

Corporate Governance
and Ownership Structure Report

2024

Aquafil S.p.A.
**2024 Corporate Governance
and Ownership Structure Report**
as per Article 123-*bis* of Legislative Decree No. 58/1998

(traditional administration and control model)
Website: www.aquafil.com
Reporting Year: 2024
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Index

Key Definitions	4
Executive Summary	6
1. Company profile and governance system	9
2. Disclosures on Shareholders (as per article 123-bis, paragraph 1 of the consolidated finance ACT)	10
2.1 Share capital structure (as per article 123-bis, paragraph 1, letter a), CFA)	10
2.1.1 Share capital and shares of the Company	10
2.1.2 Warrants	13
2.2 Restriction on the transfer of shares (as per article 123-bis, paragraph 1, letter b), CFA)	13
2.3 Significant holdings (as per article 123-bis, paragraph 1, letter c), CFA)	13
2.4 Shares which confer special rights (as per article 123-bis, paragraph 1, letter d), CFA)	14
2.5 Employee shareholdings: method for the exercise of voting rights (as per article 123-bis, paragraph 1, letter e), of the CFA)	14
2.6 Voting restrictions (as per article 123-bis, paragraph 1, letter f), CFA)	14
2.7 Shareholder agreements (as per article 123-bis, paragraph 1, letter g), CFA)	14
2.8 Change of control clauses (as per article 123-bis, paragraph 1, letter h), of the CFA) and statutory provisions on public purchase offers (as per article 104, paragraph 1-ter and 104-bis, paragraph 1, of the CFA)	15
2.9 Power to increase the share capital and authorisation to purchase treasury shares(as per article 123-bis, paragraph 1, letter m), CFA)	16
2.9.1 Powers to increase the share capital	16
2.9.2 Treasury shares	17
2.10 Management and co-ordination activities (as per article 2497 and thereafter of the civil code)	17
3. Compliance (as per article 123-bis, paragraph 2, letter a), CFA)	18
4. Board of Directors	18
4.1 Appointment and replacement (as per article 123-bis, paragraph 1, letter l), CFA)	18
4.2 Composition (as per article 123-bis, paragraph 2, letter d), CFA)	20
4.2.1 Members of the Board of Directors	20
4.2.2 Maximum number of offices held in other companies	22
4.2.3 Induction Programme	22
4.2.4 Board Evaluation	23
4.3 Role of the Board of Directors (as per article 123-bis, paragraph 2, letter d of the CFA)	24
4.3.1 Powers attributed to the Board of Directors	24
4.3.2 Procedures and frequency of board meetings	25
4.4 Executive bodies	27
4.4.1 Chief Executive Officer	27
4.4.2 Executive Committee	28
4.4.3 Reporting to the Board of Directors	28
4.5 Other directors with delegated duties	28
4.6 Independent Directors	28
4.7 Chairperson of the Board of Directors	29
4.8 General Manager	29
5. Processing of corporate information	29
5.1 Relevant Information Processing Policy	30
5.2 Inside information Processing Policy	30
5.3 Internal Dealing Code	30

6.	Internal committees to the Board of Directors (as per article 123-bis, paragraph 2, letter d), of the CFA)	31
7.	Appointments and Remuneration Committee	31
7.1	Composition and operation (as per article 123-bis, paragraph 2, letter d) of the CFA)	31
7.2	Appointments and remuneration committee duties and activities	32
8.	Remuneration of Directors and Senior Executives	33
9.	Control, Risks and Sustainability Committee	33
9.1	Composition and operation (as per article 123-bis, paragraph 2, letter d) of the CFA)	33
9.2	Functions assigned to the committee and activities carried out	34
10.	Internal Control and Risk Management System (as per article 123-bis, para. 2, letter 3) of the CFA)	35
10.1	Executive Director in charge of the Internal Control and Risk Management System	37
10.2	Internal audit manager	37
10.3	Organisational model as per Legislative Decree no. 231 of 2001	38
10.4	Independent Audit firm	39
10.5	Executive officer for financial reporting and other corporate roles and functions	40
	10.5.1 Executive Officer for Financial Reporting	40
	10.5.2 Executive Officer for Sustainability Reporting	41
10.6	Coordination of the parties involved in the internal control and risk management system	41
11.	Directors' interests and related party transactions	42
11.1	Composition and operation	42
	11.1.1 Composition and operation (as per article 123-bis, paragraph 2, letter d) of the CFA)	42
	11.1.2 Functions assigned to the Control, Risks and Sustainability Committee with regards to Related Party Transactions and activities carried out	42
11.2	Related party transactions policy	42
12.	Appointment of Statutory Auditors	43
13.	Composition and operation of the Board of Statutory Auditors (as per article 123-bis, paragraph 2, letter d) of the CFA)	44
14.	Shareholder Relations	46
15.	Shareholders' Meetings (as per article 123-bis, paragraph 2 of letter c) of the CFA)	48
15.1	Shareholders' Meeting call	48
15.2	Right to attend shareholders' Meetings	49
15.2	Holding of the shareholders' Meeting	49
16.	Further corporate governance practices	50
17.	Changes since the end of the reporting period	50
18.	Considerations on the recommendations of the Chairperson of the Corporate Governance Committee	51

KEY DEFINITIONS

The key definitions utilised in this Report are illustrated below.

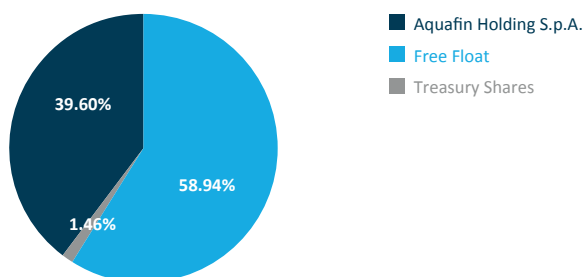
Italian Stock Exchange	Borsa Italiana S.p.A., with registered office at Milan, Piazza degli Affari No. 6.
Civil Code	Royal Decree 262 of March 16, 1942, and subsequent amendments and supplements.
Corporate Governance Code or Code	the new Corporate Governance Code of listed companies, in force since January 1, 2021 and adopted by the Corporate Governance Committee and promoted by Borsa Italiana, ABI, Ania, Assogestioni, Assonime and Confindustria, available on the website www.borsaitalia-na.it , in the Borsa Italiana/ Regulation/Corporate Governance section.
Consob	the National Commission for Companies and the Stock Exchange, with registered office in Rome, Via G.B. Martini No. 3.
Effective Merger Date	December 4, 2017.
Issuer, Aquafil or Company	Aquafil S.p.A., with registered office in Arco (Trento), Via Linfano, No. 9, VAT and Tax No. 09652170961.
Reporting Period	year ended December 31, 2024
Merger	the merger by incorporation of Aquafil (pre-merger), completed on the Effective Merger Date.
Group or Aquafil Group	Aquafil and the companies within its consolidation scope.
Stock Exchange Instruction Regulation	the Instructions to the Regulation for Markets organised and managed by Borsa Italiana.
Market Warrants	the warrants pursuant to the regulation for “Aquafil S.p.A. Market Warrants”.
MIV	the Investment Vehicles Market organised and managed by Borsa Italiana called the Euro-next MIV Milan.
Euronext	The Italian Stock Exchange organised and managed by Borsa Italiana called Euronext Milan.
Transaction	the business combination between Space3 and Aquafil (pre-merger), as approved by the Board of Directors of the aforementioned companies on July 15, 2017, undertaken principally through the Merger.
SMES	small and medium-sized issuers of listed shares pursuant to Article 1, paragraph 1, letter <i>w-quater1</i>), of the CFA.
Procedure for Related Party Transactions or RPT Procedure	the related party transactions procedure adopted by the Company in compliance with the Consob RPT Regulation.
Stock Exchange Regulation	the regulation for markets organised and managed by Borsa Italiana, and subsequent amendments and supplements.
Issuers’ Regulation	the enacting regulation of the CFA concerning the governance of issuers, adopted by Consob with motion No. 11971 of May 14, 1999 and subsequent amendments and supplements.

Related Parties Regulation or RPT Regulation	the regulation adopted by Consob motion No. 17221 of March 12, 2010 (as subsequently amended and supplemented) in relation to related party transactions.
Half-Year	this Corporate Governance and Ownership Structure Report, prepared in accordance with Article 123- <i>bis</i> of the CFA.
Space 3	Space 3 S.p.A.
Space Holding	Space Holding S.r.l., with registered office at Piazza Cavour 1, Milan, promoter of Space3.
Sponsor Warrants	the warrants pursuant to the regulation for “Aquafil S.p.A. Sponsor Warrants”.
Company By-Laws	the By-Laws of the Company in force at the reporting date.
CFA	Legislative Decree No. 58 of February 24, 1998, as subsequently amended and supplemented.

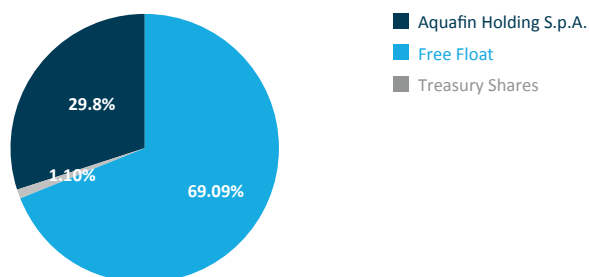
EXECUTIVE SUMMARY

AQUAFIL S.P.A. SHAREHOLDING COMPOSITION

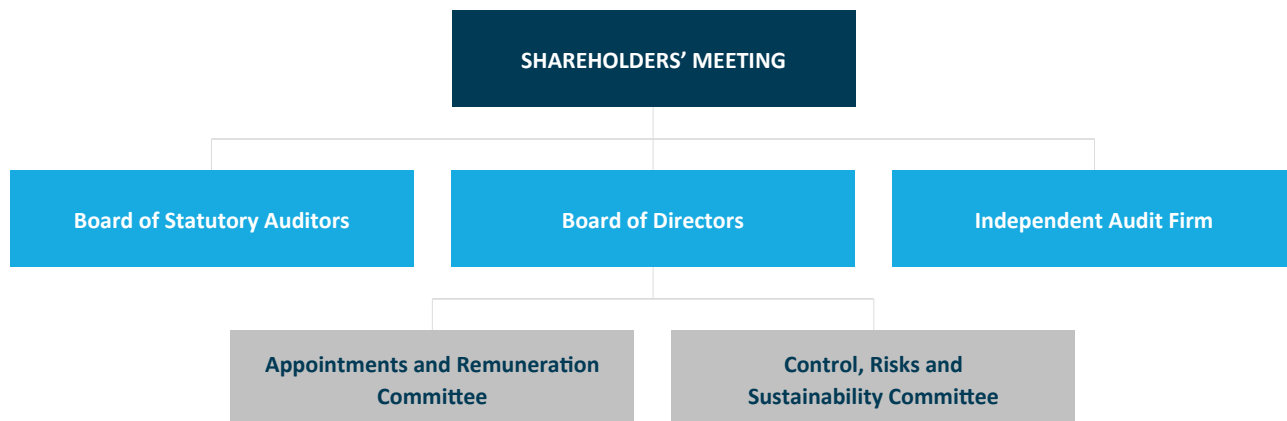
Shareholders



Capitale votante

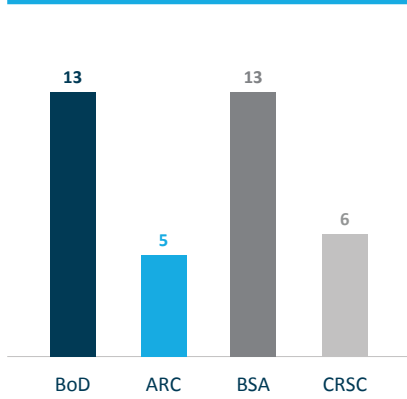


CORPORATE GOVERNANCE

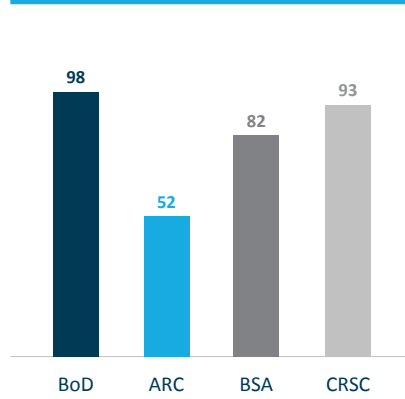


BOARD AND COMMITTEE MEETINGS IN 2024

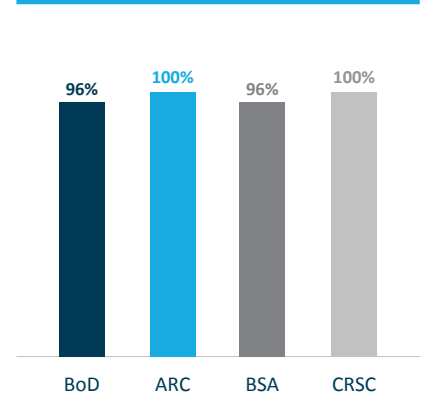
Number of meetings



Average meeting duration (minutes)



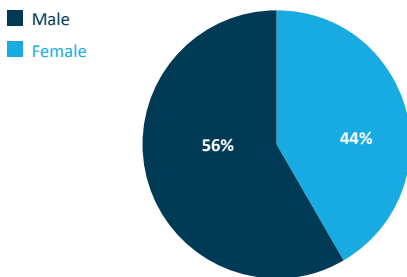
Average meeting attendance (%)



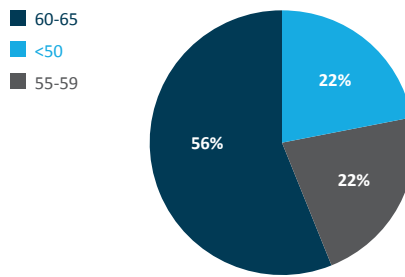
■ BoD: Board of Directors ■ ARC: Appointments and Remuneration Committee ■ BSA: Board of Statutory Auditors ■ CRSC: Control, Risks and Sustainability Committee

DIVERSITY ON THE BOARD OF DIRECTORS

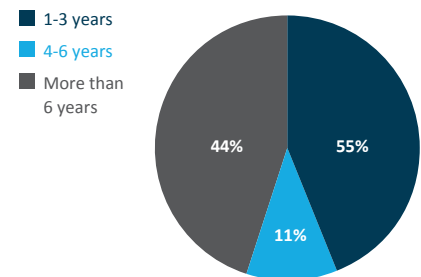
Gender diversity



Age diversity



Tenure diversity



SUMMARY OF ACTIVITIES RELATING TO THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

In 2023, the Company carried out an update of the risk assessment undertaken in 2020, integrating it with a new spectrum of risks pertaining to the strategic area as well as reputational and external risks, coordinated by the Internal Audit Function. The objective of the activity was to verify the safeguards identified in the previous Enterprise Risk Assessment (ERA) related to internal processes and to map the strategic risks, as well as external risks, i.e. those arising from outside factors (i.e. climate risks). The construction of the **“processes/controls” matrix**, in which risks and safeguards were identified, was followed by the definition of (i) metrics and impact indicators, (ii) assessment of probability/frequency, (iii) assessment of control measures, and (iv) a remediation strategy based on the priority assigned by management.

SUSTAINABILITY GOVERNANCE

Sustainability is a key element of Aquafil’s business strategy, and is deeply integrated with its internal strategy and processes.

Aquafil is a global Group, present in **13 countries** around the world, and a leading manufacturer of synthetic fibres and polymers. It is recognized for its **commitment to the circular economy** through the development of the **ECONYL® Regeneration System**, launched in 2011. This innovative process enables waste such as old carpets, textile scraps and fishing nets to be transformed into reclaimed nylon.

Aquafil has always taken a **holistic approach to sustainability**, going beyond environmental protection to include social and governance aspects. This commitment has been formalized in the **ECO PLEDGE®**, a set of five principles that inspire all Group activities:

1. Rethinking of products from a circular perspective
2. Protect the environment
3. Sharing responsibilities along the supply chain
4. Protecting the well-being of individuals
5. Support local communities

In 2023, an **ESG Policy** was also adopted, which defines Aquafil’s sustainability principles and outlines their **integration into our business model**, ensuring a responsible approach targeting long-term sustainable growth.

The ESG policy approved on August 31, 2023 by the Board of Directors provides a clear attribution of responsibilities throughout the organisation, and encourages the integration of ESG factors within business units. The Board of Directors has also established the internal **ESG Committee**, which defines and implements the Group’s sustainability strategy. It includes the Group’s top managers and two members of the Board of Directors. The Committee is supported by an **ESG Director**, who in turn dialogues with various **ESG Representatives**.

Since 2020, sustainability issues within the Board of Directors have been overseen also by the **Control, Risks and Sustainability Committee**. On sustainability, it periodically reports to the **Control, Risks and Sustainability Committee** and the **Board of Directors** on the progress of the sustainability plan and any ongoing projects, presenting results, critical issues and any requests to begin new initiatives.

1. COMPANY PROFILE AND GOVERNANCE SYSTEM

For more than 50 years, Aquafil has been a leading Italian and global producer of synthetic fibres, and particularly of polyamide 6 fibres.

The Group sets benchmarks in terms of quality, innovation and new sustainable development models. It is considered a strategic choice in view of the focus on continual process and product development, delivered through ongoing capital and know-how investment.

The Group, with a presence of approximately 2,400 employees, carries out production in 19 plants located in Europe, the United States, South America, Asia and Oceania.

Aquafil's Corporate Governance system, i.e. the set of rules and conduct adopted for streamlined and transparent corporate board and control systems, in accordance with the regulatory provisions for Italian listed companies and based on the Code's principles and recommended application criteria. The Company also voted on February 17, 2021 to adopt the Corporate Governance Code, which was approved by the Corporate Governance Committee in January 2020 and is effective for the year beginning January 1, 2021.

As an Italian-registered company with shares traded on the STAR segment of the Euronext Market and compliant with the Code, Aquafil's corporate governance structure - based on the traditional organisational model - is composed of the following bodies: The Shareholders' Meeting; the Board of Directors, also operating through the Chief Executive Officer; the Board of Statutory Auditors; the Control, Risks and Sustainability Committee, which also carries out the functions of the Related Party Transactions Committee; the Appointments and Remuneration Committee; the Supervisory Board; the independent audit firm.

The Shareholders' Meeting is the body whose motions express the shareholders wishes. The motions passed in compliance with law and the By-Laws bind all shareholders, including those absent or dissenting, although these latter have the right to withdrawal in permitted cases. The Shareholders' Meeting is called in accordance with law and the regulations for companies with listed shares to resolve upon the matters reserved to it by law.

The Board of Directors sets out the company and Group strategic guidelines and is responsible for management oversight. It is therefore granted the widest powers of company administration considered appropriate in pursuit of the Company's aims and objectives, with the sole exclusion, obviously, of those expressly reserved by law for the Shareholders' Meeting.

Aquafil's Board of Directors governs the Company with the goal of pursuing its sustainable success, an objective based on the creation of long-term value for the benefit of shareholders, taking into account the interests of all the Issuers' stakeholders.

For more information on sustainability initiatives, see the Sustainability Statement approved by the Board on March 18, 2025, prepared on a mandatory basis pursuant to Legislative Decree of September 6, 2024 and available on the company's website in the Financial Statements and Reports section.

The Board of Statutory Auditors supervises compliance with law and the By-Laws and in particular:

- operating control functions, in particular verifying:
 - compliance with the principles of correct management;
 - the adequacy of the Company's organisational structure;
 - proper implementation of the Code;
 - the adequacy of the instructions provided to the subsidiaries in terms of the market and inside information communication obligations;
- functions of the Internal Control and Audit Committee, particularly concerning:
 - oversight of:
 - i. the financial disclosure process;
 - ii. the efficacy of the internal control and internal audit systems, and if applicable, the risk management system;
 - iii. the audit of the statutory annual accounts and of the consolidated annual accounts;
 - iv. the independence of the independent audit firm;
 - communicating to the Board of Directors the outcome of the statutory audit;
 - responsibility for the independent audit firm selection policy.

The statutory audit is not within the Committee’s scope, as assigned in accordance with law to an independent audit firm chosen by the Shareholders’ Meeting.

The independent audit firm oversees the correct keeping of the accounting records and the reporting of operating events, while ensuring that the separate and consolidated financial statements are consistent with the accounting records and audits carried out and are compliant with applicable provisions. It may perform additional services assigned by the Board of Directors, where not incompatible with the statutory audit assignment.

The Supervisory Board completes the governance structure, with the Company having adopted a Code of Conduct and an Organisation, Management and Control Model as per Article 6 of Legislative Decree No. 231/2001 and subsequent, applying the relative structure of powers and duties.

This Report, approved by the Board of Directors on March 18, 2025, provides a comprehensive overview on the Issuer’s corporate governance and ownership structure at December 31, 2024, pursuant to Article 123-bis of the CFA and in light of the Corporate Governance Code’s provisions, as well as the “Format for the Corporate Governance and Ownership Structure Report” document (X Edition, December 2024) prepared by Borsa Italiana.

We note that, at the date of this Report, and including for the purposes of applying certain corporate governance and ownership structure rules set out in the CFA, Aquafil falls under the definition of “SME” according to Article 1, paragraph 1, letter w-quater.1) of the CFA and Article 2-ter of the Issuers’ Regulation, as reflected in the list published by Consob and most recently updated in January 2025.

With particular reference to the provisions of the Corporate Governance Code, we note that the Company qualifies as a **concentrated and not large company**, although it is deemed appropriate to maintain the governance structures introduced to date, without simplification.

This Report, which forms an integral part of the Directors’ Report, and the By-Laws, are available on the company website (www.aquafil.com in the Corporate Governance section).

As regards the information required by the ESRS on Corporate Governance, see the corresponding sections of the Sustainability Statement approved by the Board of Directors on March 18, 2025 and available on the company’s website in the Financial Statements and Reports section.

2. DISCLOSURES ON SHAREHOLDERS (AS PER ARTICLE 123-BIS, PARAGRAPH 1 OF THE CONSOLIDATED FINANCE ACT)

2.1 Share capital structure (as per article 123-bis, paragraph 1, letter a), CFA)

2.1.1 Share capital and shares of the Company

At the Reporting date, the subscribed and paid-in share capital of Aquafil amounts to Euro 53,354,161.28, comprising 87,536,234 shares divided into 73,172,206 ordinary shares, 14,364,028 special B shares (B Shares) and 0 special C shares (C Shares), all without nominal value.

Specifically, Aquafil’s share capital is broken down as follows:

	No. of shares	% of share capital	Listed (with market indicated)/not listed	Rights and obligations
Ordinary shares ISIN Code IT0005241192	73,172,206		Euronext, STAR Segment	The shares are indivisible and each share shall entitle the holder to one vote. Those in possession of shares may exercise their shareholder and equity rights in compliance with the limits established by statutory regulations and the By-Laws
Multi-votes shares (B Shares) ISIN Code IT0005285330	14,364,028		Non-listed	Assign the rights as per Article 5 of the By-Laws, including the right to three votes per share at Shareholders’ Meetings
Shares without voting rights (C Shares) ISIN Code IT0005241747	0		Non-listed	Assign the rights as per Article 5 of the By-Laws
Other				

Taking account of the share's value at December 31, 2024 and the number of shares at that date, the capitalisation was Euro 125,176,814.62

The ordinary shares, the B Shares and the C shares are subject to the dematerialisation rules pursuant to Article 83-bis and thereafter of the CFA.

The ordinary shares are to bearer, indivisible, freely transferable and confer to the owners equal rights. In particular, each ordinary share attributes the right to one vote at the Ordinary and Extraordinary Shareholders' Meeting of the Company, as well as additional equity and administrative rights pursuant to the By-Laws and statutory law.

In accordance with Article 5.4 of the By-Laws, the B shares attribute the same rights as the ordinary shares, with the exception of:

- a. each B Share confers the right to three votes pursuant to Article 127-*sexies* of the CFA at all Shareholders' Meetings of the Company, subject to any statutory limitation;
- b. they automatically convert into ordinary shares, based on one ordinary share for each B Share (without requiring a motion of the B Shares special shareholders' meeting or of the Shareholders' Meeting of the Company) in the event of: (i) transfer to parties who are not already holders of B Shares, except where the transferee is a parent, is controlled by or under common control of the transferor and, provided that, in this case, where the transferee loses the status of parent, control by or under the common control of the transferor, all the B Shares held by them are automatically converted into ordinary shares, based on one ordinary share for every B Share; (ii) in the case in which the holder of the B Shares ceases to be controlled, directly or indirectly, by (a) Giulio Bonazzi; (b) Roberta Previdi; (c) Silvana Bonazzi; (d) Francesco Bonazzi and/or (e) one or more direct line successors upon death of both (and not only one of) Giulio Bonazzi and Roberta Previdi, each of which, exclusively or jointly to one or more of the other aforementioned parties;
- c. they may be converted, in all or in part and also in several tranches, into ordinary shares on the simple request of the owner, to be sent to the Chairperson of the Board of Directors of Aquafil and in copy to the Chairperson of the Board of Statutory Auditors, also based on one ordinary share for every B Share.

The conversion is ratified by the Board of Directors by statutory majority. In the event of omission by the Board of Directors, the conversion is ratified by the Board of Statutory Auditors with the approval of a majority of those present.

Ordinary shares may not be converted into B Shares.

In accordance with Article 5.5 of the By-Laws, the C Shares attribute the same rights as the ordinary shares, with the exception of:

- i. they are without voting rights at the Ordinary and Extraordinary Shareholders' Meetings of the Company;
- ii. they are excluded from the right to receive the profits which the Company resolves to distribute by way of ordinary dividend;
- iii. they are non-transferable until April 5, 2022, except for: (a) the transfer of the special shares to withdrawing shareholders of Space Holding, on the completion of the liquidation of their holding in kind; and (b) the assignment of the special shares to the beneficiary company of a proportional spin-off of Space Holding for, among other matters, the investment of Space Holding in the Company;
- iv. they attributed the right at the time of issue to the allocation of "Space 3 S.p.A. Sponsor Warrants" (now called "Aquafil S.p.A. Sponsor Warrants") in the ratio of 2 warrants for every C Share;
- v. they are automatically converted into ordinary shares, in the ratio of 4.5 ordinary shares for every C Share, without the need for holders to request such and without amending the share capital, notwithstanding that this conversion will reduce the implied par value of the ordinary shares within 60 months from the Effective Merger Date in the amount of 80,000 C Shares in the case in which the official ordinary share price, for at least 20 days, even non-consecutively, out of 30 open consecutive trading days, is higher or equal to Euro 13 per ordinary share, subject to the fact that the period for the recording of the official ordinary share price for the triggering of this conversion event runs between the Space 3 Shareholders' Meeting date approving the Merger and the completion of 60 months from the Effective Merger Date. Where this period of 60 months is completed without conversion, all C Shares will automatically convert into 1 ordinary share, without amending the share capital.

It should be noted that as a result of the automatic conversion in December 2022 provided for in Article 5.5 of the Company's By-Laws and which was approved by the Board of Directors meeting of February 15, 2023, 100% of the category "C" shares (i.e. 80,000 shares) were automatically converted into ordinary shares, at the conversion ratio of 1 (one) ordinary share for each special category C share, without the need for any actions by the respective holders and without any change in the Company's share capital.

The Company may issue B Shares limited to the following cases: (a) share capital increases pursuant to Article 2442 of the Civil Code or through new conferment without exclusion or limitation of the option right, in any case together with ordinary shares; and (b) mergers or spin-offs. Under no circumstances can the Company proceed with the issuance of new Class C shares.

In the event of a share capital increase to be carried out through the issue of ordinary shares, all shareholders will have the right to subscribe to the newly-issued ordinary shares (unless the option right is excluded in accordance with law or there is no entitlement) in proportion and in relation to the shares - including ordinary shares, B Shares or C Shares – held by each at the time of execution of the share capital increase. In such an event, the passing of the relative motion pursuant to Article 2376 of the Civil Code by the special Shareholders' Meeting of the B Shares is not required, or of the C Shares special Shareholders' Meeting.

In the event of a share capital increase through the issue of ordinary shares and B Shares: (i) the number of newly issued ordinary shares and B Shares must be proportional to the number of ordinary shares and B Shares in which the share capital is divided on the date of the relevant motion specifying that, to this end, existing C Shares will be counted as an equal number as ordinary shares; (ii) holders of C Shares may subscribe to ordinary shares according to the portion of the share capital represented by ordinary shares and C Shares held at the time of the share capital increase and (iii) newly issued ordinary shares and B Shares must be offered to the individual shareholder in relation to and in proportion to, respectively, the ordinary shares and B Shares held at the time of the share capital increase, specifying that: (a) existing C Shares, for this purpose, will be counted as an equal number as ordinary shares; and (b) B Shares may only be subscribed to by shareholders who are already holders of B Shares; in the absence of subscription to newly issued B Shares by shareholders who are already holders of B Shares, the B Shares will automatically be converted into ordinary shares at the ratio of one ordinary share for every B Share and will be offered to other shareholders as provided by law.

Where the Company participates in a merger by incorporation as the incorporating company or in a merger, the holders of the B Shares will have the right to receive, within the share swap ratio, shares with the same characteristics - in relation to the multi-voting rights – as the B Shares, in accordance with applicable legal provisions.

The current share capital composition is the result of the capital increase under option resolved on October 10, 2024 by the Shareholders' Meeting, with terms and conditions determined by the Board of Directors on November 14, 2024 (the "**Capital Increase**").

As part of this corporate transaction, a maximum of 36,320,240 new shares were assigned to shareholders, including 30,272,232 ordinary shares and 6,048,008 class B shares.

The Capital Increase was subscribed for 30,269,432 new ordinary shares and 6,048,008 new category B shares for a total value of Euro 39,949,184.00, Euro 3,631,744 of which to be recognised as share capital.

The certificate of execution of the Capital Increase pursuant to Article 2444 of the Civil Code was filed and registered with the Trento Companies Registration Office on December 13, 2024, along with Aquafil's new By-Laws, which were updated to reflect the new amount of share capital.

At the Reporting date, the Company had adopted the remuneration plan for Directors and Employees of the Group described in the Remuneration Report prepared in accordance with Article 123-ter of the CFA and Article 84-quater of the Issuers' Regulation, as well as the disclosure document prepared pursuant to Article 114-bis of the CFA and Article 84-bis of the Issuers' Regulation and the relative illustrative report prepared in accordance with Article 114-bis of the CFA, available on the Company website www.aquafil.com in the Corporate Governance section.

2.1.2 Warrants

At the Reporting date, the following financial instruments that grant the right to subscribe newly issued Aquafil ordinary shares had been issued.

	Listed (with market indicated)/not listed	No. of instruments outstanding	Class of shares for conversion/exercise	No. of shares for conversion/exercise
"Aquafil S.p.A. Sponsor Warrants" ISIN Code IT0005241754	Non-listed	800,000	Ordinary shares	800,000

On December 23, 2016, the Extraordinary Shareholders' Meeting of Space 3 pre-merger - among other matters - approved:

- the divisible paid-in share capital increase for a maximum amount, including share premium, of Euro 10,400,000, to be reserved for the exercise of 800,000 "Aquafil S.p.A. Sponsor Warrants", through the issue of a maximum 800,000 ordinary shares, without nominal value, at a price of Euro 13.00, through the allocation of Euro 1.00 as the implied par value and Euro 12.00 as the share premium.

As the Reporting date, Space Holding holds all of the "Aquafil S.p.A. Sponsor Warrants" (i.e. 800,000). The "Aquafil S.p.A. Sponsor Warrants" are exercisable, at the terms and conditions of the Sponsor Warrants Regulation, in the period between the first market trading day after December 4, 2017 (the Effective Merger Date) and the tenth anniversary of that date.

The Aquafil S.p.A. Sponsor Warrants are not listed on any regulated market.

The Sponsor Warrants Regulation is available to the public on the company website www.aquafil.com in the Investor Relations/Shareholder Information section.

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

At the Reporting date, there are no restrictions on the transfer of the ordinary shares of the Company, subject to that illustrated below.

It should be noted that Space Holding has undertaken a lock-up commitment towards the Issuer with reference to the Aquafil ordinary shares arising from the conversion of special Space3 shares as part of the Merger, with reference to the Aquafil ordinary shares arising from the conversion of the C Shares upon the occurrence of the other events indicated in Article 5.5 of the By-Laws; the lock-up commitment will have a duration of 6 months from the relevant conversion.

The conversion took place in December 2022 and was approved by the Board of Directors meeting of February 15, 2023 and therefore this commitment no longer exists.

There are no limits to holding shares of the Company, nor any clauses to restrict becoming a shareholder.

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

The ordinary shares of the Company are traded within the management system authorised pursuant to the CFA.

At the Reporting date, the Company is an SME; therefore, pursuant to Article 120, paragraph 2 of the CFA, the significance threshold for the purposes of the communication obligations of significant shareholdings is equal to 5% of the voting share capital.

Based on the information available, the following table reports the data regarding the shareholders which, at the date of this Report, have holdings of above 5% of the voting share capital of the Issuer, directly or indirectly, including through nominees, trusts and subsidiaries.

Shareholder	Direct shareholder	% of ordinary share capital	% of voting share capital
GB&P S.r.l.	Aquafin Holding S.p.A.	58.94%	69.09%

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

There are no securities which confer special control rights or securities with special powers pursuant to the regulations and statutory provisions, except for that outlined below.

Each B Share has the right to three votes pursuant to Article 127-*sexies* of the CFA at all Shareholders' Meetings of the Company, subject to any legal limitations and confer all rights and obligations indicated at paragraph 2.1.1 of this Report.

The By-Laws do not contain provisions upon multi-vote shares in accordance with Article 127-*quinquies* of the CFA.

2.5 Employee shareholdings: method for the exercise of voting rights (as per article 123-bis, paragraph 1, letter e), of the CFA)

At the Reporting date, there were no share ownership systems for Directors and employees as described in the Remuneration Report prepared in accordance with Article 123-*ter* of the CFA and Article 84-*quater* of the Issuers' Regulation, as well as the disclosure document prepared pursuant to Article 114-*bis* of the CFA and Article 84-*bis* of the Issuers' Regulation and the relative illustrative report prepared in accordance with Article 114-*bis* of the CFA, available on the company website www.aquafil.com in the Investor Relations Section.

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

There were no restrictions on voting rights for holders of ordinary shares and/or B Shares. For completeness, the C Shares were without voting rights at the Ordinary and Extraordinary Shareholders' Meetings of the Company;

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

As of the date of this Report, there are no significant shareholders' agreements pursuant to Article 122, paragraph 5, of the CFA to the knowledge of the Company.

2.8 Change of control clauses (as per article 123-bis, paragraph 1, letter h), of the CFA) and statutory provisions on public purchase offers (as per article 104, paragraph 1-ter and 104-bis, paragraph 1, of the CFA)

With regards to the agreements which may be voided in the case of a change in control of Aquafil S.p.A., we report the following.

Loan contracts

Aquafil loans in place at the Reporting date are shown in the table below:

(in migliaia di Euro)	Original amount	Granting date	Maturity date
Medium/long-term fixed-rate bank loans			
Cassa Centrale Banca (*)	11,000	2022	2029
Cassa Depositi e Prestiti (*)	20,000	2020	2027
Medium/long-term variable-rate bank loans			
Cassa Centrale Banca - Credito Cooperativo del Nord Est (former Casse Rurali Trentine) (*)	15,000	2019	2026
Deutsche Bank (*)	20,000	2022	2028
Sparkasse - Cassa Risparmio di Bolzano (*)	20,000	2018	2025
Sparkasse - Cassa Risparmio di Bolzano (*)	10,000	2022	2028
Sparkasse - Cassa Risparmio di Bolzano (*)	10,000	2024	2030
Banca Intesa (*) (**)	30,000	2021	2027
Banca Intesa (*)	20,000	2023	2028
Banca di Verona	5,000	2022	2027
Banca di Verona	5,000	2023	2028
Banca Popolare di Milano (*) (**)	25,000	2018	2026
Banca Popolare di Milano (*) (**)	15,000	2019	2025
Banca Popolare di Milano (*)	15,000	2023	2028
Banca Popolare Emilia Romagna (*) (**)	10,000	2019	2025
Banca Nazionale del Lavoro (*)	7,500	2018	2025
Banca Nazionale del Lavoro (*)	12,500	2018	2025
Banca Nazionale del Lavoro (*)	20,000	2022	2027
Banca Nazionale del Lavoro (*) (***)	10,000	2023	2028
Crédit Agricole (former Banca Popolare Friuladria) (*)	10,000	2017	2025
Crédit Agricole (former Banca Popolare Friuladria) (*) (**)	10,000	2019	2025
Crédit Agricole (former Banca Popolare Friuladria) (*)	10,000	2023	2029
Monte dei Paschi (*)	15,000	2018	2025
Monte dei Paschi (**)	20,000	2023	2028
Crediti Emiliano	5,000	2022	2027
Banca Popolare di Sondrio	10,000	2024	2029
MCC - Banca del Mezzogiorno (*)	10,000	2019	2026
MCC - Banca del Mezzogiorno (*)	15,000	2023	2028
Cassa Depositi e Prestiti (*)	20,000	2022	2027
Mediocredito Trentino Alto Adige (*)	4,500	2024	2026
Volksbank	5,000	2023	2028
Volksbank	5,000	2024	2029

(*) Loans that provide for compliance with financial covenants.

(**) Loan to which an interest rate swap contract is linked under which interest to be paid to the bank is fixed and equal to the value shown in the table.

In addition, at the Reporting date, the Company had issued two bonds:

- for Euro 50 million with maturity on September 20, 2028.
- for Euro 40 million with maturity on May 24, 2029.

The main objectives of these contracts is to fund the Company's investment plan, having the right to rescission where changes occur with regard to the direct or indirect control of Aquafil in accordance with Article 2359 of the Civil Code.

Contracts and Agreements

Within the scope of some contracts and commercial agreements signed by Aquafil, communication obligations in the case of a change in control are applicable; the Company has also signed agreements in which the change of control clause may result in resolution.

These agreements, overall not significant in terms of company and Group operations, are subject to confidentiality restrictions.

Public Purchase Offer

The Company By-Laws do not provide for exceptions to the passivity rule pursuant to Article 104, paragraphs 1 and 2 of the CFA, nor the application of the neutralisation rules pursuant to Article 104-bis, paragraphs 2 and 3 of the CFA.

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

2.9.1 Powers to increase the share capital

The Issuer's Extraordinary Shareholders' Meeting of December 23, 2016 approved:

- the divisible paid-in share capital increase for a maximum amount, including share premium, of Euro 10,400,000, to be reserved for the exercise of 800,000 "Aquafil S.p.A. Sponsor Warrants", through the issue of a maximum 800,000 ordinary shares, without nominal value, at a price of Euro 13.00, through the allocation of Euro 1.00 as the implied par value and Euro 12.00 as the share premium.

On October 10, 2024, the Extraordinary Shareholders' Meeting of Aquafil:

- a) resolved to increase the Company's share capital, on a divisible basis and for cash, in one or more instalments, including in several tranches, for a maximum amount of Euro 40,000,000.00, including any share premium, through the issue of new ordinary shares and B Shares with the same characteristics as the outstanding share categories. Said shares would be offered under option to those entitled thereto pursuant to Article. 2441, paragraph 1 of the Civil Code, stipulating that, if the capital increase was not fully subscribed by January 31, 2025, the share capital would be deemed to be increased by an amount equal to the subscriptions collected by that date;
- b) granted the Board of Directors all the widest powers to (i) determine the execution timeline for the capital increase resolution, particularly for the start of the rights offer, and for the subsequent offer on the Stock Exchange of any rights that may remain unopted at the end of the subscription period; (ii) determine the number of shares subject to the issue and the related division between ordinary shares and B Shares, the option ratio and the issue price of the new shares, including the possibility of applying a discount on the Theoretical Ex Right Price (TERP) of the share; (iii) determine the final amount and proportions of the possible tranches of the capital increase within the maximum limit hereby resolved, without prejudice to the gradual effectiveness of the subscriptions of the various tranches; and (iv) determine any other element required to enact the capital increase and put in place any formalities and/or fulfilments required by the applicable regulations to execute the capital increase in order that the newly issued ordinary shares resulting from said capital increase could be offered to the entitled parties;
- c) resolved to provide, subject to the resolution to increase the share capital referred to in point 1), that the Board of Directors, notwithstanding the foregoing, should not execute, for an amount equal to the amount subscribed through the capital increase in execution of the proxy referred to in Article 2443 of the Civil Code submitted for approval to the same Shareholders' Meeting, the aforementioned capital increase under option referred to in point 1) if the Board should enter into a binding agreement to subscribe for the capital increase in execution of the aforementioned delegation - not subject to conditions other than the resolution of the delegated capital increase and the approval, if necessary, of the Prospectus by Consob and the listing of the relevant shares - with qualifying/institutional investors (including foreign ones) and/or entities and/or partners that carry out activities similar, related, synergistic and/or instrumental to those of the Company, and communicates such an event to the market in the forms required by the applicable regulations;
- d) granted the Board of Directors and, on its behalf, the Chief Executive Officer, the power to sub-delegate any wider powers necessary to concretely and fully enact the resolutions referred to in the preceding points, within the limits of the law;
- e) granted the Board of Directors a proxy, pursuant to Article 2443 of the Civil Code, to increase the Company's share capital for cash, on a divisible and/or indivisible basis, in one or more tranches, with a duration until December 31, 2025, for a maximum amount of Euro 40,000,000 including any share premium. This must in any case be in compliance with the further quantitative limit set out below, with the exclusion of option rights pursuant to Article 2441, paragraphs 5 and 6 of the Civil Code, to be paid in cash. The Board of Directors is also granted any broader power to establish, from time to time, in compliance with the above limits and rules, the timelines, terms and conditions of the transaction, including - as specified below - the recipients and the issue price, including any premium on the issuer's ordinary shares. It remains understood that the par value in accounting terms may not be lower than that in force on the date of the Shareholders' Meeting's resolution granting the proxy;
- f) granted the Board of Directors the widest powers to define, in the potential exercise of the foregoing proxy or per individual tranche, the timelines, conditions and terms of the transaction, including the powers to: (i) determine the issue price of the new ordinary shares, and specifically the portion to be allocated to share capital and the portion to be allocated to the share premium reserve. It remains understood that the subscription price shall not be lower than the par value in accounting terms in effect on the date of the resolution approving this proxy. The subscription price (and therefore the maximum number of shares to service the increase) shall be determined in compliance with the provisions under Article 2441, paragraph 6, of the Civil Code; (ii) determine the scale of the issue or issues, it being understood that capital increases may be executed under the proxy only for amounts that,

when added to the actual execution of the Capital Increase under option resolved by the current Shareholders' Meeting, do not exceed a total of Euro 40,000,000 inclusive of any share premium, and provide that the ordinary shares resulting from the capital increase shall have the same characteristics and confer the same rights as the ordinary shares outstanding at the time of the issue; (iii) determine the scale of any tranches of the capital increase within the time limitation provided by the proxy; (iv) determine the timeline for the execution of the capital increase resolution;

g) also resolved to amend Article 5 of the By-Laws to reflect the above resolution.

The Capital Increase under option was subscribed for 30,269,432 new ordinary shares and 6,048,008 new category B shares for a total value of Euro 39,949,184.00, Euro 3,631,744 of which to be recognised as share capital.

The certificate of execution of the Capital Increase pursuant to Article 2444 of the Civil Code was filed and registered with the Trento Companies Registration Office on December 13, 2024, along with Aquafil's new By-Laws, which were updated to reflect the new amount of share capital.

As such, the Board of Directors currently still has a proxy, pursuant to Article 2443 of the Civil Code, to increase the Company's share capital for cash, on a divisible and/or indivisible basis, in one or more tranches, with a duration until December 31, 2025, for a maximum amount of Euro 47,736.00 including any share premium, with the exclusion of option rights pursuant to Article 2441, paragraphs 5 and 6, of the Civil Code, to be paid in cash. The Board of Directors is also granted any broader power to establish, from time to time, in compliance with the above limits and rules, the timelines, terms and conditions of the transaction, including - as specified in the relative increase resolution - the recipients and the issue price, including any premium on the issuer's ordinary shares. It remains understood that the par value in accounting terms may not be lower than that in force on the date of the Shareholders' Meeting's resolution granting the proxy.

2.9.2 Treasury shares

As of the date of this Report, the Company holds a total of 1,278,450 treasury shares, comprising 1.4605% of the share capital, for a total value of Euro 8,612,054.

The purchase authorisation was granted for a period of eighteen months from the Shareholders' Meeting resolution of October 20, 2021. The Shareholders' Meeting did not set a time limit on acts of disposition of the shares purchased, but allows the Board of Directors to proceed at its discretion with one or more acts of alienation or disposition.

2.10 Management and co-ordination activities (as per article 2497 and thereafter of the civil code)

The Company is not subject to management and co-ordination pursuant to Article 2497 and subsequent of the Civil Code.

The parent company Aquafin Holding S.p.A. does not exercise management and co-ordination over Aquafil as substantially operating as a holding company, without an independent organisational structure and, consequently, de facto does not exercise direct management over Aquafil. In addition, we report that: (i) the Board of Directors of the Company approves the budget and the business plan; (ii) the Company has independent negotiating powers with customers and suppliers; and (iii) a centralised treasury agreement between the Company and the companies within the chain of control is not in place.

All of the Italian direct or indirect subsidiaries of Aquafil have met the publication requirements under Article 2497-*bis* of the Civil Code, indicating Aquafil as the company exercising management and co-ordination.

* * *

The information required by Article 123-*bis*, paragraph 1, letter i) of the CFA ("the agreements between the Company and Directors... which provide indemnity in the case of resignation or dismissal from office without just cause or termination of employment following a public tender offer") is illustrated in the Remuneration Report, drawn up as per Article 123-*ter* of the CFA and Article 84-*quater* of the Issuers' Regulation, available in accordance with the provisions of law on the website of the Company www.aquafil.com.

The information required by Article 123-*bis*, paragraph 1, letter l) of the CFA relating to the "applicable regulations concerning the appointment and replacement of Directors (...), in addition to the amendment of the By-Laws if differing from applicable law and regulations" is illustrated in the Board of Directors section.

3. COMPLIANCE (AS PER ARTICLE 123-BIS, PARAGRAPH 2, LETTER A), CFA)

This Report reflects and illustrates the corporate governance structure applied by the Company in accordance with the provisions of the Code, with which the Company complies. The Code is accessible to the public on the website of the Corporate Governance Committee at <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf>.

This Report has also been prepared taking into account the guidelines set out in Borsa Italiana's "Format for the Corporate Governance and Ownership Structure Report" (Edition X December 2024).

The Board of Directors is always open to assessing new guidelines presented in the Code and their incorporation into the Company's corporate governance system, as long as compatible with the Company's situation and that the recommendations further improve the Company's reliability in the eyes of investors.

Aquafil S.p.A. and its strategic subsidiaries - as identified by the Board of Directors' motion of February 14, 2020, namely Aquafil USA, Aquafil SLO d.o.o. and Aquafil Synthetic Fibres and Polymers (Jiaying) Co., Ltd, to the best of the Board's knowledge, are not subject to any non-Italian legal provisions that affect the Company's corporate governance structure.

4. BOARD OF DIRECTORS

In accordance with current regulations for companies with listed shares on regulated markets, the Board of Directors is central to the governance system of the Company.

Aquafil's Board of Directors governs the Issuer, pursuing its sustainable success. It also defines Company and Group strategies consistent with the pursuit of sustainable success and monitors their implementation.

The Board defines the most effective corporate governance system for its business and strategy: i) taking into account the autonomy permitted within the provisions; and ii) where appropriate, assessing and implementing appropriate changes, submitting them, when applicable, to the Shareholders' Meeting; it also promotes, in the most appropriate forms, dialogue with shareholders and all the Issuer's stakeholders.

4.1 Appointment and replacement (as per article 123-bis, paragraph 1, letter I), CFA)

The Company is administered by a Board of Directors made up of between 8 and 15 members. The Shareholders' Meeting establishes the number of members on the Board of Directors, which remains in place until otherwise resolved.

All Directors must satisfy the eligibility and good standing requirements established by applicable law and other provisions. In addition, in accordance with the legal and regulatory requirements, a number of Directors should be independent.

The Shareholders' Meeting appoints the Board of Directors on the basis of slates presented by the shareholders, in accordance with the procedure set out in the following paragraphs, except where otherwise established by obligatory laws or regulations.

Shareholders can present a slate for the appointment of Directors who, alone or together with other presenting shareholders, have a shareholding at least equal to that determined by Consob in accordance with applicable provisions and regulations (which for the Company with regards to 2024 is 2.5% of the share capital considering the share capital comprised of listed shares). Ownership of the minimum shareholding is determined according to the shares that are registered in favour of the shareholder on the day in which the slates are filed with the Issuer; certification can also be presented subsequent to the filing provided that it is within the deadline for the publication of the slates.

The slates must be filed at the registered office of the Company according to the manner prescribed by current regulations, at least twenty-five days prior to the Shareholders' Meeting called to appoint the Directors. The slates must be made available to the public by the Company at least twenty-one days prior to the Shareholders' Meeting in accordance with the manner prescribed by current regulations.

The slates provide for a number of candidates not above 15, each listed by progressive number. The slates may not be composed of candidates only from the same gender (masculine or feminine); each slate must include a number of candidates of the under-represented gender to guarantee the composition of the Board of Directors in accordance with legal and regulatory provisions in relation to gender balance (masculine and feminine), with rounding applied in accordance with current regulations.

The following must be attached to each slate, or else shall be considered as not presented:

- curriculum vitae of the candidates;
- declarations of the individual candidates, in which they accept their candidature and certify, under their own responsibility, the inexistence of any cause of ineligibility or incompatibility, as well as the satisfaction of the requirements prescribed by applicable regulations for the office of Director of the Company, including where applicable, declarations on the independence of candidates;
- the shareholders who have presented the slates and their total shareholding;
- any other further declaration, disclosure and/or document required by law and applicable regulatory rules.

Individual Shareholders, shareholders belonging to the same group or members of a shareholder agreement pursuant to Article 122 of the CFA, may not present or be involved in the presentation, even through nominees or trust companies, of more than one slate or vote on other slates; in addition, each candidate may only be present on one slate, at the risk of being declared ineligible.

The candidates elected at the end of the voting shall be those on the two slates that have obtained the highest number of votes as follows: (i) from the slate which obtained the highest number of votes (the "Majority Slate"), all the Directors shall be elected in progressive number, less one; and (ii) from the slate which obtained the second highest number of votes and that is not associated, even indirectly, with the shareholders who presented or voted for the Majority Slate (the "Minority Slate") one Director shall be elected, being the first candidate indicated on the slate.

Consideration is not taken of the slates which have not obtained at least half of the votes required for the presentation of slates.

Should two slates receive the same number of votes, a second vote of the entire Shareholders' Meeting shall decide, with the candidate being elected by means of a simple majority of the votes.

If voting does not result in compliance with legal and regulatory provisions in relation to gender balance (including rounding up where necessary in relation to the under-represented gender), the elected candidate appearing last on the Majority Slate of the over-represented gender is excluded and will be replaced by the first candidates from the same slate belonging to the other gender. Where it is not possible to implement this replacement procedure in order to guarantee compliance with legal and regulatory provisions concerning gender balance, the non-elected Directors will be elected by the Shareholders' Meeting through ordinary majority, with presentation of candidates belonging to the under-represented gender.

Where the candidates elected do not ensure the number of Independent Directors as required by applicable regulations, the non-independent candidate(s) elected last in progressive order of the Majority Slate will be replaced by the first independent candidate according to the progressive numbering not elected in the same Majority Slate. Where this procedure does not ensure the required number of Independent Directors, the Shareholders' Meeting will elect in accordance with ordinary majority, with presentation of independent candidates.

Where only one slate is presented, the Shareholders' Meeting will vote on that slate and, where this slate receives the majority of the votes, all the members of the Board of Directors will be taken from this slate in accordance with applicable law and regulations, including gender balance regulations (rounded upwards where resulting in a fraction), in accordance with current regulations.

In the absence of slates, or where only one slate is presented and this slate does not receive the majority of the votes, or where the number of Directors elected based on the slates presented is below the number of members to be elected, or where the entire Board of Directors need not be re-elected, or where it is not possible for whatever reason to proceed with the nomination of the Board of Directors with the above-mentioned procedures, the members of the Board of Directors will be appointed by the Shareholders' Meeting through ordinary majority, without application of the slate voting mechanism, subject to the obligation to maintain the minimum number of Independent Directors established by law and in accordance with applicable law and regulations in relation to gender balance.

The Directors are elected for a period, established by the Shareholders Meeting, of not greater than three years from the acceptance of their office and until the date of the Shareholders' Meeting for the approval of the annual accounts for the last year of their appointment.

Where over half the Directors appointed by the Shareholders' Meeting resign, the entire Board shall be deemed to have vacated office with effect from the re-appointment of the Board of Directors and the remaining Directors must promptly call a Shareholders' Meeting for the appointment of the new Board of Directors.

In the event that, for whatever reason, one or more Directors are no longer sitting, the Board of Directors will proceed with co-option, where possible, from among the non-elected candidates from the slate from which the Director leaving office had been elected, according to the progressive numbering of the slate, while maintaining the obligation of a minimum number of Independent Directors as established by law, considering also the share segment, and in accordance with the applicable law and regulations on gender balance quotas.

The Board of Directors elects a Chairperson from among its members, who remains in this position for the duration of the Board's mandate.

4.2 Composition (as per article 123-bis, paragraph 2, letter d), CFA)

4.2.1 Members of the Board of Directors

The Board of Directors of the Company comprises a minimum of 8 and a maximum of 15 members. The number of members is established by the Shareholders' Meeting.

As required by the Code, the Board of Directors consists of Executive and Non-Executive Directors; the number, the expertise, the authority and the availability of time of the Non-Executive Directors is such to guarantee that their opinion can have a significant impact on Board motions.

The Issuer's Shareholders' Meeting held on April 27, 2023 appointed the Board of Directors and set the number of members at 9 and the term of office at three financial years.

Subsequently, by implementing the slate voting system provided for by Article 11 of the By-Laws pro tempore, the Shareholders' Meeting appointed the Board of Directors of Aquafil. In particular, it should be underlined that 8 (eight) members of the Board of Directors were taken from the slate submitted by the shareholder Aquafin Holding, which qualified as the Majority Slate, and 1 (one) member was taken from the slate that qualified as the Minority Slate.

On May 31, 2024, the Board of Directors acknowledged the resignation of Independent Director Mr. Francesco Profumo, submitted as he had taken on other positions involving an excessive time commitment, effective that same date.

Following his resignation, in accordance with Article 2386, paragraph 1 of the Civil Code and with the approval of the Board of Statutory Auditors, the Board of Directors resolved to replace Director Mr. Francesco Profumo by co-opting Mr. Roberto Siagri as Independent Director, also effective May 31, 2024 until the next Shareholders' Meeting. The Board of Directors also verified that Mr. Roberto Siagri met the requirements for the office, in accordance with the applicable primary and secondary regulations, including the Corporate Governance Code, thus declaring that the new composition of the Board of Directors complied with the requirements of the law and the By-Laws. Specifically, the Board positively assessed the independence of Director Mr. Roberto Siagri, who was also appointed Chairperson of the Appointments and Remuneration Committee and member of the Control, Risks and Sustainability Committee. In this regard, it was recognized that Mr. Siagri also possessed adequate knowledge and experience in financial or remuneration policy matters. Meeting on the same date, the Board of Statutory Auditors acknowledged the Board of Directors' proper application of the criteria and procedure conducted to assess whether the co-opted Independent Director Mr. Roberto Siagri met the requirements in question.

Meeting in ordinary session on October 10, 2024, the Shareholders' Meeting resolved to appoint Mr. Roberto Siagri as a Director of the Company, pursuant to Article 2386 of the Civil Code, to supplement the Board of Directors until the date of approval of the financial statements for the year ending December 31, 2025. Mr. Sinagri had been appointed by co-option by the Board of Directors on May 31, 2024. On the same date, the Board of Directors once again verified that Mr. Roberto Siagri met the requirements for the office, in accordance with the applicable primary and secondary regulations, including the Corporate Governance Code, thus declaring that the new composition of the Board of Directors complies with the requirements of the law and the By-Laws. Specifically, the Board positively assessed the independence of Director Mr. Roberto Siagri, who was also confirmed as Chairperson of the Appointments and Remuneration Committee and member of the Control, Risks and Sustainability Committee, reaffirming that he possessed adequate knowledge and experience in financial matters or remuneration policies. Meeting on the same date, the Board of Statutory Auditors acknowledged the Board of Directors' proper application of the criteria and procedure conducted to assess whether the Independent Director Mr. Roberto Siagri met the requirements in question.

At December 31, 2024, the Board of Directors comprised, also in view of the gender balance regulation at Article 147-ter, paragraph 1-ter of the CFA, nine Directors, of whom three were executive, as follows:

Office	Name	Place and date of birth	Date of appointment
Chairperson	Chiara Mio	Pordenone, November 19, 1964	April 27, 2023
Chief Executive Officer	Giulio Bonazzi	Verona, July 26, 1963	April 27, 2023
Executive Director	Stefano Giovanni Loro	Bassano del Grappa (VI), April 17, 1965	April 27, 2023
Executive Director	Franco Rossi	Milan, November 2, 1959	April 27, 2023
Director	Silvana Bonazzi	Bussolengo (VR), February 27, 1993	April 27, 2023
Director	Patrizia Riva	Milan, July 10, 1970	April 27, 2023
Director	Ilaria Maria Dalla Riva	Pavia, November 20, 1970	April 27, 2023
Director	Francesco Bonazzi	Bussolengo (VR), June 23, 1994	April 27, 2023
Director	Roberto Siagri	Motta di Livenza (TV), June 20, 1960	May 31, 2024

The Board of Directors shall remain in office until the approval date of the 2025 Annual Accounts.

All members of the Board of Directors possess the standing requirements set out for control members with regulation of the Italian Ministry of Justice pursuant to Article 148, paragraph 4, of the CFA.

In addition, the Independent Directors Chiara Mio, Patrizia Riva, Ilaria Maria Dalla Riva and Roberto Siagri declared their independence in accordance with Article 147-ter, paragraph 4 of the CFA and Article 3 of the Code.

The Non-Executive and Independent Directors bring their specific expertise to Board discussions, contributing to the making of decisions in the Company's interest.

The Directors act and deliberate in a knowledgeable and independent manner, pursuing the creation of value for the shareholders. They execute the role in the certainty of having the necessary time available to diligently perform their duties.

The Chairperson coordinates activities and leads the Board of Directors' meetings and ensures that its members are informed appropriately in advance on the significant matters to be discussed and with regards to useful elements for constructive involvement, subject to necessity, urgency or confidentiality.

The Chairperson, in addition, through the competent company functions, ensures that the Directors are involved in initiatives which improve their knowledge of the entity and its dynamics and that they are informed upon major legislative and regulatory developments regarding the Company and the corporate bodies.

The table on the following page provides further clarifications regarding the composition of the Board of Directors.

The Company highlights that no specific policies were adopted in terms of diversity, although it points out that the appointments of the members of administrative and control boards were driven by also taking account — in addition to applicable legal provisions — of candidates' age (having therefore considered their possible experience and professional contribution) and individuals' training.

In any case, it should be noted that the composition of the Board of Directors complies with the provisions contained in Article 147-ter of the CFA on gender balance in the composition of the boards of listed companies.

The Board of Directors currently expects to be able to continue on this track in the year 2025.

Board of Directors

Office	Member	Year of birth	Date first appointment (*)	In office from
Chairperson	Chiara Mio	1964	27/04/2023	27/04/2023
Executive Director	Bonazzi Giulio	1963	27/07/2017	27/04/2023
Director	Stefano Giovanni Loro	1965	29/06/2021	27/04/2023
Director	Rossi Franco	1959	27/07/2017	27/04/2023
Director	Bonazzi Silvana	1993	27/07/2017	27/04/2023
Director	Francesco Bonazzi	1994	24/07/2023	27/04/2023
Director	Ilaria Maria Dalla Riva	1970	18/06/2020	27/04/2023
Director	Patrizia Riva	1970	27/04/2023	27/04/2023
Director	Roberto Siagri	1960	31/05/2024	31/05/2024
Directors leaving office in the year				
Director	Francesco Profumo	1953	27/07/2017	27/04/2023

Number of meetings held in the Reporting Period: 13

Control, Risks and Sustainability/RPT Committee: 9

Appointments and Remuneration Committee 5

For further information on the slates filed for the appointment of the Board of Directors reference should be made to the website of the Company www.aquafil.com, where the professional curricula vitae of each Director is available.

4.2.2 Maximum number of offices held in other companies

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 Company.

This decision was based on the Board's consideration that it was more appropriate for each Director to decide whether the office of Director or Statutory Auditor is compatible with positions held in other listed companies on regulated markets (including overseas), in financial, banking, insurance or large companies, with the diligent undertaking of their duties as Director of the Issuer.

This assessment is undertaken on an annual basis during the disclosures of the offices held by the Directors and, in the event of incompatibility arising, each Director will present to the Board any situations of accumulated offices not compatible which will be assessed on a case by case basis by the Board.

The assessment regarding the accumulation of positions was last conducted at the Board of Directors meeting on March 18, 2025.

4.2.3 Induction Programme

The Board meetings, for their content and frequency, permits the Directors to receive adequate information on the sector in which the Issuer operates, on the business operations and their performances, on the principles of correct risk management, as well as the relative regulatory framework.

The induction process began in 2018, when the Board of Directors met in Phoenix (Arizona), visiting one of the Group plants, so as to have a more practical understanding of one of the specific sectors in which the Issuer undertakes its activities and to better understand the underlying business operations and relative developments.

Subsequently, at the Board of Directors meeting of November 14, 2019, a plant visit was organised at Ljubljana (Slovenia) to concretely improve knowledge of the ECONYL® regeneration process, while training was also undertaken with an expert corporate governance lawyer on the main governance and risk management issues.

In office until	Board of Directors					Control, Risks and Sustainability Committee		Appointments and Remun. Committee		
	Slate (**)	Exec.	Non-Exec.	Ind. Code	Ind. CFA	No. other offices (***)	(*)	(**)	(*)	(**)
Approv. 2025 Accounts	1		X	X	X		X			
Approv. 2025 Accounts	1	X								
Approv. 2025 Accounts	1	X								
Approv. 2025 Accounts	1	X								
Approv. 2025 Accounts	1		X							
Approv. 2025 Accounts	1		X							
Approv. 2025 Accounts	2		X	X	X					X
Approv. 2025 Accounts	1		X	X	X		X		X	
Approv. 2025 Accounts	1		X	X	X		X		X	
31/05/2024	1		X	X	X		X		X	

The year 2020 was marked by the outbreak of the Covid-19 Pandemic. Therefore, the Board was only able to organise a training session with an expert corporate governance lawyer to discuss the main changes related to the entry into force of the New Corporate Governance Code.

In full continuity with the past, and given the increased focus on topics that are central to the Company's business, in 2022 a specific session was carried out on the topic of risk analysis and assessment.

On March 18, 2025, the Board approved an induction programme, which includes refresher sessions for Directors on i) market positioning, ii) competitor positioning, and iii) the organisational structures of major subsidiaries.

4.2.4 Board Evaluation

In the Appointments and Remuneration Committee meeting held on December 12, 2023, note was taken of the change to the 2020 Corporate Governance Code from the previous edition, which introduced a differentiated regime of the self-evaluation procedure with regard to large and concentrated ownership companies. Specifically, Recommendation 22 now provides that "Self-evaluation is conducted at least every three years, in view of the renewal of the Board of Directors. In large companies other than those with concentrated ownership, self-evaluation is conducted annually, and may also be carried out in a different manner over the term of the board, with consideration being given to employing an independent consultant at least every three years".

In view of this new wording of the Recommendation, the Committee then resolved "to propose to the Board of Directors not to carry out the self-evaluation at the end of the current year 2023, but to carry out an internal self-evaluation halfway through the Board's mandate, and a subsequent self-evaluation, by an external consultant, in view of the renewal of the Board".

Aquafil's Board of Directors approved the new self-evaluation procedure in accordance with the Committee's proposal, at its meeting on March 14, 2024.

The Board Evaluation for the first half of the Directors' term consisted of each Director completing a questionnaire to assess the composition and functioning of the Board and its Committees;

The questionnaire covered eight relevant macro areas: the size and composition of the Board; the functioning of the Board and interactions between Directors; roles, responsibilities and internal processes within the Board; the definition of strategic guidelines, results and performance; relations between the Board and Management; dialogue and engagement with the market; the Internal Control and

Risk Management System and functioning of the Control, Risks and Sustainability Committee; remuneration policies and the functioning of the Appointments and Remuneration Committee.

The results of this activity were analysed and summarised in a report, which was presented to the Appointments and Remuneration Committee during its meeting on March 18, 2025, and subsequently at the Board of Directors meeting held on the same date.

The purpose of the Board Evaluation was to reflect on the strengths, critical issues and - most importantly - on the future challenges facing the body, areas for improvement and concrete action that could be taken, especially given the reappointment of the Board scheduled for 2026.

The Board and Committees' self-evaluation of their size, composition, and functioning was positive. Every Director interviewed acknowledged the progress achieved by the Board of Directors. Specifically, the results of the Board Evaluation for the first half of the mandate highlighted:

- the smooth overall functioning of the Board, including compliance with current regulations and the Recommendations of the Corporate Governance Code;
- the presence of high-profile Directors with a wide range of technical and functional experience, overall knowledge and professional backgrounds;
- the effective definition of strategic guidelines, results and performance;
- a structured process for assessing operating performance, which is based on appropriate and timely information;
- a constructive and effective relationship between the Board, the Committees and the Board of Statutory Auditors;
- the way in which the role and functioning of committees allow discussion and analysis on in-depth aspects of significant issues;
- the effectiveness of the Internal Control and Risk Management System considering the particular characteristics of the Company and the risk profile assumed; Of particular note was the progress that has been made in the area of risk mapping, which is extremely relevant considering the specific operating environment.

4.3 Role of the Board of Directors (as per article 123-bis, paragraph 2, letter d of the CFA)

4.3.1 Powers attributed to the Board of Directors

The Board shall have the widest powers of ordinary and extraordinary administration of the Company, with the power to carry out all acts it deems appropriate for attaining the corporate scope, with the sole exclusion of those attributed by law to the Shareholders' Meeting.

The Board of Directors, in accordance with Article 2365, paragraph 2 of the Civil Code is also empowered to pass the following motions, without prejudice to the concurrent competence of the Shareholders' Meeting: (i) the opening and closing of secondary offices; (ii) the appointment of Directors as company representatives; (iii) the reduction of the share capital in the case of withdrawal of the shareholders; (iv) the transfer of the registered office within the national territory, (v) the merger of the Company in the cases established by Articles 2505 and 2505-bis of the Civil Code, also with regards to that stated, for spin-offs, by Article 2506-ter, final paragraph; and (vi) amendment of the By-Laws in accordance with regulatory provisions.

The Board has a central role in operating activities, overseeing the various functions and is responsible for the organisational and strategic guidelines, as well as for verifying the existence of the necessary controls to monitor the performance of the Issuer and the Group.

The remit of the Board includes the review and approval of the strategic, industrial and financial plans of the Issuer and of the Group, periodically monitoring their implementation. Specifically, in the Reporting Year, the business plan was approved at the meetings of February 15, 2024 and August 29, 2024.

The Board also defines the corporate governance system of the Issuer and the structure of the Group.

In accordance with the regulatory provisions and the Code, the Board reviews and approves in advance the Issuers' and its subsidiaries' operations, when having a significant strategic, economic or financial importance for the Issuer, paying particular attention to the situations in which one or more Directors have an interest on their own behalf or on behalf of third parties.

The Board has not established criteria for the identification of transactions which have significant strategic, economic, equity or financial importance for the Issuer, in that these transactions, where not within the powers conferred to the Chief Executive Officer, are within the remit of the Board.

This ensures that, with the exception of the powers expressly conferred to the Chief Executive Officer, the Board of the Issuer reviews and assesses the most significant transactions which guarantees constant monitoring of the operating performance and taking an active part in the principal business decisions.

The review and approval of the Business Plan is the sole responsibility of the Board of Directors, including on issues relevant to long-term value creation. The Board also periodically monitors the implementation of the Business Plan, reviewing actual results with budgets.

In relation to the management of conflicts of interest and related party transactions of the Issuer and of the Group, reference should be made to paragraph 13 below.

In compliance with Article 2381 of the Civil Code and the provisions of the Code, the Board periodically assessed the adequacy of the organisational, administration and general accounting system of the Issuer, with particular reference to the Internal Control and Risk Management System, in accordance with the procedures adopted by the Issuer.

In the undertaking of these activities the Board shall be assisted, on a case by case basis, by the Control, Risks and Sustainability Committee, the Internal Audit Manager and the Executive Officer for Financial Reporting, as well as the procedures and verifications implemented in accordance with Law 262/2005.

Simultaneously, the Board at least quarterly shall assess the general operating performance, taking into account, in particular, the information received from the Chief Executive Officer, as well as periodically, comparing the results with the budgets.

As of the date of this Report, the Shareholders' Meeting has not authorised any general and pre-emptive departure from the competition restrictions envisaged by Article 2390 of the Civil Code.

4.3.2 Procedures and frequency of board meetings

Meetings are held in accordance with the By-Laws and Regulation of the Board of Directors, as updated by the Board on August 29, 2024 to formally incorporate the recommendation of the Corporate Governance Committee regarding the indication of how employees may attend its meetings, which is available on the Company's website.

The validity of Board motions requires the presence of a majority of its members in office, with motions passed by a majority of those present.

The Board of Directors elects a Chairperson from among its members, who remains in this position for the duration Board of Directors.

As per Article 12 of the By-Laws, the Board of Directors may delegate part of its powers to an Executive Committee, determining the limits of such mandate as well as the number of members of the committee and its operating procedures.

The Board of Directors may appoint one or more Executive Directors, granting them the relevant powers and conferring to one of them, where applicable, the role of Chief Executive Officer. In addition, the Board of Directors may also establish one or more committees with consulting, advisory, or audit functions in accordance with applicable laws and regulations. The Board of Directors may also appoint General Managers, defining their powers and granting powers of attorney to third parties for certain acts or categories of acts.

Under Article 13 of the By-Laws, the Board of Directors meets at the Company's registered office or another location, whenever the Chairperson deems it necessary or whenever a request is made by the Chief Executive Officer, if appointed, or by at least two of its members or by the Board of Statutory Auditors.

The calling of the Board of Directors is made by the Chairperson or, if absent, by the Chief Executive Officer, with notices to be sent, by letter, telegram, fax or email with proof of receipt, to the domicile address of each Director and Statutory Auditor at least five days before the date set for the meeting; in case of urgency, the calling of the Board of Directors may be made at least two days before the date set for the meeting. The meeting of the Board and its motions are valid, even in the absence of formal call, where all Directors in office and the majority of the Board of Statutory Auditors are in attendance, as long as the absent members of the Board of Statutory Auditors have been informed in advance of the meeting and are not opposed. In these cases (i) any of the attendees may oppose the discussion and voting of the matters on which they have not been adequately informed; and (ii) the motions undertaken should be communicated in a timely manner to the absent Statutory Auditors. In the absence of the Chairperson, the chair of the meeting is assumed by the Chief Executive Officer, if appointed, or failing that the most senior Director.

At the Extraordinary Shareholders' Meeting held on April 23, 2024, an amendment was made to the By-Laws. Among other matters, this sought to legitimise the conduct of the Shareholders' Meeting, the Board of Directors, the Committees and the Board of Statutory Auditors without the Chairperson needing to be present at the same location as the minute-taker, and to provide for the option to call meetings of the aforementioned bodies without establishing a physical location.

Following this amendment, meetings of the Board of Directors may also be held by audio or video conference, provided that: (i) the Chairperson of the meeting is able to verify the identity of the participants, direct the course of the meeting and witness and announce the results of the vote; (ii) that the person taking the minutes is able to adequately observe the events of the meeting that is the subject of the minutes; and (iii) that participants are able to follow the discussion and the simultaneous voting on the matters on the Agenda, as well as view, receive or transmit documents. The meeting is deemed to be held in the place where the person taking the minutes is present. The call notice may stipulate that the meeting shall be held exclusively by telecommunication means, omitting an indication of the physical location of the meeting.

The Board of Directors, after prior mandatory consultation with the Board of Statutory Auditors, shall appoint an Executive Officer responsible for the preparation of the financial statements, in accordance with Article 154-bis of the CFA (the Executive Officer for Financial Reporting), granting this person the adequate means and powers for the accomplishment of the tasks assigned.

In 2024, the Board of Directors met on 13 occasions, with an average meeting duration of approx. 98 minutes and a 96% attendance rate.

For 2025, the Board of Directors has already met twice (including the meeting held today) and are expected to meet at least three more times (according to that stated in the approved financial calendar).

The meetings were appropriately minuted.

The Chairperson of the Board of Directors ensured that the documentation relating to the matters on the Agenda was made available to the Directors and Statutory Auditors with sufficient time before the date of each Board meeting. The timeliness and completeness of the pre-meeting information is ensured by sending the supporting documentation - in compliance with the provisions of the Regulation of the Board of Directors - at least three days before the date of the Board meeting, except in urgent cases in which the documentation is made available with the best possible timeliness by giving notice by that date. This timeframe was always respected, reporting an average of three days in advance, while aiming for four days in order to meet the Issuer's firm commitment to make pre-meeting information flows increasingly efficient.

In addition, the Chairperson of the Board ensured that sufficient time was provided to the matters on the Agenda in order that all the Directors may contribute, thereby guaranteeing, constructive debate in the Board meetings.

Executives of the Issuer attended Board meetings in order to provide detailed information on matters on the Agenda.

In general, the Chief Executive Officer ensures that the Executives are available to attend Board meetings so that valuable contributions may be made, in particular for the Non-Executive Directors to acquire adequate information on the operations of the Issuer.

The Executive Officer for Financial Reporting appointed normally attends the Board of Directors' meetings.

4.4 Executive bodies

In accordance with the By-Laws, the Board of Directors may delegate part of its powers to an Executive Committee, determining the limits of such mandate, as well as the number of members of the committee and its operating procedures.

Under Article 12.3 of the By-Laws, the Board of Directors may appoint one or more Executive Directors, granting them the relevant powers and conferring to one of them, where applicable, the role of Chief Executive Officer. In addition, the Board of Directors may also establish one or more committees with consulting, advisory, or audit functions in accordance with applicable laws and regulations. The Board of Directors may also appoint General Managers, defining their powers and granting powers of attorney to third parties for certain acts or categories of acts.

Under Article 12.4 of the By-Laws, the Chairperson of the Board of Directors is the legal representative of the Company in dealings with third parties and in legal matters (with the right to appoint lawyers and attorneys-of-record). Representation also rests with the Directors who have delegated powers granted by the Board of Directors, with the General Managers, proxies and attorneys-in-fact, within the limits of the powers conferred to them.

4.4.1 Chief Executive Officer

The resolution of April 27, 2023 appointed Mr. Giulio Bonazzi as Chief Executive Officer, primarily responsible for the management of the Issuer.

Powers of the Chief Executive Officer Giulio Bonazzi

All powers for the Company's ordinary and extraordinary administration (with the sole exception of those that the By-Laws, the law or the Self-Governance Code reserve exclusively to the Board of Directors and the Shareholders' Meeting). In particular, Director Giulio Bonazzi is granted, including, and without limitation, full powers to manage the following areas, activities and corporate functions:

- a) commercial, promotional, marketing and communication activities;
- b) production and logistics activities;
- c) financial and operational purchasing and/or sale and/or trade and/or leasing activities, and in any case, including through the signing of related lease and/or lease of use contracts and/or any contract, document or instrument required, of (a) movable assets (including those registered), (b) real estate, (c) services of any type and nature, (c) utilities, (d) rights and obligations of any nature and type, and (e) in any case, all that is deemed necessary by the Director for the Company's management;
- d) the acquisition and/or sale of corporate holdings of any type up to a maximum of Euro 25,000,000 per transaction and the disposal of the Company's strategic assets up to a maximum of Euro 25,000,000 per transaction, together with the establishment and dissolution and/or the liquidation of investee companies;
- e) activities related to financial transactions, including, without limitation: (i) to request and obtain bank credit facilities and/or short, medium and long-term financing of any kind and nature; (ii) to open, close and change bank current accounts of any kind and to make deposits and withdrawals (by obtaining associated instruments such as bank cheques or bank drafts and any other instrument deemed necessary for this purpose); (iii) to submit, recall or defer bills of any kind for discount or collection; (iv) to carry out factoring transactions of any form and type; (v) to grant, where necessary and/or required for financing activities, any and all kinds of guarantor, guarantee and any other type of commitment, including collateral security, both on real estate and movable assets (including, but not limited to, the creation of liens and mortgages, etc.);
- f) activities related to the assumption of guarantor and/or guarantee commitments of any kind in respect of third parties to guarantee the obligations assumed by the Company's subsidiaries (directly or indirectly) or the obligations assumed by third parties, up to a maximum of Euro 15,000,000 per transaction;
- g) activities connected to the issue of declarations of conformity (and/or any associated or related declaration) for products marketed by the Company;
- h) activities related to any operation or fulfilment of any kind and nature, to be carried out with both national and international government entities at all levels, supervisory authorities and/or surveillance authorities;
- i) to represent the Company in court and out of court in all matters and before national and international courts of all types and at all levels, both as the plaintiff and the defendant, with the power (without limitation) to appoint lawyers, attorneys-of-record, consultants and arbitrators, elect domicile, file complaints and lawsuits, bring civil actions, propose petitions and appeals, undertake and request procedural acts or protective, executive and insolvency measures, represent the Company in court whenever the law or the court requests the participation of the Company's legal representative, and to confer all powers upon any appointed attorneys-of-record, including the definition of rights in disputes, with the power to reconcile, settle, issue receipts, withdraw from proceedings, accept waivers and perform any other necessary act;

- j) to represent the Company at the Shareholders' Meeting of Italian and foreign investee companies, in any jurisdiction; and
- k) activities related to personnel management in all respects, including, but not limited to, recruitment, dismissals, changes to any type of role, grading, duties and remuneration, as well as in connection with the management of trade union relations of all types and levels;

all this: (a) with the Company's representation for all purposes, within the scope of the powers conferred, in respect of any third party, including, without limitation, any national or international authority, including, without limitation, civil, administrative, judicial, social security and insurance Authorities or Entities of any level, as well as tax and registry offices and, in general, the State Financial Administration, the central and peripheral offices of the Cassa Depositi e Prestiti (Deposit and Loan Bank), State Treasuries, Regions, Provinces and Municipalities as well as regional or trade Industrial Associations; (b) with the power to confer mandates and grant powers of attorney, according to the terms deemed most suitable by the Director, for individual acts or categories of acts (or matters), within the scope of the powers conferred, as well as to revoke and/or modify them; (c) with all the necessary, useful or appropriate powers, without any limitation and including those not expressly mentioned, for the purposes of exercising the powers conferred, including, but not limited to, the power to sign, supplement and amend any and all deeds, attestations, declarations or documents and to perform all acts and actions that may be necessary, useful or even solely suitable for this purpose.

4.4.2 Executive Committee

Under Article 12.2 of the By-Laws, the Board may delegate some of its powers to an Executive Committee, determining the limits of the mandate, as well as the number of members and the operating procedures.

Pursuant to Article 2389 of the Civil Code, the remuneration of the Executive Committee members is to be decided by the Shareholders' Meeting.

At the Reporting date, an Executive Committee had not been established.

4.4.3 Reporting to the Board of Directors

Pursuant to Article 14.5 of the By-Laws, the Board of Directors and the Board of Statutory Auditors are kept informed, inter alia by the persons with delegated powers, about the performance of the Company, its prospects and the transactions of greatest significance for its profitability, financial position or assets and liabilities carried out by the Company or its subsidiaries; in particular, such persons report any transactions in which they have an interest, on their own behalf or on behalf of third parties, or that are influenced by the person, if any, who performs management and coordination activities. The communication shall be made in good time and, in any case, at least on a quarterly basis, either on the occasion of a meeting or by means of a written note.

From the beginning of his mandate, at least on a quarterly basis, the Chief Executive Officer reported in an adequate and timely manner to the Board of Directors and the Board of Statutory Auditors on the activities undertaken concerning the powers conferred and in a manner to permit the Board to express opinions in an informed manner on the matters under examination.

4.5 Other directors with delegated duties

At the date of this Report, beyond the Chief Executive Officer, no other Directors have been attributed delegated duties.

4.6 Independent Directors

Pursuant to the combined provisions of Articles 147-ter, paragraph 4, and 148, paragraph 3, of the CFA and in accordance with the requirements of Article 2.2.3, paragraph 3, letter m) of the Stock Exchange Regulation and Article IA.2.10.6 of the Stock Exchange Instruction Regulation, four Independent Directors currently hold office on the Board of Directors, in the persons of Chiara Mio, Patrizia Riva, Ilaria Maria Dalla Riva and Roberto Siagri.

The Board of Directors assesses the existence and permanence of the requirements above, also applying all the criteria as per the Code, on the basis of the information that the parties are required to provide under their own responsibility, or of the information available to the Board of Directors.

The Board of Directors' resolution of February 15, 2024 approved the Regulations on Quantitative and Qualitative Criteria for Assessing the Independence Requirements of Directors and Statutory Auditors.

The following is an excerpt from the Regulations:

"Aquafil believes that any additional commercial, financial or professional assignments with Relevant Persons, including relationships with their Close Family Members, undermine the independence of Independent Directors and Statutory Auditors. Therefore, it prohibits the granting of any assignment to those individuals or their Close Family Members".

With reference to the Board of Directors currently in office, upon assuming office on April 27, 2023 and at least once a year (most recently at the meeting of March 18, 2025), the Board carried out the necessary checks on the fulfilment of the independence requirements for the aforementioned Directors, including on the basis of the Regulation on the quantitative and qualitative criteria for assessing the independence requirements of Directors and Statutory Auditors approved on February 15, 2024.

Each Independent Director provided all the elements necessary or useful for the Board's assessments.

In making the above assessments, the Board has considered all available information (particularly that provided by the Directors being evaluated), assessing all circumstances that may compromise independence identified by the CFA and the Code, and has applied (among others) all the criteria set forth in the Code with reference to Director independence.

The Board of Statutory Auditors verified the correct application of the criteria and procedures adopted by the Board of Directors to assess the independence of its members on March 18, 2025.

During the Reporting Period, the Independent Directors met on two occasions under the coordination of the Independent Chairperson of the Board Ms. Chiara Mio. Although the Corporate Governance Code provides that only at large companies shall the Independent Directors meet, in the absence of the other Directors, on a periodic basis and in any event at least once a year, to assess matters deemed of interest with respect to the operation of the Board of Directors and the management of the Company, the Aquafil Independent Directors saw fit to make this assessment on February 20, 2025. The Independent Directors gave a favourable opinion on the functioning of the administration body and company management, which was considered appropriate considering the size of the Company. The Independent Directors also asked the Board to adopt an induction plan, which was approved on March 18, 2025.

4.7 Chairperson of the Board of Directors

The Board of Directors meeting on April 27, 2023 appointed Ms. Chiara Mio, Independent Director, as Chairperson of the Board of Directors.

As of the date of this Report, the Chairperson is not the Company's Chief Executive Officer, has not received management or delegated powers in the development of corporate strategies, and is not the Issuer's controlling shareholder.

Since the conditions set forth in Recommendation 13 of the Corporate Governance Code are not met, the Board has decided not to appoint a Lead Independent Director.

4.8 General Manager

As of the date of this Report, the Board of Directors has not appointed a General Manager.

5. PROCESSING OF CORPORATE INFORMATION

Following the review and update of the procedures regarding the handling of corporate information with the support of external legal counsel in order to take into account the new regulatory changes and Consob Guidelines, on February 14, 2020, the Board of Directors adopted the new version of the following procedures: (i) the Relevant Information Processing Policy ("**RIL**"); and (ii) the Inside Information Processing Policy, reviewing the previous regulatory framework as approved by the Board of Directors on September 12, 2017 and entering into force on the Effective Merger Date.

It is indicated therefore that at the date of this Report, the following procedures are in force:

- (i) Relevant Information Processing Policy;
- (ii) Inside Information Processing Policy; and
- (iii) Internal dealing code of conduct.

5.1 Relevant Information Processing Policy

The objective of the Relevant Information Processing Policy (“**Relevant Information Policy**”) is to set the maximum level of confidentiality for information for which - as established by the Consob Guidelines and the Relevant Information Policy - there is a reasonable possibility that at a later date it may come at an inside nature.

The Relevant Information Policy therefore governs the identification of “Relevant Information” of Addressees (as therein defined) and the definition of the “List of Relevant Information”.

A copy of the Relevant Information Policy is available on the website of the Company www.aquafil.com in the Procedures and Regulations section.

5.2 Inside information Processing Policy

The purpose of the Inside Information Processing Policy (the **Inside Information Processing Policy**) is to prevent the release of Inside Information (as defined below) in an untimely, incomplete or inadequate manner, or in any case in such a way as to cause asymmetric information within the market.

In particular, the dissemination of Inside Information, as governed by the aforementioned Inside Information Processing Policy protects the market and investors, assuring them adequate knowledge of the events concerning the Issuer on which to base their investment decisions.

It is also the objective of the Policy to prevent certain persons or categories of persons from using information not known to the public to make speculative transactions on the markets to the detriment of the investors without knowledge of such information.

A copy of the Inside Information Processing Policy is available on the website of the Company www.aquafil.com in the Procedures and Regulations section.

5.3 Internal Dealing Code

In compliance with the provisions of the MAR Regulation, the Company adopted an Internal Dealing Policy, which is available on the Company website www.aquafil.com in the Procedures and Regulations Section.

This Code of Conduct was updated by a Board of Directors’ resolution dated May 14, 2024, following the repeal of Article 114, paragraph seven, of the CFA with Law No. 21 of March 5, 2024.

In accordance with the provisions of the Internal Dealing Policy, the Disclosure Officer is the person appointed for the implementation of the above-mentioned Policy and the updating of the list of Covered Persons.

In this regard, the Board of Directors of the Issuer confirmed the appointment of Ivan Roccasalva as Disclosure Officer on April 27, 2023.

6. INTERNAL COMMITTEES TO THE BOARD OF DIRECTORS (AS PER ARTICLE 123-BIS, PARAGRAPH 2, LETTER D), OF THE CFA)

The Board of Directors of Aquafil have set up the following committees:

- Control, Risks and Sustainability Committee;
- Appointments and Remuneration Committee.

The Board has not indicated the need to currently establish a Related Party Transactions Committee, as such oversight is provided by the Control, Risks and Sustainability Committee.

7. APPOINTMENTS AND REMUNERATION COMMITTEE

7.1 Composition and operation (as per article 123-bis, paragraph 2, letter d) of the CFA)

In accordance with Article 2.2.3, paragraph 3, letter n) of the Stock Exchange Regulation, applicable to issuers with shares traded on the Euronext, STAR segment, as well as in accordance with the provisions of Article 6 of the Code, the Board of Directors of the Company set up an Appointments and Remuneration Committee.

Board of Directors motion of April 27, 2023 appointed as members of the Appointments and Remuneration Committee the following Non-Executive Directors, all of whom independent: Francesco Profumo, Patrizia Riva, Ilaria Maria Dalla Riva.

As further described in Section 4.1, on May 31, 2024, the Board of Directors co-opted Mr. Roberto Siagri to replace Mr. Francesco Profumo, also appointing the former as Chairperson of the Appointments and Remuneration Committee. On October 10, 2024, the Shareholders' Meeting then appointed Mr. Roberto Siagri as a member of the Board. At the Board meeting held after the Shareholders' Meeting, he was confirmed as Chairperson of the Committee.

The Appointments and Remuneration Committee is therefore currently composed as follows:

Chairperson	Roberto Siagri (*)
Member	Patrizia Riva
Member	Ilaria Maria Dalla Riva

(*) Person with adequate financial and remuneration policy knowledge and experience, as assessed by the Board of Directors meeting of May 31, 2024 and again by the meeting of October 10, 2024.

The meetings of the Appointments and Remuneration Committee are coordinated by its Chairperson and minutes of the meetings are kept. The Chairperson regularly provided information on the meetings held by the Committee at the next Board of Directors' meeting.

In 2024, the Appointments and Remuneration Committee met five times; the meetings lasted on average approx. 52 minutes and with full participation (i.e. 100% attendance).

The work of the Appointments and Remuneration Committee was always attended by the entire Board of Statutory Auditors, with the exception of one meeting at which one Statutory Auditor was absent with justification.

In accordance with the combined provisions of Article 2.2.3, paragraph 3, letter n) of the Stock Exchange Regulation - applicable to the issuers with shares traded on Euronext, STAR segment - and the Code, no Director takes part in the meetings of the Appointments and Remuneration Committee in which the proposals to the Board of Directors relating to their remuneration are being discussed.

In 2025, at the Reporting Date, the Appointments and Remuneration Committee has met on four occasions - on January 9, February 18 and March 13 and March 18.

7.2 Appointments and remuneration committee duties and activities

The Regulations for the functioning of the Appointments and Remuneration Committee were updated, also in order to align them where necessary with the provisions of the new Corporate Governance Code, and were approved by the Board of Directors on March 11, 2021. On March 14, 2023, an amendment to the Regulation was introduced to specify how executives are to attend Committee meetings.

In accordance with the Regulation, the Committee comprises three Independent Directors, or alternatively, Non-Executive Directors, the majority of whom independent, from among whom the Chairperson will be chosen; as per this regulation, in addition, the members of the Committee should have appropriate expertise to execute the duties required of them and at least one member of the Appointments and Remuneration Committee should possess adequate knowledge and experience with regards to finance and remuneration policies, and as assessed by the Board of Directors on appointment.

The Appointments and Remuneration Committee, with regards to appointments, supports the Board of Directors with investigative, proposal and consultation duties. Specifically:

- (i) it assists the Board in defining and preparing any criteria for the designation of the parties at point (ii) below, as well as the Board of Directors of the subsidiaries;
- (ii) it draws up opinions for the Board of Directors in relation to the size and composition of the Board and expresses recommendations on the professional roles whose presence on the Board of Directors is considered beneficial, and also with regards to the following matters:
 - a) maximum number of Director or Statutory Auditor positions in other companies compatible with the effective performance of the position of Director with the Company, taking account of the participation of Directors on internal Board Committees. It therefore sets out general criteria based on the commitment related to each role (Executive Director, non-executive or independent), also in relation to the nature and to the size of the companies, as well as whether belonging to the Group. The committee also carries out investigative work with regards to the relative periodic checks and assessments.
 - b) assessments upon each matter or issue handled by the Board with regards to authorisation by the Shareholders' Meeting of any exceptions to the non-competition requirement under Article 2390 (non-competition requirement);
- (iii) reports to the Board its assessment with regards to the appointment of Senior Executives and members of the Company's Boards and bodies, proposed by the Chief Executive Officer and/or by the Chairperson of the Board of Directors, appointed by the Board and oversees the relative succession plans. Where possible and appropriate, in relation to the ownership structure, proposes to the Board the Chief Executive Officer succession plan;
- (iv) it supports the Board in drawing up, updating and implementing the succession plan, if any, for the Chief Executive Officer and Senior Executives of the Company, by examining and assessing the criteria underlying the plan;
- (v) proposes to the Board directorship candidates where during the year one or more vacancies arises on the Board (Article 2386, first paragraph of the Civil Code), ensuring compliance with the minimum number of Independent Directors requirement and the under-represented gender quota;
- (vi) proposes to the Board candidates for the position of Director to be submitted to the Shareholders' Meeting, taking into account any recommendation received from the shareholders, where it is not possible to obtain the required number of Directors from the slates submitted by the shareholders;
- (vii) supervises the self-evaluation of the Board and its Committees pursuant to the Corporate Governance Code, with regard to the size, composition and functioning of the Board of Directors and its committees, undertaking the preliminary investigation for the appointment, if necessary, of an external consultant for the self-evaluation;
- (viii) taking account of the results of the self-evaluation, draws up opinions for the Board - in view of the renewal of the Board of Directors - with regards to its size and that of its Committees, and also with regards to the managerial and professional expertise and roles which would support the Board or the Committees to express their position to the shareholders before the appointment of the new Board;
- (ix) undertakes the investigations required for the periodic verifications upon the independence and standing requirements of Directors and on the absence of reasons for incompatibility or ineligibility;
- (x) draws up an opinion for the Board with regards to any activities carried out by Directors in competition with those of the Company;
- (xi) reports to the next appropriate Board meeting, through the Chairperson of the Committee, on the main issues reviewed by the Committee at its meetings; in addition, reports to the Board, on at least a half-yearly basis and not beyond the deadline for approval of the annual and half-year financial reports, on the activities carried out, and also on the adequacy of the appointment system, at the Board meeting indicated by the Chairperson of the Board of Directors.

The Appointments and Remuneration Committee is also assigned the duty, with regards to remuneration, to assist the Board of Directors through investigative, proposal and consultation duties, for the evaluations and decisions concerning the remuneration policy of Senior Directors and Senior Executives. Specifically:

- (i) it periodically assesses the suitability, overall consistency and real application of the remuneration policy for Directors and Senior Executives. In the latter regard, it makes use of information provided by the Chief Executive Officers; formulates proposals to the Board of Directors on this matter, also with reference to the Board of Directors of the subsidiaries;
- (ii) it presents proposals or expresses opinions to the Board of Directors on the remuneration of Executive Directors and other Senior Directors, as well as establishing the performance targets related to the variable component of this remuneration; assesses the possibility of establishing long-term incentive plans for Executive Directors and Senior Executives; monitors the application of the decisions adopted by the Board verifying, in particular, the achievement of the performance targets;
- (iii) it reviews in advance the annual remuneration report to be made available to the public at the Shareholders' Meeting for approval of the Annual Financial Statements;
- (iv) it carries out additional duties assigned by the Board of Directors.

The Appointments and Remuneration Committee may access all information and departments necessary for the undertaking of their duties, as well as utilising outside consultants within the budget approved by the Board of Directors. In this latter regard, where wishing to utilise the services of a consultant for information on remuneration policy market practice, the Committee in advance verifies that such consultants are not in a position whereby their independence of judgement may be affected.

8. REMUNERATION OF DIRECTORS AND SENIOR EXECUTIVES

The remuneration of the Directors is established by the Shareholders' Meeting. Pursuant to Article 15 of the By-Laws, the Shareholders' Meeting may determine the total amount of the remuneration of all of the Directors, including Senior Directors, whose division is established by the Board of Directors, having consulted with the Board of Statutory Auditors, for the remuneration of the Senior Directors pursuant to Article 2389 of the Civil Code.

For information on the remuneration policy adopted by the Issuer and the remuneration of the members of the Board of Directors and Senior Executives, reference should be made to the Remuneration Report prepared pursuant to Article 123-ter of the CFA and 84-quater of the Issuers' Regulation available on the company website at www.aquafil.com.

Please also see the first section of that Report for details of the Remuneration Policy proposed for FY 2025, and the second section of that Report for information on the implementation of the Remuneration Policy in the Reporting Year.

9. CONTROL, RISKS AND SUSTAINABILITY COMMITTEE

9.1 Composition and operation (as per article 123-bis, paragraph 2, letter d) of the CFA)

In accordance with the combined provisions of Article 2.2.3, paragraph 3, letter o) of the Stock Exchange Regulation, applicable to issuers with shares traded on the Euronext, STAR segment, as well as in accordance with the provisions of the Code, the Board of Directors internally set up a Control, Risks and Sustainability Committee.

The Board of Directors resolution of April 27, 2023 appointed the Directors Chiara Mio, Francesco Profumo and Patrizia Riva as members of the Control, Risks and Sustainability Committee. The Board also appointed Ms. Chiara Mio as Chairperson of the Committee. Subsequently, Ms. Chiara Mio resigned her position as Chairperson of the Committee, partly to avoid a concentration of offices, while still remaining on the Committee as a member.

The Board of Directors resolution of August 31, 2023 appointed Ms. Patrizia Riva as Chairperson of the Committee, without changing its composition.

As further described in Section 4.1, on May 31, 2024, the Board of Directors co-opted Mr. Roberto Siagri to replace Mr. Francesco Profumo, also appointing the former as a member of the Control, Risks and Sustainability Committee. On October 10, 2024, the Shareholders' Meeting then appointed Mr. Roberto Siagri as a member of the Board. At the Board meeting held after the Shareholders' Meeting, he was confirmed as a member of the Committee.

The Control, Risks and Sustainability Committee is therefore currently composed as follows:

Chairperson	Patrizia Riva
Member	Roberto Siagri
Member	Chiara Mio (*)

(*) Person with adequate knowledge and experience in sustainability as well as in accounting, finance and risk management, as reviewed by the Board of Directors meeting of April 23, 2023.

On August 28, 2020, the Board of Directors supplemented the functions of the committee on sustainability matters by approving the new Committee Rules.

The meetings of the Control, Risks and Sustainability Committee were coordinated by its Chairperson and duly recorded in the minutes; the Chairperson of the Board of Statutory Auditors and at least one other member of the Board of Statutory Auditors attended these meetings.

In FY 2024, the Committee met nine times, of which three times as the Related Parties Committee. The average length of the meetings was approximately 93 minutes and the average attendance was 100%.

In 2025, the Committee has already held three meetings - on February 20, March 13 and March 18.

9.2 Functions assigned to the committee and activities carried out

The Regulations for the functioning of the Control, Risks and Sustainability Committee was updated during 2020, in particular for the inclusion of the functions relating to sustainability, and approved by the Board of Directors on August 28, 2020.

The Regulations were subsequently updated, also to align them where necessary with the provisions of the new Corporate Governance Code, and approved by the Board of Directors on February 17, 2021. On March 14, 2023, an amendment to the Regulation was introduced to specify how executives are to attend Committee meetings.

In accordance with the Committee regulation, it supports the Board of Directors, with appropriate investigative activity, in their assessments and decisions concerning the Internal Control and Risk Management System, and with regards to the approval of the periodic financial reports.

The Committee also assists the Board of Directors with regard to its duties concerning (i) the drawing up of the Internal Control and Risk Management System guidelines, so as to ensure that the principal risks concerning the Company and its subsidiaries may be correctly identified, adequately measured, managed and monitored, establishing the basis for whether such risks are compatible with a sound and correct management of the company according to the identified strategic objectives; (ii) the periodic verification, undertaken at least annually, upon the adequacy and efficacy of the internal control and risk management system according to the specific characteristics of the Company and the risk profile assumed; (iii) the description, in the corporate governance report, of the principal characteristics of the internal control and risk management system and the means for co-ordination among the parties involved, to assess its adequacy; (iv) the assessment, having consulted the Board of Statutory Auditors, of the results of the Independent Auditors' Report and any letter of recommendations and in the report of fundamental questions established during the audit; (v) the management of risks from impacting events which the Board becomes aware of, supporting, through appropriate investigative actions, the assessments and decisions of the Board of Directors, (vi) the approval, at least annually, of the work plan drawn up by the Internal Audit Manager, having consulted the Board of Statutory Auditors and the Director in charge of the Internal Control and Risk Management System.

The Control, Risks and Sustainability Committee in accordance with the Self-Governance Code, in assisting the Board of Directors:

- (i) evaluates, together with the Executive Officer for Financial Reporting and having consulted the independent audit firm and the Board of Statutory Auditors, the correct application of the accounting standards and their uniformity for the preparation of the consolidated financial statements;
- (ii) defines the control mechanisms to verify compliance with the duties allocated and periodically monitors their functioning, reporting in a timely manner any irregularities to the Board of Directors;
- (iii) expresses opinions on specific aspects concerning the identification of the principal corporate risks;
- (iv) examines the periodic reports, concerning the assessment of the Internal Control and Risk Management System, and those of particular importance, prepared by the Internal Audit Department;

- (v) monitored the independence, adequacy, efficacy and efficiency of the Internal Audit department;
- (vi) may request the Internal Audit department to carry out verifications on specific operational areas, simultaneously communicating such to the Chairperson of the Board of Statutory Auditors;
- (vii) reports, at least every six months, on the approval of the annual and half-year accounts, to the Board of Directors on the work carried out and on the adequacy of the Internal Control and Risk Management System;
- (viii) expresses opinions on the appointment, revocation, remuneration and budget made available to the Internal Audit Manager;
- (ix) carries out additional duties assigned by the Board of Directors.

The Committee, in exercising its duties, may access the information and departments necessary to complete their tasks, as well as utilise, at the expense of Aquafil and to the extent of the budget approved by the Board of Directors, outside consultants where their independence of judgment is not affected.

Other duties assigned to the Control, Risks and Sustainability Committee functions are set out in paragraph 12 below, including the assigned duties of the Related Parties Committee under the Procedure for Related Party Transactions.

On March 13 and March 18, 2025, the Committee assessed the correct utilisation of the accounting policies and their uniformity in the preparation of the financial statements for the period and planned the constant review of the advancement of the projects for the review of the organisation systems and models of the Group, of the Internal Control and Risk Management System as well as in this context, the completion of the 2024 audit plan and the compliance controls undertaken in accordance with Law 262/2005 and Legislative Decree No. 231/2001 and subsequent amendments.

During the meetings held the Committee discussed the most appropriate initiatives in relation to its own remit and functions, within a progressive improvement of the Internal Control and Risk Management System in order to ensure maximum efficiency and security of the system.

The meetings of the Committee will largely be undertaken simultaneously with the meetings of the Board of Statutory Auditors of the Issuer and in the presence of the members of the Board of Statutory Auditors, of the Executive Officer for Financial Reporting and the Internal Audit Manager and, where beneficial, also with the participation of a representative from the independent audit firm. The presence of these control and oversight bodies is expected to permit the communication and discussion of the principal aspects relating to the identification of the business risks.

In the carrying out of its functions, the Committee has and will have full access to the information and to the corporate functions necessary for the carrying out of its remit.

10. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM (AS PER ARTICLE 123-BIS, PARA. 2, LETTER 3) OF THE CFA)

The Internal Control and Risk Management System consists of a set of rules, procedures and organizational structures aimed at the effective and efficient identification, measurement, management and monitoring of the main risks, in order to contribute to the sustainable success of the Company.

The Board of Directors defines the guidelines of the Internal Control and Risk Management System in line with the Company's strategies, and evaluates its adequacy and effectiveness on an annual basis.

The organisation of the Internal Control and Risk Management System involves, each to the extent within their remit: (a) the Board of Directors, which plays a role in guiding and evaluating the adequacy of the system; (b) the Chief Executive Officer, who is responsible for establishing and maintaining the Internal Control and Risk Management System; and (c) the Control, Risks and Sustainability Committee, established within the Board of Directors, which is responsible for supporting the board's evaluations and decisions related to the Internal Control and Risk Management System and the approval of periodic financial and non-financial reports.

We note that the roles and responsibilities of the administrative, management, and supervisory bodies in overseeing procedures to manage relevant risks, impacts, and opportunities are reported in the Sustainability Statement.

Introduction

An effective Internal Control and Risk Management System contributes to ensuring the protection of corporate assets, the efficiency and effectiveness of business operations, the reliability of financial reporting and compliance with laws and regulations.

Aquafil S.p.A.'s financial disclosure risk management and control system is designed to significantly mitigate risks related to the reliability, accuracy, timeliness and trustworthiness of financial disclosure.

Methodological approach

Aquafil's system of control and risk management in relation to financial disclosure is part of a wider internal control environment that provides for a number of safeguards. These include the Aquafil Group's Code of Conduct and the Organisation, Management and Control Model pursuant to Legislative Decree No. 231/01, the code of conduct on internal dealing and the procedure for related party transactions, in addition to a system of proxies and powers of attorney.

Specifically, the system consists in operating instructions on reporting and sharing calendars related to the various closing periods, communicating to the various corporate functions involved the main operating methods for managing the preparation of financial statements according to defined and shared deadlines, in addition to the use of software common to the main companies of the Aquafil Group.

Phases of risk management and internal control in relation to financial disclosure

As part of the internal control system for the financial disclosure process, the risk management system is designed to ensure the reliability, accuracy, trustworthiness and timeliness of financial disclosure. This allows managers to have on a regular and timely basis a sufficient overview of the economic and financial situation of the Company and of the main companies of the Group and soundly and correctly facilitates: (i) the monitoring of the main key performance indicators and risk factors that relate to the Company and to the main Group companies; (ii) the collection of data and information with particular reference to financial information, in adequate quantities for analysis according to type of business activity, organisational complexity and specificity of the information needs of management; (iii) the development of prospective financial data for the business plan and the budget, as well as for the verification of the meeting of business objectives through an analysis of variances.

In 2024, the Board of Directors, among other issues:

- approved the work plan drawn up by the Internal Audit Manager, after review by the Board of Statutory Auditors and the Director in charge of the Internal Control and Risk Management System (Director in charge of the Internal Control and Risk Management System);
- assessed, having consulted the Board of Statutory Auditors, the results presented by the independent audit firm.

In addition, work continued in FY 2024 to strengthen the Internal Control and Risk Management System by identifying corrective actions, follow-ups and reporting, defining and sharing corrective actions with management, assessing the effective implementation of these actions, and preparing reports for the Executive Officer for Financial Reporting and for the supervisory and control bodies.

The methodology followed for designing and for carrying out checks concerning the 262 Model were in line with best international practice and shall ensure full traceability in its implementation.

With reference to the identification and assessment of financial disclosure risks, Aquafil carries out its analyses and audit activities on subsidiaries with levels of revenue and balance sheet assets in excess of a threshold of predefined materiality, as well as on the management of intercompany transactions. Following qualitative considerations, routine analyses and audits are performed also on other subsidiaries, regardless of their quantitative contribution to the consolidated financial statements.

The risks, measured and evaluated according to best practices in the field of international risk assessment, cover the operational processes relating to general accounting entries and the estimates and financial statement declarations, with a view to prevent errors of accuracy and completeness and to prevent fraud. The assessment of the 'inherency' of the risks is qualitative and is performed both with regard to the materiality and the nature of the accounting entries and with regard to the frequency of the operational processes.

In relation to the identification and the assessment of controls for identified risks, the 262 Model considers preventive, investigative and second level controls on processes relating to accounting entries and on the estimates. The assessment of the adequacy and effectiveness of controls to mitigate risks shall be qualitative, based on the outcome of the checks carried out in the course of the 262 Model monitoring activities.

The monitoring activities were concentrated on the operational processes relating to the material accounting items, which are identified annually via a preliminary scope analysis. In addition, ad-hoc checks were carried out on activities relating to accounts closures and consolidation entries, which the Company documented and which were allocated in terms of responsibilities and authorised via a dedicated computer program in order to guarantee completeness and accuracy of information.

The Executive Officer for Financial Reporting and the Internal Audit Manager report periodically to the Control, Risks and Sustainability Committee, the Board of Statutory Auditors and to the Director in charge of the Internal Control and Risk Management System and, to the extent of its remit, to the Supervisory Board concerning the management of the 262 Model, expressing an assessment of the adequacy of the administrative and accounting control system and corrective actions to be implemented.

The Board of Directors periodically monitors the adequacy of the Internal Control and Risk Management System in relation to the requirements of the business, as well as its efficiency, based on the periodic report received from the Director in charge of the Internal Control and Risk Management System, of the Control, Risks and Sustainability Committee, of the Internal Audit Manager, of the Supervisory Board and of the Board of Statutory Auditors.

10.1 Executive Director in charge of the Internal Control and Risk Management System

As part of the structuring and strengthening of the risk management and control system, on April 27, 2023, the Board of Directors appointed Giulio Bonazzi as the Director in charge of the establishment and maintenance of an effective internal control and risk management system (the ***Director in charge of the Internal Control and Risk Management System***).

In accordance with Recommendation 34 of the Corporate Governance Code, the Director in charge of the Internal Control and Risk Management System:

identifies the main business risks, taking into account the characteristics of the activities undertaken by the Issuer and by its subsidiaries, and periodically presents them for examination to the Board of Directors;

implements the guidelines defined by the Board, supervising the planning, realisation and management of the Internal Control and Risk Management System, constantly verifying its adequacy and efficiency, adapting it to changes in operating conditions and legal and regulatory frameworks.

requests that the Internal Audit Department undertake verifications on specific operational areas and on the compliance of internal procedures and rules in the execution of business operations, simultaneously communicating such to the Chairperson of the Board of Directors, the Chairperson of the Control, Risks and Sustainability Committee and the Chairperson of the Board of Statutory Auditors;

reports promptly to the Control, Risks and Sustainability Committee (or to the Board of Directors) with regards to problems and critical issues that may emerge during the execution of their activities or of which they have become aware, so as to ensure that the Committee (or the Board) may take appropriate initiatives;

10.2 Internal audit manager

On May 14, 2024, having consulted with the Control, Risks and Sustainability Committee and the Board of Statutory Auditors, the Board of Directors appointed Mr. Emanuele Rufini as Internal Audit Manager pursuant to the Corporate Governance Code.

At the Reporting date, the internal audit function:

- fully implemented the activities set out in the 2024 Audit Plan, as approved by the Board of Directors in the meeting of March 14, 2024, with prior review by the Control, Risks and Sustainability Committee and the Director in charge of the Internal Control and Risk Management System, and carried out direct and specific control activities in order to uncover any deficiencies in the Internal Control and Risk Management System in the various risk areas; the internal audit manager also audited and assessed the suitability, efficiency and the effective functioning of the internal control and risk management system on an ongoing basis in relation to specific needs and in compliance with international standards;
- prepared periodic reports containing sufficient information on activities, on the manner in which risk management is carried out, as well as compliance with defined plans for their containment, for the purposes of the appropriateness of the Internal Control and Risk Management System; these reports were sent to the Director in charge of the Internal Control and Risk Management System, the Chairperson of the Board of Statutory Auditors, the Chairperson of the Control, Risks and Sustainability Committee, the Chairperson of the Board of Directors and the Supervisory Board;
- prepared the 2025 Audit Plan, approved by the Board of Directors meeting of March 18, 2025, with prior review by the Control, Risks and Sustainability Committee, the Director in charge of the Internal Control and Risk Management System and consulted with the Board of Statutory Auditors.

In addition, during the Reporting Period, the results of the audit activities were analysed, discussed and shared, between the internal audit function, the head of the processes/departments involved and management of the Company in order to agree upon and undertake appropriate preventative/corrective action, whose realisation was constantly monitored until their complete execution through appropriate follow-up action.

The remuneration of the Internal Audit Manager was determined in accordance with company policies. The Board ensures that the Internal Audit Manager has adequate resources for the undertaking of his/her duties, having consulted with the Control, Risks and Sustainability Committee.

In line with recommendation 36 of the Corporate Governance Code, the Internal Audit Manager hierarchically reports to the Board of Directors and has no operational responsibilities.

10.3 Organisational model as per Legislative Decree no. 231 of 2001

The Issuer's Board of Directors, at its meeting of November 13, 2020, approved amendments to the Organisation, Management and Control Model comprising the Code of Conduct, the General Part, the Special Parts and the Governance System.

On August 31, 2023, the Board of Directors approved an amendment to the Organisational Model, including in order to include the new crimes introduced since the last update and to bring the Model in line with Legislative Decree No. 24/2023 implementing EU Directive 2019/1937.

With regard to the Code of Conduct, emphasis has been placed on i) respecting human rights ii) promoting diversity to ensure equal opportunity and dignity iii) preventing corruption iv) protecting cultural heritage and scenic property.

With regard to the OMCM, newly introduced predicate offences have been updated and the following have been added to the list of predicate offences: i) crimes against cultural heritage ii) laundering of cultural property and devastation of cultural and scenic property iii) crimes involving non-cash payments.

With regard to the Whistleblowing Policy, the procedure has been adapted to the new regulations set forth in Legislative Decree No. 24/2023 implementing EU Directive 2019/1937. The reporting platform also now has the features required by the current new regulations.

The Model provides for policies and measures to guarantee the performance of activities in accordance with law and to identify and eliminate situations of risk, as well as for a system of prevention designed to mitigate offence risk that is consistent with the organisational structure and with best practice.

It comprises a General Section and 1 Special Section (with 13 subsections).

In particular, the Special Sections clarify the nature and the possible ways of committing the types of Relevant Offences identified in the Risk areas, as well as the specific organisational controls implemented to prevent their commission.

Forming an integral part of the Model are the following documents attached thereto: (i) the Supervisory Board Regulation; (ii) the Governance System and (iii) the Code of Conduct.

The Code of Conduct is an integral part of the Model. It sets ethical principles and prescriptive rules of conduct for employees and other addressees, contributing to establish an appropriate control environment to ensure that the Issuer's activity is always based on the principles of fairness and transparency and to reduce the risk of the offences covered under Legislative Decree No. 231/2001 and subsequent.

The requirement for exemption from administrative liability has led to the establishment of a Supervisory Board within the Issuer, which has independent powers of initiative and control, with the task of: (i) monitoring the effectiveness of the model, which is embodied in the verification of consistency between actual conduct and the model established; (ii) conducting the examination of the adequacy of the model, or rather its real capacity to prevent, in principle, undesirable conduct; (iii) carrying out an analysis of the maintenance over time of the soundness and functionality of the Model; (iv) ensuring the necessary dynamic update of the Model, through the

formulation of specific suggestions, in the event that analyses performed require corrections and adjustments; (v) carrying out the so-called “follow-up”, or rather verifying the implementation and the functionality of the solutions proposed.

On November 13, 2020, the Board of Directors renewed the appointment of the Supervisory Board for 3 years, composed of three members, in the persons of Fabio Egidi, external member, as Chairperson; Marco Sargenti, external member; and Karim Tonelli, internal member.

On September 30, 2022, Mr. Marco Sargenti resigned from the Supervisory Board for personal reasons. The Board of Directors appointed Mr. Michele Pansarella in his place on November 8, 2022, effective until the conclusion of the current Board’s term.

The Board of Directors meeting of November 9, 2023 renewed the Supervisory Board, appointing Michele Pansarella and Manfredi Ferrari Liccardi Medici as external members, and Karim Tonelli as an internal member of the Board.

On March 18, 2025, the Supervisory Board presented a report to the Board of Directors on the controls and checks performed in the reference Year and their outcome.

In 2024, the Supervisory Board met 10 (ten) times, and also held meetings for training purposes.

The Model introduces an adequate system and sanctioning mechanisms for conduct in violation.

The Code of Conduct and Model may be consulted on the company website www.aquafil.com in the Corporate Governance/Documents section.

10.4 Independent Audit firm

On January 30, 2018, the Shareholders’ Meeting of Aquafil, inter alia: (i) approved, pursuant to Article 13 of Legislative Decree No. 39/2010 and Article 7 of the Regulation adopted with Ministerial Decree No. 261/2012, the mutual resolution of the audit appointment of KPMG S.p.A. for 9 years of which the last for the year ended December 31, 2024; and (ii) simultaneously appointed PricewaterhouseCoopers S.p.A. (**PwC**) for the duration of nine years (from 2017 to 2025), in accordance with Article 13 of Legislative Decree No. 39/2010.

Therefore, the audit for the 2017-2025 period was awarded to PwC S.p.A.

Considering that this assignment will expire with the approval of the financial statements at December 31, 2025, the Company promptly began - a year earlier than suggested governance practice for listed companies - the process of identifying a new independent audit firm for the nine-year period 2026-2034. This is in compliance with the current regulations on the legally-required audit of “Public Interest Entities” contained specifically in Regulation (EU) No. 537/2014 of the European Parliament and of the Council of April 16, 2014 (“Regulation 537/2014”) and Legislative Decree No. 39 of January 27, 2010 (“Legislative Decree No. 39/2010”).

At the same time, the process began to identify the new auditor to attest to the compliance of the Sustainability Statement for the three-year period 2026-2028 under Paragraph 2-ter of Legislative Decree No. 39/2010, as most recently amended by Legislative Decree No. 125 of September 6, 2024, with which the government transposed into national law Directive 2022/2464/EU of the European Parliament and of the Council on corporate sustainability reporting (“CSRD”).

The selection process and the request for quotes were carried out in accordance with the current regulations, and specifically the criteria established under the aforementioned Article 16 of Regulation 537/2014.

Aquafil’s internal structure (in the persons of the Executive Officer for Financial Reporting, the Chief Financial Officer, and the Chief Administrative Officer) participated in the selection process, supporting the Board of Statutory Auditors, in its role as the Internal Control and Audit Committee (“ICAC”), in the process to identify the new independent audit firm.

In its role as the Internal Control and Audit Committee, and as the body in charge of the procedure to select the independent audit firm pursuant to Article 19 of Legislative Decree No. 39/2010, the Board of Statutory Auditors supervised the entire process, specifically at its meetings of January 22, 2025, March 6, 2025, and March 13, 2025.

The selection process was operationally coordinated by the Executive Officer for Financial Reporting (pursuant to Article 154-bis CFA), supported by the Group Legal Counsel.

Having received the bids (separated into qualitative and quantitative parts, the latter protected by a password provided by the bidding company only after the qualitative assessment was complete), the Board of Statutory Auditors, in its capacity as the Internal Control and Audit Committee and supported by the relevant Aquafil functions - held meetings with all four bidding companies.

Following the evaluation of the qualitative portion, the quantitative portion was also evaluated. The committee then authorised the request for a second bid from the top two finishers.

After reviewing the bids and calculating the final scores, the Board of Statutory Auditors, in its capacity as the Internal Control and Audit Committee, prepared its Reasoned Recommendation addressed to the Board of Directors of Aquafil. This contained two alternatives, the independent audit firms Deloitte & Touche S.p.A. or EY S.p.A, and expressed a preference for Deloitte & Touche S.p.A. as it had obtained the highest score following the technical-qualitative and economic-quantitative selection procedure.

On March 18, 2025, the Board of Directors assessed the Committee's Recommendation and prepared an assignment proposal for the Shareholders' Meeting to be held on April 28, 2025.

10.5 Executive officer for financial reporting and other corporate roles and functions

In accordance with Article 16 of the By-Laws, the Board of Directors appoints, upon obligatory approval of the Board of Statutory Auditors, the Executive Officer for Financial Reporting pursuant to Article 154-bis of the CFA, providing him/her with adequate means and powers to carry out the role.

On February 20, 2025, the Issuer's Board of Directors appointed Ms. Barbara dalla Piazza (employee of the Issuer in the role of Consolidation & ESG Director) as the Executive Officer for Financial Reporting pursuant to Article 154-bis of the CFA. On the same date, the Board of Directors appointed Mr. Giovanni Stefano Loro (Director and Chairperson BCF) as the Executive Officer for Sustainability Reporting.

The Executive Officer for Financial Reporting and the Executive Officer for Sustainability Reporting must be of a professional standard such as to have qualified experience of at least three years in the exercise of administration and control activities, or in executive or consultancy functions, with listed companies and/or relative groups of companies, or companies, entities and enterprises of large and significant size, including the preparation and control of accounting and corporate documents. The Executive Officers must also meet the requirements of good standing as provided for Statutory Auditors by the applicable legal provision.

10.5.1 Executive Officer for Financial Reporting

The Executive Officer for Financial Reporting has the primary duty to design, manage and monitor the processes concerning, in particular, administrative-accounting information flows, including automatic data processing and accounting recording systems, also to provide - in the legally and regulatory required forms - the declarations on their adequacy and effective application.

The Executive Officer for Financial Reporting, in addition, is required to identify and assess the financial disclosure risks, identify and implement the required controls to mitigate the possibility that these risks occur and monitor and assess the effectiveness of the controls within a risk management and internal control system, in relation to the financial disclosure process, which is adequate and functioning.

As per Article 154-bis of the CFA, the Executive Officer for Financial Reporting is required to: (i) declare that the deeds and communications of the Issuer communicated to the market and concerning accounting disclosure (including interim) of the Issuer corresponds to the underlying accounting records and entries; (ii) prepare appropriate administrative and accounting policies for the drafting of the statutory and consolidated financial statements, in addition to any other communications of a financial nature; and (iii) jointly with the Chief Executive Officer declare through a specific report attached to the statutory financial statements, the condensed half-year financial statements and the consolidated financial statements, among others, the adequacy and effective application of the procedures at point (ii), during the period to which the documents refer and declare, in addition, the correspondence of such to the accounting records and entries and their suitability to provide a true and

fair view of the Company's financial statements and any companies included in the consolidation, assigning for this purpose the following powers:

- (a) full access to all information considered relevant for the execution of duties, both at the Company and at any subsidiary companies;
- (b) attend the meetings of the Board of Directors concerning matters within their scope;
- (c) faculty for dialogue with all administrative and control boards of the Company and the subsidiaries;
- (d) faculty to approve company policies with an impact on the financial statements, on the consolidated financial statements or on other documents requiring certification;
- (e) involvement in the design of IT systems impacting the Company financial statements;
- (f) the possibility to utilise IT systems.

In order to permit the Board of Directors to properly execute its supervisory powers, the Executive Officer for Financial Reporting should, in addition, report at least quarterly to the Board with regards to activities carried out, in addition to any emerging critical issues.

The Executive Officer for Financial Reporting is provided with all the necessary powers and means for the execution of his duties.

The Executive Officer for Financial Reporting, together with the Chief Executive Officer, has the duty to provide instructions also to the subsidiaries belonging to the Group, to ensure adoption of all provisions, administrative and accounting procedures and all other acts and measures necessary for the correct drafting of the consolidated financial statements, in addition to all measures communicated by the Executive Officer for Financial Reporting in accordance with Law No. 262/05, which ensures the maximum reliability of information flows to the Executive Officer for Financial Reporting and concerning the preparation of the financial statements.

10.5.2 Executive Officer for Sustainability Reporting

The Executive Officer for Sustainability Reporting is responsible for certifying that the sustainability reporting included in the Directors' Report has been prepared in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of June 26, 2013, and the Legislative Decree adopted in implementation of Article 13 of Law No. 15 of February 21, 2024, and with the specifications adopted pursuant to Article 8, paragraph 4 of Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020.

The Company has availed itself of the option provided for under Article 154-bis, paragraph 5-ter of the CFA, according to which this attestation "may be made by a manager other than the Executive Officer for Financial Reporting, with specific skills in sustainability reporting, appointed, subject to the mandatory opinion of the supervisory body, in accordance with the procedures and in compliance with the professionalism requirements set out in the By-Laws".

* * *

During the Reporting Period, the Board, also as part of its evaluation of the Internal Control and Risk Management System, conducted with the support of the Control and Risks Committee, did not identify any situations that would require the adoption of specific measures to ensure the effectiveness and impartiality of the other corporate functions involved in controls.

10.6 Coordination of the parties involved in the internal control and risk management system

The coordination procedures put in place by the Issuer between the different parties involved in the Internal Control and Risk Management System guarantee an efficient and effective coordination and sharing of information between the bodies involved. Specifically:

- the Director in charge of the Internal Control and Risk Management System reports promptly to the Control and Risks Committee and to the Board of Directors with regard to problems and critical issues emerging during the execution of their activities or of which they have become aware, so as to ensure that the Committee and the Board may take appropriate initiatives;
- the Internal Audit Manager Mr. Emanuele Rufini, along with the Control and Risks Committee, maintains periodic communication with the other corporate bodies and structures with oversight and monitoring functions upon the Internal Control and Risk Management System, such as the Board of Directors, the Executive Officer for Financial Reporting, the Supervisory Board as per Legislative Decree No. 231/01, the Director in charge of the Internal Control and Risk Management System and the independent audit firm, each within their respective scopes and responsibilities;
- the participation of the Internal Audit Manager at the meetings of the Supervisory Board, the Control, Risks and Sustainability Committee and in the audits carried out by the Board of Statutory Auditors enables the internal audit function to maintain adequate

visibility of pressing company risks and managed by the Group and of issues emerging and brought to the attention of the various oversight and control boards;

- the Board of Statutory Auditors maintains periodic communication with the Board of Directors, the Control, Risks and Sustainability Committee, the Supervisory Board, the independent audit firm and the Executive Officer for Financial Reporting. In particular, the Chairperson and at least one member of the Board of Statutory Auditors always attend the meetings of the Control, Risks and Sustainability Committee; the Board of Statutory Auditors also meets periodically (during its meetings or jointly with the Control, Risks and Sustainability Committee) with the Internal Audit Manager, the Supervisory Board and the independent audit firm;
- the members of the Supervisory Board may attend, on invitation, the meetings of the Board of Directors and the Control, Risks and Sustainability Committee, reporting half-yearly on the activities undertaken;
- the independent audit firm attends, where invited, the meetings of the Control, Risks and Sustainability Committee so as to be constantly up to date on activities and on that decided by the Committee, and also for the purposes of reporting on planning and on the outcome of audit activities.

11. DIRECTORS' INTERESTS AND RELATED PARTY TRANSACTIONS

11.1 Composition and operation

11.1.1 Composition and operation (as per article 123-bis, paragraph 2, letter d) of the CFA)

The Board of Directors allocated these functions to the Control, Risks and Sustainability Committee.

The meetings of the Control, Risks and Sustainability Committee are coordinated by its Chairperson and minutes of the meetings are kept. The Chairperson regularly provided information on the meetings held by the Committee at the next Board of Directors' meeting.

The Chairperson of the Board of Statutory Auditors and at least one other member of the Board of Statutory Auditors always attended the Committee meetings.

In 2024, the Control, Risks and Sustainability Committee met three times to serve as the Related Party Transactions Committee, on October 8, 2024, November 14, 2024, and December 9, 2024.

11.1.2 Functions assigned to the Control, Risks and Sustainability Committee with regards to Related Party Transactions and activities carried out

At the Reporting date, the Related Party Transactions Committee executed its functions in compliance with the Procedure for Related Party Transactions.

11.2 Related party transactions policy

On September 12, 2017, the Board of Directors approved a draft of the Procedure for Related Party Transactions, in accordance with Article 2391-bis of the Civil Code (with effect from the Effective Merger Date). In line with that established by the Related Parties Regulation, a draft of this policy, subsequent to the Effective Merger Date, was submitted to the Control and Risks Committee (in execution of its role as the Related Parties Committee), which issued a favourable opinion upon the policy, which was thereafter definitively approved by the Board of Directors on December 7, 2017.

On January 30, 2018, the Shareholders' Meeting also approved an amendment to the By-Laws which is functional to incorporate Consob indications regulating Related Party Transactions.

The Procedure for Related Party Transactions and its annexes, as applied by the Issuer, can be consulted on the Issuer's website at www.aquafil.com in the Corporate Governance/Procedures and Regulations section, also as amended by the Board motion of May 13, 2021, in light of the amendments to the Consob Related Party Transactions Regulation, passed with Consob Resolution No. 21624 of December 11, 2020.

12. APPOINTMENT OF STATUTORY AUDITORS

In accordance with Article 17 of the By-Laws, the Board of Statutory Auditors comprises three Statutory Auditors and two Alternate Auditors, appointed by the Shareholders' Meeting on the basis of slates presented by shareholders.

As per Article 17 of the By-Laws, shareholders may present a slate for the appointment of Statutory Auditors who, alone or together with other presenting shareholders, hold a percentage in the share capital at least equal to that determined by Consob in accordance with applicable legislation and regulations (which for the Company, for 2024, was 2.5% of the share capital for such purposes referring to the share capital represented by listed shares). Ownership of the minimum shareholding is determined according to the shares that are registered in favour of the shareholder on the day in which the slates are filed with the Issuer; certification can also be presented subsequent to the filing provided that it is within the deadline for the publication of the slates.

Slates are filed at the registered office in accordance with applicable law, at least twenty-five days prior to the date of the Shareholders' Meeting called to approve the election of the Statutory Auditors. The slates must be made available to the public by the Company at least twenty-one days prior to the Shareholders' Meeting in accordance with the manner prescribed by current regulations.

The slates must include the names of one or more candidates for the position of Statutory Auditor and one or more candidates for the position of Alternate Auditor. The names of the candidates are divided between each section (Statutory Auditors section, Alternate Auditors section) by progressive numbering and in any event with a number not exceeding the Board members to be elected. The slates, if they contain, in both sections, a number of candidates equal to or greater than 3, must contain a number of candidates in both sections to ensure that the composition of the Board of Statutory Auditors, both for statutory auditors and alternate auditors, complies with the legal and regulatory provisions that are in force in relation to gender balance (male and female), provided that if the application of the criterion for the gender balance quota does not result in a full number, this should be rounded up to the next unit.

The following documents must be attached to each slate, at the risk of ineligibility: (i) information on the identity of shareholders who have presented them, with an indication of the total percentage of shares held; (ii) a declaration by shareholders other than those who hold, even jointly, a controlling or majority shareholding, attesting to the absence of any relationship with these latter in accordance with applicable law; (iii) detailed information about the personal and professional characteristics of the candidates, as well as a declaration by the candidates certifying that they meet the statutory requirements, and acceptance of the candidature, accompanied by a list of administrative and control positions held with other companies; (iv) any additional or differing declaration, information, and/or documents provided for by applicable law and regulations.

Each shareholder, shareholders who belong to the same group of companies, as well as shareholders involved in a shareholder agreement in accordance with Article 122 of Legislative Decree No. 58/1998, may not present or participate in presenting, even through a nominee or trust company, more than one slate nor can they vote for differing slates; in addition, each candidate may be present in only one slate, at the risk of ineligibility.

In the case where only one slate is filed at the expiry date of the term for presentation of the slates, or slates are only presented by related shareholders pursuant to the applicable directives, slates can be presented up to the third day subsequent to such date. In this case, the percentage threshold established for the presentation of the slate is reduced by half.

The Statutory Auditors are elected as follows: (i) from the slate that obtained the largest number of votes (Majority Slate) taken in the progressive order in which they appear in the slate, two Statutory Auditors and one Alternate Auditor; (ii) from the slate that obtained the second largest number of votes and are not connected, even indirectly, with the shareholders who presented or voted for the Majority Slate in accordance with the applicable provisions and taken in the progressive order in which they appear on the slate, the third Statutory Auditor will be chosen (Minority Statutory Auditor), who will chair the Board of Statutory Auditors, and the second Alternate Auditor (Minority Alternate Auditor). Should two slates receive the same number of votes, a second vote of the entire Shareholders' Meeting shall decide, with the candidate being elected by means of a simple majority of the votes.

Where the result of voting does not satisfy the applicable gender balance law and regulations that are in force (including the rounding up to the next unit if the application of the criterion for the gender equality quota does not result in a full number), the candidate for the office of Statutory or Alternate Auditor from the over-represented gender elected as last in progressive order from the Majority Slate will be excluded and will be replaced by the next candidate for the office of standing or alternate auditor from the same slate belonging to the other gender.

Where only one slate is presented, the Shareholders' Meeting will vote on that slate and, where this slate receives the majority of the votes, all the Statutory Auditors and Alternate Auditors will be taken from this slate in accordance with the law and regulations in place, including in terms of gender balance (male and female).

The Statutory Auditors are appointed for a period of three years (and may be re-elected), which expires on the date of the Shareholders' Meeting called for the approval of the financial statements relating to the final year in office.

Subject to compliance with the applicable law and regulations in force in relation to gender balance, in cases where, for whatever reason, (i) a statutory auditor from the Majority Slate leaves office, the alternate auditor elected from the Majority Slate will take their place, (ii) a Minority Statutory Auditor leaves office, they will be replaced by the Minority Alternate Auditor. If, for whatever reason, it is not possible to proceed as indicated above, the Shareholders' Meeting must be called in order to supplement the Board through statutory majority, without the application of slate voting, subject to compliance with the applicable law and regulations in relation to the gender balance quotas.

Finally, in the absence of slates, or where it is not possible for whatever reason to appoint the Board of Statutory Auditors with the procedures indicated in this Article, the three Statutory Auditors and the two Alternate Auditors will be appointed by the Shareholders' Meeting through the majority provided for by law, in accordance with the laws and regulations in force also in relation to the gender balance quota.

13. COMPOSITION AND OPERATION OF THE BOARD OF STATUTORY AUDITORS (AS PER ARTICLE 123-BIS, PARAGRAPH 2, LETTER D) OF THE CFA)

On April 23, 2024, the Shareholders' Meeting appointed the following members to the Board of Statutory Auditors of the Company:

Office	Name	Date of appointment
Chairperson	Stefano Poggi Longostrevi	April 23, 2024
Statutory Auditor	Bettina Solimando	April 23, 2024
Statutory Auditor	Beatrice Bompieri	April 23, 2024
Alternate Auditor	Marina Manna	April 23, 2024
Alternate Auditor	Davide Barbieri	April 23, 2024

Mses. Bettina Solimando, Beatrice Bompieri and Marina Manna came from the slate filed by the shareholder Aquafin Holding (obtaining 46,564,770 votes, equal to 95.184% of the voting share capital), while Messrs. Stefano Poggi Longostrevi and Davide Barbieri came from the slate filed jointly by a group of asset management companies and international and domestic institutional investors (obtaining 2,342,682 votes, equal to 4.789% of the voting share capital).

The Company highlights that no specific policies were adopted in terms of diversity, although it points out that the appointments of the members of administrative and control boards were driven by also taking account - in addition to applicable legal provisions - of candidates' age (having therefore considered their possible experience and professional contribution) and individuals' training.

In any case, it should be noted that the composition of the Board of Statutory Auditors complies with the provisions contained in Article 147-ter of the CFA on gender balance in the composition of the boards of listed companies.

The Board of Statutory Auditors will remain in office until the Shareholders' Meeting called for the approval of the 2026 Annual Accounts.

TABLE 3: STRUCTURE OF THE BOARD OF STATUTORY AUDITORS

Collegio Sindacale										
Office	Member	Year of birth	Date first appointment (*)	In office from	In office until	Slate (**)	Ind. Code	Attendance at Board meetings (***)	No. other officesi (****)	
Chairperson	Poggi Longostrevi Stefano	1965	January 30, 2018	April 23, 2024	Approv. 2026 Accounts	m	X	100%	14	
Statutory Auditor	Solimando Bettina	1974	January 30, 2018	April 23, 2024	Approv. 2026 Accounts	M	X	100%	17	
Statutory Auditor	Bompieri Beatrice	1968	April 28, 2021	April 23, 2024	Approv. 2026 Accounts	M	X	100%	3	
Alternate Auditor	Manna Marina	1960	January 30, 2018	April 23, 2024	Approv. 2026 Accounts	M	X	N/A	25	
Alternate Auditor	Barbieri Davide	1984	January 30, 2018	April 23, 2024	Approv. 2026 Accounts	m	X	N/A	12	

Quorum required for the presentation of slates by minority shareholders for the election of one or more standing members (as per Article 148 CFA): 2.5%

NOTES

- (*) The first appointment of each Statutory Auditor refers to the date on which the Statutory Auditor was appointed for the first time to the Board of Statutory Auditors of the Issuer.
- (**) This column indicates the slate from which each Statutory Auditor originated ("M": Majority Slate; "m": Minority Slate).
- (***) This column indicates the percentage of attendance of the Statutory Auditors in relation to the number of meetings of the Board of Statutory Auditors (indicates the number of meetings attended compared to the amount they could have attended; e.g. 6/8; 8/8 etc.).
- (****) This column indicates the number of offices of Director or Statutory Auditor in accordance with Article 148-bis of the CFA and the relative enacting provisions in the Consob Issuers' Regulation. The complete list of offices held is published by Consob on its website pursuant to Article 144-quinquiesdecies of the Consob Issuers' Regulation.

At the Extraordinary Shareholders' Meeting held on April 23, 2024, an amendment was made to the By-Laws. Among other matters, this sought to legitimise the conduct of the Shareholders' Meeting, the Board of Directors, the Committees and the Board of Statutory Auditors without the Chairperson needing to be present at the same location as the minute-taker, and to provide for the option to call meetings of the aforementioned bodies without establishing a physical location.

Meetings of the Board of Statutory Auditors may also be held by audio or video conference, provided that: (i) the Chairperson of the meeting is able to verify the identity of the participants, direct the course of the meeting and witness and announce the results of the vote; (ii) that the person taking the minutes is able to adequately observe the events of the meeting that is the subject of the minutes; and (iii) that participants are able to follow the discussion and the simultaneous voting on the matters on the Agenda, as well as view, receive or transmit documents. The meeting is deemed to be held in the place where the person taking the minutes is present. The call notice may stipulate that the meeting shall be held exclusively by telecommunication means, omitting an indication of the physical location of the meeting.

In 2024, the Board of Statutory Auditors held 19 meetings (including individual meetings and meetings in joint session with the Control, Risks and Sustainability Committee), on January 18, February 15 in single and joint session, March 6 in single and joint session, March 14 in single and joint session, March 22, April 23, May 14 in single and joint session, May 31, July 10, August 29 in single and joint session, October 3, October 10, October 28 in joint session, and November 26.

The average duration of meetings was approximately 82 minutes. Statutory Auditor attendance at meetings of the Board was 100% while, with regard to participation in Committees, the attendance of members was 98%, after one Statutory Auditor justified their absence from a joint meeting of the Control, Risks and Sustainability Committee. The Chairperson of the Board of Statutory Auditors attended all meetings of the Committees.

At the meeting of March 18, 2025, the Board of Statutory Auditors assessed the correct application - by the Board of Directors - of the procedures to assess the independence of the Independent Directors according to the Code.

In Q1 2025, the Board of Statutory Auditors carried out the self-evaluation process. This was completed on March 13, 2025, and is reported on in the Board of Statutory Auditors' Report submitted to the Board of Directors on March 18, 2025.

On March 13, 2025, the Board of Statutory Auditors also assessed the independence of its members, which had already been declared by each of the members when they submitted their candidacy, also based on the requirements for Directors as per the Code and the

Regulations on the quantitative and qualitative criteria for assessing the independence of Directors and Statutory Auditors approved by the Board of Directors on February 15, 2024. It also carried out its self-evaluation.

In making the above assessments regarding Directors, the Board considered all the information available (particularly that provided by the Directors being assessed), considering all the circumstances that may compromise independence identified by the CFA and the Code, and applied (among others) all the criteria set forth in the Code with reference to the independence of Directors.

The result of these assessments was communicated to the Board of Directors in the Board meeting of March 18, 2025 and announced to the market through the publishing of this Report, available on the company website www.aquafil.com.

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

The Board of Statutory Auditors has constantly maintained normal coordination initiatives with the Control, Risks and Sustainability Committee, the Internal Audit Department and the Supervisory Board, also meeting periodically with the independent audit firm. For information on the manner of the coordination reference should be made to paragraph 11.6.

Legislative Decree No. 39/2010 ("Implementation of EU Directive No. 43/2006, relating to the audit of separate and consolidated annual accounts, which modifies EU Directive 78/660 and EU Directive 83/349, and which revokes EU Directive 84/253) attributed to the Board of Statutory Auditors the functions of the Internal Control and Audit Committee and, in particular the oversight functions on **(i)** the financial disclosure process; **(ii)** the efficiency of the internal control system, internal audit, where applicable, and risk management; **(iii)** the audit of the separate and consolidated annual accounts; **(iv)** the independence of the independent audit firm, in particular in relation to non-audit services by the party providing audit services.

For the entire duration of the admission to trading of the Company's shares on an Italian regulated market, the Board of Statutory Auditors in addition exercises all other duties and powers established by the special laws; with regards to mandatory reporting, the Directors are required to report on a quarterly basis, in accordance with Article 150 of the CFA.

The Chairperson of the Board of Directors ensured that the Statutory Auditors received adequate information on the sector in which the Issuer operates, on the business operations and their performances, of the principles of correct risk management as well as the relative regulatory framework. In particular, during the Board meetings held at the headquarters of the Company, the Statutory Auditors regularly received detailed information on the sector in which the Issuer undertakes its activities, in order to fully understand the underlying business operations and the relative developments during the year.

The remuneration of the Statutory Auditors is commensurate with the commitment required, the importance of the role covered, in addition to the size and sector of the Company.

The Issuer does not provide a specific obligation for the Statutory Auditors to promptly inform the other members of the Board of Statutory Auditors and the Chairperson of the Board on the nature, terms, origin and size of their interest, where the Statutory Auditor have, on their own behalf or on behalf of third parties, an interest in a transaction of the Issuer; this is due to the fact that the Issuer considers this disclosure information a normal duty for the parties which hold the position of Statutory Auditor.

In accordance with the By-Laws, the Chief Executive Officer shall report adequately and promptly to the Board of Directors and the Board of Statutory Auditors on the activities undertaken, on the general operating performance and outlook, as well as on major operations for their size or nature by the Issuer and its subsidiaries, in accordance with the provisions of law and the By-Laws, and therefore on a quarterly basis.

14. SHAREHOLDER RELATIONS

The disclosure with shareholders is ensured by making available the most relevant corporate documents in a timely and continuous manner on the Issuer's website www.aquafil.com in the Investor Relations section and, where required by the applicable regulations, on the authorised storage mechanism eMarket STORAGE at www.emarketstorage.com.

In particular, all press releases issued to the market and the Issuer's periodic financial reports are available on the aforementioned website as soon as they have been approved by the corporate bodies (annual report, interim report, quarterly report).

Also available on the aforementioned website are the main Corporate Governance documents, the Organisation, Management and Control Model in accordance with Legislative Decree No. 231/2001 and subsequent and the Code of Conduct.

In accordance with the Code, relations with institutional investors are managed by the Investor Relator.

The duty of the Investor Relator is to constantly ensure that senior management are updated on the financial market disclosure obligations and, in particular, those concerning investors.

The Investor Relator represents, therefore, the point of contact between the Issuer and the market and has the duty to liaise with company structures to maintain and incentivise compliance with corporate disclosure regulations. Investor relation activities are shared with and supported by management.

On March 14, 2024 and effective the subsequent day, the Board of Directors appointed Ms. Giulia Rossi as Aquafil's Investor Relator (contact: investor.relations@aquafil.com), for the maintenance of relations with shareholders and institutional investors and to undertake any specific tasks for the management of price sensitive information and relations with Consob and Borsa Italiana.

The Board of Directors will assess the implementation of any further initiatives to ensure shareholders more timely and straightforward access to essential information upon the Issuer.

INVESTOR COMMUNICATION POLICY

On November 11, 2021, on the proposal of the Chairperson and Chief Executive Officer, the Board of Directors approved the Investor Communication Policy, as per the recommendations of the Corporate Governance Code.

The Policy is available on Aquafil's website at www.aquafil.com in the "Investor Relations" section. The contents of the Policy are summarised below.

Aquafil believes that the definition, development and maintenance of open, transparent and ongoing dialogue with all shareholders and investors creates significant benefits both for investors - understood as current and potential shareholders - and to the Company, with a view to fostering the creation of value over the medium-long term.

Aquafil has therefore adopted an Engagement Policy, the purpose of which is to regulate Dialogue between the Board of Directors and Stakeholders on matters falling within the Board's remit, identifying the persons involved, topics to be discussed, timing and channels of interaction.

Pursuant to the Policy, in managing Dialogue the Company will operate in compliance with the principles of transparency and equal treatment, with the provisions of the applicable Law and regulations (including those concerning the handling of Sensitive Information) and with its internal governance rules.

The areas covered by the Policy, and therefore by the Dialogue are, in particular:

- a) the business plan;
- b) risk management and the Internal Control and Risk Management System;
- c) the corporate governance system;
- d) transactions announced or carried out by the Group that have significant strategic, economic, capital or financial importance;
- e) appointment and composition of the corporate bodies;
- f) the remuneration policy for Directors and Senior Executives;
- g) environmental, social and sustainability issues.

The Policy provides that the Board of Directors is responsible for directing, overseeing, and monitoring the application of this Policy and, in general, the progress and effectiveness of Dialogue. The Board of Directors delegates the management of Dialogue to the Chief Executive Officer and any other Director with delegated powers (the Director in charge of the Internal Control and Risk Management System).

The Investor Relator represents the point of contact with Investors and is responsible for receiving and collecting the requests made by them. Together with the Secretary, he/she co-ordinates the activities and contents of the Dialogue with the respective interlocutors. The Secretary interacts with Stakeholders in co-ordination with the Investor Relator, particularly on issues of corporate governance.

For further details, see the Investor Communication Policy.

DIALOGUE WITH OTHER RELEVANT STAKEHOLDERS

See the corresponding section of the Sustainability Statement approved by the Board on March 18, 2025 and available on the company's website, in the Financial Statements and Reports section, which identifies the interests of relevant stakeholders and the measures taken.

15. SHAREHOLDERS' MEETINGS (AS PER ARTICLE 123-BIS, PARAGRAPH 2 OF LETTER C) OF THE CFA)

15.1 Shareholders' Meeting call

As per Article 8 of the By-Laws, the Shareholders' Meeting deliberates upon matters reserved to it by law and the By-Laws. Shareholders' Meeting motions, taken in accordance with law and the By-Laws, are binding on all shareholders. The Shareholders' Meeting takes place in single call.

For the purposes of calculating the quorum required by law and the By-Laws for the holding of an ordinary and extraordinary Shareholders' Meeting and for passing of the relevant motions, the number of votes represented by the shares, and not the number of shares, will be counted. Motions for the amendment of Articles 5.6, 5.8 and 8.3 of the By-Laws are passed with majorities of at least 70% of the total number of votes devolving to the issued shares.

As per Article 8.3 of the By-Laws, the Related Party Transactions Policy of the Company may establish (i) that the Board of Directors approves the "significant transactions", as defined by the RPT Regulation, despite an opinion to the contrary issued by the Independent Directors Committee responsible for issuing an opinion on the aforementioned transactions, provided that the execution of such transactions are authorised by the Shareholders' Meeting in accordance with Article 2364, paragraph 1, No. 5 of the Civil Code. In this case, the Shareholders' Meeting will resolve by statutory majority, provided that, where the unrelated shareholders present at the Shareholders' Meeting account for at least 10% of the voting share capital, considering every ordinary share and every multi-vote share individually, without consideration of the right to multiple votes attributed to the special shares, the majority of unrelated shareholders voting at the Shareholders' Meeting do not vote against.

Pursuant to Article 9 of the By-Laws, the Shareholders' Meeting for the approval of the financial statements must be called by the Board of Directors at least once a year, within one hundred and twenty days from the end of the year or, in the cases provided for by Article 2364, paragraph 2, of the Civil Code, within one hundred and eighty days from the end of the year, pursuant to the provision of Article 154-ter of the CFA.

The Shareholders' Meeting may be called in Italy, even outside the municipality in which the registered office is located, or in other countries of the European Union, in Switzerland or in the United Kingdom.

The Shareholders' Meeting shall be called by publishing a notice on the Company website, in addition to the other manners established by applicable law, and shall contain the information required by applicable law, also by reason of the subjects covered.

As per Article 126-bis of the CFA, shareholders who represent, even jointly, at least one-fortieth of the share capital may request - except for matters within the remit of the Board or based on projects or a report prepared by them - within ten days of publication of the Call Notice, or within five days in the case of calling as per Article 125-bis, paragraph 3, of the CFA or Article 104, paragraph 2, of the CFA, a supplementation to the matters on the Agenda, indicating in the request the further matters to be included on the Agenda, or present proposals on matters already on the Agenda.

In accordance with Article 2367 of the Civil Code, the Directors shall call without delay the Shareholders' Meeting where requested by shareholders collectively representing at least one-twentieth of the share capital.

Pursuant to Article 127-ter of the CFA establishes that shareholders may submit questions on the matters on the Agenda, also before the Shareholders' Meeting. For questions submitted before the Shareholders' Meeting, responses will be made, at the latest, during the Meeting itself. The Company may provide a single reply to questions with the same subject matter. The call notice indicates the deadline by which questions submitted before the Shareholders' Meeting should reach the Company. The deadline may not be more than three days in advance of the Shareholders' Meeting in first or single call, or five days where the call notice establishes that the Company provides, before the Shareholders' Meeting, a response to the questions received. In this case, the responses are provided at least two days before the Shareholders' Meeting, also through publication in a separate section of the company website.

15.2 Right to attend shareholders' Meetings

As per Article 10 of the By-Laws, those with voting rights have a right to attend the Shareholders' Meeting.

The right to attend the Shareholders' Meeting and the right to vote is verified by a notice to the Company, effected by the authorised intermediary in accordance with law, based on the accounting records at the end of the seventh trading day prior to the date fixed for the Shareholders' Meeting in single call, and submitted to the Company in accordance with law.

Those who have the right to vote in the Shareholders' Meeting can be represented by a proxy in accordance with law. Electronic notification of proxy may be made, in the manner indicated in the call notice, by sending a message addressed to the certified email address indicated in the notice itself or by using the appropriate section of the Company's website.

For each Shareholders' Meeting, the Company may designate, through notification in the call notice, a person to whom shareholders can confer proxy, with voting instructions on all or some of the proposals on the Agenda, in the terms and manner provided by law (as per Article 135-undecies of the CFA).

15.2 Holding of the shareholders' Meeting

The Shareholders' Meeting shall be chaired by the Chairperson of the Board of Directors, or in such absence or impediment or at the request of the Chairperson him/herself, by another person elected by the Shareholders' Meeting, including the Chief Executive Officer (if elected). The Chairperson shall be assisted by a Secretary elected on his proposal by majority of those present. In the Extraordinary Shareholders' Meeting and, in any case, when the Chairperson considers it appropriate, the functions of the Secretary shall be carried out by a Notary appointed by the Chairperson.

For the valid constitution of the Shareholders' Meeting, both ordinary and extraordinary, and motions thereof, the legal and statutory provisions are applied. For the purposes of calculating the quorum required by law and the By-Laws for the holding - in a single notice - of an ordinary and extraordinary Shareholders' Meeting and for passing of the relevant motions, the number of votes represented by the shares, and not the number of shares, will be counted.

At the Extraordinary Shareholders' Meeting held on April 23, 2024, an amendment was made to the By-Laws. Among other matters, this sought to legitimise the conduct of the Shareholders' Meeting, the Board of Directors, the Committees and the Board of Statutory Auditors without the Chairperson needing to be present at the same location as the minute-taker, and to provide for the option to call meetings of the aforementioned bodies without establishing a physical location.

The Shareholders' Meeting may now be held with participants located in several places, near or far, connected by telecommunication means, provided that they comply with the collegial approach and the principles of good faith and equal treatment of shareholders, and in particular provided that: (a) the Chairperson of the Shareholders' Meeting is able to verify the identity and the legitimacy of the participants, direct the proceedings of the meeting, note and announce the results of the vote; (b) the person taking the minutes is able to adequately observe the events of the Shareholders' Meetings that are to be minuted (c) the participants are able to follow the discussion and vote simultaneously on the matters on the Agenda; (d) this method is provided for and governed in the call notice of the Shareholders' Meeting. The meeting is deemed to be held in the place where the person taking the minutes is present. The call notice may stipulate that the Meeting shall be held exclusively by telecommunication means, omitting an indication of the physical location of the meeting, in the manner and within the limits as per the applicable laws and regulations.

Also at the Extraordinary Shareholders' Meeting held on April 23, 2024, the By-Laws were amended to allow the exercise of voting rights by post, in the manner provided for by the applicable rules and regulations. The procedures for postal voting shall be indicated in the Shareholders' Meeting call notice from time to time.

Pursuant to Article 7 of the By-Laws, shareholders may withdraw in accordance with the mandatory cases provided for by law.

The opposition of Shareholders to motions regarding the extension of the duration of the Company or the introduction or the removal of provisions concerning the circulation of shares does not constitute a right to withdrawal.

As per Article 20 of the By-Laws, the net profit for the period, excluding the 5% share allocated to the legal reserve until the reaching of one-fifth of the share capital, is divided among the shareholders, as resolved by the Shareholders' Meeting.

* * *

The Shareholders' Meetings of the Issuer adopted Shareholder Meeting regulations, approved on December 23, 2016 by the Shareholders' Meeting of Space 3. On April 23, 2024, these regulations were amended to make them consistent with the introduction of postal voting, which was the subject of a By-Laws amendment made on the same date.

This Shareholders' Meeting Regulation establishes, among other matters, that:

- the Chairperson (the Chairperson of the Board of Directors or, in his/her absence or impediment the person designated by the Shareholders' Meeting) may adopt any provision considered appropriate to ensure the correct execution of Shareholders' Meeting business and the exercise of the rights of participants;
- in the discussion of such matters and proposals, the Chairperson, where a majority of the share capital is not in opposition, may follow a different order of consideration from that stated in the call notice of the meeting and may call for some or all of the matters on the Agenda to be discussed together;
- the Chairperson conducts the discussion, giving the floor to Directors, to Statutory Auditors and any parties so requesting. Those holding the right to vote and the bondholders' joint representative may request the floor on only one occasion for each matter on the agenda, making observations and requesting information. Those persons entitled to vote may also draw up proposals. Requests to contribute may be made from the constitution of the Shareholders' Meeting until the time at which the Chairperson has not declared the discussion of the matter closed. In order to ensure the orderly conduct of the meeting, the Chairperson has the power to determine, at the opening of or during the discussion of individual matters, a deadline for the submission of requests to contribute. The Chairperson establishes the manner in which contribution requests are made and the order in which they are heard. The Chairperson and, on his/her invitation, those assisting him/her respond to speakers at the end of all contributions under discussion, or after each contribution, taking account also of any questions drawn up by shareholders before the Shareholders' Meeting, which have not been responded to by the Company. Those who have requested the floor have the right to a brief reply;
- before voting commences, the Chairperson readmits to the Shareholders' Meeting any persons excluded during the discussion in accordance with the regulation;
- the Chairperson shall decide the order in which the proposals on the individual matters on the Agenda are put to the vote, generally giving priority to those formulated by the Board of Directors.

Two Shareholders' Meetings were held in 2024, on April 23 and October 10.

With regards to the rights of shareholders not outlined in this Report, reference should be made to the applicable pro tempore laws and regulations.

16. FURTHER CORPORATE GOVERNANCE PRACTICES

At the Reporting date, no additional corporate governance practices effectively applied by the Issuer outside of the obligations established by legislation or regulations exist.

17. CHANGES SINCE THE END OF THE REPORTING PERIOD

Since the end of the Reporting Year no changes have been made to the corporate governance structure.

18. CONSIDERATIONS ON THE RECOMMENDATIONS OF THE CHAIRPERSON OF THE CORPORATE GOVERNANCE COMMITTEE

The recommendations of the Chairperson of the Corporate Governance Committee are always brought to the attention of the Board of Directors and relevant Committees, as well as the Board of Statutory Auditors.

As regards the recommendations made in the December 14, 2023 letter from the Chairperson of the Corporate Governance Committee, the Company has provided adequate disclosure in the Corporate Governance and Ownership Structure Report regarding the involvement of the Board of Directors in the business plan review and approval process and in the analysis of issues that are relevant to long-term value creation. The other recommendations made in the letter for FY 2024 had already been applied by the Company or were otherwise not applicable to it.

As regards the recommendations made in the letter dated December 17, 2024, Aquafil (i) has provided the guidance on completeness and timeliness of pre-Board information in Section 4.2.1 of this Report; (ii) requires that performance targets (for Executive Directors and top management) linked to the disbursement of variable remuneration components be predetermined and measurable. For details on how the variable components of remuneration are applied, see the Remuneration Report approved by the Board of Directors on March 18, 2025. The Committee's final recommendation for FY 2025 is not applicable to the Company, as the Chairperson of the Board of Directors, Ms. Chiara Mio, is an Independent Director, and she is not assigned the position of CEO or otherwise given management authority.

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Arco (Trento), March 18, 2025

Aquafil S.p.A.

For the Board of Directors

Full Professor Chiara Mio
The Chairperson

Aquafil S.p.A.

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