Corporate Governance Report and Shareholder Structure

2009

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GLOSSARY

Self-Governance Code: the Self-Governance Code of listed companies approved in March 2006 by the Corporate Governance Committee and issued by Borsa Italiana SpA.

Civ. code/c.c.: the civil code.

Board: The Board of Directors of the Issuer.

Issuer or ZV or the Company: Zignago Vetro SpA

The Year: 2009, to which the Report refers.

Stock Exchange Instructions: the Instructions to the Regulations for Markets organised and managed by Borsa Italiana SpA.

Stock Exchange Regulations: the Regulations for Markets organised and managed by Borsa Italiana SpA.

Consob Issuer Regulations: the Issuer Regulations issued by Consob resolution No. 11971 of 1999 (as subsequently amended).

Consob Market Regulations: the Market Regulations issued by Consob resolution No. 16191 of 2007 (as subsequently amended).

Report: the corporate governance report and shareholder structure which the company must prepare as per art. 123-*bis* CFA.

Company By-laws: the By-Laws of the Company in force at the date of the Report.

CFA: Legislative Decree of February 24, 1998, No. 58 and subsequent amendments and additions.

1. COMPANY PROFILE

The present Report, (hereafter the "**Report**"), prepared in compliance with the obligations for listed companies on the Mercato Telematico Azionario, organised and managed by Borsa Italiana S.p.A. (hereafter "**Borsa Italiana**"), illustrates the corporate governance system of Zignago Vetro S.p.A (hereafter "**Zignago Vetro**" or the "**Company**" or the "**Issuer**"), whose general guidelines are the subject of the present Section 1.

The corporate governance structure of Zignago Vetro is a traditional system comprising of a Board of Directors and a Board of Statutory Auditors; an audit is undertaken by an independent audit company in accordance with law. The Company, as much as possible in line with the recent regulations introduced and with the principles contained in the Self-Governance Code, has adopted the following governance structure:

- Shareholders' Meeting;
- Board of Directors;
- Internal Control Committee;
- Remuneration Committee;
- Lead Independent Director;
- Board of Statutory Auditors;
- Independent Auditors;
- Supervisory Board;
- Executive responsible for the preparation of the corporate accounting documents;
- Internal control manager;
- Executive Director to supervise the internal control system.

Shareholders' Meeting

The Shareholders' Meeting represents all of the shareholders and is convened in accordance with the provisions of law and regulations for companies with listed shares to pass resolutions reserved for them by law or by the Company By-Laws.

Board of Directors

The central role in planning the strategy of the Company is attributed to the Board of Directors which, in accordance with article 15 of the By-Laws is composed of between 5 and 14 members. The Shareholders' Meeting decides the number of members on the Board of Directors, their appointments within the above-mentioned limits and the duration of office which cannot be more than 3 years. The offices held by the directors appointed expire on the date of the Shareholders' Meeting called for the approval of the financial statements of the final year of office and they may be re-elected. The appointment of the Board of Directors must occur through the voting of slates which allows the minority shareholders to elect at least one director. The minimum shareholding required for the presentation of the slate of candidates is 2.5% of the ordinary shares, or where otherwise established by Consob with regulations taking into consideration the capitalisation of the share float and of the share ownership of listed companies. Each slate must indicate at least one independent candidate in possession of the necessary legal requisites, or 2 in the case of a Board of Directors which is composed of more than 7 members.

The Board of Directors, in accordance with article 17 of the By-Laws, on March 22, 2007, instituted an Internal Control Committee and a Remuneration Committee.

Internal Control Committee

The Internal Control Committee is composed of three non-executive directors, of which two are independent and have the duty, among others, to identify and evaluate the business issues and risks and carry out the consultative and prepositional functions required by the Self-Governance Code.

Remuneration Committee

The Remuneration Committee is composed of three non-executive directors, of which two are independent and has the duty to formulate proposals with regard to the remuneration of the Chief Executive Officers and of those who hold particular offices.

Lead Independent Director

In conformity with article 2 of the Self-Governance Code, the Company has designated a lead independent director. The other non-executive directors, and in particular the independent directors, report to the lead independent director, for a better contribution to the activities and the functioning of the Board of Directors.

Board of Statutory Auditors

The Board of the Statutory Auditors verifies, among other issues (i) compliance with law and the By-Laws, (ii) respect of the principles of correct administration and in particular on the adequacy of the organisational structure of the Company, of the internal control system as well as the administration and accounting structure and its ability to correctly represent the operational events and (iii) the method for establishing corporate governance regulations which the company declares it is in observance of.

The functions in accordance with law are reserved to the Statutory Auditors. In accordance with article 20 of the By-Laws, the Board of Statutory Auditors consists of three Statutory Auditors and two alternate auditors, shareholders or non-shareholders. Each of the members of the Board of Statutory Auditors must possess the honourability and professionalism requisites and be independent in accordance with law.

The appointment of a statutory auditor and an alternate auditor, in accordance with the By-Laws (article 20), is reserved for the minority lists of shareholders with a minimum holding of at least 4% of the ordinary shares. The statutory auditor elected by the minority slate is elected the Chairman of the Board of Statutory Auditors.

Independent Auditors

The audit of the Company is undertaken by an audit firm registered in the special register of auditors approved to carry out such activities in accordance with articles 155 and 158 of the Consolidated Finance Act held by Consob. The Audit Firm is appointed by the Shareholders' Meeting with prior consultation of the Board of Statutory Auditors. The independent auditors who carry out the audit of Zignago Vetro also carry out the audit of the Subsidiary companies.

Supervisory Board

The Supervisory Board, appointed by the Board of Directors, has the responsibility to ensure the Organisational, Management and Control Model pursuant to Legislative Decree 231/2001 is adequate and efficient, effective and updated.

Executive responsible for the preparation of the corporate accounting documents

The executive responsible for the preparation of the corporate accounting documents, among other matters, has the responsibility to implement adequate administrative and accounting procedures for the preparation of the parent company accounts, the consolidated financial statements and all other financial documents, certifying, together with the appointed boards, the adequacy and application of these procedures and that the accounting information including interim reports correspond to the underlying accounting documents, records and accounting entries.

Internal Control Manager

The internal control manager, among other matters, has the responsibility to verify the correct functioning of the internal control system and must have an adequate level of independence. The Internal Control Manager reports to the Executive Director responsible for the Internal Control System, which guarantees his independence.

Executive Director to supervise the internal control system

The Executive Director responsible for the Internal Control System ensures the correct functioning of the internal control system, and among other matters, proposes to the Board of Directors the manager responsible for internal control, identifying the principal company risks and implementing the guidelines outlined by the Board of Directors.

The present Report and all related documents may be downloaded from the internet site of the Company at www.zignagovetro.com, Investor Relations section.

2. INFORMATION ON SHAREHOLDERS (ARTICLE 123, PARAGRAPH 1 OF THE CONSOLIDATED FINANCE ACT)

The present Section 2 is also prepared in accordance with article 123-*bis* of the Finance Act. The information required by the above-mentioned regulation, and not reported in Section 2, is not applicable to the Company.

Shareholders (as per article 123-bis, paragraph 1, letter a), CFA)

The share capital is Euro 8,000,000, entirely subscribed and paid in, and is composed of 80,000,000 ordinary shares having a nominal value of 0.10 Euro each.

Restriction on the transfer of shares (as per article 123-bis, paragraph 1, letter b), CFA)

The shares of the Company are freely transferable by an act between persons or by succession following death and are subject to the rules for shares issued by listed companies in Italy.

Significant holdings (as per article 123-bis, paragraph 1, letter c), CFA)

At the date of the present Report, and based on the results of the Shareholders' Register and communications received in accordance with article 120 of the Finance Act, the following parties hold at least 2% of the share capital, directly or indirectly:

Party	Direct holding	No ordinary shares	% of capital	% of voting capital
Zignago Holding S.p.A.	Zignago Holding S.p.A.	52,000,000	65.0%	65.0%

At the date of the present Report, all of the Company's shares are nominative, freely transferable and indivisible and each of them has a right to one vote at the ordinary and extraordinary Shareholders' Meeting of the Company, as well as other equity and other administrative rights, in accordance with law and the applicable By-Laws. The Company has also not issued shares with special rights, privileges or restrictions at the date of the present report

Shares which confer special rights (as per article 123-bis, paragraph 1, letter d), CFA)

At the date of the present report, the Company has not issued any shares with voting rights or any shares other than ordinary shares.

Employee shareholdings: voting mechanism (as per article 123-bis, paragraph 1, letter f), CFA)

At the date of the present Report, there are no shareholding agreements with employees in relation to the share capital of the company.

Voting restrictions (as per article 123-bis, paragraph 1, letter f), CFA)

At the date of the present report, there are no restrictions on voting rights.

Shareholder agreements (as per article 123-bis, paragraph 1, letter g), CFA)

At the date of the present Report, the share capital of Zignago Vetro is held 65% by Zignago Holding S.p.A. (hereafter “Zignago Holding”), with the current shareholders of Zignago Holding having signed a shareholder Agreement.

The parties subject to the Agreement are the shareholders of Zignago Holding: GA.MA. S.r.l. Single Shareholder Company ("GA.MA."), MARVIT S.r.l. Single Shareholder Company ("MARVIT"), LIBRA S.r.l. ("LIBRA"), LUMAR S.r.l. ("LUMAR"), Margherita Marzotto, Cristiana Marzotto, Maria Rosaria Marzotto (jointly the "Shareholders of Zignago Holding"), as well as Gaetano Marzotto, Stefano Marzotto, Nicolò Marzotto, Luca Marzotto and M.D.D.R. S.r.l. ("M.D.D.R.") (hereafter, together with the shareholders of Zignago Holding, the "Parties").

The financial instruments of Zignago Holding held by shareholders of Zignago Holding are as follows:

Shareholder	**Share of Zignago Holding**
GA.MA (1)	19. 484%
MARVIT (2)	23.512%
LUMAR (3)	24.569%
LIBRA (4)	23.765%
Cristiana Marzotto	3.120%
Maria Rosaria Marzotto	3.192%
Margherita Marzotto	2.358%
TOTAL	**100.00%**

(1) The share capital of GA.MA. S.r.l. single shareholder company of Euro 10,383.36 is entirely held by Gaetano Marzotto.
(2) The share capital of MARVIT S.r.l. single shareholder company of Euro 98,641.92 is entirely held by Stefano Marzotto.
(3) The share capital of LUMAR S.r.l. of Euro 10,400.00 is held for a nominal amount of Euro 10,296.00 by Luca Marzotto and for a nominal amount of Euro 104.00 by Nicolò Marzotto.
(4) The share capital of LIBRA S.r.l. of Euro 11,000.00 is held for a nominal amount of Euro 10,890.00 by Nicolò Marzotto and for a nominal amount of Euro 110.00 by Luca Marzotto.

The Pact, originally signed on July 11, 2006 and subsequently amended on December 19, 2008 and July 11, 2009, was agreed between, among others, FIMIZ S.r.l. ("FIMIZ") and the shareholders of FIMIZ and concerned, among other issues, the conduct rules and regulations which govern the transactions between the shareholders of FIMIZ, as well as the Corporate Governance regulations of FIMIZ, and through this company of Zignago Holding (whose share capital, at the date of first signing, was entirely held by FIMIZ).

On December 17, 2009, the reverse merger deed (the "Merger"), under which FIMIZ was incorporated into Zignago Holding, with effectiveness from December 31, 2009, whose share capital before the Merger was entirely held by FIMIZ (and which post Merger was held by the former shareholders of FIMIZ based on the shareholdings indicated in the table above).

Therefore on December 21, 2009, the shareholders of FIMIZ signed a private contract establishing that the shareholder agreements contained in the Pact relating to the corporate governance of FIMIZ must concur with the corporate governance of Zignago Holding (due to the discontinuation of FIMIZ as a result of the Merger), for the entire duration of the Pact. Except for that relating to the Merger, the Pact remains in force and fully effective without amendment of any of the conditions contained therein.

The Pact became effective on July 11, 2006 with an original duration of three years. Upon expiry, the Pact renews automatically for 3 years with the exception of the case in which one of the Parties revokes the renewal through sending a written communication to the other Parties at least six months before the expiry of the relative term. The Pact was last renewed on July 11, 2009 for a period of a further three years.

Change of control clause (as per article 123-bis, paragraph 1, letter h), CFA)

The Company or its subsidiaries have not stipulated significant agreements that are effective or would be modified or discharged in the case of a change in control of the Issuer.

Power to increase the share capital and authorisation to purchase treasury shares (as per article 123-bis, paragraph 1, letter a), CFA)

The Shareholders' Meeting of April 29, 2009 authorised the Board of Directors of the Issuer, and on its behalf the Chairman including proxies nominated by him, pursuant to article 2357 of the Civil Code, to acquire treasury shares of the Company, for the amount, price and terms and conditions as illustrated below:

- the purchase may be carried out on one or more occasions, within 18 months from the Shareholders' Meeting resolution;

- the purchase price of each share may not be 20% above or below the share price recorded on the Stock Exchange in the trading day prior to each operation.

- the maximum number of shares purchased cannot have a nominal value, including any shares held by Subsidiary companies, exceeding one-tenth of the share capital.

- the purchase of shares must be made in compliance with the current regulations for listed companies and thus in accordance with article 144 - bis of the Consob Issuers'

Regulation, art. 132 of the CFA and the Stock Exchange Regulations and any other regulation applicable including those of the EU Directive 2003/6 of January 28, 2003 and relative European Union and National legislation.

The same Shareholders' Meeting of Zignago Vetro, in ordinary session, also decided, among other matters, to:

a) authorise, in accordance with article 2357-ter, first paragraph of the Civil Code, to place all or part, without time limits, of the shares acquired also before exhausting the purchases; the shares may be transferred in one or more tranches, including through a public offer and/or to the shareholders, on regulated markets and/or non-regulated markets, or outside of the stock exchange, also through a public offer and/or an offer to shareholders, institutional placement, placement of warrants, or as payment for acquisition or of public exchange offer, at a price not higher than 20% above the share price recorded on the trading day preceding each operation; however these price limits will not be applied where the sale of the shares is to employees, including management, executive directors, and consultants of Zignago Vetro and its subsidiaries in relation to Incentive Stock Option plans.

b) authorise the Board of Directors, in accordance with article 2357-*ter*, third paragraph of the Civil Code, to carry out all accounting registrations considered necessary or appropriate, in relation to the treasury shares operations, in accordance with that required by law and the applicable accounting principles.

In accordance with article 144-*bis* of the Consob Issuers' regulation, the Company, on November 21, 2007, communicated to the public the details of its buy-back programme.
At December 31, 2009, the Company held in portfolio 1,292,140 ordinary shares for a total investment of Euro 5,027 thousand.

The Board of Directors, in the meeting of March 16, 2010, decided to propose to the Shareholders' Meeting the renewal of the authorisation to purchase and to place the treasury shares at the same terms and conditions as that decided by the previous Shareholders' Meeting.

Direction and co-ordination activities (as per article 2497 of the Civil Code)

Zignago Vetro is not subject to direction or control by Zignago Holding and operates autonomonously and with entrepreneurial independence of its holding company Zignago Holding. Zignago Vetro avails of some services supplied by Zignago Holding and of the subsidiary companies, at market conditions and for reasons of technical, organizational, economic and commercial benefit.

* * *

The information required by article 123-bis, first paragraph, letter i) of the CFA is illustrated in the section of the Report related to the remuneration of directors.

The information required by article 123-bis, first paragraph, letter l) of the CFA is illustrated in the section of the Report dedicated to the Board of Directors.

3. COMPLIANCE (as per article 123-bis, paragraph 1, letter h), CFA)

The sections below disclose procedures implemented by the Company or the amendments which the Company is currently implementing in relation to the Organisational Model outlined in the Self-Governance Code, accessible on the website www.borsaitaliana.it.

The present Report and all related documents may be downloaded from the internet site of the Company at www.zignagovetro.com, Investor Relations section.

The Issuer and it strategic subsidiaries are not subject to laws in force outside Italy which affect the corporate governance structures of the Issuer.

4. BOARD OF DIRECTORS

APPOINTMENT AND REPLACEMENT (as per article 123-bis, paragraph 1, letter l), CFA)

The Board of Directors, in accordance with article 15 of the By-Laws is composed of between 5 and 14 members, including the Chairman. The Shareholders' Meeting decides the number of members on the Board of Directors, their appointments within the above-mentioned limits and the duration of office which cannot be more than 3 years. The offices held by the directors appointed expire on the date of the Shareholders' Meeting called for the approval of the financial statements of the final year of office and they may be re-elected. The Shareholders' Meeting can change the number of directors during the course of its mandate, within the limits set out above and in the manner that is described as follows; the mandate of these directors ceases with that of the other directors previously appointed.

The members of the Board of Directors are elected on the basis of slates of candidates, in accordance with the following procedures.

The appointment of the Board of Directors must occur through the voting of slates which allows the minority shareholders to elect at least one director. Shareholders who represent at least 2.5% of the paid in and subscribed share capital at the date of the presentation of the slate can present a slate of candidates with no more candidates than those to be elected, progressively numbered. These parameters conform with Consob regulation No. 17148 of 27.01.2010, in accordance with article 144.4 of the Consob Issuers' Regulations.

Each shareholder may present or be a candidate on only one slate; in case of breach, they are excluded from all slates. The shareholders adhering to a shareholders' pact in accordance with article 122 of the Finance Act can present and vote on only one slate. The votes in breach of this are not attributed to any slate. Each candidate can be presented only on one slate at the risk of being declared ineligible.

The slates must be filed at the Company registered office and published at the expense of the proposing shareholder(s), in at least 2 nationally distributed newspapers, at least 15 (fifteen) calendar days prior to the date scheduled for the Shareholders' Meeting in first call. The ownership of the necessary number of shares for the presentation of a slate is demonstrated by the shareholders through filing at the registered offices of the Company, at least 15 days before the date fixed for the Shareholders' Meeting in first convocation, a copy of the certification issued in accordance with law by the authorised parties. Together with each list, within the terms indicated above, declarations must be filed with which the individual candidates accept their candidature and attest to the inexistence of causes of ineligibility and of incompatibility and the existence of the requisites required by regulations in force for the assumption of office, including any possible declarations of independence required in accordance with the Self-Governance Code and regulations in force, as well as the curriculum vitae of each candidate, with indication of the offices held.

Each list must contain and expressly indicate the candidature of at least one party, or two in the case of a Board of Directors composed of more than seven members, being independent in accordance with article 148, paragraph 3, of the Finance Act and with article 147-*ter*, paragraph 4, of the Finance Act (hereafter "Independent Directors ex article 147-*ter*").

The candidates elected at the end of the voting shall be those on the two slates that have obtained the higher number of votes, with the following criteria:

a) From the list which obtained the highest number of votes (hereafter the "Majority Slate") all of the members of the Board of Directors are elected except one, as established by the Shareholders' Meeting; the candidates are elected, up to the number required from the slate;

b) From the slate which obtained the second highest number of votes and not connected in any way, even indirectly, with the shareholders who presented or voted on the majority slate (hereafter the "Minority Slate"), one director is elected, who is the candidate indicated in the first position on the same slate; however, when from the Majority Slate one or two Independent Directors in accordance with article 147-*ter* can not be elected, the first person on the Minority Slate, (or the first two, in the case of a Board of Directors composed of more than seven members) is elected as an Independent Director in accordance with article 147-*ter* indicated in the Minority Slate.

The candidate listed in first position on the Majority Slate is elected as Chairman of Board of Directors.

When two slates obtain an equal amount of votes, a new vote is taken by the Shareholders' Meeting, putting only the two slates concerned to the meeting. The same rule will apply in the case of parity between the slates.

Should only one slate be presented, the Shareholders' Meeting shall vote on it and should this slate obtain the statutory majority, the candidates listed in progressive order up to the number fixed by the Shareholders' Meeting shall be elected as Directors. The candidate listed in the first position is elected as the Chairman of the Board of Directors.
For the inclusion of the Directors to be elected, consideration is not taken of the slates which have not obtained at least half of the votes required by the By-Laws of those present.

In the case of no slates being presented, the Shareholders' Meeting appoints the Board of Directors by statutory majority.

The Independent Directors in accordance with article 147-*ter* of the CFA who, after their appointment, are no longer independent, immediately must communicate this to the Board of Directors and, in every case, relinquish office.

In the case of the termination of office, for any reason, of one or more directors, the replacement is made in accordance with law, without the necessity to appoint a director from the slate of the director that resigned from the majority slate or from the minority slate. However, where the majority of the members of Board of Directors are no longer in office for whatever reason, the entire Board must resign and the Shareholders' Meeting must be convened immediately by the remaining directors in office to reconstitute the Board.

Currently, the Company has not set up a Nominations Committee.

The table attached to the present Report sub 1 indicates the Independent directors in accordance with article 147-ter of the CFA and those also considered independent in accordance with article 3 of the Self-Governance Code.

COMPOSITION (as per article 123-bis, paragraph 2, letter h), CFA)

Article 15 of the By-Laws states that the Company is administered by a Board of Directors composing of no less than five persons and no more than fourteen persons including the Chairman. The Shareholders' Meeting of March 22, 2007 appointed the Board of Directors, establishing the number of members at 13, who will remain in office until the approval of the financial statements at December 31, 2009.

The Board of Directors in office at the date of the present report was appointed before the IPO (of June 2007) and therefore, this appointment was not made in accordance with the conditions of the previously illustrated point 4.1 relating to the presentation of minority slates. The current members were nominated and elected in accordance with common regulations of the Civil Code.

Following the passing of a director, in June 2007, and the resignation of a director, in October 2008, the Board of Directors is currently comprised of 11 members, of which 9 non executive. Of the 9 non-executive directors, there are 5 independent directors.

The Board evaluates annually the independence of the Directors, based on the information provided by the parties.

The presence of five independent directors has the objective of achieving the greatest possible "best governance" through debate and dialogue between all of the Directors. The furnishing of such information by the independent directors in addition permits the Board of Directors to verify which of the independent directors is adequately independent in cases of potential conflicts of interest of the Company with the controlling shareholders.

The structure of the Board of Directors and of the Committees are reported in Attachment 1, along with the number of meetings and attendances, while Attachment 2 contains the profile of each director. The offices held by each director at December 31, 2009 on Boards of Directors or Boards of Statutory Auditors of listed and non listed companies are indicated in Attachment 3.

The Board of Directors has not defined the general criteria relating to the maximum number of offices of administration and control in other companies that may be considered compatible with the proper carrying out of their duties as directors of the Issuer, in that it is not expected that any circumstances requiring the use of this regulation will arise.

ROLE OF THE BOARD OF DIRECTORS
(as per article 123-bis, paragraph 2, letter d), CFA)

Article 16 of the By-Laws provides that the Board of Directors is convened in the place indicated on the convocation notice, even if a place differing from the registered offices, but in Italy or in another European Union country, whenever the Chairman or the Vice-Chairman if nominated, or the Chief Executive Officer if nominated, considers it necessary or when it is requested in written form by at least three of its members. The Board of Directors can be convened by the Board of Statutory Auditors, also individually, in accordance with article 151 of the Finance Act.

In accordance with the same article, the convocation of the meetings can be through telegram, telefax, or electronic message sent to each member of the Board of Directors and each member of the Board of Statutory Auditors at least three calendar days before the meeting. In cases of urgency, the By-Laws establish that the convening can be carried out, in the same manner, with notice of at least one day. In any case, also if the formalities above stated are not observed, the Board is considered validly constituted whenever all of the Directors and all of the Statutory Auditors are present.

The second paragraph of the same article provides moreover for the possibility that the meetings of the Board are held by teleconference or video-conference and is permitted on condition that all of the participants can be identified and that they can follow the discussions and intervene in real time in relation to the subject matters under discussion.

A meeting of the Board of Directors shall be validly constituted when the majority of its members in office are present. Resolutions shall be adopted by a majority of Directors present; in case of a tie, the vote of the person chairing the meeting shall be decisive.

The meetings are chaired by the Chairman or, in his absence or impediment, by the Vice Chairman if nominated. In the case of absence or impediment of the Vice Chairman, the meetings are chaired by the most senior director or by seniority established by age.

The minutes of the Board meetings are prepared by the secretary of the Board of Directors and signed by the Chairman of the meeting and by the secretary.
The Board of Directors must be convened at least 4 times during the year on the occasion of the preparation of the accounting results for the period. In 2009, 5 Board of Directors' meetings were held with a duration of between 1 and a half and 3 and three quarter hours.

Six meetings are scheduled for the current year, of which one already held.

In relation to the board meetings, the Chairman organises the duties of the Board. For this reason, the Board of Directors and Board of Statutory Auditors, in a timely and adequate manner, are provided the documentation and the information necessary to ensure a correct and full evaluation of the facts to be examined by the Board, to enable them to express with full disclosure and knowledge, opinions on the matters provided for their examination upon which decisions are made. For these reasons, the necessary information, as well as that relating to the principal regulatory and legislative developments and updates regarding the Company and the corporate boards, are issued to the directors in a timely manner before the meeting, except in the case where other requirements limit the information provided (in particular urgent cases and for reasons of extreme confidentiality). In 2009 in relation to all of the significant matters on the agendas of the board meetings, information was provided.

It is underlined that the Chairman and the Chief Executive Officer Mr. Franco Grisan, in accordance with the consolidated practices of the Company, provides ample information to the Board of Directors on the principal operations having a significant economic, equity and financial impact.

Parties other than board members may participate at Board meetings if invited. In particular, management of the Issuer and of the Group participate, whose presence assists greater understanding of the matters on the agenda.

In relation to the role of the Board of Directors, the powers of the Board of Directors, in accordance with article 17 of the By-Laws and with that established by the Self-Governance Code, relate to the ordinary and extraordinary management of the Company, extending to all acts which the Board considers necessary for the reaching of the corporate objectives, excluding only that which is reserved by law to the Shareholders' Meeting.

The matters at point 1.C.1 of the Self-Governance Code, not having been delegated to the CEO, are reserved for consideration by the Board of Directors. In particular, in accordance with Self-Governance Code, the examination and approval of the strategic, industrial and financial plans of the Issuer and of the Group, the corporate governance system of the Issuer and the Group structure which the Issuer heads, are reserved to the Board.

In accordance with article 17, the Board of Directors is attributed the powers to: (i) deliberate on mergers in accordance with articles 2505 and 2505 *bis* of the Civil Code; (ii) the establishment and closing of secondary offices; (iii) the reduction of share capital in the case of a decrease in the number of shareholders; (iv) the adjustments of the by-laws in accordance with regulations; (v) attributing the right of representation of the Company to directors; (vi) the appointment of executives responsible for the preparation of the corporate accounting documents; (vii) the transfer of the registered office within the national territory.

The following areas are also reserved for the exclusive competence of the Board of Directors: (i) the appointment and revocation of office of the executive responsible for the preparation of the corporate accounting documents; and (ii) the verification that the executive responsible for the preparation of the corporate accounting documents may avail of sufficient powers and means for the exercise of duties attributed by law, as well as full conformity with the administrative and accounting procedures.

The directors refer to the Board of Statutory Auditors in a timely manner, and at least quarterly at the meetings of the Board of Directors, or also through written communication to the Chairman of the Board of Statutory Auditors on the activities carried out and on the most significant economic, financial and balance sheet operations carried out by the Company and by the subsidiary companies, in order to enable the Board of Statutory Auditors to evaluate if the operations resolved upon and implemented conform with law and the by-laws and are not broadly imprudent or in conflict with the resolutions undertaken by the Shareholders' Meeting or such as to compromise the integrity of the value of the company. In particular, the Directors report on operations in which they have an interest, either on their own behalf or on behalf of third parties, or that are affected by any individual who directs and coordinates the operation.

The Board, after examining the proposals by the relevant committee and the board of statutory auditors, set the remuneration of the Chief Executive Officer.

The Board of Directors evaluated the adequacy of the organisational, administration and general accounting system of the Issuer, prepared by the Chief Executive Officers with particular reference to the internal control system and to the management of conflicts of interest. In relation to the management of conflict of interests, the Chairman and the CEO, at least quarterly refer to the Board on operations in which the directors are found to be in a situation of potential conflict of interest.
The Board is responsible for the prior examination and approval of the Issuer's transactions and those of its subsidiaries in which one or more directors hold an interest on their own behalf or on behalf of third parties.
In accordance with point 1 and the relative Self-Governance Code criteria, the Board of Directors approved the governance system of the Company, resulting in, in particular, as well as the delegation of powers and functions, including the establishment of internal and related committees to the Board, also the internal procedural regulations relating to operations with related parties and in which a director has an interest.
The Board of Directors monitors the general performance of operations, taking into account, in particular, the information received from the executive directors, as well as periodically comparing the results with the budgets.

During the year no operations having significant strategic, economic and equity importance for the Issuer or its subsidiaries were undertaken.

With reference to the procedures followed by the Company for operations with related parties, it is noted that in accordance with that contained in the Self-Governance Code, the Board of Directors' meeting of December 22, 2006 approved the regulation for inter-group transactions and with related parties, in which a procedure suitable to ensure that any operations with the related parties are carried out with respect to the correct criteria and procedures is described. This regulation, among others, defines the related party, establishes the principles of conduct which the bodies must adhere to with respect to the company in relation to related parties, indicating the procedures to follow for the communication of external information and also internally with regard to the operations with related parties.

The Board did not consider it necessary, in light of the structure of the Company and the internal boards, to consider the size, composition and functioning of the Board and its committees.

The directors are subject to the curtailment under article 2390 of the civil code, except in the case where they are exonerated by the Shareholders' Meeting. At the date of the present report, the Shareholders' Meeting has not authorised exceptions to the competition prohibition.

EXECUTIVE BODIES

In accordance with article 18 of the By-Laws, the representation of the Company in relation to judicial or administrative authorities and with third parties, as well as the corporate signature, lies with the Chairman of the Board of Directors as well as the Vice Chairman, and in a residual manner, to the directors and the procurators of which the Board of Directors has delegated powers, within the limits of those delegations.
The Vice-Chairman Nicolò Marzotto exercises the function of Chairman in the case of the absence or impediment of this latter (appointed in the person of Franco Grisan).

In accordance with article 17 of this By-Law, the Board of Directors' can delegate part of its responsibilities and powers, with the right of sub-delegation, including signature powers, to one or more of its members, determining the responsibilities and remuneration. The office of Chairman and Chief Executive Officer may be unified. The Board of Directors may also (i) institute an Executive Committee composed of members chosen from the Board including the Chairman, (ii) incorporate committees, comprised of members of the Board, of a consultative and/or propositional nature, (iii) appoint general directors, agents, attorneys and proxies in general for certain deeds or category of deeds chosen from among the employees of the Company or third parties.

As set out above, the By-Laws provide that the Board of Directors can establish committees, from members of the same Board, of a consultative and/or proposing nature, determining the number of members of these committees and the functions attributed to them, in accordance with regulations in force in relation to companies with shares listed on the regular markets.

The Board of Directors has set up an Internal Control Committee and a Remuneration Committee.

The Board of Directors' meeting of March 22, 2007 and subsequently of July 30, 2007 conferred to the Chairman and Chief Executive Officer Mr. Franco Grisan operating powers with value limits and exercisable through both single and/or joint signature.

Specifically, the Chairman and Chief Executive Officer, Mr. Franco Grisan, is conferred the following powers:

- purchase of raw materials, services and stock, agreeing prices and purchase conditions;
- sell company products, establishing the prices and sales conditions;
- purchase, sell or exchange, utilising the annual budget, by individual investment, approved by the Board of Directors, machinery and other mobile vehicles in general, purchase and sell vehicles establishing the conditions and the prices as well as pay the amounts for a value not above Euro 500 thousand;
- purchase, sell or exchange, machinery and other mobile vehicles in general, purchase and sell vehicles establishing the conditions and the prices, in necessary cases and with subsequent ratification by the Board of Directors, for a maximum non-authorised amount of Euro 700 thousand, approved on a case by case basis by the board;

- sign with all beneficial clauses, including arbitration clauses, amend or settle contracts for the rental, transport, tender, granting of a loan, administration, or operation and concerning the presentation of services in general, mediation, commission, sending, agency and concession of sale and filing with the State administration, with public and private entities and in particular with the Railway Administration;
- fill out the necessary deeds for trade patents such as, for example purposes, the corrections, amendments, extension of confidentiality, divisions, proposed or resisted by opposing administrations, interferences, appeals and to complete any other necessary deed useful to seek, obtain or maintain trademarks, sign all necessary deeds for fulfilling that conferred above, appoint trade patent agents in Italy and abroad, conferring their relative powers;
- complete with the public administration, entities and public offices, all of the deeds and necessary operations to obtain concessions, licences and authorisations in general, signing, and settling as far as possible based on the applicable regulations, conventions, deeds and any other preliminary deeds of the above-mentioned provisions;
- deposit and withdraw amounts from banks, credit issuing institutions, also through third party cheques for liquidity and related needs and utilisation of credit lines granted to the Company, acquire or sell currencies relating to significant import or export operations, with total value not above Euro 250 thousand for each operation or a set of similar operations;
- sign all documentation relating to import and export operations;
- pay or receive sums, receivables, interests, dividends, cheques and payment mandates from whoever issues them in favour of the Company;
- acquire, sale or exchange shares, holdings, bonds as well as holdings in Consortiums in companies and/or non commercial entities, with exclusion of holdings in subsidiary or associated companies, including fixed assets, in cases in which a resolution of the relevant Corporate Boards has been acquired, for amounts not above Euro 250 thousand;
- represent the Company at civil authorities or entities, administrative or legal of any level, as well as at the Revenue Office and every other Tax Office and in front of the Tax and Administrative Commissions of any type or level, presenting petitions, records, proceedings, declarations; propose and accept transactions (however within a limit of Euro 500 thousand for individual transaction), initiate proceedings, convened or appealed, proposing all of the deeds deemed necessary and represent the Company at creditor meetings, make proposals or approve debts in bankruptcies, approve agreements and request relative amounts, settle any amount or claim (although within a limit of Euro 500 thousand for individual transaction or claim), compromising arbitration (although within the limit of Euro 500 thousand for individual arbitration), also friendly, also in a non appealable manner, administer the execution of rulings, defer, refer, accept legal decisions, petition seizures or sequestrations or other acts from debtors or third parties and the revocation, appointment of attorneys, lawyers and experts, and revoking, substituting and electing such persons;
- administrate the property of the Company signing and settling rental contracts;
- sign and settle contracts concerning the rental of property, within the operational requirements of the Company and within a limit of Euro 150 thousand for each single operation;
- Confer and revoke by single act or category including those above, procure from third parties also from non-employees of the company.

The Chairman and Chief Executive Officer Mr. Franco Grisan, also has the following powers, to be exercised with joint signature:

- request from banking institutes and sign loans of any type, also bills exchanged, within the current requirements of the Company with joint signature of the Chief Financial Officer Mr. Roberto Celot or the Director Mr. Alberto Faggion;

- deposit and withdraw amounts from banks, credit issuing institutions, also through third party cheques for liquidity and related needs and utilisation of credit lines granted to the Company, acquire or sell currencies relating to significant import or export operations, with total value above Euro 250 thousand for each operation or a set of similar operations, with joint signature of the Chief Financial Officer Mr. Roberto Celot or the Director Mr. Alberto Faggion;
- sign sureties in favour of third parties in the case in which the concession of the surety guarantee is previously approved by the relevant Company Boards, with joint signature of the Chief Financial Officer Mr. Robert Celot or the Director Mr. Alberto Faggion;
- cancel judicial and/or voluntary mortgages registered or to be registered in favour of the Company, against creditor positions of the same Company and subsequently settled, exonerating the Agreement of Property Registries from every responsibility in relation to the cancelation, with joint signature of the Chief Financial Officer Mr. Roberto Celot or the Director Mr. Alberto Faggion;
- purchase, sell or exchange shares, quotas, bonds and financial instruments in general, not comprising fixed assets, with joint signature of the Chief Financial Officer Mr. Roberto Celot and with the Director Mr. Alberto Faggion;
- purchase, sell or exchange shares, quotas, bonds as well as holdings in Consortium companies and/or non commercial Entities, with the exclusion of shareholdings in subsidiary and associated companies, including fixed assets, in the case in which prior approval is given by the Corporate Boards, for values above Euro 250 thousand, with joint signature with the Chief Financial Officer Mr. Roberto Celot or the Director Mr. Alberto Faggion;
- within the budget or approved programmes by the Board of Directors, employ or dismiss executives, senior managers, white and blue collar workers, and adopt in relation to personnel all provisions considered necessary and opportune, with joint signature of the Chief Financial Officer Mr. Roberto Celot or Mr. Maurizio Pizzolotto.

The Chairman and Chief Executive Officer Mr. Franco Grisan may, in exercising the above stated powers, utilise qualified partners, whom however he must oversee.

The Board has also delegated to the Chairman and Chief Executive Officer the functions of:

- manage, address and organise security aspects and workplace health, in all of the productive units and in the other work areas of the Company, and to attribute and delegate to the Chairman and Chief Executive Officer, the position of employer in accordance with Legislative Decree 626/94 and subsequent amendments and additions, with mandate to put in place every act and function necessary to comply with applicable regulations;
- manage, address and organise all aspects in relation to environmental protection, with mandate to carry out every necessary act for the compliance with applicable regulations;
- manage, address and organise all aspects in relation to the protection of personal data held by the Company, with mandate to carry out every necessary act for the compliance with applicable regulations;

At the date of the present Report, the Company has not set up an Executive Committee.

OTHER EXECUTIVE DIRECTORS

The Board of Directors' resolutions of March 22, 2007 and July 30, 2007 conferred Alberto Faggion a series of powers of ordinary administration, with value limits, exercisable with single signature; while, particularly in relation to the financial aspects of the Company, Alberto Faggion was conferred powers, with value limits, exercisable exclusively with joint signature.

The Board of Directors on July 30, 2007 passed a resolution to confer to Mr. Stefano Marzotto the power to represent the Company at the shareholders' meetings of the subsidiary Vetri Speciali SpA.

INDEPENDENT DIRECTORS

The Board of Directors in the meeting of March 22, 2007 evaluated, on the basis of the information provided by the independent directors or in any case information available, that the conditions existed in order that the Non-Executive Directors Lino Benassi, Ferdinando Businaro, Zeno Soave, Maurizio Sobrero and Giovanni Tamburi are considered independent directors pursuant to article 3 of Self-Governance Code.
This was established at the Board meeting of March 13, 2009.

The Board of Statutory Auditors verified the correct application of the assessment criteria and procedures adopted by the Board to evaluate the independence of its members.

During the year no meetings of the independent directors without the presence of other directors were held, in that no matters and/or situations occurred which required the specific and reserved dealing of the independent directors, also in relation to the protection of minority shareholders.

LEAD INDEPENDENT DIRECTOR

As per article 2 of the Self-Governance Code, the Company has appointed Mr. Lino Benassi as the lead independent director, who is a non-executive director, and in particular one of the independent directors, which allows a greater contribution to the activities and the functioning of the Board of Directors.

During the year the Lead Independent Director, Mr. Lino Benassi, coordinated where necessary and also opportune, the requests and the contributions of the non executive directors and in particular the independent directors.

5. TREATMENT OF CORPORATE INFORMATION

In accordance with the principles contained in the Self-Governance Code, the Board of Directors of the Company adopted regulations for the treatment of corporate information and the setting up of the relative register (so-called Insider), which regulates internal management procedures and the manner for the communication externally of documents and the information relating to the Company and its subsidiaries, with particular regard to the above-mentioned confidential information. These regulations intend to: (i) preserve the secrecy of the confidential information, ensuring at the same time that the information provided to the market of the corporate data is correct, complete, adequate, timely and non selective; and (ii) regulate, in conformity with the combination proposed by article 115-bis of the Finance Act and 152-bis of the Consob Issuers' Regulations, a procedure for the management of the register or information reported to anyone who, for working or professional reasons or in the ambit of the functions carried out by the Company, regularly or occasionally accesses confidential information.

The Board of Directors on December 22, 2006 appointed Mr. Roberto Celot as the person responsible for the above-mentioned register. With regards to this, the person responsible reports to the Chairman of the Board of Directors with regard to the updating of the register and the criteria adopted for the management and research of the data which it contains.

In accordance with that contained in the Self-Governance Code, the Board of Directors of the Company adopted a regulation (Internal Dealing Code), which regulates the information to be made public relating to the operations undertaken and the financial instruments issued by the Company by the relevant persons and by persons related in accordance with article 152 and subsequent of the Consob Issuers' Regulations. This regulation provides for the so-called "black out period". This amendment was necessary in order to comply with one of the new clauses introduced by the Stock Exchange Regulation, from March 26, 2007 and immediately applicable and in order to satisfy one of the new requirements to maintain STAR segment qualification.

Where necessary, the Company issued communications in relation to internal dealing during the year.

6. INTERNAL COMMITTEES TO THE BOARD (as per article 123-bis, paragraph 2, letter d) CFA)

The Board of Directors, in accordance with article 17 of the By-Laws, on March 22, 2007, incorporated an Internal Control Committee, which has the duty, among others, to identify and evaluate the business issues and risks and carry out the consultative and prepositional functions required by the Self-Governance Code, and a Remuneration Committee, with the duty to formulate proposals regarding the remuneration of executive directors and those holding certain appointments.
For further information in relation to the Remuneration Committee and the Internal Control Committee, reference is made to the subsequent sections 7 and 9.
No further committees were constituted or committees which carry out the functions of 2 or more committees.

7. REMUNERATION COMMITTEE

The Remuneration Committee was appointed by the Board of Directors' resolution of March 22, 2007 and is composed of three non-executive Directors, of which two independent, in the persons of Lino Benassi (Independent Director) Stefano Marzotto (non-executive Director) and Zeno Soave (independent Director). It has the duty, in particular, to formulate proposals regarding the remuneration of Chief Executive Officers and those who hold particular offices.

The Remuneration Committee periodically evaluates the criteria adopted for the remuneration of the executives with strategic responsibilities, supervises their application on the basis of the information provided by the Chief Executive Officers and formulates general recommendations on the matter to the Board of Directors.

During the year, the Remuneration Committee met three times. The average duration of meetings was approximately one hour.

In Attachment 1, the frequency of the meetings of the Committee during 2009 is reported along with the relative attendances.

At least three Remuneration Committee meetings are scheduled for 2010 and at the date of the present Report the Committee has met one time.
The Directors abstained from participating at the Committee meetings where the proposals to the Board relative to their remuneration are formulated. No parties attended the Committee meetings who are not members.

The Remuneration Committee has the duties to:
- draw up proposals for the Board of Directors in relation to the remuneration of the Chief Executive Officer and the directors holding particular appointments;
- monitor the application of the decisions of the Board of Directors in relation to remuneration;
- Periodically evaluates the criteria adopted for the remuneration of the executives with strategic responsibilities, supervises their application on the basis of the information provided

by the executive directors and formulates general recommendations on the matter to the Board;

During the year the Remuneration Committee verified the application of the remuneration parameters regarding the variable fees to be paid to the Directors holding particular appointments and Senior Managers based on the results achieved in 2008.

In the carrying out of its functions, the Remuneration Committee has full access to the information and to the corporate functions necessary for the carrying out of its remit and does not require the use of external consultants.

8. REMUNERATION OF DIRECTORS

The remuneration of the Directors is determined by the Shareholders' Meeting, while that of Directors invested with particular and executive offices is established by the Board, on the proposal of the Remuneration Committee, in conjunction with the Board of Statutory Auditors.

In conformity with the Self Governance Code, a significant part of the remuneration of the executive directors is dependent on the economic results achieved by the Company, as well as the reaching of specific objectives, previously established by the Board of Directors.

Furthermore, a significant portion of the remuneration of the executives with strategic responsibilities is related to the financial results achieved by the Issuer and/or meeting specific objectives indicated by the chief executive officer beforehand.

During the year, the proportionate parameters utilised for the variable parts of remuneration to executive directors and senior managers with strategic responsibilities were based on revenues, the EBIT, the ROI, the net profit, as well as individual specific performance objectives.

It is reported moreover, that at the date of the present Report, no stock option plans were assigned to Directors and/or senior managers of the Company.

No agreements have been signed between the Parent Company and the directors which provide indemnity in the case of resignation or dismissal/revocation of office without just cause or termination of employment following a public purchase offer.

9. INTERNAL CONTROL COMMITTEE

The Internal Control Committee was appointed with a Board of Directors' resolution on March 22, 2007, and is made up of three non-executive directors, two independent, in the persons of Ferdinando Businaro (Independent Director), Luca Marzotto (Non- Executive Director in accordance with article 2 of the Self-Governance Code) and Maurizio Sobrero (Independent Director), having the duties to identify and evaluate the problems and the risks regarding the corporate activities.

The Board, at the time of the appointment evaluated and believed adequate the qualifications of the members of the Internal Control Committee in financial and accounting matters.

The Internal Control Committee meets at least quarterly and outlines its activities at least half-yearly.

In 2009, the Internal Control Committee met 4 times. Minutes are kept of the Committee meetings.
The average duration of meetings was approximately one and a half hours.

In 2010 at least four meetings of the Internal Control Committee are scheduled and at the date of the present Report the Committee has met two times.

The Chairman of the Statutory Auditors or another standing statutory auditor designated by him/her attends the meetings.

In Attachment 1, the frequency of the meetings of the Committee during 2009 is reported along with the relative attendances.

The Internal Control Committee has the consultative and proposal functions listed in article 8 of the Self-Governance Code.

In the undertaking of their functions, the Internal Control Committee may access all information and departments necessary for the undertaking of their duties as well as utilising external consultants, within the terms established by the Board of Directors.

During the year in carrying out its duties the Internal Control Committee was supported by the Supervisory Board, by the executive director appointed to oversee the functioning of the control system and the Internal Control Manager.

10. INTERNAL CONTROL SYSTEM

The internal control system is the overall rules, procedures and organisational structures aimed at permitting, through an adequate process of identification, measurement, management and monitoring of the principal risks, a safe, correct and coherent management of the enterprise with it set objectives, conformity with law and the regulations and correct and transparent internal and market disclosure.

The principal elements upon which the internal control system of the Company is based are as follows:

The Ethics Code – in February 2008, the Company adopted an Ethics Code, in line with best international practice, which sets out the principles and founding ethical values of the company, as well as the conduct regulations and legislation. The ethics code, which is an integral part of the organisational, management and control model as per Legislative Decree 231/01, is binding for the conduct of directors, employees and all collaborators of the company. A specific procedure for the recording of potential violations of the Ethics Code and Model 231 was set up.

Organisational structure – The general organisational structure and the appointment of senior managers and of their principal operating roles was drawn up by the Chief Executive Officer. The Board of Directors is systematically informed in relation to principal organisational amendments.

Powers and delegations – the Board of Directors on July 30, 2007 (and through subsequent amendments and additions) attribute the powers of management.

The principal conditions adopted for achieving the strategic and operational objectives, as well as the monitoring of the efficacy and efficiency of the activities and the safeguarding of the company's assets, are as follows:

Drawing up of objectives, budgets, reporting and management control – the Company operates a structured system for the definition of corporate objectives (strategic and operational), for the development of annual budgets, of their interim review, of the monitoring and analysis of the variance between objectives and performance, through a structured system of management control and reporting.

Internal communication – a system of internal communication which is structured to facilitate and promote the communication of significant information to specific parties within the Company and the Group is operational.

System of operational procedures – for the correct application of corporate directives and the reduction of risks related to the reaching of corporate objectives, the Company has put in place an ISO procedure which regulates internal processes, governing both the activities carried out within departments and relations with other entities.

Information Systems – Almost all of the corporate information processes, both operational and accounting and financial, are facilitated by an IT system, based on highly integrated software packages.
The use of the systems is regulated by internal procedures which guarantee security, privacy and correct utilisation by users.
The availability of data when required is guaranteed by an abundant hardware and software infrastructure.
Confidentiality of data and information is guaranteed principally through a system of segregation, principally based on user authorisation profile.
Security is guaranteed by a hardware and software infrastructure designed with the necessary remit in mind and subject to constant maintenance and undergoing periodic tests.

The platforms and the applications utilised are integrated in order to minimise the introduction of multiple data sets and to render automatic the process flows. The services are supplied by outsourcers.

The principal guides for the achievement of conformity with law and applicable regulations (compliance) and for correct and transparent disclosure to the market are the following:

Organisational model as per legislative decree 231/01 – in March 2008 the Company approved the Organisational model in accordance with legislative decree 231/01, in order to avoid the possibility of the commission of significant offences under the decree and consequently by the administrative of the Company. The Model adopted provides for an organisational structure, a system of procedures and delegations, general principles, rules of conduct, instruments of control and organisational procedure, as well as training activity and information and a disciplinary system, drawn up in order to ensure the prevention of the commission of offences. The Board of Directors nominated a Supervision Committee, which was entrusted with the tasks of monitoring the correct functioning of the Model and its development and reporting to the Board of Directors and Board of Statutory Auditors on a half-yearly basis.
The model is continually updated, with the most recent model approved by the Board of Directors on March 16, 2010. For further information, reference should be made to section 10.3.

Model of accounting control as per law 262/2005 in relation to financial disclosure – In conformity with the entry into force of the above stated law on protection of savings, the Company adopted a model for the management of administrative and accounting procedures, for the drawing up of financial communications and accounting control, as well as management regulations, periodic verification and the declaration of adequacy of the model, attributing the responsibility within the organisation and in particular to the Executive Responsible for the preparation of the corporate accounting documents. In particular, the model seeks to provide the reasonable certainty that accounting disclosure is provided to users with a true and correct representation of the facts, and corresponding to the documented results, the books and accounting entries and communications of the company provided to the market.

Security, environment and quality – the Company has adopted a system of organisational structures and procedures dedicated to the management of security of data (which also fulfils the Privacy regulation), the protection of the environment, security of plant and personnel and the quality of service provided. The Evaluation Document of Risks is constantly monitored and updated.

Confidential information – the Company has adopted a procedural system for internal management and external communication of confidential information, in conformity with the requirements introduced by the EU directive in relation to market abuse. For further information, reference should be made to paragraph 5.

Considering the activities carried out by the Internal Control Committee, by the Supervisory Board, the contribution of the Board of Statutory Auditors, management, the Executive Director appointed to oversee the internal control system, the internal control Executive and the Executive appointed for the preparation of the accounting and corporate documents, the Board of Directors considers the system of internal control adequate and effective.

EXECUTIVE DIRECTOR RESPONSIBLE FOR THE INTERNAL CONTROL SYSTEM

In order to create an organised and coherent system of internal control, the Board of Directors on March 14, 2008, appointed the Director Mr. Alberto Faggion as executive director to oversee the functioning of the control system.

The Executive Director appointed to oversee the Internal Control System carries out, among others, activities such as collaboration and cooperation with the Board in order to identify the principal corporate risks (strategic, operative, financial and compliance), the adaptation of the internal control system to the operating conditions and the legislative and regulatory environment and the proposal to the Board in relation to the appointment, revocation and remuneration of the internal control manager.

INTERNAL CONTROL MANAGER

The Board of Directors, on March 14, 2008, appointed on the proposal of the executive director appointed to oversee the functioning of the internal control system and having consulted with the Internal Control Committee, Mr. Gianpiero Canciani as internal control manager.

The internal control manager has the responsibility to verify the correct functioning of the internal control system and must have an adequate level of independence. He is not responsible for any operational area of the Issuer. In carrying out the duties delegated, he exclusively reports to the Internal Control Committee.

During the year, the Manager supported the activities of the Internal Control Committee.

ORGANISATION MODEL PURSUANT TO LEGISLATIVE DECREE 231/2001

The Board of Directors of the Company, in the meeting of March 14, 2008, in relation to Legislative Decree No. 231 of June 8, 2001 (and successive modifications and integrations), which introduced a specific code of responsibility for companies for any type of offence and in accordance with that established by the regulations of Borsa Italiana for the quotation on the STAR segment adopted the “Model of organisation, management and control in accordance with Legislative Decree 231/2001”, responding to the requisites of the same Legislative Decree and prepared in accordance with the guidelines issued by Confindustria.

The adoption and efficient implementation of the organisational, management and control model is appropriate to prevent offences under the Legislative Decree; the Company may be exonerated from the responsibility consequent of offences made by “applicable” Parties and by persons subject to their supervision and direction.

The Model provides for a series of regulations on conduct, procedures and control activities, as well as a system of powers and delegations, in order to prevent the above responsibility arising. Moreover a disciplinary system was introduced which is applied in the cases in which the above model is not complied with.

To implement the model set out by Legs. Decree 231/2001, a Supervisory Board ("SB"), appointed by the Board of Directors, was created, which has the responsibility to ensure the Organisational, Management and Control Model pursuant to Legislative Decree 231/2001 is adequate and efficient, effective and updated.

The Supervisory Board is currently comprised of:

Office	**Name**
Chairman of the Supervisory Board	Alessandro Bentsik
Member	Massimiliano Agnetti
Member	Nicola Campana

For the carrying out of the duties, the SB is provided with its own budget.

Also at the meeting of March 14, 2008, the Board of Directors approved the By-Laws of the Supervisory Board, establishing the method for its appointment and composition, as well as the functions and the powers of the same.

The SB in the year carried out monitoring of the functioning, efficacy and compliance with the model as well as the recording of significant updates of the model and of the corporate procedures and protocols. In this remit, the SB coordinated with the Internal Control Committee reporting on the results of the verification and the modifications to the model following changes in the internal organisation, in the corporate activities and in the relevant regulatory provisions, particularly in relation to the updates to Legislative Decree 231/201 with the addition of new types of offences.
The Supervisory Board, through the internal control committee, communicates to the Board of Directors, half-yearly, a written report on the Organisational, Management and Control Model.

The implementation of the detailed aspects of the activities contained in the Model has been substantially completed. The Model has been communicated to all personnel and third party consultants, clients, suppliers and partners, where deemed suitable and necessary.

Also in relation to the activities carried out and implemented by the Organisational and Management Model in accordance with Legislative Decree 231/2001, the Board of Directors on March 14, 2008 adopted the Ethics Code of the Company. In fact, as evidenced in the Guidelines for the construction of the models in accordance with Legislative Decree 231/2001, issued by Confindustria, the adoption of the relative ethics principles in order to prevent offences constitute an essential element of the preventative control system. In particular, the Ethics Code identifies the corporate values, together with the rights and the responsibilities of its subject, and applies sanctions in the case of breaches of the principles expressed in the same Code.

In 2009, the Supervisory Board met 8 times.

INDEPENDENT AUDIT FIRM

The audit of the Company is undertaken by an audit firm listed in the special register of auditors approved to carry out such activities in accordance with articles 155 and 158 of the Consolidated

Finance Act held by Consob. The Audit Firm is appointed by the Shareholders' Meeting with prior consultation of the Board of Statutory Auditors.

The auditor of the consolidated and separate financial statements of Zignago Vetro for the years 2007-2015, of the limited audit of the half-year consolidated reports for the same period, as well as the verification and control of the accounting and the correct recording of the operational events in the accounting records of the above-mentioned years was conferred, in accordance with article 159 of the Finance Act, to Reconta Ernst & Young SpA with ordinary Shareholders' Meeting resolution of December 22, 2006 and subsequently at the ordinary Shareholders' Meeting of February 16, 2007 in accordance with the modifications introduced by Legislative Decree 303/2006 published in the Official Gazette on January 10, 2007.

The independent auditors who carry out the audit of Zignago Vetro also carry out the audit of the Subsidiary companies.

EXECUTIVE RESPONSIBLE FOR THE PREPARATION OF THE CORPORATE ACCOUNTING DOCUMENTS

The executive responsible for the preparation of the corporate accounting documents has the responsibility to implement adequate administrative and accounting procedures for the preparation of the parent company accounts, the consolidated financial statements and all other financial documents, certifying their application, and that accounting information including interim reports correspond to the underlying accounting documents, records and accounting entries.

In accordance with article 23 of the By-Laws and in conformity with the regulations currently in force, the Board of Directors, in the meeting of July 30, 2007, appointed Mr. Roberto Celot, Administration, Finance and Control Director of the Issuer, as executive responsible for the preparation of the corporate accounting documents in accordance with article 154 *bis* of the Finance Act, considering satisfactory his appointment criteria and in particular his proven accounting and financial experience.

11. DIRECTORS INTERESTS AND TRANSACTIONS WITH RELATED PARTIES

With reference to the procedures followed by the Company for operations with related parties, it is noted that in accordance with that contained in the Self-Governance Code, the Board of Directors' meeting of December 22, 2006 approved the regulation for inter-group transactions and with related parties, in which a procedure suitable to ensure that any operations with the related parties are carried out with respect to the correct criteria and procedures is described.

This regulation, among others, defines the related party, establishes the principles of conduct which the bodies must adhere to with respect to the company in relation to related parties, indicating the procedures to follow for the communication of external information and also internally with regard to the operations with related parties and establishes the criteria to identify operations which must be approved by the Board of Directors.

In particular, the Board of Directors evaluates and approves the operations except in the case in which they relate to normal and/or usual operations carried out with parties not considered as related parties and which are regulated at conditions, terms and/or methods not significantly different from the market.

The Board of Directors preliminarily authorises significant operations, considered as operations with related parties which due to their subject, amount, method or timing could have an effect on the value of the company assets and on the completeness and correctness of the information, including of an accounting nature, relating to the Company.

The Board of Directors must inform, at least quarterly, upon the significant operations. In particular, the delegated boards inform the Board of Directors in relation to the characteristics and conditions of these operations as well as upon the valuations and the manner of execution of the same.

The carrying out of intergroup operations (carried out between indicated parties in the procedure) atypical, unusual or regulated at conditions other than the standard require the prior authorisation of the Board of Directors when, by single operation, they have a value above Euro 1 million. These operations must in every case, be disclosed specifically to the Board of Directors at the first meeting following their implementation.

The operations concluded between a related party and Zignago Vetro which are not qualifiable as inter-group operations or significant operations, are put to the prior approval of the Board of Directors on the initiative of directors with powers of attorney or directors responsible for the carrying out of these operations. It is within the remit of the board to identify the operational methods necessary to guarantee this procedure the greatest efficiency possible.

12. APPOINTMENT OF STATUTORY AUDITORS

The appointment of the Statutory Auditors is carried out based on slates presented to the shareholders according to the procedure set out by article 20 of the By-Laws, reported below, in order to ensure that the minority slate appoints a Statutory Auditor holding the position of the Chairman and an alternate Auditor.

In relation to this, slates are presented in which the candidates are listed by progressive numbering. The slate is composed of two sections: one for candidates for the office of Statutory Auditor, and the other for candidates for the office of Alternate Auditor.

Only shareholders who together or with others represent at least 4% of the subscribed and paid-in share capital at the moment of the presentation of the slate have the right to present slates, or of a lesser amount if established by law or regulations.

Each shareholder may present or be a candidate on only one slate; in case of breach, they are excluded from all slates. The shareholders adhering to a shareholders' pact in accordance with article 122 of the Finance Act can present and vote on only one slate. The votes in breach of this are not attributed to any slate.

The lists must be filed at the Company registered office and published at the expense of the proposing shareholder(s), in at least 2 Italian nationally distributed newspapers, 15 (fifteen) calendar days prior to the date scheduled for the Shareholders' Meeting in first call. The ownership of the necessary number of shares for the presentation of a slate is demonstrated by the shareholders through filing at the registered offices of the Company, at least 15 days before the date fixed for the Shareholders' Meeting in first convocation, a copy of the certification issued in accordance with law by the authorised parties. Together with each slate, within the terms indicated above, declarations must be filed with which the individual candidates accept their candidature and attest to the inexistence of causes of ineligibility and of incompatibility and the existence of the requisites required by regulations in force for the assumption of office, as well as the curriculum vitae of each candidate, with indication of the offices of held.

Slates presented that do not comply with all of the above formalities are considered as not presented.

All those entitled to vote shall vote for only one slate.

The procedure for electing Statutory Auditors shall be as follows: a) from the list that has obtained the higher number of votes in the sections of the slate, two statutory auditors and an alternate auditor (hereafter the "Majority slate") are elected; (b) from the slate that has obtained the second highest number of votes and that is not associated, even indirectly, with the shareholders who have presented or voted on the Majority slate, based on the progressive order with which they are shown on the slate, the remaining statutory auditor and other alternate auditor are elected (the "Minority slate").

In the case of parity between two or more slates, the eldest candidates are elected.
The Chairman of the Board of Statutory Auditors shall be the first candidate on the Minority Slate.

Where his/her legal requisites no longer exist, the statutory auditor must leave office.

In the case of the substitution of a Statutory Auditor until the next Shareholders' Meeting, the Alternate Auditor is taken from the same list as the auditor vacating office. When a Statutory Auditor vacates office, including the chairman of the Board of Statutory Auditors, the chairmanship is assumed until the next Shareholders' Meeting by the alternate member of the same list from which the Chairman was elected.

If the alternate auditor cannot complete the Board of Statutory Auditors, a Shareholders' Meeting is convened to elect the Statutory Auditors and chose, where the statutory auditors may still be elected, from among the candidates on the slate from which the vacating statutory auditor was a member. In all of the cases in which it is not possible to form the Board of Statutory Auditors by that set out above, the dispositions of law are applied.

In the case in which only one slate is presented or in the case in which no slate is presented, the Shareholders' Meeting votes by statutory majority.

13. STATUTORY AUDITORS (as per article 123-bis, paragraph 2, letter d), CFA)

The Board of the Statutory Auditors verifies compliance with law and the By-Laws, in respect of the principles of correct administration and in particular on the adequacy of the internal control system as well as of the organisation, administration and accounting structure and its functioning, as well as the method for establishing corporate governance regulations which the company declares it is in observance of.

In accordance with article 22 of the By-Laws, the Board of Statutory Auditors is composed of three standing members and two alternate members, shareholders and non-shareholders, and appointed by the Shareholders' Meeting, which determines their annual remuneration and the duration of office. The attributes, duties and duration of the Board of Statutory Auditors are based on that required by law. In accordance with law, the outgoing statutory auditors may be re-elected.
Each of the members of the Board of Statutory Auditors must possess the honourability requisites and be independent in accordance with law.

The present Board of Statutory Auditors were appointed by the ordinary Shareholders' Meeting on March 22, 2007 and will remain in office until the approval of the financial statements at December 31, 2009. As the appointment took place before the admission of the Issuer listing procedure, in June 2007, the Board comprises parties presented by the majority shareholder.

The members of the Board of Statutory Auditors are listed in the following table:

Office	Name
Chair. Board of Statutory Auditors	Paolo Nicolai
Standing auditor	Andrea Felice Dalla Vecchia
Standing auditor	Carlo Pesce
Alternate auditor	Alessandro Bentsik
Alternate auditor	Stefano Meneghini

In Attachment 1, the frequency of the meetings of the Board of Statutory Auditors during 2008 is reported along with the relative attendances.

In Attachment 4 a brief description of the personal profiles and professional characteristics of each of the members of the Board of Statutory Auditors is provided, while the offices covered at December 31, 2009 by each statutory auditor are reported in attachments to the Report in accordance with article 153 of the CFA.

During the year the Statutory Auditors met at least quarterly for a total of five meetings, whose average duration was approx. 3 hours. The Board of Statutory Auditors also attended regularly the meetings of the Internal Control Committee.

Six meetings are scheduled for the present year, of which one has already been held.

The Board of Statutory Auditors has evaluated the continuance of its members' independence requisites during the financial year. in conducting the evaluations mentioned above it has applied all the criteria provided in the Self-Governance Code with reference to the independence of the directors.

The statutory auditor who, on his/her own behalf or that of third parties, has an interest in a determined transaction of the issuer informs the other statutory auditors and the chairman of the Board, in a timely and comprehensive manner, regarding the nature, terms, origin and extent of his/her interest.

The Board of Statutory Auditors reviewed the independence of the audit firm, ensuring compliance with regulatory provisions, and the nature and extent of the various services provided to the Company and its subsidiaries by the audit firm and its network of firms.

During its activities, the Board coordinated with the Internal Audit function.

14. RELATIONS WITH SHAREHOLDERS

In order to maintain a constant dialogue with the shareholders and the financial world in general, the Company has created an Investor Relations function.

On December 22, 2006, the Board of Directors appointed an Investor Relator, in the person of Mr. Roberto Celot, responsible for the relations with the institutional investors and others shareholders; the Investor Relator also maintains the Insider register.

In 2008, the Company participated regularly in meetings with the financial community, some of which were open to all operators within the sector, and the financial press.

For the publication of information to the public, the Company adheres to the principles contained in the "Market Information Guide" and the Regulations and Communications of Consob.

Particular attention is paid to the Company Internet site (www.zignagovetro.com), in which in the Investor Relations section, it is possible to view the corporate accounting documents (financial statements, half-yearly statements and quarterly reports etc.), in both Italian and English, as well as other corporate documents addressed to the market (presentations, press releases, financial notices etc.).

15. SHAREHOLDER MEETINGS (as per article 123-bis, paragraph 2, letter c), CFA)

The Shareholders' Meeting represents all of the shareholders and is convened in accordance with the provisions of law and regulations for companies with listed shares to pass resolutions reserved for them by law or by the Company By-Laws.

The shareholders' meetings' provide periodic opportunities to meet and communicate with the shareholders.

In accordance with article 11 of the By-Laws, the Shareholders' Meeting, both ordinary and extraordinary, of the Company is convened by the Board of Directors, at the registered offices or also in a different place, as long as it is in Italy or in another member state of the European Union, through notice published in the Official Gazette of the Italian Republic or in the daily newspaper Il Sole 24 Ore or in Il Corriere della Sera.

The Shareholders' Meeting can be convened by the Board of Directors on the request of shareholders holding at least one-tenth of the share capital, within that provided by article 2367, final paragraph, of the civil code, or by the Board of Statutory Auditors or by at least 2 of its members.
The shareholders which, including jointly, represent at least one-fortieth of the share capital may request, within five days of the publication of the convocation notice, an adjunct to the matters on the agenda. The adjunct of the matters on the agenda is not permitted for those matters on which the Shareholders' Meeting passes resolutions, as prescribed by law, on proposals of the Board of Directors or in relation to a project or report prepared by the Board. The convocation notice must indicate the day, the time and the location of the meeting and the agenda.

Article 13 of the by-laws states: "Shareholders may attend the Shareholders' Meeting if they have sent the communication provided by the appointed intermediaries within two working days before the date of the shareholders' meeting, and at the date of the meeting they are in possession of the appropriate certificate. Each shareholder who has the right to attend the Shareholders' Meeting may be represented by others, through written proxy, in accordance with law. The Chairman of the meeting shall verify the propriety of the proxies and in general the right to intervene".

The Company has not adopted a shareholders' meeting regulation as it is considered that the statutory powers attributed to the Chairman of the Shareholders' Meeting, who oversee the workings of the meeting, including the determination of the agenda and the voting system, allows them to undertake a correct functioning of the shareholders' meeting, avoiding therefore the risks and the inconvenience which could derive from non compliance, by the Shareholders' Meeting, of the regulatory provisions.

The Board referred to the activities carried out and programmed in the Shareholders' Meetings and endeavoured to ensure shareholders have adequate information regarding the necessary elements so that they could take, with knowledge of the cause, the decisions within the authority of a Shareholders' Meeting.

In the year there were no significant changes in the market capitalisation of the shares of Zignago Vetro or in the composition of its shareholders, and therefore the Board does not consider it necessary to evaluate the possibility to propose to the Shareholders' Meeting changes to the by-laws in relation to the percentages established for the exercise of the shares and of the protection of minority shareholders.

16. CHANGES SUBSEQUENT TO THE YEAR-END

No significant changes have been made to the corporate governance structure since the year-end.

Attachment 1 – Structure of the Board of Directors, of the Committees and of the Board of Statutory Auditors. Meetings and attendances.

Office	Name	Executive (E) Non exec. (NE)	Independent	Board of directors *	Internal Control Committee *	Remuneration committee *	Participation at the Board of Statutory Auditors' meetings *	Number of other offices held **
Chairman & Chief Executive Officer	Grisan Franco	E		5/5				2
Vice Chairman	Marzotto Nicolò	NE		5/5				3
Director	Benassi Lino	NE	Lead Indep. Director	4/5		3/3		6
Director	Businaro Ferdinando	NE	Independent	5/5	4/4			5
Director	Faggion Alberto	E		5/5				4
Director	Marzotto Gaetano	NE		5/5				4
Director	Marzotto Luca	NE		5/5	3/4			5
Director	Marzotto Stefano	NE		4/5		3/3		5
Director	Soave Zeno	NE	Independent	2/5		3/3		2
Director	Sobrero Maurizio	NE	Independent	4/5	4/4			0
Director	Tamburi Giovanni	NE	Independent	5/5				8
Chair. Statutory Auditors	Nicolai Paolo						3/5	21
Statutory auditor	Dalla Vecchia Andrea Felice						5/5	14
Statutory auditor	Pesce Carlo						5/5	9

Number of meetings held in the year	Board of directors in office for the three year period: 2007/2009: 05	Internal Control Committee in office for the three year period: 2007/2009: 04	Remuneration committee in office for the three year period: 2007/2009: 03	Board of statutory auditors in office for the three year period: 2007/2009: 05

NOTE:

* This column indicates the percentage of participation of the directors compared to the number of BoD and Committee meetings and Board of Statutory Auditors meetings."

** number of significant offices pursuant to art. 144 of the Regulations

Attachment 2 - Summary of the curriculum vitae of the members of the Board of Directors and of the Board of Statutory Auditors

A brief curriculum vitae of the members of the Board of Directors is provided:

Franco Grisan. Graduated in Mechanical Engineering, and after working in the commercial and technical sectors with a major Italian oil group, in 1979 joined the Holding company of the Zignago Group as Director of Development Activities. He joined Zignago Vetro SpA in 1984 as the Commercial Director. In 1992, he was appointed the General Manager. Since 2000, he has been the Chief Executive Officer, as well as Chairman of the Board of Directors from 2003. Currently he is also Chairman of Verreries Brosse SAS., Chairman of the Glass Experimental Station, Vice-Chairman of the Hollow Mechanical Glass Section of Assovetro, member of the Assovetro Board, Director of CO.RE.VE. and a member of the FEVE Board, member of the Confindustria Venezia Board.

Nicolò Marzotto. Graduated in Economics and Commerce and gained experience, in the following sectors: commercial policies and structures, asset equity management and trading on currencies and securities, valuation of credit risk, financial and tax product studies, financial consultancy and economic-financial analysis of businesses and groups in specific sectors and marketing techniques. Since 2000, he has been a member of the Board of Directors of various companies controlled by the Marzotto family. He is a member of the Board of Directors of Verreries Brosse SAS. He is directly involved in entrepreneurial initiatives in the area of distribution.

Lino Benassi. He has a Diploma in Accountancy and Auditing and has held many offices of administration and direction with numerous credit institutions and companies in Italy, including listed companies, in Italy and abroad (among which, Banca Credit Suisse Italy, Banca Commerciale Italiana, Banca IntesaBCI, SEAT, INA - Istituto Nazionale delle Assicurazioni etc.). Among the roles currently held are that of Chairman of Banca Italease SpA, Finanziaria Trentina SpA, Banca Credit Suisse Italy SpA, a Director of De Agostini SpA, Dea Capital SpA and Seat Pagine Gialle SpA. From 1984, Cavaliere dell'Ordine al Merito of the Italian Republic; from 1997, Commander; from 2003, Main Official.

Ferdinando Businaro. Graduated in Political Science, following which he completed a Masters in International Economics and Management from the SDA Bocconi of Milan. He has worked in major Italian and foreign businesses, principally in the area of management and market development. He is a member of the Board of Directors of many major companies, including Marzotto SpA, Zignago Holding SpA, Zignago Immobiliare Srl, Santex Holding Sa, Margraf Project Srl, M31 SpA, Centervue SpA and is Chairman of Rocca di Monselice Srl.

Alberto Faggion. Diploma in Accounting, appointed Official Auditor of Accounts; since 1967, he has worked with companies belonging to the Zignago Group. He is currently a Director of Zignago Holding SpA, Zignago Vetro SpA, Santa Margherita SpA, Verreries Brosse SAS, Zignago Immobiliare Srl, Multitecno Srl, Zignago Power Srl, Bagnolo Power Srl and a Sole Director of Villanova Srl e di Eurocostruzioni 2000 Srl. He is a member of the Audit Committee of the Glass Experimental Station at Murano (Ve).

Gaetano Marzotto. Graduated in Business Economics from the Bocconi University of Milan and carried out professional duties in various companies (Deloitte, Olivetti and Necchi), developing a great deal of experience in the sectors of business finance, management and control. In 1980, he joined the Mazotto Group, where he remained until becoming Vice-Chairman. From 2000 to present, he is the Vice-Chairman of J.Hirsch & Co Management & Consulting Srl; he is Chairman of Pitti Immagine and CFI (Comitato Fiere Industria di Confindustria), Chairman of the Vini Santa Margherita Group and a Director (BoD) of Valentino Fashion Group.

Luca Marzotto. Graduated in Law, from 1995 he has worked in companies belonging to the Marzotto family. Since 1997, he has developed a notable degree of experience in the textile and clothing market, and in particular in the production, management control and marketing sectors. From 2000 concentrated his activities on the Asian markets and the development of the Valentino Fashion Group SpA in Asia. In 2003, he was appointed Director of the Marlboro Classics Division, the sportswear division of Valentino Fashion Group SpA. On September 30, 2005 appointed Vice Chairman of Santa Margherita SpA, and on May 10, 2007 was nominated Chief Executive Officer of Zignago Holding SpA. He is also Vice Chairman of Kettmeir SpA, Cantine Torresella Srl and New High Glass Inc. He is also a director of Vetri Speciali SpA, Multitecno Srl and Cà del Bosco Srl – società agricola. From 2005 he is Chairman of S.M. Tenimenti Pile e Lamole e Vistarenni e San Disdagio – Società Agricola Srl and from 2008 is Chairman of Zignago Power S.r.l., Bagnolo Power S.r.l. He also holds other offices in Italian companies.

Stefano Marzotto. Graduated in Business Economics at the Ca' Foscari University of Venice and has held many professional positions or management roles with Italian businesses. Since 1980 he has been Responsible for Marketing at Gresicotto SpA, a company operating in the construction sector; from 1984 to 1991, he was the Purchasing Office Manager and Director of the Hotel Supply Centre of Jolly Hotel SpA. He was the Chief Executive Officer of Margraf Industria Marmi Vicentini SpA between 1992 and 1996. Since 1998, he has held, and holds, the office of Director in some of the companies belonging to the Marzotto family, among which: Marzotto SpA, Gresicotto SpA, Zignago Vetro SpA, Santa Margherita SpA, Cà del Bosco Srl – società agricola, S.M. Tenimenti Pile e Lamole e Vistarenni e San Disdagio Srl – Società Agricola, Zignago Power Srl. Since 2005, he has been the Chairman of Zignago Holding SpA, Kettmeir S.p.A, Cantine Torresella Srl and Zignago Immobiliare Srl. From September 2005 to April 2008, he was the Chairman of Vetri Speciali SpA and on April 7, 2008, he became Vice Chairman. Currently, he is also a member of the Board of Directors of Marly's SpA.

Zeno Soave. Graduated in Civil Engineering, initially working with the family business (Zenone Soave & Figli), in 1973 joined Socotherm S.p.A., the company in which he was Chairman and Chief Executive Officer, operating in the sector relating to the covering of pipes used in the transport of gas, petrol and water. He developed the operating capacity of Socotherm in the past 30 years, which is today quoted on the MTA - Star Segment, heading an international group of companies.

Maurizio Sobrero. Graduated in Economics and Commerce from the University of Bologna, gained a Ph.D from the Massachusetts Institute of Technology and was Professor of Innovation Management from the University of Bologna, as well as the Director of the Business Sciences Department. He is the author of numerous international publications on economics and innovation management. He has taught many programmes for executives in South America, China and many European countries. In 2005, he contributed to the United Nations World Investment Report. He has been a consultant for many companies and institutions such as GM, Enel, European Patent

Office, ILVA, Telecom Italia, the Ministry for Economic Development, the Piedmont Region, the Lombardy Region and the Emilia Romagna Region. Since November 2009, he has been the Chairman of the Research Commission and a member of the Board of the University of Bologna.

Giovanni Tamburi. He graduated in Economics and Commerce, is a founder and Chairman of Tamburi Investment Partners SpA, an investment/independent merchant bank made up of numerous important entrepreneurial Italian families who carry out advisory activities and investments in medium-sized businesses in order to introduce “excellence” to the industrial and entrepreneurial plans. He holds or has held offices of direction and administration, as well as consultancy activities, with major Italian companies. He lectures as part of the Masters in Merchant Banking with the LUIC (Castellanza - Varese) and in Extraordinary Financial Operations for the Masters in Business Administration from the LUISS in Rome. He is the author of numerous publications in the finance area.

Attachment 3 – List of offices held by each director in other listed companies including overseas, in financial, banking and insurance companies or of significant size.

In the table below, the offices held on Board of Directors' or Board of Statutory Auditors' in quoted or non-quoted companies by members of the Board of Directors of the Company at December 31, 2009 are reported:

Name	Company		Office	
Franco Grisan	Verreries Brosse SAS	*	Chairman	**
	National Consortium for Obligatory Recycling of Glass Containers for Liquids		Director	
	Glass Experimental Centre		Chairman	**
	Assovetro		Vice Chairman – Mechanical Hollow Glass Section for containers	
	Assovetro		Member of Executive	
Nicolò Marzotto	Zignago Holding SpA	*	Director	**
	Santa Margherita SpA	*	Director	**
	Verreries Brosse SAS	*	Director	**
	Retail Group		Chairman & Chief Executive Officer	
	Retail Sport		Chairman	
	Retail Fashion		Chairman & Chief Executive Officer	
	Retail Shop		Chairman & Chief Executive Officer	
	Retail Food		Chairman & Chief Executive Officer	
Lino Benassi	Banca Italease SpA (quotata)		Chairman	**
	La Finanziaria Trentina SpA		Chairman	
	Banca Credit Suisse Italy SpA		Chairman	**
	Idea Alternative Investments SpA		Chairman	
	First Atlantic Real Estate SGR SpA		Chairman	**
	First Atlantic Real Estate NPL SpA		Chairman	
	B & D di Marco Drago & C. SapA		General Partner	
	De Agostini SpA		Director	**
	Dea Capital SpA (quotata)		Director	**
	SEAT Pagine Gialle SpA (quotata)		Director	**
Ferdinando Businaro	Marzotto SpA		Director	**
	Margraf Project Srl		Director	
	Zignago Holding SpA	*	Director	**
	Wizard SpA		Director	**
	M31 SpA		Director	
	Center Vue SpA		Director	
	Rocca di Monselice Srl		Chairman	
	Koris Italia Srl		Sole Director	
	Santa Margherita SpA	*	Director	**
	Aree Urbane SpA		Director	**
	Immobili e partecipazioni SpA		Director	
	Santex Holding SpA		Director	
	Zignago Immobiliare Srl	*	Director	

	S.I.F. Srl		Liquidators	
Alberto Faggion	Zignago Holding SpAa	*	Director	**
	Santa Margherita SpA	*	Director	**
	Verreries Brosse SAS	*	Director	**
	Zignago Immobiliare Srl	*	Director	
	Multitecno Srl	*	Director	
	Zignago Power Srl	*	Director	
	Bagnolo Power Srl	*	Director	
	Eurocostruzioni 2000 Srl	*	Sole Director	
	Villanova Srl	*	Sole Director	
	Stazione Sperimentale del Vetro		Memeber of Auditors' Board	**
Gaetano Marzotto	J. Hirsch & Co. Management & Consulting Srl		Vice Chairman	
	Hugo Boss AG		Director of Supervisory Board	**
	Pitti Immagine Srl		Chairman	
	CFI (Comitato Fiere Industria)		Director	
	Santa Margherita SpA	*	Chairman	**
	Valentino Fashion Group SpA		Director	**
	Zignago Holding SpA	*	Director	**
Luca Marzotto	Zignago Holding SpA	*	Chief Executive Officer	**
	Santa Margherita SpA	*	Vice Chairman	**
	Ca' del Bosco Srl - Società Agricola	*	Director	**
	S.M. Tenimenti Pile e Lamole e Vistarenni e San Disdagio Srl – Società Agricola	*	Chairman	
	Cantine Torresella Srl	*	Vice Chairman	
	Kettmeir SpA	*	Vice Chairman	
	Vetri Speciali SpA	*	Director	**
	Zignago Power Srl	*	Chairman	
	Bagnolo Power Srl	*	Chairman	
	Zignago Servizi Srl	*	Sole Director	
	Multitecno Srl	*	Director	
	New High Glass	*	Vice Chairman	
	Banca Popolare Friuladria SpA		Director	**
Stefano Marzotto	Zignago Holding SpA	*	Chairman	**
	Santa Margherita SpA	*	Director	**
	Ca' del Bosco Srl. - Società Agricola	*	Director	**
	S.M. Tenimenti Pile e Lamole e Vistarenni e San Disdagio Srl – Società Agricola	*	Vice Chairman	
	Cantine Torresella Srl	*	Chairman	
	Kettmeir SpA	*	Chairman	
	Vetri Speciali SpA	*	Vice Chairman	**
	Zignago Power Srl	*	Director	
	Zignago Immobiliare Srl*	*	Chairman	
	Marly's SpA		Director	**
Zeno Soave	Socotherm SpA (listed)		Chairman & Chief Executive Officer	**
	Socotherm Americas SA (Argentina - listed)		Chairman & Chief Executive Officer	**
	Soco-Ven SA		Chairman	
	Socotherm Argentina SA		Chairman	

	Socobras Ltda	Chairman	
	Socotherm Brasil SA	Chairman	
	Atlantida Socotherm SA	Vice Chairman	
	Socotherm Latinoamericana SA	Chairman	
	Socotherm Bolivia	Chairman	
	Socotherm Mexico SA de C.V.	Chief Executive Officer	
	Socotherm Services Ltd	Director	
	APC Socotherm PTY Ltd	Chairman	
	Zenone Soave & Figli Srl	Sole Director	
	Socopower Srl	Chairman	
	Socotherm Infraviab Srl Unipersonale	Chairman	
	Socotherm Infrenergy Srl Unipersonale	Chairman	
	Socotherm Espana SA	Chairman	
	Socotherm U.S.A. L.L.C.	Chairman	
	Socotherm La Barge L.L.C.	Vice Chairman	
	Socotherm Angola	Director	
Maurizio Sobrero	--	--	
Giovanni Tamburi	Tamburi Investment Partners SpA (quotata)	Chairman & Chief Executive Officer	**
	Secontip SpA	Chairman & Chief Executive Officer	**
	Gruppo IPG Holding Srl	Chairman	**
	Management & Capitali SpA (listed)	Vice Chairman	**
	Interpump SpA (listed)	Director	**
	De Longhi SpA (listed)	Director	**
	Datalogic SpA (listed)	Director	**
	Data Holding 2007 Srl	Director	**
	Lippiuno S.r.l.	Sole Director	

* related company

** Disclosure pursuant to article 144 of the Consob Issuer's Regulation

Attachment 4 – curriculum vitae of the members of the Board of Statutory Auditors.

Paolo Nicolai. Graduated in Economics and Commerce from the University of Padova. Member of the Accountants Register and the Auditors Register. Has held auditing roles with Arthur Andersen (1981-1983) and is a tax consultant with the Studio Legale Tributario (member of the financial tax and corporate services of Arthur Andersen & Co with the Milan and Treviso offices) (1984-1990). Since 1991, he has been a partner in the Studio Associato di Consulenza Tributaria of Padova founded with Francesco Calabrese and Gianfranco Gaudioso. Has been a statutory auditor with various medium to large-size companies. Has been the Chairman of the Board of Statutory Auditors of Zignago Vetro SpA since March 22, 2007.

Andrea Felice Dalla Vecchia. Graduated in Economics and Commerce from the University of Verona. He is a member of the Official Auditors' Registry. Has worked solely as an Accountant since 2000 and is a partner with Studio Giacobbo & Associati. He is a member of various boards of statutory auditors with non-listed companies. He has been a standing auditor with Zignago Vetro SpA since March 22, 2007.

Carlo Pesce. Graduated in Economics and Commerce from the University of Studies of Venice "Ca' Foscari". He is a member of the Accountants' Register and of the Auditors' Register. He is involved in tax, corporate and financial statements consultancy with businesses. He is a founding partner of Studio Grimani & Pesce, with head offices in Venice. He is a member of various boards of statutory auditors with Italian companies. He has been a statutory auditor with Zignago Vetro SpA since March 22, 2007.

Alessandro Bentsik. Graduated in Economics and Commerce from the University of Studies of Venice "Ca' Foscari". He is a member of the Accountants' Register and of the Auditors' Register. He carries out tax and corporate consultancy with companies. He is a partner with Studio Grimani & Pesce, with head office in Venice. He is a member of the board of statutory auditors or independent auditors of various industrial and service sector companies. He has been an alternate auditor with Zignago Vetro SpA since March 22, 2007.

Stefano Meneghini. Graduated in Economics and Commerce from the University of Studies of Venice "Ca' Foscari". He is a member of the Accountants' Register and of the Auditors' Register and since 1994 has provided tax and corporate consultancy services to companies. Since 2007, he has been a partner with Giacobbo e Associati of Venice. He has been an alternate auditor with Zignago Vetro SpA since March 22, 2007.

Attachment 5- other provisions of the self-governance code

	YES	NO	Summary of the reasons for any differences from the recommendations of the Code
Powers delegated and transactions with related parties			
The BoD has attributed powers defining:	X		
a) limits	X		
b) functioning	X		
c) and periodical information?	X		
The BoD reviews and approves the transactions of an important economic and financial nature (including transactions with related parties)?	X		
The BoD has defined guidelines and criteria for the identification of "significant" operations?	X		
The above guidelines and the criteria are described in the report?	X		
The BoD has defined specific procedures for the review and approval of operations with related persons?	X		
Are the procedures for approval of transactions with related parties described in the report?	X		
Procedures for the most recent appointment of directors and statutory auditors			
The proposal of the candidates for the office of director is made at least ten days in advance?		N/A*	
The candidature for director is accompanied by full and complete information?	X		
The candidature for director is accompanied by indications of independence?	X		
The proposal of the candidates for the office of statutory auditor is made at least ten days in advance?		N/A*	
The candidature for statutory auditor is accompanied by full and complete information?	X		
Shareholders' Meetings			
Has the Company approved Shareholder Meeting Regulations?		X	The Company has not adopted a shareholders' meeting regulation as it is considered that the statutory powers attributed to the Chairman of the Shareholders' Meeting, who oversee the workings of the meeting, including the determination of the agenda and the voting system, allows them to undertake a correct functioning of the shareholders' meeting, avoiding therefore the risks and the inconvenience which could derive from any non compliance, by the Shareholders' Meeting, of the regulatory provisions.
Are the Regulations attached to the report (or is it stated where they can be obtained/downloaded)?	N/A		

	YES	NO	Summary of the reasons for any differences from the recommendations of the Code
Internal Control			
Has the company appointed persons responsible for internal control?	X		
Are they hierarchically independent from Business Area managers?	X		
Organisational Department responsible for internal control	X		
Investor relations			
Has the Company appointed an investor relations manager?	X		
Dept. (address /telephone/fax/e-mail) and person responsible for investor relations	Investor Relations Office: Roberto Celot *Investor Relations* Chief Financial Officer Zignago Vetro SpA Via Ita Marzotto, 8 30025 Fossalta di Portogruaro (VE) tel. 0421 246111 e-mail: r.celot@zignagovetro.com		
NOTE * The nomination of the current board in office was made in accordance with the statutory majority as (i) the relative appointment was made when the Company was not yet listed and (ii) the By-Laws containing the provisions required for listed companies entered into force on the approval by Borsa Italiana of the admission for listing. The mechanism of the slate voting will therefore be applied on the renewal of the Board.			