

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*



**SHAREHOLDERS' MEETING
27 APRIL 2021**

EXPLANATORY REPORTS

AND

**MOTIONS FOR RESOLUTIONS CONCERNING THE ITEMS ON
THE AGENDA**

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NOTICE OF CALL OF THE ORDINARY SHAREHOLDERS' MEETING

Those entitled to attend and exercise voting rights are called to the Ordinary Shareholders' Meeting to be held on 27 April 2021 at 11:00, in a single call, which will be deemed to be held at the offices of GVS S.p.A. ("**GVS**" or the "**Company**"), in Via Roma n. 50, Zola Predosa (BO), to discuss and resolve on the following

AGENDA

1. Financial statements for the year ended 31 December 2020 and proposal relating to the allocation of the annual profit for FY 2020:
 - 1) Approval of the financial statements for the year ended 31 December 2020 Report of the Board of Directors on Operations, the Report of the Board of Auditors and the Report of the Independent Auditors. Presentation of the Consolidated Financial Statements as at 31 December 2020. Submission of the Consolidated Non-Financial Statement prepared pursuant to Legislative Decree no. 254/2016.
 - 2) Resolutions regarding to the allocation of the annual profit for FY 2020.
2. 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:
 - 3.1 binding resolution on the first section on the Remuneration Policy prepared in accordance with Art. 123-ter, paragraph 3, of Legislative Decree no. 58 of 24 February 1998
 - 3.2 non-binding resolution on the second section on compensation paid prepared pursuant to Art. 123-ter, paragraph 4, of Legislative Decree no. 58 of 24 February 1998
3. Authorisation for the purchase and disposal of treasury shares pursuant to Articles 2357, 2357-ter of the Italian Civil Code, Article 132 of Legislative Decree no. 58 of 24 February 1998 and Article 144-bis of the Consob regulation adopted by resolution no. 11971 of 14 May 1999; related and consequent resolutions.
4. Proposed adjustment to the remuneration of the Board of Auditors. Relative and consequent resolutions.

MEETING PROCEDURE

Pursuant to Article 106, paragraph 4, of Decree Law no. 18 of 17 March 2020 on "Measures to strengthen the National Health Service and economic support for families, workers and businesses related to the COVID-19 emergency" (the "**Cura Italia Decree**"), converted with amendments by Law no. 27 of 24 April 2020 and as extended due to paragraph 6 of Article 3, Decree Law 183/2020, attendance at the Shareholders' Meeting by those with voting rights will take place exclusively through the representative designated pursuant to Art. 135-undecies of Legislative Decree 58/1998, as subsequently amended and supplemented (the "**CFA**"). To this end, the Company has appointed Spafid S.p.A. ("**Spafid**"), with registered office in Milan, as the "**Designated Representative**", to which power of attorney must be granted, in accordance with the procedures and conditions indicated below.

The Designated Representative may also be granted powers of attorney or sub-delegation pursuant to Art. 135-novies CFA, as an exception to Art. 135-undecies, paragraph 4, CFA

The Shareholders' Meeting will therefore be held without the physical attendance of the Shareholders.

The Directors, the Auditors, the Designated Representative, as well as other persons entitled by law other than those with voting rights, may participate in the Shareholders' Meeting by means of telecommunications that guarantee their identification. The instructions for participation in the Shareholders' Meeting by means of telecommunications will be made known by the Company to the Directors and Auditors, as well as to others entitled to attend, other than those with voting rights.

SHARE CAPITAL AND VOTING SHARES

The share capital of GVS, subscribed and paid up, is equal to Euro 1,750,000.00, divided into 175,000,000 ordinary shares, with no indication of nominal value. Each ordinary share gives the right to one vote in the ordinary and extraordinary Shareholders' Meetings of the Company, except for the 105,000,000 ordinary shares for which GVS Group S.p.A. has obtained an increase in voting rights in accordance with Art. 6 of the Articles of Association; therefore, the total number of voting rights that can be exercised in the Shareholders' Meeting at the date of this press release is [280,000,000]. The Company does not hold any treasury shares. Since the Company's Articles of Association provide for an increase in voting rights pursuant to Art. 127-*quinquies* of the Consolidated Finance Act, the Company will disclose to the public, pursuant to Art. 85-*bis*, paragraph 4-*bis*, of the Issuers' Regulation adopted by CONSOB with resolution no. 11971 of 14 May 1999, as subsequently supplemented and amended, the total amount of voting rights by the day after the date indicated in Art. 83-*sexies*, paragraph 2, of the Consolidated Finance Act (the "record date") and, therefore, by **17 April 2021**. For more information on the increase in voting rights, please refer to the website www.gvs.com, in the "Governance - Increased Voting Rights" section.

ENTITLEMENT TO SPEAK AND VOTE

Entitlement to attend the Shareholders' Meeting and exercise voting rights - which may only be exercised through the Designated Representative - is certified by a communication to the Company made by the authorised intermediary, at the request of the entitled party, on the basis of the evidence in the accounting records relating to the end of the accounting day of the seventh trading day prior to the date set for the Shareholders' Meeting, i.e. **16 April 2021** (record date). Those who are found to be the owners of the Company's shares after that date, on the basis of the records made on the accounts, will not be entitled to attend and vote at the Shareholders' Meeting. The notice from the intermediary must be received by the Company by the end of the third trading day preceding the date set for the Meeting and, therefore, by **22 April 2021**. However, this does not affect the right to attend and vote, in accordance with the terms mentioned above and in compliance with the terms for conferring powers of attorney on the Designated Representative, if communications are received by the Company after the aforementioned deadline, provided they are received before the start of the meeting proceedings.

DESIGNATED REPRESENTATIVE

Pursuant to Art. 106, paragraph 4 of the Cura Italia Decree, attendance of the Shareholders' Meeting by those who have the right to vote will take place exclusively through the Designated Representative of the Company, who must be given a power of attorney, at no cost to the delegating party, with voting instructions, on all or some of the proposals on the agenda of the Shareholders' Meeting, using the appropriate forms available, with the relative instructions for completion and transmission, in the section of the Company's website (<http://www.gvs.com>, "Governance - Shareholders' Meeting" section).

The power of attorney in accordance with Art. 135-*undecies* CFA, with the voting instructions, must be received, by the end of the second trading day prior to the date set for the Shareholders' Meeting (i.e. by **23 April 2021**) together with a copy of a currently valid identity document of the delegating party or, if the delegating party is a legal entity, of the *pro tempore* legal representative or of another party with appropriate powers, together with suitable documentation to attest their qualification and powers to the Designated Representative, in the following alternative ways: (i) transmission of an electronically reproduced copy (PDF) to the certified e-mail address assemblee@pec.spafid.it ("Power of Attorney for the GVS 2021 Shareholders' Meeting") from your own certified e-mail address (or, failing that, from your own ordinary e-mail address, in which case the power of attorney with voting instructions must be signed with a qualified or digital electronic signature); (ii) transmission of the original, by courier or registered letter with return receipt, to the address Spafid S.p.A., Foro Buonaparte no. 10, 20121 Milan, Italy (Ref. "Power of Attorney for the GVS 2021 Shareholders' Meeting"), sending in advance an electronically reproduced copy (PDF) by ordinary e-mail to the following address assemblee@pec.spafid.it.

The power of attorney and voting instructions are revocable by the same deadline as specified above (i.e. by **23 April 2021**). The power of attorney has no effect with regard to proposals for which no voting instructions have been given. Company shares for which a full or partial delegation is conferred are calculated for the purpose of determining due establishment of the Shareholders' Meeting.

Those who do not intend to take advantage of the intervention method envisaged by Art. 135-*undecies* CFA, may, alternatively, confer on the Designated Representative a power of attorney or sub-delegation pursuant to Art. 135-*novies* CFA, as an exception to Art. 135-*undecies*, paragraph 4, CFA, necessarily containing voting instructions on all or some of the proposals on the agenda, by using the specific power of attorney/sub-delegation form, available on the Company's website (<http://www.gvs.com>, in the "Governance -

Shareholders' Meeting" section). For the conferral and notification, including by electronic means, of powers of attorney/sub-delegations, the procedures indicated in the power of attorney form must be followed.

The power of attorney must be received by the above Designated Representative, together with a copy of a currently valid identity document of the delegating party or, if the delegating party is a legal entity, of the *pro tempore* legal representative or other party with appropriate powers, together with suitable documentation attesting to the delegating party's qualification and powers, no later than 6:00 p.m. on the day before the Shareholders' Meeting (and in any case no later than the start of the meeting proceedings), using the following alternative methods: (i) transmission of an electronically reproduced copy (PDF) to the certified e-mail address assemblee@pec.spafid.it ("Power of Attorney for the GVS 2021 Shareholders' Meeting") from your own certified e-mail address (or, failing that, from your own ordinary e-mail address, in which case the proxy with voting instructions must be signed with a qualified or digital electronic signature); (ii) transmission of the original, by courier or registered letter with return receipt, to the address Spafid S.p.A., Foro Buonaparte no. 10, 20121 Milan, Italy (Ref. "Power of Attorney for the GVS 2021 Shareholders' Meeting"), sending in advance an electronically reproduced copy (PDF) by ordinary e-mail to the following address assemblee@pec.spafid.it

The delegation and voting instructions can be revoked at any time before said deadline in the manner indicated above.

In the absence of the communication from the authorised intermediary attesting the entitlement to attend the Shareholders' Meeting, the power of attorney will be considered invalid.

For any clarification necessary on the conferral of the delegation on the Designated Representative (and, in particular, about the compiling of the delegation form and voting instructions and their transmission), Spafid can be contacted by e-mailing confidential@spafid.it or calling (+39) 0280687.319 and (+39) 0280687.335 (on working days, from 09:00 to 17:00).

The Company reserves the right to supplement and/or amend the above instructions in view of the need to monitor the current emergency and how it unfolds, which cannot currently be forecast.

It shall be recalled that no procedures for voting by mail or electronically are envisaged.

THE RIGHT TO REQUEST ADDITIONS TO THE AGENDA OF THE MEETING AND TO SUBMIT NEW PROPOSALS FOR RESOLUTIONS

Shareholders who, individually or jointly, represent at least one fortieth of the share capital may request that the list of items to be discussed be supplemented, indicating in their request the additional items they propose, or they may present proposals for resolutions on items already on the agenda. Such supplementation may be requested within ten days of the publication of this notice.

Shareholders in favour of whom the Company has received a communication from an authorised intermediary pursuant to current legislation are entitled to request the integration of the agenda or submit new resolution proposals.

Requests for additions must be made in writing and must be received by the Company no later than **1 April 2021**, by registered mail or certified e-mail to the following addresses: GVS S.p.A., Legal and Corporate Affairs Office, Via Roma, n. 50, 40069 Zola Predosa (BO), e-mail gvsspa.gvs@legalmail.it for the attention of the Legal and Corporate Affairs Office. By the same deadline and in the same manner, the proposing Shareholders are required to submit to the Board of Directors a report containing the reasons for the resolution proposals on the new matters they propose to deal with, or the reasons for further resolution proposals presented on matters already on the agenda.

Notice of additions to the agenda or the presentation of further proposals for resolutions on items already on the agenda shall be given, in the same manner as prescribed for the publication of this notice, at least fifteen days prior to the date set for the Shareholders' Meeting. At the same time as publication of the integration notice or presentation, the report prepared by the requesting Shareholders, accompanied by any evaluations by the Board of Directors, will be made available to the public in the same form as the documentation relating to the Shareholders' Meeting.

Supplementation is not permitted for items on which the Shareholders' Meeting resolves, in accordance with the law, on the proposal of the Directors or on the basis of a plan or report prepared by them that is different to those set out in Art. 125-ter, paragraph 1, of the Consolidated Finance Act.

THE RIGHT TO TABLE MOTIONS INDIVIDUALLY BEFORE THE MEETING

In addition to the above, taking into account that participation in the Shareholders' Meeting is envisaged exclusively through the Designated Representative, the persons entitled to participate in the Shareholders' Meeting who intend to formulate proposals for resolutions on the items on the agenda are invited to submit them in advance, by **1 April 2021**, in the same manner as indicated in the preceding paragraph. Such proposals will be published on the Company's website by the following **9 April 2021**, in order to allow those entitled to vote to express themselves in an informed manner also taking into account such new proposals and to allow the Designated Representative to collect any voting instructions on the same. The requesting party must provide suitable documentation proving the right to participate in the Shareholders' Meeting and the issue of a power of attorney to the Designated Representative for participation in the Shareholders' Meeting.

RIGHT TO ASK QUESTIONS ON THE AGENDA ITEMS

Pursuant to Art. 127-ter of the CFA, those with voting rights may submit questions on the items on the agenda before the Shareholders' Meeting, and in any case by the seventh trading day before the date set for the Shareholders' Meeting (i.e. by **16 April 2021**), to which the Company, having verified their relevance to the items on the agenda of the Shareholders' Meeting and the legitimacy of the applicant, will provide an answer, as an exception to the minimum time limit set pursuant to Art. 127-ter, paragraph 1-bis of the CFA, at least three days before the Shareholders' Meeting (i.e. by 24 April 2021), by publication in a special section of the Company's website (<http://www.gvs.com>, "Governance - Shareholders' Meeting" section), in order to enable those entitled to vote to express an informed opinion on the items on the agenda.

The aforesaid questions - accompanied by the relative communication, issued by the qualified intermediary in accordance with current legislation, certifying the legitimacy to exercise the right - must be sent by registered letter or certified e-mail to the following addresses: GVS S.p.A., Legal and Corporate Affairs Office, Via Roma, n. 50, 40069 Zola Predosa (BO), e-mail gvsspa.gvs@legalmail.it for the attention of the Legal and Corporate Affairs Office.

Please note that the ownership of the voting right may also be certified after the submission of the applications provided that it is within the third day following the record date (i.e. by **19 April 2021**). The Company may provide unitary answers to questions with the same content.

DOCUMENTATION

The explanatory reports of the Directors with the full text of the proposed resolutions and the other documentation relating to the Shareholders' Meeting required by current legislation, including the annual financial report, will be made available to the public, within the terms of the law, at the Company's registered office in Via Roma 50, 40016 Zola Predosa (BO), and on the Company's website (<http://www.gvs.com>, "Governance - Shareholders' Meeting" section), as well as at the authorised storage mechanism "eMarket STORAGE". The documentation may be consulted at the company's registered office only if permitted by the *pro-tempore* regulations in force.

This call notice is published today, in full, in accordance with Article 125-bis CFA, on the Company's website and at the authorised storage mechanism "eMarket STORAGE" and in extract form in the newspaper MF Milano Finanza on 24 March 2021.

OTHER INFORMATION

The Company reserves the right to supplement and/or amend the contents of this notice, should such be necessary as a consequence of the evolution of the current emergency situation.

Zola Predosa (BO), 23 March 2021

For the Board of Directors
The Chairman, *Grazia Valentini*

EXPLANATORY REPORT CONCERNING ITEM No. 1 ON THE AGENDA

Approval of the Financial Statements as at 31 December 2020, accompanied by the Directors' Report on Operations, the Report of the Board of Auditors and the Independent Auditors' Report. Allocation of period profit. Related and consequent resolutions. Presentation of the Consolidated Financial Statements as at 31 December 2020. Submission of the Consolidated Non-Financial Statement prepared pursuant to Legislative Decree no. 254/2016.

Shareholders,

We hereby submit for your approval the Draft Financial Statements for the year ended 31 December 2020, approved by the Board of Directors on 19 March 2021.

The year ended 31 December 2020 closed with a profit for the year of Euro 27.308.128,00, which we propose to allocate as follows:

- Euro 20.633 to reserve;
- Euro 22.750.000,00, taking into account the shares issued as at 31 December 2020 to distribute a dividend to shareholders equal to Euro 0,13 per share, gross of withholding taxes, with an ex-dividend date of 21 June 2021 and payment on 23 June 2021 and with an entitlement date for payment of the dividend, pursuant to Article 83-*terdecies* of Legislative Decree no. 58 of 24 February 1998, on 22 June 2021;
- the remainder, amounting to Euro 4.537.495,00 to extraordinary reserve.

For all detailed information and comments relating to the financial statements, please refer to the Annual Financial Report, including the draft Financial Statements and Consolidated Financial Statements as at 31 December 2020, approved by the Board of Directors on 19 March 2021, the Directors' Report on Operations, and the attestation pursuant to Article 154-*bis*, paragraph 5, of Legislative Decree no. 58 of 24 February 1998, which will be filed and made available to the public by [2] April 2021, together with the Report of the Board of Auditors and the Report of the Independent Auditors and the Consolidated Non-Financial Statement prepared pursuant to Legislative Decree no. 254/2016.

* * *

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.,

- *after hearing and approving what has been presented by the Board of Directors;*
- *having examined the Draft Financial Statements of GVS S.p.A. as at 31 December 2020, which show a profit for the year of Euro 27.308.128,00 , and the Report of the Board of Directors on Operations;*
- *having acknowledged the Report of the Board of Auditors and the Report of the Independent Auditors;*

resolved

1. *to approve the Financial Statements of GVS S.p.A. as at 31 December 2020;*
2. *to allocate the net profit for FY 2020, equal to Euro 27.308.128,00 , as follows:*
 - *Euro 20.633 to reserve;*
 - *Euro 22.750.000,00, taking into account the shares issued as at 31 December 2020 to distribute a dividend to shareholders equal to Euro 0,13 per share, gross of withholding taxes, with an ex-dividend date of 21 June 2021 and payment on 23 June 2021 and with an entitlement date for payment of the dividend, pursuant to Article 83-terdecies of Legislative Decree no. 58 of 24 February 1998, on 22 June 2021;*
 - *the remainder, amounting to Euro 4.537.495,00 to extraordinary reserve.*
3. *to grant the Chief Executive Officer, with the right to sub-delegate, the power to carry out all the activities inherent in, consequent to or related to the implementation of the resolutions referred to in points 1) and 2) above".*

* * *

Zola Predosa (BO), 19 March 2021

For the Board of Directors

The Chairman, *Grazia Valentini*

EXPLANATORY REPORT CONCERNING ITEM No. 2 ON THE AGENDA

Report on the Remuneration Policy and Compensation Paid in accordance with Art. 123-ter of Legislative Decree no. 58 of 24 February 1998 and Art. 84-ter of CONSOB Regulation no. 11971/1999. Resolutions regarding the company's remuneration policy pursuant to the first and second sections of the report.

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 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 27 April 2021 will be called to cast (i) a binding vote on the Company's Policy having a term aligned with that of the Board of Directors and (ii) an advisory vote on the Company's FY 2020 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.

* * *

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

- 4. 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, whose duration is aligned with that of the duration in office of the Board of
Directors;*
- 5. 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 58, dated 24 February 1998”.*

* * * * *

Zola Predosa (BO), 19 March 2021

For the Board of Directors

The Chairman, *Grazia Valentini*

EXPLANATORY REPORT CONCERNING ITEM No. 3 ON THE AGENDA

Authorisation to purchase and dispose of treasury shares pursuant to and for the purposes of Articles 2357, 2357-ter of the Italian Civil Code, Article 132 of Legislative Decree no. 58 of 24 February 1998 and Article 144-bis of the Consob regulation adopted by resolution no. 11971 of 14 May 1999. Related and consequent resolutions.

Shareholders,

The Board of Directors has called you to an Ordinary Shareholders' Meeting to examine and approve the proposal to authorise the purchase and disposal of the Company's ordinary shares, pursuant to the combined provisions of Articles 2357 and 2357-ter of the Italian Civil Code, as well as Article 132 of Legislative Decree no. 58 of 24 February 1998, as subsequently amended (the "CFA") and Article 144-bis of the Consob Regulation adopted by Resolution no. 11971 of 14 May 1999, as subsequently amended (the "Issuers' Regulation"), without prejudice to the application of Regulation (EU) no. 596 of 16 April 2014 on market abuse (the "MAR"), Delegated Regulation (EU) no. 1052 of 08 March 2016 on the conditions applicable to share buybacks and stabilisation measures (the "Delegated Regulation"), as well as the market practices over time permitted, including, but not limited to, the permitted practices set forth in the resolution of the Commissione Nazionale per le Società e la Borsa ("Consob") no. 16839 of 19 March 2009 (the "Permitted Practices").

It is proposed to authorise the Board of Directors to purchase and dispose of the Company's ordinary treasury shares in the terms illustrated in this Report, prepared in accordance with Art. 125-ter of the CFA and Art. 73 of the Issuers' Regulation.

1. Reasons for which authorisation is requested for the purchase and disposal of treasury shares

The purpose of the request for authorisation to purchase and dispose of treasury shares, which is the subject of this proposal, is to allow the Company to purchase and dispose of ordinary shares, in accordance with the procedures prescribed by current EU and national legislation, for the purposes permitted by law, which include:

(i) supporting liquidity and market efficiency;

(ii) retention for subsequent use, including: payment in extraordinary transactions, including exchange or sale of equity investments to be realised through an exchange, contribution or other act of disposal and/or use, with other parties, including the allocation to service bonds convertible into shares of the Company or bonds with warrants; and

(iii) use for the purpose of compensation plans based on financial instruments pursuant to Article 114-bis of the CFA in favour of directors, employees or collaborators of the Company and/or its subsidiaries, as well as programmes for the free assignment of shares to Shareholders.

The request for authorisation also envisages the power of the Board of Directors to carry out repeated purchase and sale transactions (or other acts of disposal) of treasury shares also on a rotating basis, even for fractions of the maximum quantity authorised, so that, at all times, the quantity of shares subject to the proposed purchase and in the ownership of the Company does not exceed the limits envisaged by the law and by the authorisation of the Shareholders' Meeting and in any case such purchase is carried out in compliance with the Issuers' Regulation, the MAR and, if necessary, the Permitted Practices.

2. Maximum number, type and nominal value of the shares to which the authorisation refers.

Pursuant to Art. 2357, paragraph 3, of the Italian Civil Code, authorisation is required for the purchase, even in several tranches, ordinary GVS shares without an indication of the nominal value, up to a maximum number which, taking into account the ordinary GVS shares held over time in the portfolio by the Company and its subsidiaries, is not in total greater than 20% of the share capital and, therefore, within the limits of

Art. 2357, paragraph 3, of the Italian Civil Code; while for purchases made in accordance with Art. 144-*bis*, paragraph 1, letter c) of the Issuers' Regulation, up to a maximum number which, overall, does not exceed 5% of the share capital.

At the date of this report, the subscribed and paid-up share capital of GVS amounts to Euro 1,750,000 and is divided into 175,000,000 ordinary shares with no indication of nominal value. At the date of this report, GVS's subsidiaries did not hold any shares in GVS.

3. Information relevant for a complete assessment of compliance with the provision of Art. 2357, paragraph 1, of the Italian Civil Code.

In compliance with Art. 2357, paragraph 1, of the Italian Civil Code, purchases of treasury shares must in any case take place within the limits of the distributable profits and the unrestricted reserves, as resulting from the last financial statements approved at the time of each operation. Only fully paid-up shares may be purchased.

The Board of Directors will be required to verify compliance with the limits set forth in Article 2357 of the Italian Civil Code prior to the commencement of each purchase of ordinary shares for the purposes indicated in paragraph 1 above. In order to allow for verifications on the subsidiaries, specific directives will be given to the latter for the timely communication to the Company of any purchase of ordinary shares of the parent company made pursuant to Art. 2359-*bis* of the Italian Civil Code.

The provisions of the law and the accounting standards applicable over time must be observed for the purposes of accounting entries to be made on the purchase of shares, their sale, exchange, contribution or devaluation. In the event of sale, exchange, contribution or devaluation, the corresponding amount may be reused for further purchases, until the expiry of the term of the authorisation decided by the Shareholders' Meeting, within the conditions, quantity and expense limits set by the same Shareholders' Meeting.

4. Duration for which the authorisation is requested.

The authorisation to purchase treasury shares is requested for the maximum duration allowed by law, as set forth in Article 2357, paragraph 2, of the Italian Civil Code as a period of eighteen months, starting from the date of any resolution of approval of this proposal by the Shareholders' Meeting.

Within the term of any authorisation granted, the Board of Directors may then make share purchases on one or more occasions and at any time, to an extent and at times freely determined, in accordance with applicable regulations, with such gradualness as it deems appropriate in the interests of the Company.

Authorisation for the disposal and/or use of treasury shares held in portfolio or that may be purchased is instead requested without time limits, due to the absence of time limits pursuant to current regulations and the opportunity to allow the Board of Directors maximum flexibility, also in terms of timing, to carry out the acts of disposal of the shares.

5. Minimum and maximum amount of treasury shares to be purchased.

The Board of Directors proposes that the purchase price of each share should not be less than the official stock exchange price of GVS stock on the day prior to the day on which the purchase transaction is to be carried out, less 20%, and not more than the official stock exchange price on the day prior to the day on which the purchase transaction is to be carried out, plus 10%, in compliance in any case with the terms and conditions established by the MAR and the Permitted Practices, where applicable.

The Board of Directors proposes to be authorised to sell, dispose of and/or use, pursuant to Art. 2357-*ter* of the Italian Civil Code, for any reason and at any time, in whole or in part, on one or more occasions, the treasury shares in portfolio and those purchased in implementation of the authorisation that may be granted by the Shareholders' Meeting, for the purposes indicated in paragraph 1 above, according to the methods, terms and conditions determined over time by the Board of Directors, it is understood that the proceeds of any act of disposal of treasury shares may be used for further purchases of shares, until

the expiry of the authorisation requested by the Shareholders' Meeting, within the limits provided for by this authorisation and by the regulations in force.

6. Methods by means of which purchases and disposals will be carried out.

The purchase of treasury shares will be carried out on regulated markets, according to the operating procedures established in the regulations for the organisation and management of the markets themselves, including through the negotiation of options or derivative financial instruments on GVS shares, in compliance with current legislation and, in particular, with Art. 132 of the CFA - with particular reference to the principle of equal treatment of Shareholders - with Art. 144-bis of the Issuers' Regulation, with the Community and national legislation on market abuse in force overtime and, therefore, among other things, with the MAR and the Permitted Practices.

The Board of Directors proposes that treasury share transactions be carried out in any manner deemed appropriate in the interest of the Company, in compliance with the laws and regulations in force at the time and in pursuit of the purposes of this proposed resolution, including sales on regulated markets, in blocks and by means of exchange or stock lending or free assignment.

7. Information on the instrumental nature of the purchase to a reduction of capital.

It should be noted that the purchase of treasury shares that is the subject of this request for authorisation is not instrumental to the reduction of the share capital through the cancellation of the treasury shares purchased, without prejudice to the Company's right, should the Shareholders' Meeting resolve in the future to reduce the share capital, to carry out this reduction also through the cancellation of the treasury shares held in the portfolio.

* * *

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 Shareholders’ Meeting of GVS S.p.A.:

- *having examined and discussed the explanatory report prepared by the Board of Directors;*
- *having acknowledged that, at the date of the above report, the Company does not hold any treasury shares in its portfolio and no subsidiary of the Company holds shares in GVS S.p.A.;*
- *having regard to the financial statements for the year ended 31 December 2020 approved by today’s Shareholders’ Meeting;*
- *having acknowledged the total amount of unrestricted reserves, as resulting from the financial statements of GVS S.p.A. as at 31 December 2020, approved today, equal to Euro 127.034.000,00;*
- *having noted the draft resolutions submitted;*

resolved

1. *to authorise, pursuant to and for the purposes of Article 2357 et seq. of the Italian Civil Code and*

Article 132 of Legislative Decree no. 58 of 24 February 1998, the purchase of the Company's treasury shares, on one or more occasions, for a period not exceeding 18 months from the date of this Resolution in accordance with the following terms and conditions:

- i. the purchase can be made*
 - *to support market liquidity and efficiency;*
 - *for holding and subsequent use, including: payment in extraordinary transactions, including exchange or sale of equity investments with other subjects, to be realised through an exchange, contribution or other act of disposal and/or use, with other parties, including the allocation to service bonds convertible into shares of the Company or bonds with warrants; and*
 - *with use in service of compensation plans based on financial instruments pursuant to Article 114-bis of Legislative Decree no. 58 of 24 February 1998 in favour of directors, employees or collaborators of the Company and/or its subsidiaries, as well as programmes for the free assignment of shares to shareholders;*

- ii. the purchase will be made in compliance with the requirements of the law and, in particular, with Art. 132 of Legislative Decree no. 58 of 24 February 1998 and Art. 144-bis of Consob Regulation 11971/1999, and possibly also in compliance with Delegated Regulation (EU) no. 1052 of 08 March 2016 and market practices as per Art. 180, paragraph 1, letter c), of Legislative Decree no. 58 of 24 February 1998, approved by Consob Resolution no. 16839 of 19 March 2009;*

- iii. the purchase price of each share shall not be lower than the official stock exchange price of GVS stock on the day preceding the day on which the purchase transaction will be carried out, decreased by 20%, and not higher than the official stock exchange price on the day preceding the day on which the purchase transaction will be carried out, increased by 10%, without prejudice to the application of the conditions and terms set forth in Article 5 of Regulation (EU) No. 596 of 16 April 2014 and, if applicable, Article 3 of Delegated Regulation (EU) No. 1052 of 8 March 2016;*

- iv. the maximum number of shares purchased may not have a total nominal value in excess of 20% of the Company's share capital at the date of this resolution while for purchases made in accordance with Art. 144-bis, paragraph 1, letter c) of the Issuers' Regulation, up to a maximum number not exceeding 5% of the share capital in total, in both cases including any shares held by GVS and its subsidiaries;*

- 2. to authorise the Board of Directors, pursuant to Article 2357-ter of the Italian Civil Code, to dispose of all and/or part of the treasury shares purchased, without time limits, even before the purchases have been exhausted, establishing the price and manner of disposal and making all necessary or appropriate accounting entries, in compliance with the provisions of the law and regulations and the accounting standards applicable over time;*

- 3. to grant the Board of Directors and, on its behalf, the Chief Executive Officer, the most extensive powers possible necessary or appropriate to carry out the purchase of treasury shares, as well as to carry out the acts of alienation, disposal and/or use of all or part of the treasury shares purchased and, in any case, to implement the above resolutions, also through its proxies, also approving and implementing any and all executive provisions of the related purchase programmes, including the buy-back programmes pursuant to and for the purposes of the Delegated Regulation, and complying with any requests by the competent Authorities."*

* * *

Zola Predosa (BO), 19 March 2020

For the Board of Directors

The Chairman, *Grazia Valentini*

EXPLANATORY REPORT CONCERNING ITEM No. 4 ON THE AGENDA

Proposal to adjust the remuneration of the Board of Auditors. Related and consequent resolutions.

Shareholders,

on March 13, 2020, the Shareholders' Meeting appointed the members of the Board of Auditors, setting their gross annual compensation at a total of Euro 24,000.00, of which: (i) Euro 10,000.00 gross per year for the Chairman and (ii) Euro 7,000.00 gross per year for each Auditor.

Following the listing of the Company on the Mercato Telematico Azionario managed by Borsa Italiana, which took place on 19 June 2020, the Group was able to benefit from greater resources, invested therefore in part in its own growth and in expanding the scope of its activities.

This expansion, occurred between the end of 2020 and the beginning of the current year, increased the complexity of managing and controlling the Group's activities.

During the meeting held on 12 March 2021, the Board of Auditors assessed, *inter alia*, the adequacy of its remuneration to remunerate the professionalism, experience and commitment with which the supervisory body must perform its duties, taking into account the activities actually carried out and the increasing management complexity of the Group's activities.

At the end of this analysis, the Board of Auditors acknowledged the need to match its remuneration to the greater complexity of the Group and, consequently, informed the Board of Directors accordingly.

Acknowledging the request made by the Board of Auditors and the provisions of the Corporate Governance Code adopted by the Corporate Governance Committee of Borsa Italiana in January 2020 concerning the remuneration of the Board of Auditors¹, the Board of Directors deliberated to submit to the Shareholders' Meeting the proposal to adjust the remuneration of the Board of Auditors with effect from 1 January 2021, to an extent that would remunerate the commitment required by the changing scenario.

* * *

Resolutions proposed by the Board of Directors

Shareholders,

Based on the above, the Board of Directors refrains from making specific proposals in this regard and invites the Shareholders' Meeting to resolve on the annual compensation to be attributed to the Board of Auditors with effect from 1 January 2021 on the basis of the proposals that may be made by the entitled parties.

* * *

Zola Predosa (BO), 19 March 2021

For the Board of Directors

The Chairman, *Grazia Valentini*

¹ Recommendation 30: "The remuneration of the members of the control body shall provide for a compensation appropriate to the competence, professionalism and commitment required by the importance of the role covered and the dimensional and sectorial characteristics of the company and its situation."