 countries worldwide.

## THE PIOVAN GROUP

The Piovan Group is a multinational enterprise and a global leader in the development and manufacture of auxiliary automation systems for the storage, shipping and processing of polymers, and plastic and food powders. Piovan S.p.A. has been listed in the STAR segment of the Italian stock exchange since October 19, 2018.

 **PiovanGroup**

 **Aquatech**  
Piovan Group

 **Energys**  
Piovan Group

 **Fdm**  
Piovan Group

 **Fea**  
Piovan Group

 **Penta**  
Piovan Group

 **Piovan**  
Piovan Group

 **Progema**  
Piovan Group

 **Toba**  
Piovan Group

 **Una-Dyn**  
Piovan Group

 **DOTE CO**  
Piovan Group

■ Acquired October 2020



# WHAT DOES SUSTAINABLE PLASTIC MEAN TO THE PIOVAN GROUP?

Protecting the environment is an issue of great importance around the world. Issues regarding climate change, scarce resources and supply shortages require companies to use materials reasonably and efficiently.

Plastic has a positive influence in this context thanks to the low environmental impact of plastic production.

## MORE SPECIFICALLY, PLASTIC ENSURES:



### LOW CLIMATE FOOTPRINT

Plastics production is a process with a low environmental impact thanks both to the relatively low temperatures needed to melt it and to its light weight.



### LOWER USE OF SCARCE RESOURCES

Plastic has a low impact on scarce resources as it can be made from processing waste material, be it virgin or recycled (unlike other types of packaging, such as paper, which may contribute to deforestation).

## -97%

### LESS ENERGY NEEDED TO PRODUCE ONE PLASTIC BOTTLE COMPARED TO ONE GLASS BOTTLE.

The energy needed to produce one plastic bottle is 33 times less than the energy needed to produce one glass bottle.

## -85%

### LIGHTER VEHICLES MADE USING PLASTIC COMPONENTS<sup>1</sup>.

Plastic is 85% lighter than other materials used to build cars, trucks, buses, trains and aircraft. This simplifies logistics while also reducing fuel consumption.

## -1 kg di CO<sub>2</sub>

### REDUCED FUEL CONSUMPTION BECAUSE PLASTIC REDUCES A CAR'S WEIGHT BY 100 KG.

The lighter weight of vehicles that use plastics in place of metals translates into lower fuel consumption. A car that is 100 kg lighter emits up to 1 kg less CO<sub>2</sub><sup>2</sup> for every 100 km driven, which is equal to the amount absorbed by one tree every 2.5 days<sup>3</sup>.

## -94%

### REDUCED DETERIORATION OF FOODS STORED IN PLASTIC PACKAGING.

It is estimated that plastic packaging reduces food deterioration from 50% to 3%, making a substantial contribution to the reduction of food waste.

<sup>1</sup> [www.plasticseurope.org/download\\_file/force/1355/419](http://www.plasticseurope.org/download_file/force/1355/419)

<sup>2</sup> [www.plasticseurope.org/download\\_file/force/935/750](http://www.plasticseurope.org/download_file/force/935/750)

<sup>3</sup> [www.un.org/esa/forests/news/2019/03/on-international-day-unece-fao-forestry-and-timber-section-releases-10-facts-to-fall-in-love-with-forests/](http://www.un.org/esa/forests/news/2019/03/on-international-day-unece-fao-forestry-and-timber-section-releases-10-facts-to-fall-in-love-with-forests/)

# PLASTIC AND THE CIRCULAR ECONOMY

Plastic is much more recyclable than one might think. In fact, a lot of plastic polymers can potentially be recycled to create new products, thus minimizing environmental pollution. However, it takes the concrete, concerted commitment of the primary actors in waste management and the circular economy.



Our goal is to provide our customers with the best technologies possible in order to process recycled plastic to the highest quality standards, while optimizing impact and providing reliable, well-designed and high-performance products.

We strive to be accelerators of sustainability, making a real, amplified contribution to the transition of the plastics value chain towards models within the circular economy.

## THE PIOVAN GROUP AIMS TO ACTIVELY CONTRIBUTE TO:



RAISING AWARENESS AMONG PLASTIC PRODUCERS AND USERS ABOUT THE INCREASED USE OF RECYCLED PLASTICS AND BIOPLASTICS



PROVIDING THE MARKET WITH UNIQUE PRODUCTS DESIGNED FOR THIS PURPOSE



HELPING PARTNERS TO RESEARCH, COMMISSION, SUPERVISE, MONITOR AND MAINTAIN CUTTING-EDGE SYSTEMS



# THE PIOVAN GROUP: ACCELERATORS OF SUSTAINABILITY

OUR APPROACH TO SUSTAINABILITY IS SUPPORTED BY THREE PILLARS:

## ANALYSIS

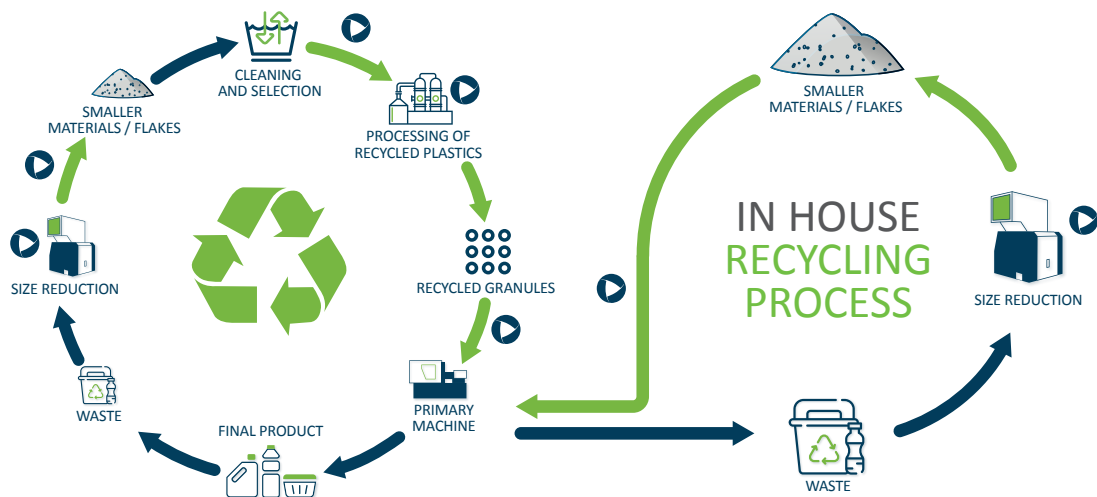
Critical analysis and assessment of sustainability practices within the Group aimed at constant improvement and with a focus on the emerging needs of processors.

## INNOVATION

Constant focus on product and process innovation with a view to developing technologies and other solutions for the processing of recycled plastics.

## EDUCATION

A commitment to developing increased awareness of sustainability throughout the value chain.



Stages in which the Piovan Group is an actor.

## SUSTAINABILITY COMES OUT OF CONCRETE INVESTMENT

€ 8.800.000

R&D costs and investment  
(3.9% of total revenues)

53

Patents held by the Group, of which  
9 in 2020 related to technologies for  
the production of recycled plastic

206

R&D specialists



## RECYCLABILITY OF PIOVAN PRODUCTS

The Group designs and makes products with an average useful life of 10-15 years and ensures high standards of post-sale service, including a retrofit service that increases a product's remaining useful life.

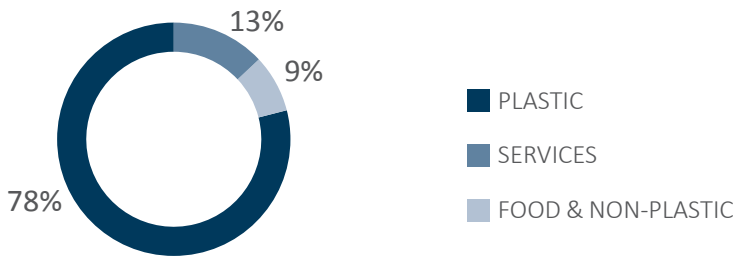
Once a machine is decommissioned, it can be dismantled for parts, which are over 85% recyclable.



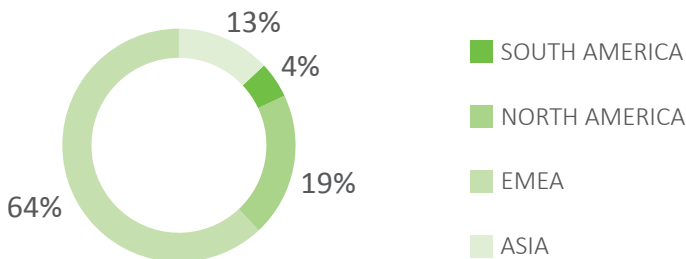


# THE SHARING OF VALUE ECONOMIC WITH STAKEHOLDERS

## REVENUE BY BUSINESS LINE



## CORE REVENUE



€225.180.000

CONSOLIDATED REVENUES

€32.242.000

EBITDA

€26.033.000

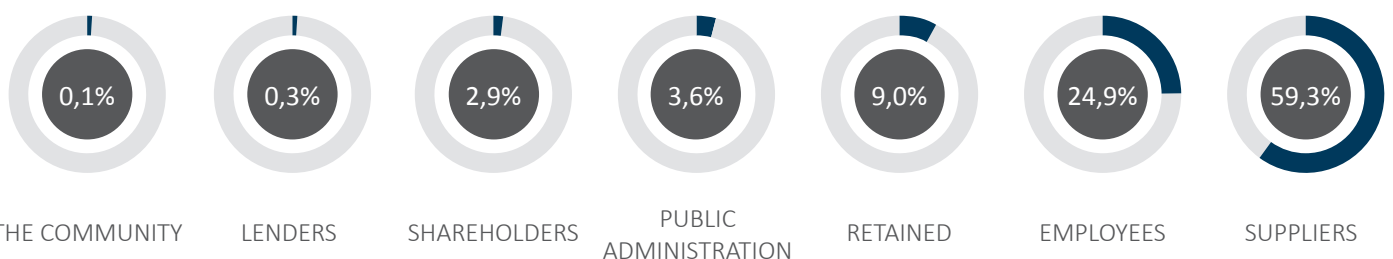
OPERATING PROFIT (LOSS)

€17.415.000

PROFIT FOR THE YEAR

## ECONOMIC VALUE DISTRIBUTED

<p>€ 225.733.000</p> <p>economic value generated</p>	<p>€ 205.442.000</p> <p>economic value distributed equal to 91% of the total</p>	<p>€ 20.291.000</p> <p>economic value retained equal to 9% of the total</p>
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# A FOCUS ON SUPPLIERS AND THE VALUE CHAIN

1.900

SUPPLIERS USED BY  
THE PIOVAN GROUP.



PRELIMINARY SUPPLIER  
SCREENING AUDITS  
AT THE STANDARDS  
REQUIRED BY THE  
GROUP.



SHARING OF SUITABLE  
PROVISIONING  
AGREEMENTS.



CONSTANT MONITORING OF  
SUPPLIER PERFORMANCE.

DEVELOPMENT  
OF STRONG  
PARTNERSHIPS

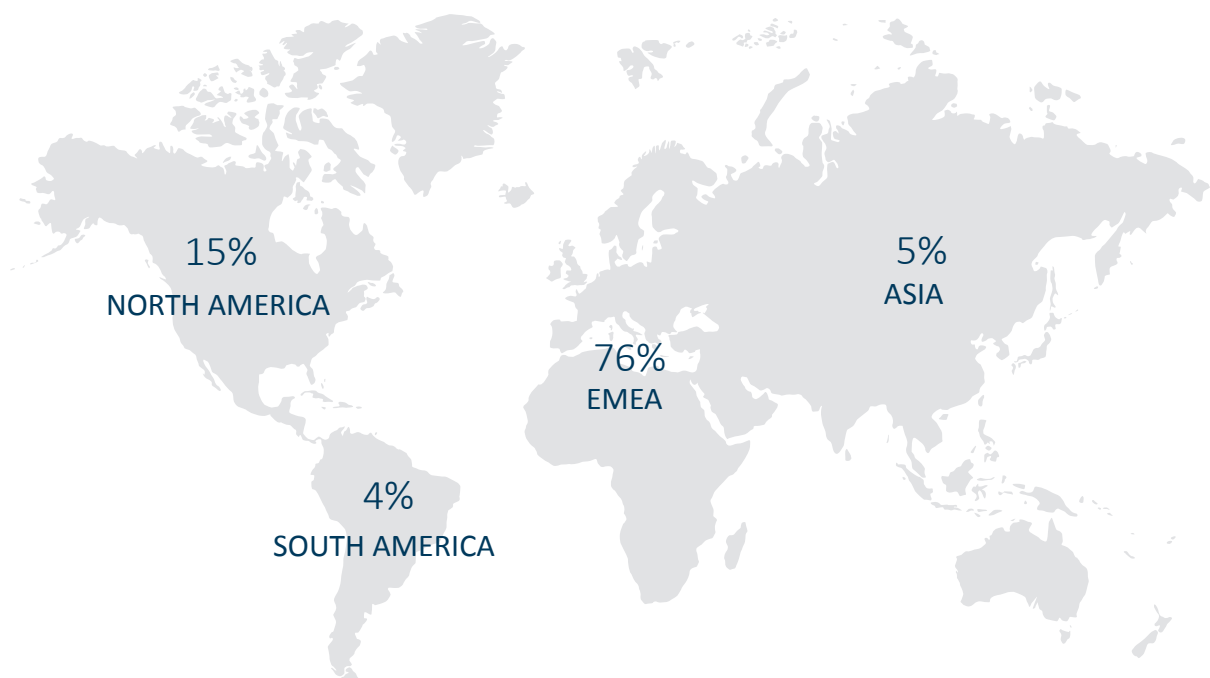


SELECTION OF  
SUPPLIERS ON THE  
BASIS OF CERTIFIED AND  
SHARED CRITERIA.

euro 107.4 million

THE VALUE OF PURCHASES.

## VOLUME OF PURCHASES IMPACTING THE SUPPLY CHAIN BY GEOGRAPHICAL AREA





# A FOCUS ON THE ENVIRONMENT

The responsibility that derives from the impact of our operations on the environment is a fundamental part of our philosophy. To this end, we orient our business around actions and conduct that are as environmentally sustainable as possible.

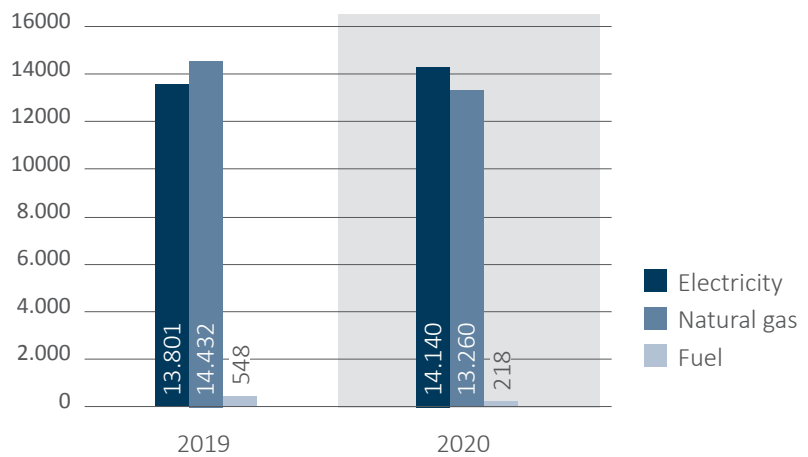
This includes the project undertaken by Piovan S.p.A. to certify the company's environmental management system based on the ISO 14001:2015 standard (achieved on December 7, 2019, for the head office in Santa Maria di Sala, Venice).

## MANAGEMENT OF ENERGY CONSUMPTION

Piovan Group's production activity essentially consists of assembly, and as such is not as energy-intensive as manufacturing.

Energy consumption in 2020 consisted entirely of energy from electricity, natural gas, and a very small amount of liquid fuel in the form of diesel.

### CONSUMPTION FROM NON-RENEWABLE SOURCES ( GJ)



### TOTAL INTERNAL ENERGY CONSUMPTION AT THE ORGANIZATION (IN GJ)

	2019	2020
Total electricity consumed	14.000	15.129
Electricity acquired	13.900	14.248
originating from certified renewable sources	99	108
Natural gas	14.432	13.260
Fuel (diesel)	548	218

### ELECTRICITY THAT IS PRODUCED ON SITE (IN GJ)

Electricity that is produced on site and consumed (from photovoltaic sources)	99	880
Electricity that is produced on site and fed back into the grid (from photovoltaic sources)	16	13

## PIOVAN'S SUPPORT FOR THE ENERGY EFFICIENCY OF OUR CUSTOMERS

With a view to accelerating sustainability with our customers, we have created Energys S.r.l., a certified ESCo aiming to offer specific advice on what they can do to save energy, whether it be related to producing plastic or other materials.

Energys S.r.l. offers services and technology to allow its customers to carry out detailed analyses of their energy consumption, identifying any potential energy or financial savings within the company.

**2.484**

EECS OBTAINED IN 2020 (+21% ON 2019)

**16.968 GJ**

SAVINGS FOR OUR CUSTOMERS FROM WHITE CERTIFICATES



### WATER CONSUMPTION MANAGEMENT

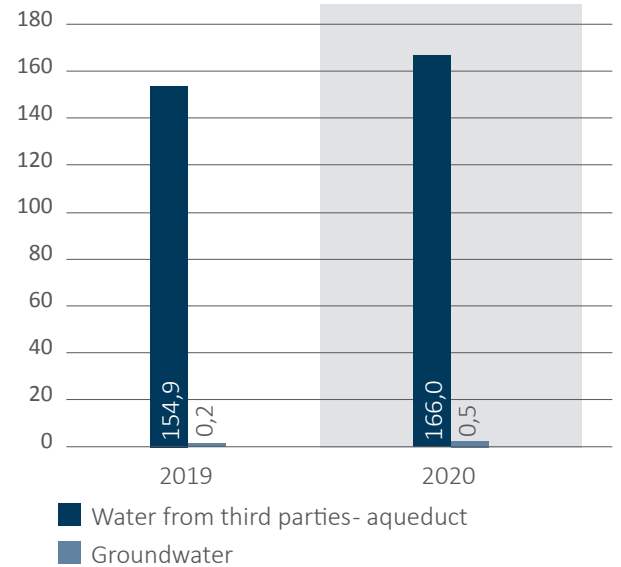
In our assembly process, water is not a resource that is used in the production cycle. It is not, for example, stored for future use, or used in products or for cooling purposes. As such, we have not identified significant impacts related to the use of water along the value chain, either in terms of consumption or discharge.

At all our production sites, the water comes from local public aqueducts, so all water management, treatment, discharge and purification is handled by the public utility company.

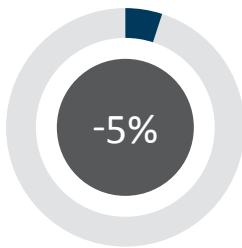
WATER CONSUMPTION BY SOURCE TYPE (MEGALITERS)

	2019	2020
Water from third parties- aqueduct	154,9	166,0
Groundwater	0,2	0,5
<b>Total</b>	<b>155,1</b>	<b>166,5</b>

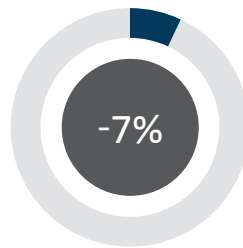
CONSUMPTION BY SOURCE TYPE (MEGALITERS)



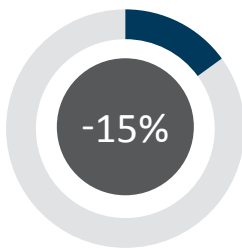
### WASTE MANAGEMENT



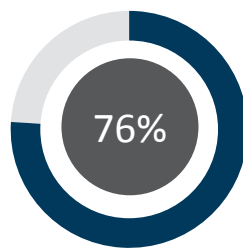
REDUCED QUANTITY OF NON-HAZARDOUS WASTE TREATED IN 2020 COMPARED TO 2019



LOWER TOTAL WASTE TREATED IN 2020 COMPARED TO 2019



REDUCED QUANTITY OF HAZARDOUS WASTE TREATED IN 2020 COMPARED TO 2019



PERCENTAGE OF NON-HAZARDOUS WASTE RECYCLED IN 2020 - EQUAL TO 490 T

**780 t**

TOTAL WASTE COLLECTED IN 2020 [840 T IN 2019]



# A FOCUS ON COLLABORATORS

People are at the core of our values and of the way we do business.

All human resource management and development is carried out with a view to fostering the skills, potential and commitment of every employee, using objective and documented evaluation criteria.

To increase inclusion, we promote the responsible participation and engagement of our staff, including by way of social dialogue, and we ensure free association with trade unions and the right to collective bargaining.

We strive to maintain a constructive dialogue with the trade unions and with all other organizations that represent Piovan employees around the world.



1.148

EMPLOYEES OF THE  
PIOVAN GROUP



47

NET INCREASE IN THE  
WORKFORCE IN 2020



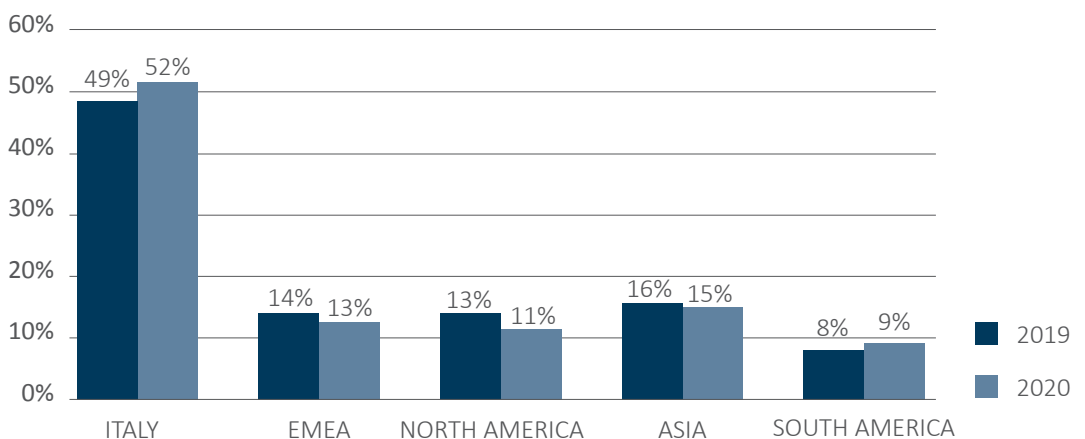
€ 56.159.000

VALUE DISTRIBUTED  
TO EMPLOYEES IN THE  
FORM OF WAGES,  
SALARIES, SOCIAL SECURITY  
AND BENEFITS

## TOTAL PIOVAN GROUP EMPLOYEES BY CATEGORY AND GENDER

	2019			2020		
	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
Executives	27	1	28	28	2	30
Managers	54	9	63	63	9	72
White-collar	473	144	617	503	164	667
Blue-collar	381	12	393	371	8	379
Total	935	166	1.101	965	183	1.148

## PERCENTAGE DISTRIBUTION OF EMPLOYEES BY GEOGRAPHICAL AREA





## TRAINING AND DEVELOPMENT

● 11.706

HOURS OF TRAINING PROVIDED IN 2020

● 4.593

HOURS OF TRAINING PROVIDED ON GENERAL SAFETY

● 1.896

HOURS OF TRAINING PROVIDED TO NEW HIRES

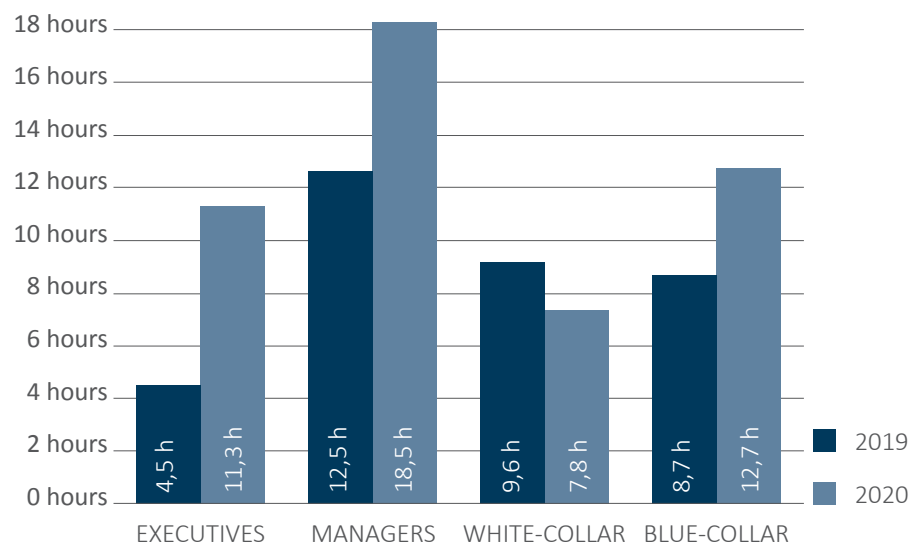
● 1.292

HOURS OF TECHNICAL TRAINING

People are essential and so is their development.

Investing in training does not only mean supporting our new arrivals, but also following them throughout their career training over time. The development and sharing of skills are key to the company's success. This is why we focus not only on technical skills (in both production and in the service area) but also on soft skills like team working and change management.

### AVERAGE TRAINING HOURS PER CAPITA BY PROFESSIONAL CATEGORY



### HEALTH AND SAFETY AT WORK

The health and safety of our people come before all else.

Creating a safe, comfortable workplace for us means not only ensuring that we comply with applicable laws and regulations, but also constantly working to keep thorough risk analyses up to date and promoting a culture of health and safety.

In confirmation of this commitment to workplace health and safety, Piovan S.p.A. obtained an ISO 45001:2018 certification on November 26, 2019, for its offices, production site, and warehouse located in Santa Maria di Sala, Venice.

	2019	2020
Recordable workplace injuries	16	13
of which fatal	-	-
of which with serious consequences	2	1
of which on commute	-	-
Days lost due to injury	242	205
No. of cases of occupational illness	-	-
Rate of death due to workplace injury	-	-
Rate of workplace accidents with serious consequences (excluding deaths)	1,06	0,54
Rate of recordable workplace injury	8,44	6,97



The entire 2020 Sustainability Report  
is available as a PDF file on the website:  
<https://ir.piovangroup.com/en/financial-statements/>



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