

Piovan S.p.A.

Registered Office: Via delle Industrie 16 – 30036 S. Maria di Sala (Venice) Italy

Share capital: Euro 6,000,000 fully paid-in

Tax No.: 02307730289 VAT No.: 02700490275

Venice Economic & Administrative Registration No. 235320

PIOVAN S.P.A. SHAREHOLDERS' ANNUAL GENERAL MEETING CALLED ON MAY 12, 2020

The present note, approved on April 24, 2020, by the Board of Directors, constitutes an update, which is limited to the Chapter "Economic value generated and distributed", pages 25 and 26, to the Consolidated Non-Financial Report pursuant to Legislative Decree 254/2016, published on March 27, 2020, following to the amendment of the proposal regarding the allocation of the result for the year, approved by the Board of Directors.

2.5 ECONOMIC VALUE GENERATED AND DISTRIBUTED

Economic value generated and distributed is indicative of a company's ability to generate profit for its stakeholders.

The Piovani Group considers economic growth to be an integral part of its strategy, pledging to create long-term value for all its stakeholders. To minimize the risk of a lack of growth, the Group operates worldwide and positions itself as a leader in the reference sector. The **economic value generated** by Piovani Group in 2019 amounted to Euro **235 million**, while the **economic value distributed** amounted to Euro **211 million**. 90% of the economic value produced in 2019 was distributed to internal and external stakeholders. The Group retained the remaining 10%.

THOUSANDS OF EURO	2018	2019
ECONOMIC VALUE GENERATED	247,422	235,163
ECONOMIC VALUE DISTRIBUTED	228,623	211,437
Operating costs	155,097	143,280
Value distributed to employees	56,382	58,247
Value distributed to Public Sector	8,844	9,180
Value distributed to the community	128	153
Value distributed to lenders	532	578
Value distributed to shareholders	7,639	0
ECONOMIC VALUE RETAINED	18,799	23,726

Profits in 2019 totaled Euro 18.9 million.

The above table lists the economic value generated and distributed and its allocation among stakeholders:

Suppliers (operating costs)

Employees

Public Administration

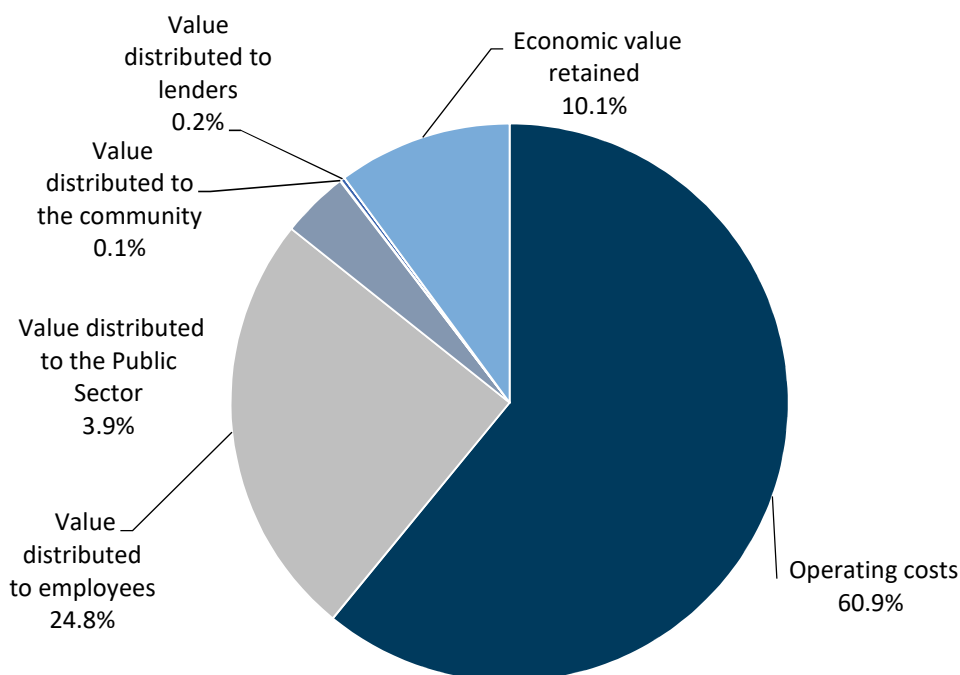
Lenders

Shareholders

Collectivity

For further information on the operating and financial performance, see the Financial Statements section.

ECONOMIC VALUE GENERATED 2019



Economic value distributed to **suppliers** (operating costs) is the largest share, accounting for **61%** of economic value generated.

Economic value distributed to **employees** through wages and salaries, social security costs and benefits is the second largest share, accounting for **25%** of economic value generated. This is a 3% increase in comparison to 2018, and is partly due to the increase in employees through the acquisitions of Fea ptp S.r.l. and Toba pnc.

Value allocated to the **Public Administration** in the form of taxes and duties accounts for **4%** of economic value produced.

Lenders were allocated **0.2%** of the economic value generated, in the form of interest paid and financial charges.

The **community** received **0.1%** of total economic value produced, through social utility costs and donations.

The Board of Directors, by reason of the continuous evolution of the global scenario resulting from the COVID-19 epidemiological emergency, approved – as prudent approach – to withdraw the proposal of dividend distribution related to 2019 profit, approved on March 19, 2020. The Board of Directors does not exclude, however, the possibility to reconsider the distribution of the dividend in favour of our shareholders during the second semester 2020, should the emergency situation improve.