



**GVS S.p.A.**

*Registered office in Zola Predosa (BO), Via Roma, 50 - share capital [ Euro 1,750,000.00 fully paid up.]*

*Bologna Register of Companies and tax code 03636630372 and VAT number 00644831208 -  
Economic and Administrative Index (REA) BO-305386*

*Explanatory Report by the directors on the second item on the agenda of the shareholders' meeting convened in an ordinary session for 03 May 2023, at single call.*

**Second item on the agenda - Report on remuneration policy and compensation paid pursuant to Article 123-ter of Legislative Decree no. 58 of 24 February 1998 and Article 84-ter of CONSOB Regulation no. 11971/1999: (a) resolution on the first section on the Remuneration Policy prepared in accordance with Article 123-ter, paragraph 3, of Legislative Decree no. 58 of 24 February 1998; and (b) resolution on the second section on the compensation paid prepared pursuant to Article 123-ter, paragraph 4, of Legislative Decree no. 58 of 24 February 1998.**

Shareholders,

Pursuant to Article 123-ter, paragraphs 3-bis and 6, of Legislative Decree no. 58 of 24 February 1998 (the "Consolidated Finance Act"), the Shareholders' Meeting convened once a year to approve the financial statements is called to resolve on the first and second section of the Report on the Remuneration Policy and Compensation Paid. In particular, with the approval of the financial statements for the year ending 31 December 2022 and the renewal of the Board of Directors, the remuneration policy set out in the section one expires.

In accordance with Art. 123-ter, paragraph 3 of the Consolidated Finance Act, the first section concerns: (i) the Company's policy for the remuneration of members of the administrative bodies, general managers and key managers; and (ii) the procedures used for the adoption and implementation of this policy (the "Policy"). The Policy may have a maximum duration of three years.

Pursuant to article 123-ter, paragraph 4 of the Consolidated Finance Act, the second section relating to members of the administrative and control bodies, general managers and key managers ("Report on Compensation Paid") illustrates in a clear and comprehensible manner and by name: (i) each of the items that make up remuneration, including treatments provided for in the event of termination of office or termination of employment, highlighting their consistency with the company's remuneration policy for the year of reference; (ii) the compensation paid in the year of reference for any reason and in any form by the Company and its subsidiaries or affiliates, indicating any components of said remuneration that relate to activities carried out in previous years; (iii) the remuneration to be paid in one or more subsequent years for activities carried out in the year of reference; and (iv), where applicable, how the Company took into account the vote cast in the previous year on the second section of the report.

Pursuant to Art. 123-ter, paragraph 3-ter, of the Consolidated Finance Act, while the Shareholders' Meeting resolution on the Policy is binding, pursuant to the aforementioned Art. 123-ter, paragraph 6, of the Consolidated Finance Act, the Shareholders' Meeting casts an advisory vote on the Report on Compensation Paid.

The Company's Ordinary Shareholders' Meeting convened on 03 May 2023 will be called to cast (i) a binding vote on the Company's Policy, which will remain in force until the date of approval of the financial statements as at 31 December 2023 and (ii) an advisory vote on the Company's FY 2022 Report on Compensation Paid.

For more details, please refer to the Report on the Remuneration Policy and Compensation Paid, prepared by the Board of Directors in accordance with Art. 123-ter of the Consolidated Finance Act and Art.

84-*quater* of the CONSOB Regulation on issuers, adopted by Resolution no. 11971 of 14 May 1999, which will be made available to the public in the manner and within the time limits required by law.

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### **Resolutions proposed by the Board of Directors**

Shareholders,

In light of the foregoing, the Board of Directors proposes that you pass the following resolutions:

*“The Ordinary Shareholders’ Meeting of GVS S.p.A.,*

- having regard to Articles 123-ter of Italian Legislative Decree no. 58 of 24 February 1998 and 84-  
quater of CONSOB Regulation no. 11971/1999; and*
- having acknowledged the Report on the Remuneration Policy and Compensation Paid, prepared by  
the Board of Directors;*

*resolved*

- 1. to approve the first section of the Report on the Remuneration Policy and Compensation Paid, as  
described in accordance with Art. 123-ter, paragraph 3 of Italian Legislative Decree no. 58 of 24  
February 1998;*
- 2. to express a favourable opinion on the second section of the Report on the Remuneration Policy and  
Compensation Paid, as described in accordance with Art. 123-ter, paragraph 4 of Italian Legislative  
Decree no. 58 of 24 February 1998”.*

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Milan, 21 March 2023

For the Board of Directors

The Chair, Grazia Valentini