Aquafil Sustainability Statement 2025

Consolidated disclosure 2025
in accordance with Legislative Decree No. 2024/125.

This document is a full extract of the **Sustainability Statement**, subject to *limited assurance*, included in the Directors' Report on the Consolidated and Separate Financial Statements of Aquafil S.p.A. The complete Annual Report is available at:
https://www.aquafil.com/investor-relations/financial-reports/

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1. GENERAL DISCLOSURES

1.1 METHODOLOGICAL NOTE

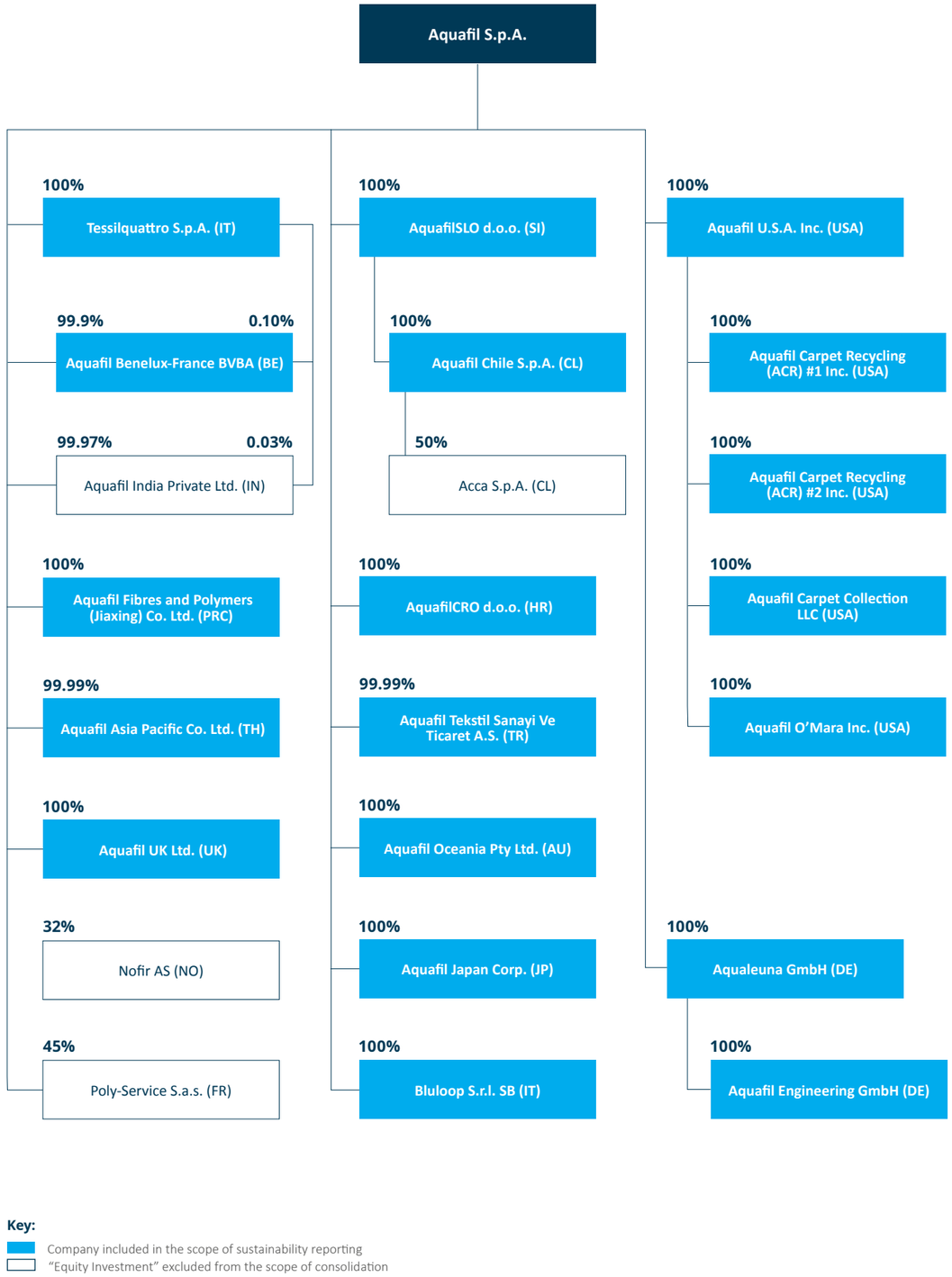
This document contains the **"Consolidated Sustainability Statement"** (hereinafter also referred to as the "Statement"), prepared in accordance with European Directive 2022/2464 on the Sustainability Statement **(Corporate Sustainability Reporting Directive – CSRD)**, implemented in Italy by Legislative Decree No. 2024/125.

The Statement has been prepared in accordance with the **European Sustainability Reporting Standards (ESRS**), adopted through Delegated Regulation (EU) 2023/2772. 2025 is the second year in which the Group has applied these standards, after first adopting them in 2024. Following the publication of Delegated Regulation (EU) 2025/1416 ("Quick Fix") in the Official Journal on November 10, 2025, the Company made use of the transitional provisions and did not report on disclosure requirements introduced progressively ("phased-in").

Until 2023, reporting was undertaken in accordance with the Global Reporting Initiative (GRI) Standards.

The Statement is prepared on a **consolidated basis**, adopting the **same scope as the consolidated financial statements**. The Group's corporate structure and reporting scope have not changed compared to 2024 (Figure 1.1). Although Aquafil S.p.A. and AquafilSLO are subject to individual reporting requirements, they do not publish separate sustainability statements as they are already included in the consolidated statement, in accordance with Article 19-bis, paragraph 9 and Article 29-bis, paragraph 8 of Directive 2013/34/EU.

FIGURE 1.1 - GROUP CORPORATE ORGANIZATION AND SCOPE OF THE SUSTAINABILITY STATEMENT



Key:

Company included in the scope of sustainability reporting

"Equity Investment" excluded from the scope of consolidation

The **double materiality** assessment is the process through which material topics are identified and evaluated for sustainability reporting purposes. Developed in 2024 to ensure full compliance with the ESRS, it was subject to minor revisions in 2025 following regulatory developments relating to the CSRD, as described in section 1.4. The process and related outcomes are described in section 1.4. The assessment of material impacts, risks and opportunities, as well as the reporting on these aspects, also included Aquafil's **value chain** described in section 1.2.4. In the analysis, the company considers short-, medium- and long-term **time horizons**, applying the definition in ESRS 1, section 6.4.

The information and data in this document refer to **the 2025 financial year**. No comparisons are presented with periods prior to 2024, as the changes to the reporting scope introduced by the new regulatory framework do not allow for consistent comparability with earlier years.

In 2025, Aquafil introduced a **new system for collecting and managing ESG data**, replacing the previous Sustainability Web Tool. The new platform – Tagetik by Wolters Kluwer – has been configured with **a customised architecture** designed around the Group's specific needs and information flows. The solution, which is compliant with CSRD requirements, enables **uniform data management**, enhances **transparency and traceability**, and facilitates **aggregation** processes, thereby minimising errors.

Social indicators (HR, safety) and environmental indicators (energy, water, emissions, waste, materials, packaging) are collected on a monthly, half-yearly or annual basis, depending on the data type. Data are uploaded in the **measurement units** used in the original source documents (utility bills, meters, invoices). Conversion into units required by the ESRS is carried out **automatically** using **conversion factors** updated annually. Section 1.5.3 "Internal Control over Sustainability Reporting" provides further details on the ESG data collection, validation and internal control process.

The new tool is accessible to all Group facilities, both production and non-production, including commercial companies within the reporting scope (Aquafil Benelux, Aquafil Oceania, Aquafil Turchia, Aqualeuna, ACR2, Bluloop).

The report, in specific sections, includes a detailed description of the **calculation methodology** used for all data, ensuring transparency in criteria and parameters. It is also specified whether, and under what circumstances, **estimates were adopted**, with a clear indication of the degree of reliability of the assessments and the sources used. No **monetary amounts** presented in the report are subject to uncertainty, as all data derives directly from the company's consolidated financial statements.

The document also includes certain indicators related specifically to Aquafil (entity-specific) and the project carried out in collaboration with EcoVadis, presented in sections 1.5.3 and 3.2. These indicators are based on calculations performed using the dashboard provided by EcoVadis and revenue data sourced from the Company's ERP system. When referring to risk brackets, the EcoVadis assessment scale is applied.

In accordance with the ESRS, **forward-looking information** is prepared by the Directors on the basis of assumptions, described in the Sustainability Statement, concerning future events and potential actions the Company may undertake. Given the inherent uncertainty associated with the occurrence of future events, both with respect to their actual occurrence and with respect to their scale and timing, it is possible that there may be significant discrepancies between the forward-looking information and the actual data.

The Aquafil Group's Consolidated Statement includes updates to the calculation methods for certain information, with the purpose of improving alignment with the application requirements associated with certain disclosed metrics.

Specifically, the following changes have been made:

- Self-generated energy (ESRS E1, DR E1-5, DP 39). For further details, reference should be made to section 2.1.2.;
- Number and rate of injuries (ESRS S1, DR S1-14, DP 88c, e). For further details, reference should be made to section 3.1.2.

To correct comparative amounts, the Aquafil Group's Consolidated Statement includes restatements of the information disclosed by Aquafil in the previous reporting period relating to self-generated energy (ESRS E1, DR E1-5, DP 39). However, information relating to the number and rate of injuries has not been restated (ESRS S1, DR S1-14, DP 88c, e).

Additionally, the Consolidated Disclosure includes a change in the presentation of data regarding water withdrawal volumes in water-stressed areas (ESRS E3, DR E1-4, DP 28(b)). Specifically, the previous representation based on numerical classes has been replaced by a qualitative classification using low, medium, and high water stress levels, in order to facilitate a more immediate understanding of the information. Consequently, the information for the 2024 financial year has been restated according to this approach.

Also included this year is a section on the **European Taxonomy**, in accordance with Regulation (EU) 2020/852. The Sustainability Statement is reviewed internally by the **Board of Statutory Auditors** and Executive Officer for Financial Reporting and is approved by the **Board of Directors** of the Group.

It is also subject to limited audit by the independent third party **PricewaterhouseCoopers S.p.A.**

For additional information on the contents of this report, please contact Aquafil by sending an e-mail to: **info@aquafil.com**.

1.2 THE AQUAFIL GROUP

Letter from the CEO

The ability to **look ahead** has always been a defining feature of the Group's journey.

We chose to **invest in technology, innovation and circularity** before they became market trends. We began **reporting on our environmental impact** before it became a regulatory requirement. These decisions were guided by the belief that lasting value is built over time. For us, this is not a fleeting trend, but the only viable way forward. 2025 was a complex year. Geopolitical instability, market volatility and rising competitive pressures required rapid and, in some cases, difficult decisions. While maintaining a **long-term perspective**, we chose to streamline operations and sharpen our focus, strengthening the Group's foundations and investing in its capacity to **adapt and grow,** even in uncertain environments.

Despite this challenging backdrop, our commitment to **environmental and social matters** never wavered. On the contrary, it continued to guide strategic and operational decisions, confirming its central role in our industrial model. The **results achieved** throughout the year provide clear evidence of this.

We obtained the **EcoVadis Platinum** rating, placing us in the **top 1%** of companies assessed globally. This recognition reflects stronger oversight along the entire value chain and our ongoing commitment to promoting increasingly responsible and transparent practices.

We also continued to invest in innovation and circularity, reaching a milestone that had been considered impossible for

years: the **separation of elastic fibre from nylon**. This achievement opens the door to new industrial possibilities and earned us the **2025 Sustainable Development Award** for the circular economy.

Our ECONYL® nylon now represents an increasingly significant share of **fibre revenues**, demonstrating that circularity can be a genuine driver of growth and competitiveness, even beyond the textile sector. To this end, we strengthened collaboration with customers and partners to **develop circular supply chains** spanning aquaculture and the automotive and cruise ship industries.
Through our **ECONYL® Academy**, we also continued to invest in the dissemination of knowledge, creating spaces for communication and engaging an ever wider audience on key topics shaping the future of industry, with contributions from international speakers.

Every result we achieve stems from the commitment of our people and from the strength of collaborations along our value chain. This ecosystem of expertise, relationships and shared responsibility enables the Group to translate its vision into concrete and measurable actions.

In a world that moves quickly and rewards short-term results, we continue to **focus on lasting value**. This is how the **future is built**: through consistency, patience and a shared vision of progress.

1.2.1 Who we are

Aquafil is a global point of reference in the circular economy: the world's leading producer of carpet yarn and one of Europe's leading suppliers of yarn, synthetic fibres and polymers for the fashion and design sectors.

From family business to global leader

Founded in 1965 in **Arco**, in the heart of Trentino-Alto Adige, **Aquafil S.p.A.** was established thanks to the vision and commitment of the **Bonazzi family**, who opened the **first facility** dedicated to the production of **nylon yarn**.

From the **1990s** onwards, the Company pursued an ambitious **research and development** programme focused on the circular economy, culminating in the launch of the **ECONYL® Regeneration System** in 2011, an advanced technology that enables **nylon** to be entirely **regenerated** from **waste**.

In just over half a century, Aquafil has evolved from a family business into an **international group** with **2,227 employees** and **revenues of Euro 520.8 million in 2025**.

Today, our shares are listed on the **Euronext STAR Milan** segment of the **Italian Stock Exchange**, and on the **US OTCQX® Best Market** in the United States.

Our values

At Aquafil, **circularity** and **sustainability** are our driving force – the **thread** that connects every research initiative, project and relationship.

Guided by the desire to **innovate** responsibly, we transform bold ideas into pioneering solutions capable of **delivering high performance** while minimising the **impact on our planet**.

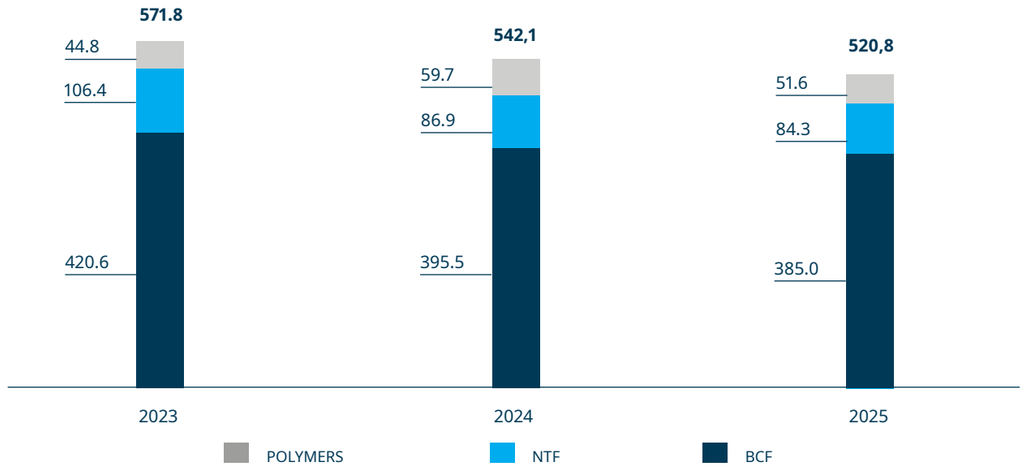
We believe that change stems from **daily commitment**, the desire to explore **new avenues** and the courage to **improve** – one idea, and one **product** at a time.

Our activities

- **TEXTILE FLOORING YARN (BCF - Bulk Continuous Filament):** Our core business is the production and sale of nylon carpet yarn for various industries, including automotive, naval, residential and contract (airports, offices, etc.).;
- **CLOTHING YARN (NTF - Nylon Textile Filament):** We are among the leading suppliers of yarns and synthetic fibres for the best Italian, European and global brands producing garments, swimwear and sportswear;
- **NYLON POLYMERS (EP - Engineering Plastics):** We produce polymers and compounds intended for moulding by fashion and design companies for the production of accessories (e.g. eyeglass frames) or furniture items (e.g. chairs, tables).

Aquafil's numbers

FIGURE 1.2 - TOTAL REVENUES BY PRODUCT AREA, IN EURO MILLIONS (2023-2025)



1.2.2 Aquafil in the world

Our international presence spans 13 countries across four continents.

The **Aquafil Group** comprises **20 companies** – a dynamic and continuously evolving network covering Italy, Slovenia, the United Kingdom, Germany, Croatia, the United States, China, Thailand, Japan, Chile, Turkey, Belgium and Australia.

Our **headquarters** are located in **Arco**, **in the heart of Trentino-Alto Adige**, where our journey began.

See Appendix 5.1 for a comprehensive overview of Aquafil Group facilities and companies.

FIGURE 1.3 - GEOGRAPHIC PRESENCE OF THE AQUAFIL GROUP

1.2.3 ECONYL®: Leading the circular revolution

We believe in a different way of doing business, where profit and purpose go hand in hand.

At the beginning, we were a company like many others. We transformed **fossil-based raw materials** into nylon and supplied our yarns to the **fashion** and **textile flooring** industries. Then, in the early 1990s, a turning point came. Growing awareness that the only viable direction was a sustainable future led us to challenge the linear model of "produce – consume – dispose" and to pioneer circular business models based on "**recycle – regenerate – redesign**".

The first step was the adoption of a "**Life Cycle Thinking"** approach, which led us to assess the environmental impact of our products across their entire **life cycle**. It became clear that the most significant impact on the planet arises from the extraction and **processing of fossil-based raw materials**. From that moment, we chose a new direction: to invest time, research and resources into building and offering a more sustainable alternative for the entire supply chain by harnessing the **power of responsible innovation.**

After years of research and development, in 2011 we reached the most important **milestone** in our history: the launch of the **ECONYL® Regeneration System** – an advanced technology that enables us to produce specialised nylon **made entirely from waste.**

Characteristics of ECONYL® nylon

- Is produced from 100% waste;
- Retains the same quality as traditional nylon;
- As a Nylon 6 polymer, it can be recycled an infinite number of times.

ECONYL® yarn has represented a **turning point** for circularity across the **textile** industry. Our **innovative system** has reduced reliance on **fossil fuels**, limited **waste** and paved the way for fully circular **production models**. In 2025 alone, Aquafil collaborated with more than 1,900 brands – including Circuform, Object Carpet, Fuli and MCM – developing **products designed from the outset to be recycled** and to **reduce** the environmental impact related to them. ECONYL® nylon is not only our first and most significant achievement; it is also our main **competitive advantage**. Its **unique characteristics**, which make it unmatched by any other competing plastic material available on the **market**, drive the growth in the **revenues generated by ECONYL® branded products as a share of the Group's total fibre revenues** (see section 1.3).

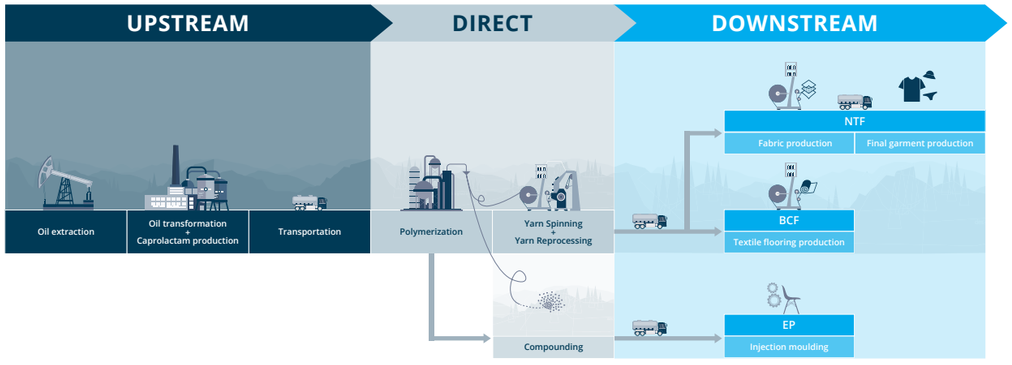
We look to the future with determination, committed to achieving **full circularity** in our business model, generating stable, long-term value not only for our shareholders, but also for people, communities and the entire planet. We intend to lead the **circular revolution** in the textile sector, driving **tangible change** in the world.

1.2.4 Our value chains

The Group's core business is the production, reprocessing and sale of nylon, partly from fossil source and partly from the regenerated raw material ECONYL®.

In 2024, in line with the requirements of the European CSRD regulation, we carried out a mapping process of our main value chains.

Fossil-based supply chain



Although Aquafil is working to **reduce** its contribution, **nylon production from fossil sources** is still a part of the Group's core business today.

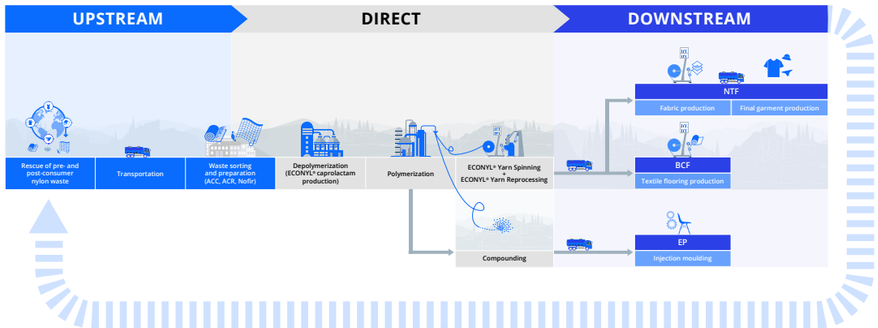
The traditional nylon supply chain starts with oil extraction, from which caprolactam is produced, the raw material used to manufacture nylon. Aquafil purchases caprolactam from direct suppliers and converts it into nylon through a chemical process called "polymerisation." The resulting nylon polymer is then converted into two different forms, wires and compounds, and is sold to an **industrial customer base**, which in turn produces for the following intermediate markets or end-users:

- **Yarns** > manufacturers of textile flooring (BCF segment for the contract, residential and automotive segments) and textiles for the garment and sports industries (NTF segment);
- **Compounds (or granules)** > injection moulding companies for the production of fashion accessories, design items and components for the electrical and electronics sector (EP segment).

One Group company, **Aquafil O'Mara**, produces **polyester thread** instead of nylon. In this particular case, the chemical polymerisation process does not take place within the company's scope, but is outsourced to a supplier upstream in the supply chain. Aquafil O'Mara handles the **spinning stage**, and sells the yarn to industrial customers in the textile sector (NTF segment).

ECONYL® supply chain

ECONYL® NYLON VALUE CHAIN



The ECONYL® nylon supply chain differs from that of conventional nylon in the upstream section. The raw material is no longer derived from fossil sources, but consists of **pre- and post-consumer nylon waste**, which is recovered thanks to an **international network** of institutions, companies, NGOs and consortia, which guarantee us a stable and sustainable supply. Collection of **pre-consumer** waste - especially industrial waste - is also done through partnerships with **our customers**.

To systematise the collection of **post-consumer** waste - old carpets, rugs, and fishing nets - we have undertaken **vertical integration** operations upstream in the supply chain in recent years. We have established **Aquafil Carpet Collection** in the U.S., which recovers end-of-life carpets and rugs; invested in **Nofir**, a Norwegian leader in fishing net and aquaculture recovery; and founded **Aquafil Cile**, which specialises in the collection and pretreatment of aquaculture nets.

All nylon waste is prepared and sent to our **Ljubljana plant**, where it is processed into **ECONYL® caprolactam** through a process called "depolymerisation". The new raw material thus obtained is then used to produce **ECONYL® regenerated nylon** in wire and compound form. The downstream part of the supply chain remains the same as for traditional nylon, with sales to **industrial customers** in the three segments BCF, NTF and EP.

1.2.5 The power of conscious innovation

For many years, our R&D department has worked to develop advanced technical solutions that promote the circularity of our products and minimise their environmental impact.

Research and development are fundamental for Aquafil. They help us remain competitive, stand out in the market and, above all, build a more responsible growth model. In 2025, we invested Euro 7.2 million (1.4% of revenues) in the development of new technologies, better-performing products and more sustainable solutions. In addition to the ECONYL® Regeneration System (discussed in section 2.5.3), we are pursuing several in-house projects and international collaborations that are already delivering tangible results. This section presents the main initiatives.

SEPARATION OF NYLON FROM ELASTIC FIBRE

On average, each European citizen generates 12 kilograms of textile waste per year, contributing to a total of 12.6 million tonnes.[1)] According to a study by the Boston Consulting Group, 80% of discarded clothing ends up in landfill or is incinerated, and less than 1% is actually recycled.[2)]

One of the main challenges in textile recycling stems from **blended fabrics**, which combine different fibres such as nylon and elastomer (e.g. elastane or spandex) and are widely used in sportswear and swimwear. This mixed composition makes traditional mechanical recycling particularly complex.

To address this limitation, we have spent years developing an **innovative technology** capable of **separating nylon from elastic fibre** and **chemically regenerating** both components (the nylon component is regenerated into new ECONYL® nylon, while the elastomer-derived component is converted into raw material to produce polyurethanes). We began this journey in **2013** with a research project carried out in collaboration with Georgia Tech University and the filing of an **initial patent**. In **2022**, our researchers published a **new patent** based on a technology that had matured over time and was ready to be tested on a **semi-industrial scale**.

In 2025, the Group opened its first **demonstration plant** in Slovenia, once again confirming its commitment to responsible innovation and circularity. It is now finally possible to separate elastic fibre from nylon in blended fabrics – a significant milestone that opens new doors for the textile fibre sector.

RECYCLING OF RUBBER CARPETS AND CARPET TILES

The recycling of carpets and multilayer textile tiles represents one of the main circularity challenges in the textile flooring sector, as their structure consists of multiple materials that are difficult to separate. These products combine textile fibres with backing materials such as latex, bitumen, PO, PVC, resins and rubber, making the separation of layers and the recycling of the different components extremely complex.

To address this challenge, in 2023, Aquafil began building a pilot plant in Rovereto, named Aquafil Carpet Separation (ACS), to separate the different layers of carpets and textile tiles, thereby enabling their regeneration and reuse within a circular model.

The objective is to further develop ACS technology into a solution that is simple, economically accessible, portable and decentralised, allowing customers and other players in the reverse supply chain to use it independently. This would enable the local reuse of the heavier component and the delivery of recovered nylon to Aquafil for its subsequent regeneration into ECONYL®.

In 2025, research and development activities continued in two main directions: optimising separation and purification processes and extending testing to new materials. Promising results were achieved in the separation of textile tiles specifically.

As part of the "**I Care**" initiative, co-financed by the French organisation Valobat, we began testing ACS technology with

1 https://circulareconomy.europa.eu/platform/en/news-and-events/all-news/european-parliament-adopts-new-eu-rules-reduce-textile-and-food-waste
2 https://www.bcg.com/publications/2025/spinning-textile-waste-into-value

several industrial partners to verify that the recovered materials can be **effectively reintroduced into new production cycles**, The goal is to ensure quality, safety and regulatory compliance, while validating the technological feasibility of the process along the value chain.

MAGRITTE: CIRCULAR ADDITIVE MANUFACTURING

The MAGRITTE project is co-financed by the Autonomous Province of Trento (PAT) and seeks to innovate and transform **large-scale 3D printing** while reducing the impact of fast furniture. Research activities focus on the development of a new ECONYL®-based material for 3D printing that can be fully regenerated and is free of glass fibre, a material that currently makes these products non-recyclable.

In 2025, we developed a series of compounds that are already being tested to identify the most promising options for future **individual scalability**. Through a partnership with **ProM Facility, Caracol AM, the University of Trento and Indiveni.re,** we are laying the foundations for regenerative solutions in sectors ranging from furniture and interior design to automotive, marine and lightweight construction.

CHEMICAL RECYCLING OF POLYESTER

Global plastic production continues to grow, while the capacity of waste management systems is not keeping pace. For this reason, we are developing a new process to recycle PET contained in bottles, textiles, carpets and packaging.

In 2025, our pilot plant in Arco worked to **increase purity** and **improve the quality** of regenerated material. The results show a purer recycled product that is ready for use, and we are now completing the final optimisation phase ahead of technology validation.

FUNCTIONALISATION OF YARN

Our R&D team continuously works to give our nylon **new or enhanced properties**. This line of research, called "yarn functionalisation", focused on three main areas in 2025: **stain resistance**, **flame resistance** and **outdoor performance**.

1. Stain resistance

Due to its chemical structure, nylon is particularly well suited to **dyeing**. However, this same characteristic also makes it more susceptible to **staining**. The Stain Resistance project was developed to overcome this limitation by improving **cleanability** and the product's aesthetic appearance over time. Aquafil has developed a yarn with increased **resistance** to **acidic** stains, such as those caused by wine, coffee and alcoholic beverages such as bitters or herbal liqueurs, allowing stains to be removed **easily**.

2. Fire-resistance

The Flame Resistance project seeks to improve **nylon's resistance** to flame propagation by slowing the spread of fire and increasing the product's **safety** level. Flame-resistance performance does not depend on a single component but on the interaction between several elements of the system. For this reason, Aquafil works in close **collaboration** with its customers, integrating its yarn into multi-material solutions to improve **overall performance** while optimising costs.

3. Outdoor

This project is dedicated to improving nylon's resistance to **UV rays**, which can compromise its **mechanical properties and alter its colour** over time. Relevant applications include the **doormat** market and, more broadly, semi-outdoor uses, such as curtains and marine covers. The objective is to offer a more sustainable alternative to traditionally used materials, such as acrylic and polyester.

DIGITALISATION

Over the past year, the Group has strengthened its research and development activities in **digital technologies**, with the objective of improving production efficiency and supporting the daily work of its staff. Several initiatives were developed and coordinated within the **Community of Practice for Digitalisation** (see section 3.1.3), which brings together cross-departmental expertise and promotes the sharing of solutions, experimentation and good practices at the Group's various production plants.

1. We have rolled out intelligent vision systems along our production lines.

The first solution, introduced at the **Arco** plant, monitors production progress by **automatically counting yarn spools**, a process that was previously carried out manually. By using automatically captured images, the system is able to provide a faster and more reliable measurement of production status, reducing the risk of errors and preventing waste. The second solution, operational both in **Arco** and **Slovenia**, monitors packaging stages to prevent the unwanted mixing of spools from different batches or shades that are almost **indistinguishable** to the naked eye. The system's cameras recognise specific features of the spools, detecting any anomalies or slight colour variations and ensuring accuracy and consistency in the assortments.

2. We have developed a digital application for colour management and search.

The new app enables the consultation of a **digital database of over 5,000 colours developed over the years**. The tool facilitates the identification of similar shades using numerical parameters, colour codes or chromatic values. As a result, operators and sales agents can quickly identify colours aligned with customer requests, often avoiding the need to develop new recipes. This solution reduces time, complexity and waste compared with traditional methods, which involved manual searching through physical sample collections or developing new recipes from scratch.

WRITING AND REVISING EUROPEAN AND INTERNATIONAL STANDARDS

Our Group continues to play an active role in **standardisation** activities, both at the national (UNI), European (CEN) and international (ISO) levels, by participating in several technical committees and, specifically: the **UNI CT046** textile technical committee of the **Italian Standardization Body** - ***Ente Italiano di Normazione*****,** the **ISO TC038** textile technical committee of the **International Organization for Standardization** (ISO) and the **CEN TC248** textile technical committee of the ***Comité Européen de Normalisation*** (CEN).

In simple terms, we make our expertise in the circular economy available to the textile sector, contributing to the definition of **technical regulations and industry standards**. Between 2019 and 2025, Aquafil supported the development, drafting and subsequent publication of **ISO 4484-2:2023**, which seeks to standardise methodologies for measuring the release of microplastics from textile materials. Aquafil also contributed to the development of three additional standards within the same **EN ISO 4484** series.

We also contributed to several working groups (WGs) addressing circularity in the textile sector, including **CEN TC248 WG39** and **ISO TC038 WG35**. In 2025, work continued on standardisation in the textile sector, at both the European (CEN) and international (ISO) level.

Within CEN, work continued on the development of a series of standards dedicated to the circular economy for textile products and the textile chain, under CEN/TC 248/WG 39 ***"Circular Economy for textile products and the textile chain"***. At the ISO level, within ISO/TC 38/WG 35 ***"Environmental aspects"***, Aquafil contributed to the drafting of standards addressing environmental aspects of the textile sector, in particular:

- **ISO/WD 25957-1 "Textiles** — Part 1: Specifications, evaluation methodologies and requirements for labelling method of recycled man-made fibres";

- **ISO/AWI 25957-2 "Textiles** — Part 2: Specifications, evaluation methodologies and requirements for labelling method of bio-based man-made fibres".

We also participated in the activities of **ISO/TC 38/WG 30 "Tests for Biodegradability"**, a working group committed to developing standards on the degradability and compostability of textile materials. These include:

- **ISO/CD 17952** — Test method for determination of physical degradation rate of textile materials under simulated composting conditions in a laboratory-scale test;
- **ISO/DIS 24304** — Textiles — Determination of the aerobic biodegradation of textile materials in seawater by measuring the biochemical oxygen demand or the amount of evolved carbon dioxide;
  with particular attention paid to the definitive publication of ISO 21701:2025, Ed. 2 "Textiles — Test method for accelerated hydrolysis of textile materials and biodegradation under controlled composting conditions of the resulting hydrolysate".

In addition, in 2025, the role of Chairperson of the national commission **UNI CT 046 Textile** was assigned to a technical representative from Aquafil.

1.3 OUR ESG STRATEGY

At Aquafil, sustainability extends beyond Corporate Social Responsibility activities to form an integral part of our business model.

Sustainability principles inform the preparation of our business plan and the annual budget approved by the **Board of Directors**. Our strategic choices – including resource allocation and **investment** decisions – take into account the interests of shareholders and all Group stakeholders (see section 4.8), and consider material **environmental**, **social** and **governance** impacts, risks and **opportunities**.

Our commitment to the circular economy, **waste reduction** and climate change mitigation is reflected in one of our main strategic targets: **increasing the share of ECONYL® product sales** in total fibre revenues. Since the launch of the ECONYL® Regeneration System, we have consistently invested in this product, which accounts for an increasingly significant share of the value generated, thanks to its unique characteristics. Today, it represents 60.4% of total fibre revenues (see figure 1.4), in line with the target set for 2025, which formed an integral part of the **variable remuneration** of Directors and Senior Executives.

FIGURE 1.4 - CONTRIBUTION OF ECONYL® PRODUCT SALES ON TOTAL FIBRE SALES

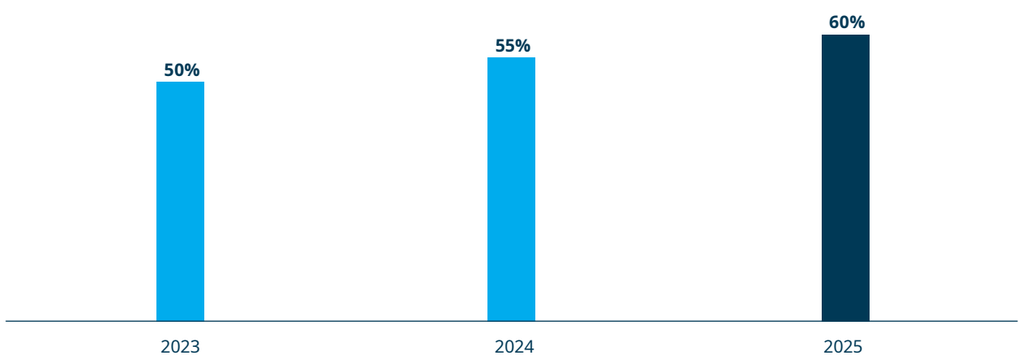
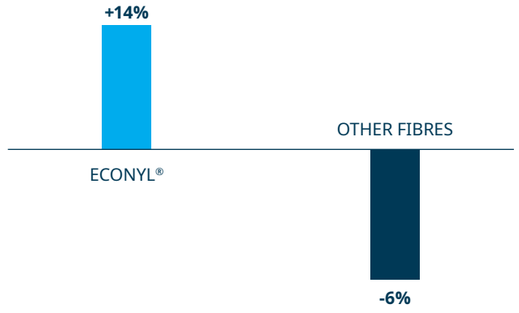


FIGURE 1.5 - REVENUE GROWTH OF ECONYL® VS OTHER FIBRES (CAGR 2020-2025)



To further strengthen the integration of ESG criteria into our corporate strategy, we have adopted a sustainability plan that has guided our initiatives since 2008. For each topic area, the ESG Committee defines concrete and ambitious targets, which are subsequently approved by the BoD and included in the ESG report. The following sections provide further details on the plan and the targets set for the 2021-2025 period.

We are currently working to define a new sustainability plan covering the 2026-2030 horizon, which will be presented in the Consolidated Sustainability Statement for the 2026 financial year.

1.3.1 Aquafil's sustainability plan

The ECO PLEDGE® has been the guiding light for the Group's business since 2008.

For Aquafil, sustainability encompasses the **entire spectrum** of **environmental**, **social** and **governance** matters. It is not a peripheral initiative, but an **integral part** of the way we operate and **create long-term value**.

Over time, we have translated this vision into a **formal and coherent ESG plan** – The ECO PLEDGE® – which guides our strategic priorities and outlines concrete targets. The plan is structured around five pillars. For each pillar, we have set forward-looking goals and launched a series of concrete initiatives to achieve them.

In pursuit of long-term sustainability goals, we use double materiality assessment to continuously monitor impacts, risks and opportunities related to sustainability matters. This approach allows us to strengthen the resilience of our strategy, keeping it flexible and ready to adapt to changing conditions and the expectations of our stakeholders. Since 2023, Aquafil's sustainability principles have been formalised in an **ESG Policy**, which outlines their integration into our business model to ensure long-term sustainable growth.

This approach translates into tangible investments; in 2025, we allocated:

- **Euro 9.2 million in CapEx** to initiatives aligned with the ESG matters deemed most material to the Group, representing **40% of total capital expenditure**;
- **Euro 17.4 million in OpEx**, equivalent to approximately **3% of revenues**, dedicated to the operational management of sustainability projects.

In the coming years, we expect to maintain ESG-related OpEx at around **3% of revenues** and sustainability-dedicated CapEx at approximately **40% to 50% of total annual capital expenditure**.

THE ECO PLEDGE® PILLARS

RETHINKING PRODUCTS FROM A CIRCULAR PERSPECTIVE

We are committed to promoting a model of **responsible innovation**, consistently investing in **research and development** to support the transition to a circular economy in the textile sector. Our most significant achievement is the **ECONYL® Regeneration System**, which enables us to transform waste into new **raw material**. Together with our customers, we are working to redesign products in accordance with **eco-design** principles, thereby extending material life cycles and reducing environmental impacts.

PROTECTING THE ENVIRONMENT

We are consistently committed to **reducing the environmental impact** of our production processes. We recognise that the future of the planet depends on our collective ability to reduce **greenhouse gas emissions**, prevent **waste**-related pollution, promote renewable energy sources and preserve **finite resources**. For this reason, we pursue ambitious targets, with a view to **improving efficiency** and promoting increasingly sustainable practices.

SHARING RESPONSIBILITIES ALONG THE SUPPLY CHAIN

We collaborate with partners and suppliers who share our values and our commitment to an **ethical, responsible** and **resilient supply chain**. We work to strengthen environmental and social standards across the entire supply chain, ensuring full respect for human rights and promoting transparent, long-lasting relationships.

PROTECTING THE WELL-BEING OF INDIVIDUALS

People are at the **heart** of our strategy. We are committed to providing working conditions that foster **well-being, professional growth** and **success**. We promote an **inclusive, fair and safe environment** every day, supporting continuous training pathways and development opportunities for all staff members.

LOCAL COMMUNITY SUPPORT

We actively cultivate **long-term relationships** with the communities in which we operate through **charitable initiatives**, **volunteering** activities, support for vulnerable groups and **educational programmes**. We support sports, cultural and charitable associations with the aim of creating shared value and strengthening the local social fabric.

1.3.2 Main results and ESG ratings

Aquafil receives the EcoVadis Platinum medal

EcoVadis, a leading global platform that **assesses corporate sustainability**, awarded a **Platinum** medal to Aquafil, thereby upgrading its previous Silver level and recognising the significant progress achieved over the past year in **four key areas**: the environment, labour and human rights, ethics and sustainable procurement.

This achievement places Aquafil in the **top 1%** of more than 150,000 companies assessed, confirming the Group's ongoing commitment to a responsible development model. The improvement was driven in particular by several **initiatives** adopted over the past year, including:

- The extension of the **scope** of the Climate Risk and Vulnerability Assessment and the Biodiversity Impact Assessment to the entire Group (see sections **2.1.1** and **2.4.1**).
- The launch of the **ESG supply chain risk assessment** project with EcoVadis (for further details, see section 1.3.5)
- More comprehensive and transparent sustainability **reporting**, also supported by the transition from the GRI standards to the ESRS.
- The achievement of **UNI/PdR 125 certification** for gender equality.

Aquafil launches a pilot plant for the chemical separation of elastic fibre and nylon

In 2025, Aquafil launched a pilot plant in Slovenia that uses technology to **separate elastic fibre** from nylon in blended fabrics for the first time. This represents a key step for the textile sector, opening the door to new recycling and regeneration opportunities for materials, particularly those relating to sportswear and swimwear.

Aquafil among Italy's leading circular economy companies – Sustainable Development Award 2025

Aquafil was recognised as one of the most advanced Italian companies in the field of circularity at the **Sustainable Development Award 2025**, promoted by the Fondazione per lo Sviluppo Sostenibile and the Italian Exhibition Group, under the patronage of the Ministry of the Environment and Energy Security. The award ceremony took place on November 5, 2025 during **Ecomondo** in Rimini, one of the leading European events dedicated to the ecological transition.

Voith Paper and ECONYL® at the centre of the German Sustainability Award 2025

Our partner Voith Paper received the **German Sustainability Award 2025** for its **Infinity +Green** felts, developed using a circular economy model that integrates regenerated **ECONYL®** nylon. The closed-loop system enables the efficient recycling of materials at the end of their life cycle through our regeneration process, reducing their overall environmental impact (see section 2.5.3).

Aquafil USA awarded Supplier of the Year by Dorsett

Aquafil USA was recognised as **Supplier of the Year** by Dorsett, one of the leading suppliers of automotive carpets in the United States. The award recognises the Group's **excellence**, innovation and leadership in the **automotive** industry.

ECONYL® brand recognised for digital communication – Interactive Key Award 2025

The ECONYL® digital **communication** project won the 26th **Interactive Key Award** in the Fashion and Luxury category. One of the longest-running and most authoritative awards in Italy's digital communication landscape, the award confirms the effectiveness of the brand's **storytelling** and **positioning** strategy on innovation and sustainability.

Art, culture and sustainability: the exhibition "That Person's Heaven" by Matt Mullican

Aquafil supported the cultural and charitable project "That Person's Heaven" by international artist **Matt Mullican**, hosted at the Palazzo della Ragione in Bergamo. The textile installation, covering 216 m² and entirely made from **regenerated ECONYL® nylon**, combines contemporary art, material innovation and social engagement. Proceeds from the initiative were used to support **Associazione Alba Chiara** projects (see section 3.4).

ECONYL® nylon featured in the "OLTREPLASTICA" exhibition at the ADI Design Museum

From December 2025 to January 2026, ECONYL® nylon was featured in the **"OLTREPLASTICA"** exhibition at the ADI Design Museum in Milan, which explores the evolution of **plastic materials** in contemporary design. The presence of our brand highlights the role of regenerated materials as drivers of innovation for architecture, interior design, fashion, and the automotive and marine sectors.

ECONYL® Academy: training and dialogue on the future of the textile industry

The ECONYL® **Academy** strengthened its role as a platform for sharing knowledge and discussing sustainability in the textile sector (see section 2.5.3). In 2025, the initiative brought together internationally recognised speakers, including **Vincenzo Gente**, Policy Officer at the European Commission, and **Professor Ada Ferri**, Full Professor of Chemical Engineering at the Polytechnic University of Turin.

Aquafil at the heart of the international debate on circularity

During the year, Aquafil participated in several of the leading global forums dedicated to sustainability, material innovation, and circular business models. CEO Giulio Bonazzi spoke at the Sustainable Brands SB'25 conference in San Diego, taking part in the session "Fiber Forward: Scaling Sustainable Materials Innovation in Textiles". The discussion focused on the industrial scaling of circular fibers, bio-based inputs, and the infrastructural challenges of the textile sector's transition. Bonazzi also attended TechArena 2025 in Stockholm, one of Europe's premier technology and innovation events, participating in the panel discussion "The Circular Future: Business Models, Policies, and Safeguarding the Planet," alongside representatives from European institutions and industry leaders.

1.3.3 Goals and progress against targets

Our sustainability strategy is future-oriented. This section outlines the goals we have set, the progress we have made, and the areas in which we will continue to invest to create a **positive and lasting impact**. Our qualitative and quantitative **targets** are defined by the ESG Committee, which takes into account the Group's main **impacts**, **risks** and **opportunities**, and the instances gathered from all stakeholders (see section 4.8 for engagement methods). These targets are subsequently approved by the BoD. All targets are, where possible, based on **scientific evidence**, set voluntarily and do not meet regulatory requirements. Except where specified in individual target descriptions, targets refer to the Group's entire scope.

TABLE 1.1 - GOALS AND TARGETS OF AQUAFIL'S ESG STRATEGY, 2025

Sustainability pillars	Objective	Target	Baseline	Deadline	Progress at 31/12/2025	Note	CSRD Subtopic[3]	Policy (see section 1.3.5)
Design products with the circular economy in mind	E Consolidate existing supply chains	Generate 60% of total turnover from fibres containing ECONYL® brand products (on a like-for-like basis). (Waste hierarchy: c. recycling)	37% (2021)	2025	60.4%	**Target achieved**	E5 Waste E5 Resource outflows related to products and services	ESG Policy Environmental Policy
		Involve 60% of EMEA BCF customers (nylon 6 for carpets) in the post-industrial Take-Back scheme. (Waste hierarchy: a. prevention; c. recycling)	n/a (2021)	2025	55%	**We consider the target to have been achieved.** Indeed, it should be noted that for several customers involved in this initiative, the provision of post-industrial waste (particularly high-value Nylon 6-based scraps) was already an established practice prior to the introduction of this target. This created a layer of complexity due to competition with other entities that had not been initially accounted for. Nonetheless, despite the bureaucratic and organizational challenges encountered, we believe the outcome is positive and does not affect the overall assessment of the initiative.	E5 Waste E5 Resource outflows related to products and services S4 Social inclusion of consumers and/or end-users	ESG Policy Environmental Policy
	E Create new sustainable circular supply chains	Collect 35,000 tonnes of post-consumer waste to create new recycled materials. (Waste hierarchy: a. prevention; c. recycling)	n/a (2021)	2025	15,961t	**Target on hold:** The Group's strategy has evolved since 2021, and a reorganization of ACR#1 and ACC plants is presently in progress. Some initiatives related to the target experienced changes or slowdowns. As such, we believe it is appropriate to reassess their inclusion in the next sustainability plan, once the new strategy has been defined.	E5 Waste E5 Resource outflows related to products and services S4 Social inclusion of consumers and/or end-users	ESG Policy Environmental Policy
	E Adopt an eco-design approach	Start 13 projects involving final brands in the eco-design and recycling of end-of-life garments (Waste hierarchy: a. prevention).	n/a (2021)	2025	9 projects initiated - see section 3.3.3	**Target postponed:** The slowdown in the textile market, which led to the temporary suspension of some projects and delays in communicating initiatives that have already been launched but remain confidential, is impacting the achievement of this target. We therefore consider it appropriate to postpone the deadline to 2027 so that we can further develop more circular and sustainable products with our customers.	E5 Waste E5 Resource outflows related to products and services S4 Social inclusion of consumers and/or end-users	ESG Policy Environmental Policy
		The first step of the Born R2R scheme (Born Regenerated to be Regenerable by Aquafil): sign a MoU (Memorandum of Understanding) with 50% of selected carpet and rug manufacturers to design products that are recyclable at end-of-life and made from recycled materials (ECONYL® nylon).	0% (2022)	2025	50%	**Target achieved:** 15 MoUs were signed out of the 30 initially identified customers. Subsequently, a further five MoUs were signed with customers not included in the original selection.	E5 Waste E5 Resource outflows related to products and services S4 Social inclusion of consumers and/or end-users	ESG Policy Environmental Policy

3 Aquafil's sustainability plan includes targets for all material subtopics (see section 1.4) listed in this table. If a subtopic is not mentioned in this table, it means that there is no target related to it. The absence of targets for some subtopics derives from the fact that the Group has always defined its targets based on the strategic priorities resulting from the "The ECO PLEDGE®".

Sustainability pillars	Objective	Target	Baseline	Deadline	Progress at 31/12/2025	Note	CSRD Subtopic[4]	Policy (see section 1.3.5)
Environmental protection 	E Use energy from renewable sources	Procure 100% electricity from renewable sources for the entire Aquafil group.	100% (2022)	Annuale	99.6%	**The target is considered achieved**, as the reporting scope for sustainability data has been expanded in line with the CSRD, and now aligns with the scope of the consolidated financial statements. Consequently, commercial offices that were initially excluded from the target-setting phase are now included in this target.	E1 Energy E1 Climate change mitigation E2 Air pollution	Code of Conduct ESG Policy Environmental Policy
	E Mitigate the impact of production processes	Ensure all Group plants are ISO 14001 certified (environmental management).	9 (2021)	2025	11 out of 13 plants certified	**Target revised and postponed:** The certification covers most production sites. The target was revised as the Aquafil O'Mara site has not yet been certified. Certification is expected by 2028.[4]	E1 Energy E1 Climate change adaptation E1 Climate change mitigation E2 Air pollution E2 Water pollution E2 Soil pollution E5 Resource outflows related to products and services E5 Waste	Code of Conduct Environmental Policy Integrated Management System
		Ensure all Group plants are ISO 14001 certified (environmental management).	5 (2021)	2028	8 out of 13 plants certified	**Target revised and postponed:** The certification covers most production sites. The target was revised as the following sites are not yet certified: Tessilquattro (Rovereto and Cares) and Aquafil USA by 2028, Aquafil O'Mara by 2030.[5]	E1 Energy E1 Climate change mitigation E2 Air pollution	Environmental Policy Integrated Management System
		Commit to the Science Based Targets (SBTs) initiative and adhere to GHG reduction targets.	ND (2021)	2025		**Target on hold:** Following changes introduced by the SBTi regarding the use of carbon credits for Scope 3, we suspended our participation in the initiative, with a commitment to reassess the situation once the Transition Plan has been published (2027). The Plan will define the Company's commitment to reducing Scope 1, 2 and 3 emissions and the targets to be included in the new 2026-2030 Sustainability Plan.	E1 Energy E1 Climate change mitigation E2 Air pollution	ESG Policy Environmental Policy
	E Reduce waste by reusing packaging	Recover the pallets used to transport products, and achieve 50% pallet reuse for EMEA BCF business. (Waste hierarchy: a. recycling)	0% (2021)	2025	48%	**We consider the target to have been achieved:** the outcome is, in fact, aligned with the objective, also considering that a similar project was launched in the USA, where superior performance was recorded, with a pallet reuse rate of 52%. Over the last three financial years, the EMEA initiative has generated savings exceeding €300,000; therefore, we believe the result has been very positive and does not affect the overall assessment of the initiative.	E5 Resource outflows related to products and services E5 Waste S4 - Product management	Green Procurement Policy

4 The new target does not include Aquafil Carpet Recycling #1, which is currently undergoing restructuring

5 The new target does not include Aquafil Carpet Recycling #1, which is currently undergoing restructuring

Sustainability pillars	Objective	Target	Baseline	Deadline	Progress at 31/12/2025	Note	CSRD Subtopic[6]	Policy (see section 1.3.5)
Guarantee the well-being of individuals 	S Reduce injuries	Ensure all Group plants are ISO 45001 certified (risk management).	6 (2021)	2025	10 out of 13 plants certified.	**Target revised and postponed:** The certification covers most production sites. The target was revised as the following sites are not yet certified: Aquafil USA by 2026 and Aquafil O'Mara by 2030.[7]	S1 Working conditions S2 Working conditions	Code of Conduct Human Rights Policy Integrated Management System
	S Support professional development	Create professional development pathways for talented Group employees.	ND (2022)	2025	Training activities have commenced.	**Target achieved:** Talented individuals have been identified globally. Development and career plans have been defined and launched. These are managed locally and entrusted to individual companies.	S1 Equal treatment and opportunities for all	Code of Conduct Human Rights Policy DE&I Policy
	S Achieve equal gender representation at all company levels	Train at least 50% of employees on diversity issues.	0% (2023)	2025	56.6%	**Target achieved:** Training provided to employees working at sites in Italy, China and the USA.	S1 Equal treatment and opportunities for all	ESG Policy Code of Conduct Human Rights Policy DE&I Policy
		Have at least 20% female figures in top and senior management.[8]	0% (2023)	2026	0%	**Target on hold:** Following the ongoing reorganisation, we decided to exclude this target from the current ESG strategy. Nevertheless, in recent years we have increased the number of women Executives in the Group from 6% in 2019 to 22% in 2025.	S1 Equal treatment and opportunities for all	Code of Conduct Human Rights Policy DE&I Policy
	S Guarantee respect for basic Human Rights in the workplace	Certify SA 8000 (social responsibility) the following Group companies: Aquafil Asia Pacific, Aquafil Cina.	0 (2023)	2028	-	**Target removed** Having gained experience, with our first site certified in 2019, we decided not to renew SA8000 certification at the facilities already covered. However, we remain committed to keeping all measures in place to ensure that the risks and impacts associated with social responsibility are managed effectively.	S1 Equal treatment and opportunities for all S1 Other work-related rights S2 Equal treatment and opportunities for all S2 Other work-related rights G1 Business conduct G1 Protection of whistleblowers	Code of Conduct Human Rights Policy DE&I Policy Integrated Management System
Share responsibility along the supply chain 	E S Monitor supplier ethics	Monitor key suppliers along the supply chain through audits and/or due diligence, in line with the European Supply Chain Act (Corporate Sustainability Due Diligence Directive).	ND (2022)	2026	The first supply chain assessment campaign was completed in collaboration with EcoVadis.	**Target achieved:** In 2024, ESG risk mapping was conducted for 100% of the Group's suppliers. In 2025, 61% were assessed in greater detail using the EcoVadis Rating or a simplified questionnaire (Vitals).	E1 Climate change mitigation S2 Working conditions G1 Business conduct G1 Management of relationships with suppliers, including payment practices	ESG Policy Code of Conduct Human Rights Policy Green Procurement Policy
Cross-cutting objectives	S G Improve Corporate Governance	Develop a succession plan for management.	ND (2022)	2025	Completed	**Target achieved:** A succession plan was drawn up in 2024.	S1 Equal treatment and opportunities for all G1 Corruption and bribery G1 Business conduct G1 Management of relationships with suppliers, including payment practices	Policy for succession planning for key figures

6 Aquafil's sustainability plan includes targets for all material subtopics (see section 1.4) listed in this table. If a subtopic is not mentioned in this table, it means that there is no target related to it. The absence of targets for some subtopics derives from the fact that the Group has always defined its targets based on the strategic priorities resulting from the "The ECO PLEDGE®".

7 The new target does not include Aquafil Carpet Recycling #1, which is currently undergoing restructuring

8 The top and senior management scope includes: the CEO (and Senior Executive Directors, if any), other Executive Directors and Senior Executives, as well as other figures of a strategic nature for the Group

1.3.4 Aquafil and the SDGs

The **17 United Nations Sustainable Development Goals** (SDGs) form a global agenda to address critical challenges such as **poverty, inequality, climate change**, **biodiversity** loss and the promotion of **peace and justice**.

Aquafil **contributes to 11 SDGs**: Seven are directly linked to the Company's core business, while four stem from specific initiatives and projects within the communities in which we operate.

TABLE 1.2 - SDG: DIRECT IMPACT THROUGH AQUAFIL'S CORE BUSINESS

SDG	Targets	Our contribution
6 CLEAN WATER AND SANITATION	Ensure availability and sustainable management of water and sanitation for all.	We continuously monitor **water stress levels** in the areas where we operate, with withdrawals and discharges mainly occurring in areas of medium-to-low stress. We also work to **reduce water consumption** across our production processes and monitor the quality of wastewater through our **Water Policy**.
7 AFFORDABLE AND CLEAN ENERGY	Ensure access to affordable, reliable, sustainable and modern energy for all.	We purchase electricity from **certified renewable sources** and invest in photovoltaic systems for **self-consumption**. We continuously improve the **efficiency of our processes** to reduce waste.
8 DECENT WORK AND ECONOMIC GROWTH	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	We support inclusive economic growth by **creating value** and **distributing generated wealth fairly**. We also strengthen safeguards to protect **human rights** throughout the supply chain, thereby ensuring **safe and decent working conditions**.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.	We invest in research and development to foster **responsible innovation**, focusing specifically on advanced technologies to produce nylon from waste, integrate plant-based raw materials and guide product design according to eco-design principles.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Promote the circular economy by ensuring sustainable consumption and production patterns.	We conduct product life cycle **impact assessments** and **invest heavily in R&D** to create the **ECONYL® Regeneration System**, which enables a truly circular model. We actively collaborate with customers and suppliers to close the loop in textile supply chains (see section 2.5).
13 CLIMATE ACTION	Take urgent action to combat climate change and its impacts.	**We are progressively reducing emissions** generated by our operations. Since 2023, we have also reported Scope 3 emissions and assessed climate-related risks associated with global warming to identify and mitigate potential impacts (see section 2.1).
14 LIFE BELOW WATER	Conserve and sustainably use the oceans, seas and marine resources for sustainable development.	**We regenerate fishing nets** and other nylon waste that might otherwise end up in the sea or landfill. We have conducted **upstream supply chain integration operations** to strengthen fishing net supply lines and co-founded **Healthy Seas**, a foundation committed to preventing marine pollution and cleaning seabeds through volunteer divers. We have also contributed to the development of the first **ISO standard** to measure the release of **microplastics** from the textile industry, one of the main causes of marine pollution.

TABLE 1.3 - SDG: IMPACT THROUGH CONTEXTUAL INITIATIVES

SDG	Targets	Our contribution
4 QUALITY EDUCATION	Ensure inclusive and equitable access to education and promote "lifelong learning" opportunities for all.	We promote equal educational opportunities through training activities. We raise awareness among younger generations on sustainability matters through conferences, workshops, educational projects and site visits.
5 GENDER EQUALITY	Promote gender equality, ensuring equal opportunities regardless of gender.	We foster a **fair and inclusive** working environment and are committed to reducing the gender gap. In 2023, we adopted a new **DE&I** Policy and have trained approximately 57% of our staff on diversity and inclusion matters to date. Aquafil S.p.A., Tessilquattro Cares and Tessilquattro Rovereto plants have obtained UNI/PdR 125 certification for gender equality. We also support initiatives that combat gender-based violence, as demonstrated by our support for the Alba Chiara APS Association.
10 REDUCED INEQUALITIES	Reduce social and economic inequality within and among countries.	We continuously improve **remuneration and incentive systems** to ensure fairness and promote **paid corporate volunteering initiatives**.
15 LIFE ON LAND	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.	We have extended our **biodiversity impact assessment to cover production processes** at all Group facilities. The results collected allow us to outline additional mitigation measures and initiatives, thereby protecting surrounding natural areas.

1.3.5 Aquafil's policies

We regularly update our policies to ensure ethical, transparent and sustainable business management.

These documents represent a key tool for preventing, mitigating and remedying negative **impacts**, in addition to identifying and understanding emerging **risks** and **opportunities**.

When developing policies, we take into account the concerns of all stakeholders and any issues raised during day-to-day activities involving them. In addition, policy content is determined based on the double materiality assessment and is designed to address the material impacts, risks and opportunities identified.

To ensure maximum transparency, our main policies are published on our **website** and **made available** to all stakeholders, both internal and external to the Company.

The company also has a number of **internal procedures** that support the implementation of the principles and activities expressed in the policies, including the **Health and Safety Procedure**, the **reputational audit** of customers and suppliers, the process to monitor **climate risk**, the protocol for calculating and **measuring greenhouse gas emissions**, the procedure for **verifying pending charges** for executives, and the Cyber Security procedure.

ESG Policy	Defines Aquafil's sustainability principles and explains how they are integrated into the **business model**.	link
Code of Conduct	Serves as the Group's **moral compass** and outlines the **standards of conduct** that all stakeholders must respect to ensure **integrity, transparency and compliance with applicable laws**.	link
Human Rights Policy	Identifies the **core human rights principles** and establishes processes to prevent and mitigate **risks of violation** along the entire value chain.	link
Environmental Policy	Describes the Group's **commitments** and **initiatives** regarding **environmental topics** and combatting climate change, including physical and transitional hazards.	link
Green Procurement Policy	Formalises the criteria for **supplier qualification and selection**, promoting responsible purchasing of products, materials and services to protect the environment and people's health.	link
Water Policy	Defines **targets, commitments and actions** for the **conscious management of water resources**, thereby reducing consumption and pollutants in wastewater.	link
Anti-Corruption Policy	Provides a **framework for preventing corruption** and outlines the rules of conduct necessary to ensure **full compliance with anti-corruption laws**.	link
DE&I Policy	Promotes **diversity, equity and inclusion** in decision-making processes, the working environment and recruitment, training and development practices.	link
Whistleblowing procedure	Establishes processes and tools to **report** suspected violations of laws, regulations or internal procedures safely and **anonymously**.	link
Remuneration Policy	Establishes **remuneration criteria** for the Group's key figures (Directors and top managers), and short- and long-term **incentive systems**. Incorporates **ESG parameters** into the calculation of variable remuneration.	link
Integrated Management System	Introduces an **integrated management system** for quality, the environment, energy efficiency, health and safety, social responsibility and gender equality at all Group companies.	link
Parental Leave Policy	Defines minimum paid **parental leave** standards across the Group, including in countries where such leave is not provided for by law.	link
Gender Equality Policy	Applicable to all staff at **Italian facilities**, it defines the operational framework in line with UNI/PdR 125:2022 and seeks to promote an **inclusive and fair** environment that **respects** gender differences, ensures equal pay and equal **career development opportunities**, supports work-life balance and prevents and combats any form of harassment or violence.	

1.4 MATERIALITY ASSESSMENT

The purpose of the materiality assessment is to identify the main positive and negative, actual and potential **impacts, risks and opportunities** generated or suffered by the Group **directly** (through its operations) or **indirectly** (through its value chain). In 2024, we updated our assessment methodology, bringing it into line with the requirements of the new **European CSRD directive** and **EFRAG** guidelines, which led the Group to assess "double materiality":

- **Impact materiality**: the consequences - actual or potential - of the company's activities on people and the planet;
- **Financial materiality**: the risks and opportunities in the ESG arena that may affect Aquafil's financial performance, cash flow, and access to credit, and in terms of reputation, market positioning, and competitive advantage.

Following the first reporting cycles in which companies applied the ESRS, additional clarifications and supporting materials were made available in 2025 to facilitate a more consistent understanding of certain methodological aspects, including the distinction between mitigation actions and positive impacts. Based on these elements, we reviewed the results obtained in 2024 and updated our materiality assessment, refining certain aspects that do not significantly alter the overall conclusions.

In general, the materiality assessment will be updated every two years, or following significant changes inside or outside the company.

1.4.1 Methodology

The methodology used for Aquafil's materiality assessment carried out in 2024 involved five stages.

1) Context analysis ;
2) Identification of impacts, risks and opportunities (IRO);
3) IRO materiality assessment;
4) Identification of the topics to be reported;
5) Stakeholder engagement.

1) Context analysis

The aim of the first phase was to develop a **general overview** of the company's activities, the supply chains in which it operates, its business relationships, the stakeholders with whom it deals, and the relevant regulatory and legislative environment. This context analysis was preparatory to the identification **of impacts related to** Aquafil's **business model** and the strategy deployed (see section 1.3). We also analysed our main dependencies, identifying two in particular: the raw materials we use and our employees, who provide us with highly qualified time and expertise. These assessments were key to identifying key ESG risks and opportunities for the company, and links with our impacts.

2) Identification of impacts, risks and opportunities (IRO)

In this second phase, Aquafil drew up a **list of environmental, social and governance aspects**, using them as references:

- Sustainability matters identified by **ESRS standards;**
- **Internal analyses**, including the Enterprise Risk Assessment and past materiality analyses;
- **External sources**, including analysis from international bodies, industry studies, GRI standards, CDP and Sustainalytics ratings.

We then classified each aspect as impact, risk, and/or opportunity (IRO), indicating whether it was **negative or positive, actual or potential, direct or indirect**, and specifying the **time horizon** in which it is expected to manifest its effects.

3) IRO materiality assessment

For each aspect classified as impact (I), we conducted an assessment of **impact materiality** by scoring from 1 to 5 on four metrics: scale, scope, likelihood, and irremediable character (the latter only in the case of negative impacts).

For each aspect classified as risk (R) or opportunity (O), we performed a **financial materiality assessment** by assigning a score from 1 to 5 to two metrics: the scale of possible financial effects and the likelihood of their occurrence.

The analysis of each IRO was assigned to **key figures** with in-depth knowledge of the topic, both internal and external to the company, to whom we provided shared and standardised rating scales.

The **materiality threshold** was established using a risk-based approach, explored in detail in Appendix 1.5.3, and considering all IROs that scored medium-high or high as material. The final results were reviewed and validated by the **ESG Committee** (see Section 1.5.1).

Given the lack of comprehensive data, the analysis of **value chain** IROs followed a slightly different methodology. The most difficult metric to estimate was the likelihood of occurrence. To estimate the latter, we therefore decided to rely on **EcoVadis IQ+**, a tool provided by one of the leading international ESG rating platforms, with which Aquafil had already conducted sustainability risk mapping in its value chain (see section 1.5.3). This tool allowed us to estimate the likelihood of occurrence of each IRO from the **risk scores of our** upstream and downstream **business partners**, weighted on the basis of business volume.

4) Identification of the topics to be reported

To identify the **topics to be reported** on in this sustainability report, we aggregated and traced each IRO to the **topic, sub-topic, and sub-sub-topic** identified in the ESRS standards.[9)] A topic is material when even one IRO that can be traced back to it is material.

9 ESRS 1 AR 16

5) Stakeholder engagement

We involved stakeholders of various kinds to **verify and confirm the results** of the analysis, and in general **consider viewpoints from outside** the company. Specifically, we conducted fifteen **interviews** with individuals from six categories: suppliers, customers, financial community and investors, organisations and institutions, schools and new generations, NGOs and local communities.

Participants were selected based on three **criteria**:

- Importance and criticality of the entity;
- Longevity and stability of the relationship;
- Need to cover Aquafil's activities and geographic areas as well as possible.

1.4.2 Results

Figure 1.6 shows the list of **sub-topics that were found to be material**, and will therefore be reported herein. The **list of material impacts, risks and opportunities** for each topic is given at the beginning of the sections in which the topic is reported. In Appendix 5.2, we have provided a full list of material topics, sub-topics, and sub-sub-topics for the two types of materiality (financial and impact), specifying whether the IROs refer to the standard nylon or ECONYL® nylon value chain.

FIGURE 1.6 - AQUAFIL MATERIAL SUB-TOPICS, BY TYPE OF MATERIALITY (FINANCIAL OR IMPACT)

Financial	Material	E1 - Climate change adaptation	E1 - Energy
		E2 - Microplastics	E1 - Climate change mitigation
		S1 - Other work-related rights	E2 - Soil pollution
		S4 - Product management	E2 - Water pollution
		G1 - Corruption and bribery	E2 - Air pollution
			E4 - Direct impact drivers of biodiversity loss
			E5 - Resource outflows related to products and services
			E5 - Waste
			S1 - Working conditions
			S1 - Equal treatment and opportunities for all
			S2 - Working conditions
			S4 - Social inclusion of consumers and/or end-users
	Non material	G1 - Business conduct	E2 - Substances of Very High Concern
		G1 - Management of relationships with suppliers including payment practices	E2 - Substances of concern
		G1 - Development and technological innovation	E3 - Water
		S2 - Equal treatment and opportunities for all	E3 - Marine resources
		S3 - Rights of indigenous peoples	E4 - Impacts on the extent and condition of ecosystems
		S3 - Communities' civil and political rights	E4 - Impacts on the state of species
		S4 - Personal safety of consumers and/or end-users	E5 - Resources inflows, including resource use
		S4 - Information-related impacts for consumers and/or end-users	G1 - Protection of whistleblowers
			S2 - Other work-related rights
			S3 - Communities' economic, social and cultural rights
		Non material	Material
		Impact	

1.5 SUSTAINABILITY GOVERNANCE

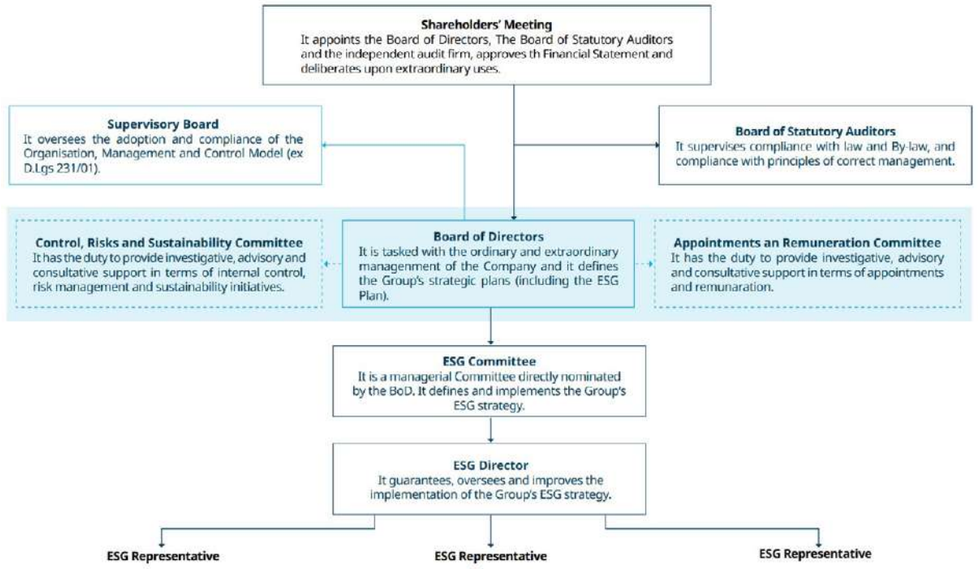
Our commitment to sustainability is clearly codified in Group governance.

Aquafil adopts the "traditional system" of administration and control. The **Shareholders' Meeting** elects the **Board of Directors** (BoD), which steers corporate management, and the **Board of Statutory Auditors**, which performs the control functions. The Board in turn appoints the Group **CEO**, a position currently held by **Giulio Bonazzi**. Details of Aquafil's main sustainability **governing bodies** are provided in Figure 1.7.

The Board oversees the sustainability strategy through the **Control, Risks and Sustainability Committee** (internal Board committee) and the **ESG Committee** (managerial), which in turn is supported by an **ESG Director**, and several **ESG Representatives**.

The regulations of the key governing bodies and the Group's **ESG Policy** define **roles and responsibilities** in the **management of sustainability impacts, risks and opportunities** at each level of governance.

FIGURE 1.7 - AQUAFIL'S MAIN GOVERNING BODIES



ESG Policy - link

Targets	Definisce i principi di sostenibilità di Aquafil e ne illustra l'integrazione all'interno del suo **business model**
Contents	• Describes Aquafil's **sustainability principles** • Prescribes internal **actions and commitments** to achieve goals • Assigns roles and responsibilities in **ESG governance**
Impacts, risks and opportunities	**E:** climate change, pollution, water and marine resources, biodiversity and ecosystems, and circular economy. **S:** own workforce, workers in the value chain, affected communities, and consumers and end-users **G**: business conduct
Application	Employees, contractors, suppliers, customers, and all stakeholders who have a relationship with the Group.
Owner	The policy was approved by the **Board of Directors**. The **ESG Committee** is responsible for its implementation.
Alignment with international initiatives	2030 Agenda, UN Global Compact, Universal Declaration of Human Rights, Paris Agreement on Climate Change, International Labour Organization Declaration on Fundamental Principles and Rights at Work, Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

1.5.1 Main governing bodies

Shareholders' Meetings

The Shareholders' Meeting is the collegial body that expresses shareholders' wishes. Passes resolutions - at ordinary and extraordinary sessions - on matters specified by the Law and in the By-Laws, including **approval of the annual financial statements**, and the **appointment of the Board of Directors**, Board of Statutory Auditors, and independent audit firm. The Shareholders' Meeting also determines the **pay** of Directors and Statutory Auditors.

→ See Shareholders' Meeting regulation

Board of Directors

Exercises direction, co-ordination, monitoring and verification activities at a **managerial level** in relation to the strategy and governance of the Group. In line with the Italian Stock Exchange's "**Corporate Governance Code**", the overall objective of the Board of Directors is "**sustainable success**", that is, the **creation of value in the long term** for the benefit of the company's shareholders and all of its stakeholders.

The Board oversees the **Group's ESG targets** and **sustainability strategy** through the **Control, Risks and Sustainability Committee** (internal board committee). It is also supported by the **ESG Committee** (management) in **assessing and managing sustainability impacts, risks, and opportunities** (IROs), as stipulated in the ESG Policy. The ESG Committee also informs the Board of the Group's main achievements in this area, and the opinions and interests of stakeholders gathered in daily interaction, on a periodic basis.

Finally, through the **Appointments and Remuneration Committee** (internal board committee), the BoD oversees the company's appointment criteria and remuneration policies. The BoD can appoint one or more Appointments and Remuneration Committee members by giving one of them the title of Senior Executive Director or Chief Executive Officer (CEO).

The Board of Directors currently comprises **nine members**, of which **three executive** and **six non-executive**.[10] **44%** of members are also **independent** pursuant to Article 147-*ter*, paragraph 4 of the CFA and Article 3 of the Self-Governance Code. Due in part to the **diversity in terms of gender diversity - 44% of its members are women -, age, experience, and skills of its members**, the Board is highly qualified to carry out its mandate, to lead the Group in the **sectors** and **geographic regions** in which it operates, and to manage ESG issues. For example, the chair is **Chiara Mio**, who is known internationally for her expertise on sustainability matters and corporate social responsibility. The composition and responsibilities of the BoD are detailed in Table 1.4.

In addition, the Board adopts **procedures** to check the **effectiveness of its operations** and the **qualification of its members**, assessing whether they already possess the **necessary skills** or whether they need to be developed through **training courses**. Through the **evaluation** procedure, the Board periodically assesses its size, composition and how it actually functions. In the Corporate Governance Report, it provides information on the **qualification**, role on the Board, and key **professional characteristics** of each member.

Immediately after appointment (and also during the term of office), the Chairperson can organise what is known as a "**board induction**", or a **training** course to provide members with **adequate knowledge** of the industry, business dynamics, principles of proper **risk management**, and the relevant regulatory framework. Some of the training provided focuses on **sustainability matters**.

→ See Board Regulations

10 The three Executive Directors are also Group employees.

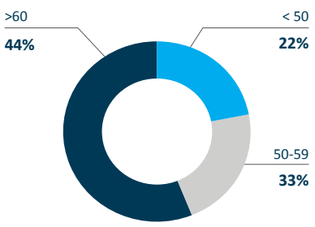
TABLE 1.4 - COMPOSITION OF THE BOARD

The table shows the office, age group, and ESG skills acquired in the performance of their corporate responsibilities.

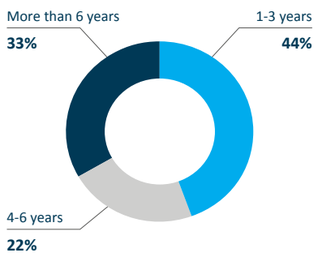
Name	Office	Role	Age	ESG experience and skills
Chiara Mio	Chairperson	Independent, non-executive	>50	**E-S-G** Member of the **EFRAG Sustainability Reporting TEG**. **Professor** at the Department of Management at **Ca' Foscari University of Venice**. **Director at listed companies** including Banco BPM and OVS. Former Chairperson of the **ESG Reporting Task Force**, Accountancy Europe, Brussels. Former Chairperson of **Crédit Agricole FriulAdria** (Crédit Agricole Banking Group Italy), first woman in Italy to serve as bank chairperson.
Giulio Bonazzi	CEO	Executive	>50	**E-S-G** As **CEO of Aquafil** since 2001 and **Chairperson** of the Board of Directors from 2008 to 2022, he led the company toward circularity through the creation of the **ECONYL® Regeneration System**. Awarded the **Order of Merit of Labour (*Cavaliere del Lavoro*)** and a speaker at national and international events on sustainability and innovation. WCD's 2023 **Visionary Award for ESG Leadership** (2023) **100 Meaningful Business Leader** (2022)
Stefano Giovanni Loro	Director	Executive	>50	**E-S-G** **President BCF EMEA of Aquafil** since 2017, and **President BCF APAC** since 2021. Circular economy expert Former general manager of several business units at **Radici Group**
Franco Rossi	Director	Executive	>50	**E-S-G** **Chairperson Aquafil USA** since 2006 (which he founded in 1999) and circular economy expert. He previously held management positions in the chemical-textile industry and the **Electrolux Group**.
Silvana Bonazzi	Director	Non-executive	30-50	**G** **Lawyer** specialising in Corporate, M&A and corporate restructuring. Former **Linklaters** and **Freshfields Bruckhaus Deringer**
Francesco Bonazzi	Director	Non-executive	30-50	**G** **Attorney and Director at Aquafil Holding.** Formerly **KPMG Audit**
Roberto Siagri	Director, Chairperson of the Appointments and Remuneration Committee	Independent, non-executive	>50	**G** Expert in **internationalisation** and **corporate governance**. **Founder and CEO of Rotonium Srl** (2022-present), a startup in the field of quantum computers. Former CEO of **Eurotech**, which he led from startup to listed company, and Chairperson of the **Tolmezzo Local Economic Development Consortium** since 2020.
Patrizia Riva	Director, Chairperson of the Control, Risks and Sustainability Committee	Independent, non-executive	>50	**G** **Expert in corporate crisis and recovery** with a strong **background in corporate management and control.** **Chairperson of the Board of Statutory Auditors** of Piquadro S.p.A. and **Statutory Auditor** in ATAC S.p.A., Mediobanca SGR, Agilepower S.r.l. and Agile Lab S.r.l., with experience in listed and investee companies.
Ilaria Maria Dalla Riva	Director	Independent, non-executive	>50	**S** Expert in **human resource management** and **corporate culture**, with specific focus on **diversity** and **human capital development**. Executive at **UniCredit Italy** - Head of People & Culture (2021-2022) and Chief Administrative Officer (2022-present). Former HR VP at **Sky Italia**, Chief Human Capital Officer of **Montepaschi Group**, HR director of **Vodafone**. Former Director on the Boards of various companies, including some subsidiaries of the **Montepaschi Group**.

→ View Directors' bios

AGE DIVERSITY



TENURE DIVERSITY



GENDER DIVERSITY

80%

FEMALE-TO-MALE RATIO

BOD COMMITTEES

Control, Risks and Sustainability Committee

This **internal Board committee** comprises **three Independent Directors** (see Appendix 5.3), at least one of whom has expertise in accounting and finance or risk management. The Committee has the task of assisting the Board with **periodic financial and non-financial report approvals**, **risk management**, **Internal Control System** supervision, findings assessments and related Board decisions in this area.

Specifically, the Committee helps the Board define **internal control guidelines**, verifying their adequacy and effectiveness, in line with the Company's strategies and the risk profile assumed, including through the appointment of an Internal Audit Manager.
In the ESG field, it is involved in:

- reviewing the company's sustainability **policies, goals and processes;**
- assessing the adequacy of non-financial information required by **European Directive 2014/95/EU and Delegated Regulation (EU) 2023/2772;**
- coordinating all corporate bodies involved in ESG activities.

Finally, the Committee is also entrusted with the functions of the **Related Party** Transactions Committee, which provides the Board of Directors with preventative, reasoned opinions on transactions involving the transfer of resources, services, or obligations with related parties. The objective is to prevent, regulate, and mitigate potential emerging conflicts of interest.

→ See CR&S Committee Regulation

Appointments and Remuneration Committee

The internal Board committee, made up of three Independent Directors (see Appendix 5.3), at least one of whom has adequate experience in financial and remuneration policy matters. The committee is responsible for assisting the Board of Directors with investigative functions regarding the proposal of roles, positions and related remuneration. The Committee submits proposals to set performance targets related to variable pay and subsequently verifies their achievement. The Chairperson of the Committee reports periodically to the Board of Directors on its activities.

→ See A&R Committee Regulation

BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors reports to the Shareholders' Meeting, providing an account of its activities in an annual report. It consists of 3 full members and 2 alternate members (see Appendix 5.3), all of whom are independent. The Board of Statutory Auditors supervises compliance **with the law and the By-Laws** and has:

- **management control** functions, having to verify compliance with the principles of good administration, the adequacy of the company's organisational structure, the way in which the Code is effectively implemented, and the adequacy of the instructions given to subsidiaries in relation to their obligations to disclose inside information to the market.
- functions required of the **audit** committee, having to supervise the financial disclosure process, the internal control, internal audit, and risk management systems, legally-required audit, and the independence of the independent audit firm, inform the administrative body of the outcome of the legally-required audit, and be responsible for the procedure for selecting the independent audit firm.

In line with the new Code of Conduct for the Board of Statutory Auditors of Listed Companies, the Board of Statutory Auditors also supervises the Sustainability Statement, checking that it is prepared in accordance with regulatory requirements and verifying the adequacy of the organisational, administrative and reporting and control system adopted.

SUPERVISORY BOARD

The SB has the duty to monitor the compliance and updating of the **Organisation, Management and Control Model pursuant to Legislative Decree No. 231/01**. It has full and unrestricted access to company records, and can draw on the support of all company departments or outside consultants. It is also responsible for ensuring respect for human rights in all Group operations. It reports to the BoD, which is informed of its activities through a semi-annual report. It consists of three members, two of whom are external and independent (66%) - see Appendix 5.3.

→ See the 231 Model

ESG COMMITTEE

The ESG Committee is **appointed by the CEO and/or Board of Directors**, to whom it reports periodically. As defined by the **ESG Policy**, the ESG Committee establishes and implements the **Group's sustainability strategy**. Specifically:

- it supports the Board in **assessing and managing** all environmental, economic, and social **impacts** and the **opportunities** and **risks** associated with them;
- sets an **ESG guideline**, defining timelines and priorities, in order to incorporate sustainability into all business processes;
- monitors the **achievement of ESG targets** approved by the BoD and proposes corrective actions in the event of deviation;
- it monitors **ESG-related regulatory developments** and deliberates on the implementation of Group rules and regulations.

It consists of **11 permanent members** with environmental, social, and governance expertise, including the **CEO, two Executive Directors**, and the **first line of management**:

- CEO;
- Director & President BCF world;
- Director & President BCF USA;
- President NTF;
- Chief Technical Officer ECONYL®;
- Chief Financial Officer;
- Chief Communication Officer;
- ESG Director;
- Head of Circular Economy & Sustainability;
- Group HR manager;
- Group Legal Counsel.

ESG DIRECTOR

Reports to the ESG Committee and is responsible for ensuring, supervising and improving the **implementation of the ESG policy** within the organisation, collecting reports and information provided by the ESG Representative It also provides information to the Board of Directors, Control, Risks and Sustainability Committee, Board of Statutory Auditors, Supervisory Board, and ESG Committee at least once a year on the following topics: the Group's main sustainability performance; management of material impacts, risks, and opportunities; the effectiveness of adopted policies, actions, metrics, and targets; and the due diligence process.

In October 2025, the role and responsibilities of the ESG Director were assumed by the Head of Circular Economy & Sustainability, now Head of ESG and Circular Economy & Sustainability. In 2026, the ESG Policy will be updated and approved by the Board of Directors to reflect this change.

ESG REPRESENTATIVE

As part of its day-to-day operations, each Group company works to achieve the sustainability targets set by the Group. They are support by ESG Representatives who report functionally to the ESG Director and the ESG Committee and are responsible for assessing and **monitoring impacts, risks, and opportunities** within their (functional and geographic) area of responsibility. This is done by monitoring the quantitative data and qualitative information that ESG Representatives have access to while working in their area of expertise on a daily basis (see section 1.5.3 "Internal Control over Sustainability Reporting"), through their involvement in materiality assessment.

1.5.2 Our remuneration and incentive policy

The Group's remuneration system is aligned with market best practices and includes ESG metrics in short- and long-term incentives.

Our Remuneration Policy is a key tool for building a future based on sustainability and shared growth. It enables us to **attract and retain talent** and to **incorporate ESG factors** into **corporate strategy**, translating them into concrete actions. The result is a strong **alignment** between the goals of our people, the goals of the company, and the protection of the planet.

Since 2023, the system has provided for three elements of remuneration for top management: **fixed remuneration**, a **short-term variable renumeration**, and **a long-term variable remuneration** - in line with market best practices (see Table 1.5). Part of the variable component is also linked to the achievement of **sustainability targets** in order to incentivise behaviour and decisions that seek to create value for all stakeholders in the long run.

The remuneration and incentive policy is drafted and approved by the **Appointments and Remuneration Committee**, the **Board of Directors**, and the **Shareholders' Meeting**.

TABLE 1.5 - AQUAFIL'S REMUNERATION AND INCENTIVE SCHEME

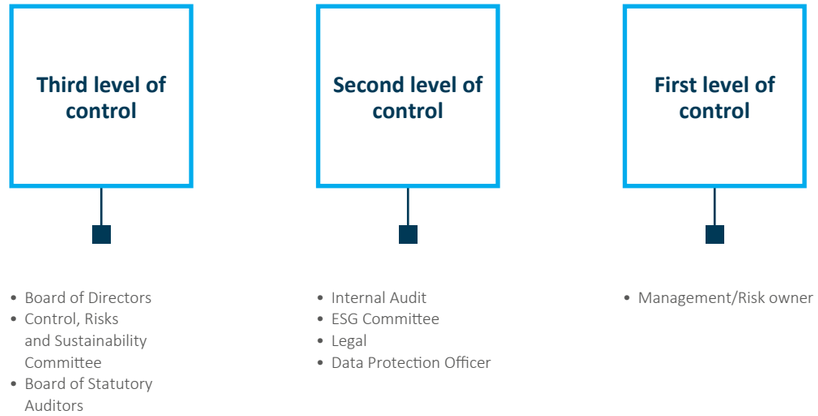
Remuneration Component	Award conditions	Values	ESG Parameters
FIXED REMUNERATION	Salary level based on positioning in relation to market benchmark analysis	The fixed remuneration of the Chief Executive Officer (CEO) is Euro 1,250,000	NA
SHORT-TERM VARIABLE COMPENSATION (STI)	**KPI:** • EBITDA (weighting 55%) • NFP/EBITDA (weighting 20%) • **ESG (weighting 25%)** **Cap:** there is a cap on the payout equal to 125% of the target incentive Clawback clause	**CEO:** • Target: 22% della Retribuzione Fissa **Executive Directors:** • Target: 50% of Fixed Remuneration **SEs:** • Target: ranging between 40% • and 50% of Fixed Remuneration	**Two sustainability targets (in line with the Sustainability Plan)** (weighting 12.5% each) **KPI:** • proportion of **ECONYL®-branded** product **revenues** to fibre revenues; • **collection of post-consumer waste** to create new recycled materials
LONG-TERM VARIABLE INCENTIVE (LTI)	**Instrument:** monetary **Allocation frequency:** annual **Performance period:** three years **KPI:** • TSR (weighting 30%) • **ESG (weighting 25%)** • EBITDA (weighting 25%) • NFP/EBITDA (weighting 20%) **Deferment:** 50% of the bonus for 1 year **Cap on issuable pay-out:** 125% of the incentive at target **Clawback clause**	**CEO:** • Target: 22% of Fixed Remuneration **Executive Directors:** • Target: 50% of Fixed Remuneration **SEs:** • If participating in the plan, target: 50% of Fixed Remuneration	Aquafil's ranking on the **ESG risk rating** provided by EcoVadis The target considers the degree of improvement achieved in the rating

1.5.3 Risk management system

We leave nothing to chance. We monitor and mitigate major risks that threaten our business and value chain, making us stronger and more resilient.

Our Internal Control and Risk Management System is the key to sound, fair and consistent business conduct. It is organised around **three levels** - see Figure 1.8.

FIGURE 1.8 - OUR INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM



The **Board of Directors** sets the guidelines and assesses the adequacy of the system, supported by the **Control, Risks and Sustainability Committee**. The **Board of Statutory Auditors** has an independent supervisory function, and ensures that the Internal Control and Risk Management System is effective and compliant with regulations. The **Internal Audit** function carries out both risk management activities (Enterprise Risk Assessment every two years) and internal audits and reviews. The **ESG Committee** performs an oversight function related to ESG risks, impacts and opportunities, and approves the materiality assessment. The **Legal** function oversees and manages legal and non-compliance risk. The first level of control is in the hands of management or specific risk owners.

ENTERPRISE RISK ASSESSMENT

Our **Enterprise Risk Assessment** process maps and assesses key risks related to the **external environment, business processes, and climate change**, analysing the magnitude of potential impacts, their likelihood, and related safeguards. Sustainability-related risks and other types of business risks are mapped and prioritised using risk-based logic. As a result, decisions are made following careful assessment of trade-offs between the economic-financial sphere and the environmental and social spheres. This allows us to take timely action on critical issues that have emerged, through risk **mitigation plans** and by establishing **new safeguards**.

The Enterprise Risk Assessment is conducted **every three years** by the **Internal Audit** function, which reports directly to the **Board of Directors**. The next assessment is scheduled **for 2026**. The results are also a key input for **the identification of** material **impacts, risks and opportunities** in the context of **double materiality assessment**.

In addition to being an essential element in defining corporate strategy, IROs are considered by regulators to monitor and ensure the effectiveness of corporate strategy, the soundness of decisions on important operations, and the adequacy of the risk management process.

ECOVADIS PROJECT: ESG RISK MANAGEMENT ALONG THE SUPPLY CHAIN

With the entry into force of the **Corporate Sustainability Due Diligence Directive** in July 2024, the assessment of environmental and human rights risks across the entire **supply chain** has become an essential requirement. For Aquafil, this activity is of primary importance despite the simplifications introduced by the Omnibus I package, which significantly raised the size thresholds and notably reduced the number of companies directly subject to the Directive compared to the original agreements.

In 2024, Aquafil launched a project with **EcoVadis** – a leading sustainability ratings provider – to map and manage **ESG risks** within its upstream supply chain. In this first phase, the Group conducted an initial screening of **100%** of more than 3,750 direct partners through the **IQ+** platform. The automated assessment considered the risk associated with the country of origin and sector of each supplier and customer, in addition to the procurement risk, calculated on the basis of spending levels and the strategic relevance of counterparties. Approximately 85% of entities were classified as being at "very low", "low" or "medium-low" risk.

In **2025**, Aquafil launched the second phase of the project to further deepen the analysis. The **55 suppliers considered most strategic** due to the type of supply provided (i.e. raw materials for our processes) were directly involved and invited to undergo a full **ESG Risk Rating**. To date, around **40%** have successfully completed the process, obtaining an EcoVadis medal with an average score of **64.4/100**, which is 15.4 points above the reference benchmark. For a further **389 suppliers**, considered less strategic but characterised by high spending volumes, completion of the **EcoVadis Vitals** questionnaire was requested or will be requested in 2026. The questionnaire verifies compliance with sustainability-related regulations and certifications. To date, participation has been very high, with **95%** of contacted suppliers having already completed the questionnaire.

The results of these in-depth assessments have confirmed that none of the partners involved currently fall within the "very high" risk category. In addition, 98.5% of suppliers participating in the Vitals analysis were rated as being at "very low", "low" or "medium-low" risk (figure 1.9).

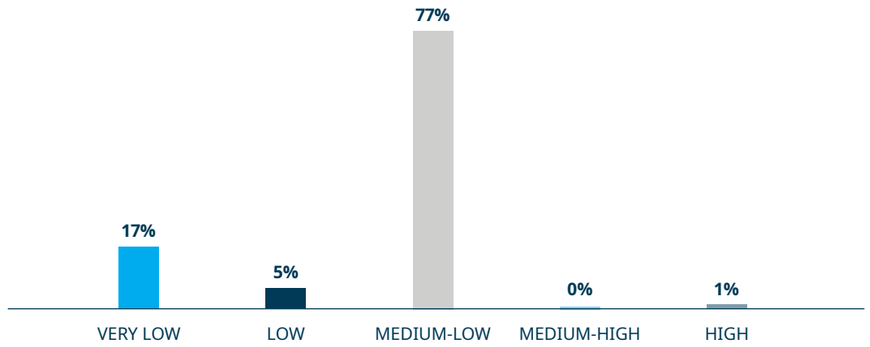
Thanks to these results, Aquafil is now close to achieving one of the main targets set at the launch of the initiative: ensuring that at least **70% of the Group's total spending is covered by EcoVadis assessments** (Vitals or the ESG Risk Rating). To date, based on 2025 turnover, coverage has reached **61%**, a particularly impressive performance that led to the project being **nominated by EcoVadis as the best initiative** among new participants.

A further milestone relates to **training** in this area. 100% of colleagues involved in the programme, belonging to the ESG, Communication and Procurement teams, received dedicated training on sustainable procurement and the use of EcoVadis tools.

To broaden awareness of the initiative, training was extended to other corporate functions in 2025, primarily involving managers and middle management at Italian sales offices and several colleagues at the Company's Chinese office. In total, 38 people were involved. We plan to further extend training on these matters to other corporate functions and regions in 2026.

The project contributes to the **achievement of the value chain-related target** set out in Aquafil's **sustainability plan** for 2026: *"Monitor key suppliers along the supply chain through audits and/or due diligence, ensuring it is also in line with the European Supply Chain Act."*

FIGURE 1.9 - RISK DISTRIBUTION AMONG AQUAFIL PARTNERS (BASED ON TURNOVER)



INTERNAL CONTROL OVER SUSTAINABILITY REPORTING

The Group adopts a set of procedures to ensure the **reliability and trustworthiness** of reported ESG data. As described in section 1.1, we introduced a new **customised software platform**, Tagetik by Wolters Kluwer, which enables uniform information management, enhances data transparency and traceability, and supports aggregation and control processes, thereby reducing the risk of errors.

Three internal control levels ensure the quality of information - see Table 1.6 - in addition to the approval of the Board of Directors, the supervision of the Board of Statutory Auditors (see Section 1.5.1), and the **external audit by the independent audit firm**. The new system provides for the clear allocation of roles and responsibilities at each stage of the process, divided into dedicated operational flows and activities. All data entry, validation and consolidation activities can be traced and the responsible user and date and time of execution can be identified.

TABLE 1.6 - THREE CONTROL LEVELS FOR SOCIAL AND ENVIRONMENTAL DATA

Internal control levels	Person responsible	Assets
1 – Collection	Data collector: officers appointed at facilities	Platform data input
2 – Validation	Data validator: plant manager and/or specialist contact person for specific topics: energy, water, waste, etc.	Verification and validation of data entered
3 – Consolidation	ESG representative	Second assessment and data consolidation

DUE DILIGENCE PROCESS

Due diligence is the process by which a company identifies, prevents, mitigates, and accounts for how it addresses negative impacts on the environment and people related to its business and value chain.

Table 1.7 describes how and where the application of the main steps in the due diligence process are addressed in the Sustainability Statement, in order to provide an outline of the company's actual practices in this area.

TABLE 1.7 - FUNDAMENTAL ELEMENTS OF DUE DILIGENCE AND RELATED PARAGRAPHS OF THE SUSTAINABILITY STATEMENT

Core components of due diligence	Paragraphs in the sustainability statements
a) Integrating due diligence into the governance, strategy and business model	1.3 Our ESG strategy
	1.5 Sustainability governance
	4. Business conduct
b) Engaging stakeholders in all key phases of due diligence	1.4 Materiality assessment
	4.8 Dialogue with stakeholders
c) Identifying and assessing actual and potential negative impacts	1.4 Materiality assessment
	1.5.3 Risk management system (Enterprise Risk Assessment and EcoVadis Risk Mapping)
	5.4 Impacts, risks and opportunities
d) Taking action to address negative impacts	1.3 Our ESG strategy
	2.1 Climate change
	2.2 Water resources
	2.3 Pollution
	2.4 Biodiversity
	2.5 Circular economy
e) Tracking the effectiveness of actions and reporting	3.1 Aquafil personnel
	3.2 Workers in the value chain
	3.3 Consumers and end-users
	3.4 Support for local communities
	4.7 Certifications

2. ENVIRONMENTAL INFORMATION

2.1 CLIMATE CHANGE

We are resolutely committed to reducing the environmental impact of our activities and strengthening our resilience in the face of global warming risks.

Climate change, fuelled mainly by **greenhouse gas emissions**, is profoundly transforming the Earth's ecosystems, with obvious effects such as droughts, melting glaciers, rising sea levels and an increase in extreme weather events. At Aquafil, we recognise the urgency of a **transition to a low-emissions economy** and, in line with our **Environmental Policy**, work to **mitigate our impacts on the planet** and protect our operations from **climate risks**. Taking the **opportunities** offered by the **circular economy**, we also work to develop **new value chains** with reduced carbon footprints in an industry as heavily dependent on oil as the chemical-textile sector.

Table 5.6 in the Appendix summarises the main **IROs** identified through the materiality assessment (see section 1.4), and the **actions taken** to manage them, discussed further below and in the following sections. In 2025, the Company allocated approximately Euro 4.9 million in CapEx investments and Euro 80,000 in OpEx expenditure to climate change mitigation. Investments mainly concerned energy efficiency works, while current expenditure covered costs related to climate consulting activities.

Sustainability is an integral part of our **operational management**. Most of our production plants have an **ISO 14001**-certified **Environmental Management System** (see Section 4.7), which enables us to identify, control and **mitigate the negative environmental impacts of** our business **activities**, **optimising resource use** and minimising the generation of waste. In line with previous years, we continue to work to improve **energy efficiency** at our production facilities and to purchase almost all of our **electricity from renewable sources**, in line with our targets. To ensure an accurate measurement of our carbon footprint, we developed an **Inventory Management Plan** in 2024, bringing our emissions calculation methodology into line with the **GHG Protocol**, harmonising conversion methods and data sharing among our plants.

We also monitor **Scope 3 emissions**, a key step in reducing impact along the entire **value chain**. In addition, our **ECONYL®** remanufacturing process, together with the **eco-design** and **take-back** projects developed with customers, helps to reduce upstream and downstream impacts of the nylon supply chain, limiting dependence on fossil resources and avoiding emissions from mining on the one hand, and decreasing emissions associated with the processing of Aquafil's polymers and yarns into final products on the other.

Through the **Climate Risk and Vulnerability Assessment (CRVA)**, we identify the most significant physical risks to our operations and assess the **resilience of our strategy** and business model. This analysis, complementary to the materiality assessment, provides a more detailed picture of climate threats, enabling us to **develop mitigation and adaptation strategies** to protect our operations and value chain. In 2025, a **physical risk adaptation plan** was defined for the first time, and a **procedure for monitoring these risks was introduced at the Group level** (see section 2.1.1).

We are also developing a **climate transition plan**, in line with the **Paris Agreement**, with the goal of limiting global warming to **1.5°C** within this century. The plan, to be **published in 2027** (with **2026** as the base year), will include emission **reduction targets** and concrete actions to achieve them, and will be fully integrated with the Group's business strategy and financial planning. The plan will also identify and take into account major **transition risks**. Taking into consideration the current and prospective exposure to climate risks related to CRVA, the climate transition plan being prepared and the resulting costs and investments to be incurred in the coming years, no significant impacts have been

identified that have resulted in potential impairment of assets or the need for the recognition of specific provisions for risks and charges in the financial statements.

Environmental Policy link	
Targets	Establishes Aquafil's goals in major environmental and climate change issues, including **physical and transition risks**.
Contents	• Lists the Group's commitments to the environment • Defines concrete actions to be implemented to protect the planet and natural resources
Impacts, risks and opportunities	E1 Climate change, E2 Pollution, E3 Water and marine resources, E4 Biodiversity and ecosystems, E5 Circular economy.
Scope of application and method of engagement	Employees, suppliers and business partners.
Owner	The **ESG Committee** approved the policy, and is responsible for its implementation itself and through the **ESG Director**.
Alignment with international initiatives	Agenda 2030, UN Global Compact, Universal Declaration of Human Rights, Paris Agreement on Climate Change, European Taxonomy, CSDDD, CSRD, Framework Law on the Environment (L. 349/1986), Legislative Decree No. 152/2006.

2.1.1 Climate change risk

Since 2023, we have conducted a **Climate Risk and Vulnerability Assessment (CRVA)** to assess our exposure and vulnerability to (physical) climate risks, as required by Taxonomy Regulation (EU) 2020/852. Over time, we have **expanded the scope of the analysis**. As of 2025, it covers 100% of the Group's companies, including non-production sites.[11)] Based on the results obtained, we defined a physical risk **adaptation plan** for the first time. Our timeline (see figure 2.1) also includes the **mapping of transition risks** and the development of a climate transition plan by 2026.

FIGURE 2.1 - ACTION PLAN AND ACTIVITIES RELATED TO CLIMATE RISK AND VULNERABILITY ASSESSMENT

2022	2023	2024	2025	2026
Aquafil falls within the alignment criteria of Appendix A "Criteria for DNSH to Climate Change Adaptation".	A climate risk and vulnerability assessment (CRVA) was conducted on EU facilities.	Extension of CRVA to the US scope.	Extension of CRVA to the Asia and South America scope. Definition of the physical risk adaptation plan for European and US plants.	Definition of the Adaptation Plan for the entire Aquafil Group. Development of the Transition Plan.

Physical risks analysis

In 2025, the CRVA was extended to the following Group countries: **China, Thailand, Germany and Belgium**. The methodology adopted is **scenario analysis**. The risk is then assessed on **two possible scenarios** of differing severity, identified by the Intergovernmental Panel on Climate Change (IPCC): the first **medium-emission** scenario foresees an increase in global average temperature from 2.1 °C to 3.5 °C; the second **high-emission** scenario foresees an increase from 3.3 °C to 5.7 °C - both over a **long-term time horizon** (40 to 80 years).[12)]
The first step involved compiling a list of major **climate phenomena** – "Climate Impact Drivers" or "CIDs"[13)] – dividing them into two categories:

- **Acute**: extreme and sudden events such as hurricanes, floods, forest fires, and heatwaves);
- **Chronic**: factors that develop gradually, such as rising temperatures, rising sea levels, and water stress.

Through data provided by the IPCC and regional climate reports, we analysed the **evolution** of each climate phenomenon over time for each geographical area of the Group, with the aim of understanding **future developments** under the two scenarios used.

The **risk assessment** of each climatic phenomenon was conducted for each plant, analysing **three** key **dimensions**: **hazard** of the phenomenon, or the probability of aggravation over time; **exposure** of the plants, analysing factors such as location, infrastructure and number of workers; and **vulnerability**, determined by sensitivity to climatic events and adaptive capacity.[14)]

Tables 5.16 and 5.17 in Appendix 5.5.1 summarise the **results by geographic area** according to the two different scenarios.[15)] In the **first scenario**, characterised by a more moderate increase in temperatures in the medium term, the risk for Aquafil remains predominantly **medium to low,** partly owing to the mitigation and adaptation measures already implemented. In the **second scenario**, where global warming is more pronounced, the level of risk increases for all the phenomena analysed.

One of the most urgent risks to be managed is from **rising temperatures** and **heatwaves**, as the machinery used for production contributes to significant temperature increases in the production departments. The sites located in California, Slovenia, China and Thailand, where summers are becoming increasingly hot, are also particularly exposed to this risk in the first scenario, while in the second scenario the risk is across all Group geographic areas.

Drought, aridity and decreasing annual precipitation are further factors that should not be underestimated in Europe, as the availability of water resources for industrial purposes could be reduced due to these phenomena in the coming years.

We also continue to monitor the risk from **floods and heavy rainfall** because of the increasing level of hazard of these phenomena especially in the Trentino region and Slovenia.

The occurrence of **violent windstorms**, on the other hand, could generate a risk for European plants in the scenario of more pronounced global warming.

Adaptation Plan

The **physical risk adaptation plan** related to climate change is the tool through which Aquafil identifies and plans present and future actions to prevent or reduce the impacts of the risks identified through the CRVA. It is a strategic plan designed to **strengthen the Company's resilience** and limit the costs associated with climate-related risks.

The plan was prepared in line with the **World Business Council for Sustainable Development** (WBCSD) guidelines, which outline four phases: risk identification and prioritisation, identification of solutions, integration into business practices, and monitoring of effectiveness.

A **Balanced Risk Approach** was adopted for the first draft, combining two lines of action:

- **Immediate actions on the most critical risks;**
  Concrete interventions on the assets or facilities most exposed, to reduce specific vulnerabilities identified by the risk analysis.
- **Cross-cutting, long-term strategies**
  Policies and tools applicable across the entire Group, designed to build structural and systemic resilience.

11 The scope of the analysis does not include the value chain

12 The scenarios used are derived from the IPCC, as are the main assumptions, constraints and inputs. The scenarios are regional coverage for plants in Europe, and national coverage for those in the US. Where the IPCC scenarios had gaps, we supplemented the information using external sources: for Europe, EEA reports and regional reports specific to the area in which the plants are located (e.g., report from the Trentino Alto Adige Region); for the U.S., reports from EPA 3 from the Environmental Protection Agencies of individual states.

13 The list of climate phenomena or CIDs was identified by taking as a reference the classification proposed by the Taxonomy Regulation in Appendix A, which are in turn taken from the IPCC.

14 Thus, the formula for calculating the climate risk of each CID is: Risk = H (Hazard) x V (Vulnerability) x E (Exposure). The quantitative score is then placed within 5 ranges: "Very high," "High," "Medium-high," "Medium-low," and "Low."

15 To provide an overview of risk by geographic area, we aggregated the results obtained for each plant, choosing the maximum risk value recorded in that region. For example, in the two Arizona plants, Aquafil Carpet Recycling #1 and Aquafil Carpet Collection, if the risk from average rainfall was "High" and "Medium-High," respectively, in the second scenario, the risk score for this CID associated with Arizona would be "High."

Based on this approach, a structured **set of adaptation measures** was defined and subsequently tailored at the facility level based on specific infrastructural and operational features. Alongside these actions, a **key cross-cutting measure** was introduced at the Group level: the establishment of a **structured monitoring** system for extreme weather events, formalised through a **questionnaire for facility managers** and a **corporate procedure** defining responsibilities and operational methods.

The plan is designed to evolve over time. At present, site-specific measures apply to the facilities covered by the 2024 CRVA. We expect the plan to be extended to the entire corporate scope in the future.

2.1.2 Energy consumption

Reducing energy consumption and **improving the efficiency** of our production plants are strategic priorities of our environmental commitment, in line with the transition towards a low-carbon economy. To this end, we continuously monitor **energy demand**, promote **targeted efficiency measures** at our facilities and maximise the share of **energy sourced from renewable sources**.

In 2025, the Group consumed a total of **687,578 MWh** of energy, in line with the previous year (+0.7%). **Energy intensity**, calculated as the ratio between total consumption and Group revenues, also increased slightly (see table 2.2), following a decrease in revenues.

Of this consumption, **34.31% comes from certified renewable sources,** an increase compared to 32% in 2024. The remaining **65.69% comes from fossil sources.** The improvement in the share of renewable energy, mainly driven by the purchase of Guarantees of Origin covering electricity consumption at the Croatian facility, highlights the Company's ongoing efforts to identify more sustainable energy sourcing solutions. As further evidence of this commitment, in 2025, the **share of purchased electricity from renewable sources reached 99.6%**, increasing by nearly 8 percentage points compared with the previous year. Coverage is now almost total and includes all of the Group's production sites. Table 2.1 presents a detailed breakdown of energy consumption in line with the ESRS standards. Methodology and scope of calculation are discussed further in Appendix 5.5.2.

TABLE 2.1 – GROUP ENERGY CONSUMPTION AND MIX (2024 VS 2025)

	2024	2025
	MWh	MWh
TOTAL ENERGY CONSUMPTION	**682,803**	**687,578**
Fuel consumption from coal and coal products	-	
Fuel consumption from crude oil and petroleum products	12,797	6,046
Fuel consumption from natural gas	429,087	439,626
Fuel consumption from other non-renewable sources	-	
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources	22,453	5,990
of which from nuclear sources	-	
Total energy consumption from fossil sources	**464,336**	**451,662**
Percentage consumption of energy from fossil sources	**68%**	**66%**
Fuel consumption for renewable sources, including biomass*	1	1.82
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	213,421	230,959
Consumption of self-generated non-fuel renewable energy	5,043	4,956
Total renewable energy consumption	**218,466**	**235,916**
Percentage consumption of energy from renewable sources	**32%**	**34%**

* *also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.*

TABLE 2.2 - GROUP ENERGY INTENSITY (2024 VS 2025)

	Unit	2024	2025
Total energy consumption	MWh/€	682,803	687,578
Revenues*	Euro (in millions)	542,134,871	520,835,894
Energy intensity	**MWh/€**	**0.00126**	**0.00132**

* *The value of revenues used to calculate energy intensity corresponds to the item "Revenues" in the "Consolidated Income Statement" (see section GROUP FINANCIAL HIGHLIGHTS). See Appendix 5.5.2 for the list of high climate impact activities considered - according to Delegated Regulation (EU) 2022/1288.*

Almost two-thirds of the energy consumed is **self-generated** by the Group (see table 2.3), a slight increase compared to 2024. In particular, Aquafil relies on production from two **co-generation plants** in Italy and Slovenia, which generate thermal energy and electricity from fossil fuels. The company also maintains its **own photovoltaic systems** for **self-generation of electricity** in its U.S., Italian, Slovenian, Chinese and Croatian plants.

With reference to this indicator, the value reported in 2024 was recalculated to ensure comparability with the 2025 figure, following a methodological refinement.

TABLE 2.3 - SELF-GENERATED ENERGY, BREAKDOWN BY FOSSIL OR RENEWABLE SOURCE (2024 VS 2025)

	2024	2025
	MWh	MWh
Self-generated Energy	**442,021**	**445,940**
*Of which from fossil sources**	*436,978*	*440,985*
*Of which from renewable sources***	*5,043*	*4,956*

* *Fossil self-generated energy was understood to mean all primary energy that was used in a form other than input energy such as energy from natural gas combustion that is obtained as chemical energy (in the bonds of the methane molecule) but consumed as thermal energy after transformation by boilers or cogeneration. Car and lorry fuel consumption is excluded from this category.*

** *Self-generated energy from renewable sources means self-generation from photovoltaic, solar thermal, wind, hydroelectric or geothermal owned/under the control of the Aquafil Group. Renewable fuels (e.g. HVO) do not fall in this category.*

2.1.3 GHG emissions

We are aware of our industry's impact on the environment, and continue to monitor and adopt solutions to reduce greenhouse gas emissions throughout the entire value chain.

Emissions are calculated on a monthly basis and converted into carbon dioxide equivalent (CO_2eq) based on reported energy consumption. For their measurement, we refer to the **GHG Protocol** classification system, which divides emissions into **Scope 1, Scope 2 and Scope 3**.

Figure 2.2 gives an **overview of the Group's emissions**, further details of which are then given in Table 2.4. Table 2.5, on the other hand, shows total emissions by revenue. Methodology, calculation scope, and assumptions are discussed further in Appendix 5.5.3. Our emission **reduction targets** are currently in the process of being set. They will be an integral part of our **climate transition plan**, aligned with the goals of the Paris Agreement, which is expected to be finalised by **2026**.

FIGURE 2.2 - AQUAFIL GROUP EMISSIONS OVERVIEW (2025)

Total emissions*
1,022,386
tCO_{2eq}

Scope 1	**Scope 2**	**Scope 3**
Direct emissions mainly related to combustion processes taking place at the Group's production plants.	Indirect emissions associated with the production of electricity and heat purchased from external suppliers.	Other indirect emissions related to Aquafil's value chain, such as those from raw material consumption and transportation.
9.0% 91,542 tCO_{2eq}	**0.3%** 3,326 tCO_{2eq} (market-based)	**90.7%** 927,518 tCO_{2eq}

* *Scope 3 emissions metrics were used to assess the actual materiality of upstream and downstream emissions (see related IROs), Scope 1 emissions metrics were used to assess the actual materiality of the direct IRO on emissions, Scope 2 emissions metrics were used to assess the actual materiality of the Risk related to ETS/GO allowance price increase*

TABLE 2.4 - AQUAFIL GROUP EMISSIONS: SCOPE 1, 2, AND 3 (2024 VS 2025)

		Unit	2024	2025
GHG Emissions – Scope 1				
Gross GHG Emissions – Scope 1		tCO_{2eq}	91,347	91,542
Percentage of Scope 1 GHG emissions from regulated emission trading schemes*		%	88	89
GHG Emissions – Scope 2				
Gross GHG Emissions – Scope 2 (location-based)		tCO_{2eq}	82,579	75,681
Gross GHG Emissions – Scope 2 (market-based)		tCO_{2eq}	13,346	3,326
GHG Emissions – Scope 3				
Gross GHG Emissions – Scope 3		tCO_{2eq}	932,467	927,518
1	Purchased goods and services	tCO_{2eq}	699,551	700,289
2	Capital goods	tCO_{2eq}	12,894	4,609
3	Fuel and energy-related activities (not included in Scope 1 or 2)	tCO_{2eq}	30,142	26,124
4	Upstream transportation and distribution	tCO_{2eq}	41,330	50,621
5	Waste generated in operations	tCO_{2eq}	3,163	3,516
6	Business travelling	tCO_{2eq}	1,740	516
7	Employee commuting	tCO_{2eq}	4,461	3,954
8	Upstream leased assets	tCO_{2eq}	N.A.	N.A.
9	Downstream transportation	tCO_{2eq}	25,958	26,245
10	Processing of sold products	tCO_{2eq}	N.A.	N.A.***
11	Use of sold products	tCO_{2eq}	N.A.	N.A.
12	End-of-life treatment of sold products	tCO_{2eq}	111,721	110,006
13	Downstream leased assets	tCO_{2eq}	609	779
14	Franchises	tCO_{2eq}	N.A.	N.A.
15	Investments**	tCO_{2eq}	899	859
Total GHG emissions				
Total GHG emissions (location-based)		tCO_{2eq}	1,106,394	1,094,741
Total GHG emissions (market-based)		tCO_{2eq}	1,037,160	1,022,386

* *The ETS emissions figure includes the Ljubljana and Arco plants and is calculated on tCO_2eq. The ETS figure was therefore supplemented with the portion of GHG gases not covered by ETS. ETS emissions were calculated using national references in both PCI and emission factor terms.*

** *This value represents the emissions of companies in scope consolidated at equity: Poly, Aquafil India, Acca and Nofir. These companies are considered as "equity" since Aquafil does not exercise operational control over them. See Appendix 5.5.3.*

*** *Emissions related to category '3.10 Processing of sold products' are not included in our products' EPD, in compliance with the applicable Product Category Rules (PCR). Therefore, in line with 2024, they are not reported.*

TABLE 2.5 - TOTAL GHG EMISSIONS BASED ON TURNOVER (2024 VS 2025)

	Unit	2024	2025
Total GHG emissions (location-based)	tCO_{2eq}	1,106,394	1,094,741
Total GHG emissions (market-based)	tCO_{2eq}	1,037,160	1,022,386
Revenues*	€	542,134,871	520,835,894
Emissions intensity (location-based)	tCO_{2eq}/€	0.0020	0.0021
Emissions intensity (market-based)	tCO_{2eq}/€	0.0019	0.0020

* *The value of revenues used to calculate energy intensity corresponds to the item "Revenues" in the "Consolidated Income Statement" (see section GROUP FINANCIAL HIGHLIGHTS).*

In 2025, the Group's total GHG emissions remained largely in line with 2024.

Scope 1 emissions remained **stable**, confirming a **progressive path of containment and efficiency**. The most significant reduction was recorded in Scope 2 (market-based) emissions (-**75%**), driven by the purchase of 100% renewable electricity for the Croatian site. Despite a slight decrease in revenues, emissions intensity remained stable.

The following tables provide further details of the Group's emissions. Table 2.6 shows the **share of contractual instruments** on total purchased energy and their types. Table 2.7 reports **biogenic CO_2 emissions** resulting from the combustion or biodegradation of biomass. For Scope 1, Scope 2 and Scope 3, biogenic emissions are equal to **0**, as the Group did not record any biomass consumption or other sources associated with biogenic emissions according to the GHG Protocol classification in 2025.

Information on Scope 3 emissions is inherently more limited than Scope 1 and 2 emissions information. This is due to the limited availability and relative accuracy of the data used to determine the emissions themselves, both quantitatively and qualitatively, along the entire value chain.

TABLE 2.6 - SHARE OF CONTRACTUAL INSTRUMENTS ON TOTAL ENERGY PURCHASED AND TYPE (2024 VS 2025)

	2024	2025
% of total purchased electricity	92.3%	99.6%
Unbundled	64.5%	62.2%
Bundled	35.5%	37.8%
Power Purchase Agreement	0.0%	0.0%

TABLE 2.7 - BIOGENIC CO_2 EMISSIONS FROM BIOMASS COMBUSTION OR BIODEGRADATION (2025)

Biogenic Emissions - Scope 1	0
Biogenic Emissions - Scope 2	0
Biogenic Emissions - Scope 3	0

2.2 POLLUTION

We monitor the release of pollutants into the air, water and soil, strictly complying with the environmental regulations in force in the countries where we operate.

Monitoring industrial pollutants from production processes is essential for the protection of the earth's ecosystems. The Group has identified its **material** pollution-related **impacts, risks, and opportunities** through materiality assessment (see Section 1.4), which considers all of the Group's geographical areas and business activities, and the entire value chain. In 2025, the company allocated more than Euro 136,000 in CapEx and approximately Euro 72,000 in OpEx spending to the pollution issue. These costs primarily related to industrial improvements and research projects, with impacts mainly in the short to medium time horizons.

Table 5.7 in Appendix 5.4 summarises the main **material IROs** related to the topic.

In line with our **Environmental Policy** (described in section 2.1), each plant monitors its pollutant emissions and **compliance with legal limits**, which vary depending on the applicable local regulations and the specific production activities performed. The calculation methodology involves two steps: **third-party and independent companies** perform their periodic analyses to **measure concentrations**; the plants then calculate the final value by multiplying the concentrations by the flow rate and hours of operation.[16)]

In line with the CSRD requirements, table 2.8 reports emissions of pollutants, limited to indicating facilities that exceed the limit values set by the **Integrated Pollutant Release and Transfer Register (E-PRTR**: European Pollutant Release and Transfer Register). This register only applies to Europe. However, where relevant and following the same approach, the Company voluntarily reports values that exceed reporting thresholds, including at non-European facilities. The 2025 data are **positive**, with a reduction in emissions compared with 2024 for all three reported parameters. Specifically, for nickel and its compounds, no emissions were reported in the analyses carried out this year.

TABLE 2.8 - EMISSION OF POLLUTANTS TO WATER BY PLANTS THAT EXCEED THE E-PRTR REPORTING THRESHOLDS (2024 VS 2025)

		2024	2025	Facilities exceeding the limit values and contributing to the total
Nickel and compounds (Ni)	kg/year	22.9	0	AquafilUSA
Phenols (C)	kg/year	188.1	164.25	AquafilSLO - Ljubljana
Total Organic Carbon TOC (C or COD/3)	kg/year	312,907	270,683	AquafilSLO - Ljubljana

Regarding **air and ground emissions**, no values above the established threshold for reporting were found during monitoring.

Microplastics

The Group pays particular attention to microplastic pollution, one of the most significant environmental challenges for the textile sector.

In 2023, thanks to a collaboration with CNR STIIMA in Biella and the UNI CT 046 Textile Technical Commission, the international standard **ISO 4484-2** was published. This standard enables the consistent measurement of microplastics released from textiles and represents an important point of reference for the entire supply chain.

At present, Aquafil does not have monitoring systems in place to quantify potential microplastic leakage. We are currently evaluating the best available solutions, as continuous microplastic monitoring systems are not yet commercially available. Nonetheless, we have implemented safeguards designed to prevent the release of polymer pellets into the environment.

Our commitment goes beyond this milestone. Research projects dedicated to the toxicity and recyclability of materials continue in collaboration with leading scientific partners such as the **MUSE – Science Museum of Trento** and the **CNR institutes in Milan and Biella**. Specifically, the **RE-TOX** project, developed with MUSE, analyses the impact of microplastics on aquatic macroinvertebrates to determine whether microplastics derived from chemical recycling are more or less toxic than those obtained from virgin monomers. At the same time, together with the CNR institutes in Milan and Biella, research continues on the impact of fibrous microplastics released during washing processes, generating essential data that will guide solutions to reduce the environmental footprint of textiles.

16 Regarding concentrations, measurements for certain substances are carried out on a multi-year basis. In these cases, the most recent available data are used for the calculation. The values for the relevant year are used for discharge rates and volumes.

2.3 WATER RESOURCES

We take a responsible approach to water resource management, reducing consumption and ensuring wastewater treatment and reuse.

Against a backdrop of global warming and **increasing water stress**, we constantly monitor our water consumption and discharges, aiming to **minimise waste** and contribute to the preservation of natural ecosystems. In 2025, the Company allocated approximately Euro 63,000 in CapEx investments to water resource management and to improving existing water recovery systems, in particular.

Table 5.8 in Appendix 5.4 summarises the main material **impacts, risks, and opportunities** related to water, as identified through the materiality assessment (see Section 1.4). To mitigate the only direct and actual negative impact - high water withdrawal for production activities - the Group first introduced a **Water Policy** in 2024.

The policy establishes a **structured framework of actions** to optimise water resource management across all Group activities. In 2025, the **Aquafil Global Water Team (A.G.W.T.) remained operational**, tasked with analysing consumption, developing improvement initiatives, promoting the reduction of water withdrawals and supporting efficiency improvements in production processes. In addition, a **dedicated withdrawals monitor** has been designated at each plant to collect relevant data and report any anomalies resulting from unplanned variations. Additional mitigation actions are described in the sub-sections on water consumption and discharges.

Water Policy link	
Targets	Establishes Group goals for careful, appropriate and sustainable management of **water withdrawals and discharges** in its operations.
Contents	• Lists Aquafil's commitments to **efficient and responsible water use** • Outlines concrete actions taken by the Group to **safeguard water resources**, and sustainably manage **water discharge** activities, limiting pollution.
Impacts, risks and opportunities	E2 Pollution, E3 Water and marine resources, E4 Biodiversity and ecosystems.
Application	Employees, suppliers and business partners.
Owner	It provides for regular communications to its **stakeholders, regular updates** to the **ESG Committee by the ESG Director**, and **periodic reviews** to ensure its **effectiveness and adequacy**.
Alignment with international initiatives	Agenda 2030, United Nations Global Compact (UN GC), European Taxonomy, CSRD (Corporate Sustainability Reporting Directive), Water Directive (2000/60/EC), Groundwater Directive (2006/118/EC).

2.3.1 Water consumption

Almost all of the Group's **consumption** of water resources is either used as a thermal carrier or to **dissipate heat** generated by the processing of raw materials and semi-finished products, both in wire and polymer production processes.

In **2025**, the Group withdrew and consumed **approximately 1,843,000 m³ of water**, reporting an **overall reduction of about 1.8% compared with 2024** (see table 2.9), despite a slight increase in production volumes. **Groundwater** (wells) continues to represent the main source of supply (**81%**), while withdrawals from **surface water** (rivers) remain marginal and declined further, accounting for under 1% of total water consumption (see figure 2.3). By contrast, the use of **third-party water resources (aqueducts) increased** at sites where this is the only available source.

Despite the reduction in total volumes withdrawn, **water intensity** increased from **3,462 m³/Euro million in 2024 to 3,539 m³/Euro million in 2025**, due to the decrease in the Group's revenues.

The **methodology for calculating** consumption involves consulting meters or bills on a monthly basis.[17)]

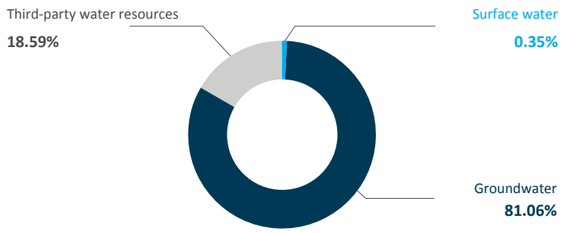
17 Estimates were only used for the ACC Chula Vista plant, for the final three months of operation of the Aquafil Carpet Recycling #1 plant, and for some plants included in the reporting scope in 2024. Estimated consumption data represents 0.14% of the total.

TABLE 2.9 - GROUP WATER WITHDRAWALS AND CONSUMPTION, BROKEN DOWN BY SOURCE OF SUPPLY; WATER INTENSITY (2024 VS 2025)

	UdM	2024	2025
Acque superficiali	m^3	8.342	6.375
Acque sotterranee	m^3	1.558.769	1.494.330
Risorse idriche di terzi	m^3	309.737	342.765
Totale	**m^3**	**1.876.848**	**1.843.470**
Intensità idrica (*)	m^3/milioni di Euro	3.462	3.539

* *The value of revenues used to calculate water intensity corresponds to the item "Revenues" in the "Consolidated Income Statement" (see section GROUP FINANCIAL HIGHLIGHTS).*

FIGURE 2.3 - WATER WITHDRAWALS AND CONSUMPTION BY SOURCE, PERCENTAGE OF TOTAL (2025)



We continue to monitor **water stress levels** in the areas where we operate, using the "Basin Physical Risk" indicator provided by the **WWF's Water Risk Filter**.

As shown in table 2.10, withdrawals in areas classified as having high water stress currently account for only **0.04%** of the total, a percentage largely in line with the previous financial year, confirming that almost all withdrawals take place in low-risk areas (approximately 94%).

TABLE 2.10 - WATER WITHDRAWAL VOLUMES BY WATER STRESS AREAS, IN M^3 (2024 VS 2025)

Measurements in m3	2024	2025
Areas with high water stress	**1,735**	**747**
Third-party water resources (aqueduct)	1,735	747
Surface water	0	0
Groundwater	0	0
Areas with medium water stress	**111,307**	**107,886**
Third-party water resources (aqueduct)	68,218	75,078
Surface water	0	0
Groundwater	43,089	32,807
Areas with low water stress	**1,763,806**	**1,734,838**
Third-party water resources (aqueduct)	239,784	266,940
Surface water	8,342	6,375
Groundwater	1,515,680	1,461,523

To **reduce water consumption** at the Group level and mitigate the **impact on ecosystems**, the Company confirms its commitment to adopting the **actions set out in its Water Policy**, including:

- Replacement of freshwater withdrawals with **water from secondary sources** (meteoric, reclaimed groundwater, treated wastewater, or desalinated water);
- Provision of systems for **rainwater recovery;**
- Modification, adaptation and/or renovation of production facilities to apply **closed-loop systems** that allow **water and vapor recovery;**
- Analysis and **monitoring of the water cycle** using the "**water map**", which provides information on the water volumes used by each production site, comparing them to check for anomalies and verify the effectiveness of savings measures.

The company does not report information on the volumes of water stored, recycled and reused as to date there are no systems and processes in place to make such an estimate.

2.3.2 Water discharge

We closely monitor the **quality of** our wastewater through regular **laboratory analysis**, and we are committed to **reducing the volume of discharges** to protect the environment and the communities in which we operate.

Table 2.11 shows the total water discharge by destination, in the two-year period 2024-2025. In **2025**, the total volume of water discharges was **1,304,584 m^3**, down 3.2% on 2024.

In addition, **59.6%** of wastewater was discharged into surface waters, while the remaining **40.4%** was sent to third parties to be **purified** before being returned to the environment. We also conducted a qualitative assessment on water stress for the drainage areas, the results of which are shown in Appendix 5.6 (table 5.22).

TABLE 2.11 - WATER DISCHARGES: VOLUMES AND WATER QUALITY (2024 VS 2025)[18)]

	Unit	2024	2025
Discharge to consortium facilities	m^3	567,744	527,103
Surface water discharges	m^3	780,154	777,481
Total	**m^3**	**1,347,898**	**1,304,584**

2.4 BIODIVERSITY

We are committed to preserving and restoring natural habitats in the areas where we operate by adopting strategies to mitigate impacts on terrestrial ecosystems.

Biodiversity is the foundation of a **resilient ecosystem** and a key element in **industrial development**: it ensures the regulation of water resources, soil fertility and climate stability, on which companies depend throughout their value chain. Through its **Environmental Policy** (see section 2.1), the Group is committed to protecting the environment in the different countries where it operates. In 2025, the Company allocated Euro 65,000 of OpEx to the topic of biodiversity. Specifically, these costs relate to consulting activities.

The loss of biodiversity represents a **systemic risk** for the global economy: ecosystem degradation can cause **disruptions in production chains**, increase operational costs and generate **regulatory and reputational risks** for companies. At the same time, industrial activity contributes to **negative impacts** on biodiversity, fuelling the problem. This **interdependence** makes a **double evaluation** necessary:

- Analysis of risks arising from ecosystem degradation to business operations, their resilience, business continuity and long-term financial stability;
- Analysis of the impacts of Aquafil's activities on biodiversity, in all the geographical areas in which it operates.

This dual assessment provides an even greater level of depth than **the materiality assessment** (see section 1.4), by which the **main material impacts, risks and opportunities** had already been identified. During the materiality assessment, all geographic areas in which the Group operates, the various business activities and the entire value chain were taken into account. The **main IROs** identified are summarised in Table 5.9 in Appendix 5.4.

18 Estimates were only used for the ACC Chula Vista plant, for the final three months of operation of the Aquafil Carpet Recycling #1 plant, and for some plants included in the reporting scope in 2024 (Aquafil Tekstil Sanayi, Aquafil Benelux, Aquafil Japan, Aquafil Oceania, Aquafil UK). Estimated consumption data represents 0.10% of the total.

In 2025, the Group integrated this type of evaluation through a **Biodiversity Impact and Risk Assessment**, which was expanded to cover **100% of the Group's scope**. The **Biodiversity Risk Assessment** also included a specific analysis of caprolactam suppliers, thereby incorporating a significant portion of the supply chain. Through this expanded assessment, biodiversity-related impacts, risks and dependencies were identified. Based on the results obtained, an **impact mitigation plan** was defined in 2025, identifying concrete actions to reduce the main pressures on ecosystems. Our timeline (see figure 2.4) also includes the development of a **transition and risk mitigation plan** by the end of 2026.

The impact analysis (BIA) will be updated if there are significant changes to the operations of a specific production site or if the Group's scope expands. As regards risk analysis (BRA), the results will be reviewed every two years or whenever significant changes occur.

FIGURE 2.4 - ACTION PLAN AND ACTIVITIES RELATED TO BIODIVERSITY IMPACT AND RISK ASSESSMENT

2022	2023	2024	2025	2026
Aquafil falls within the alignment criteria of Appendix D "Criteria for DNSH to Biodiversity Protection and Restoration".	Biodiversity Impact Assessment (BIA) on European plants, with identification of mitigation measures.	Extension of BIA to North American plants; Biodiversity Risk Assessment (BRA) on European and North American plants.	Completion of the BIA and BRA assessments across the entire Group scope; extension of the BRA to an initial portion of the supply chain; preparation of the impact mitigation plan	Development of the related transition and risk mitigation plan

2.4.1 Biodiversity Impact Assessment

In 2025, the Biodiversity Impact Assessment (BIA) was extended to 100% of the Group **scope**, including facilities in China and Thailand. The methodological approach remained consistent with that adopted in previous years. This section summarises the **process** of the analysis, the **results** and the **mitigation measures** identified.

The methodology adopted by the BIA consists of two steps. The first involves **an analysis of the environmental certifications** held by the Group's production plants, which provide information on the impact of production activities on local biodiversity, including Environmental Impact Assessments (EIAs) or screening according to Directive 2011/92/EU.

The second phase applies only to facilities that do not hold such certifications and are located **near protected natural areas**, in line with the requirements of the "Do No Significant Harm" principle of the Taxonomy Regulations.[19] These areas, also called "sensitive" areas, are identified through the **Natura 2000** network for Europe or through the classification of the **International Union for Conservation of Nature** for the United States, for example. The **complete list of sensitive areas** near Group plants can be found in Appendix 5.7.1.

In the second stage, **both direct and indirect impacts** on biodiversity are **assessed**. The impact is considered **direct** when the construction of the plant contributes to the **fragmentation or reduction of a natural area**, or **degradation of land**. **Indirect** impact, on the other hand, is estimated based on several factors:

- The **number of sensitive areas** present within a radius of 10 km and their distance from the plant;
- **Artificial lighting**, which can alter the balance of local flora and fauna, disorientating animals and affecting plant photosynthesis;
- The **presence of glass surfaces**, a potential threat to birds in flight;
- **Acoustic emissions**, which can interfere with birds' sound communication, essential for reproduction and defence against predators;
- Other **attractive elements**, such as the creation of artificial ponds for aesthetic purposes.

Table 2.12 shows Aquafil's production sites **within 10 km** of sensitive areas, and gives an indication of their direct impact in terms of **habitat fragmentation** and **soil sealing** (through cementing). Most of the Group's facilities are located near areas with high biodiversity. However, facilities located in Arizona, China and Thailand are excluded from the second phase of the assessment as they are not located near areas with high biodiversity. The analysis of indirect impacts, on the other hand, varies from plant to plant.

TABLE 2.12 - AQUAFIL PRODUCTION SITES LESS THAN 10 KM FROM SENSITIVE AREAS, WITH RELATED SOIL IMPERMEABILISATION AND HABITAT FRAMMENTION, IN ACRES (HA)

Plant	Country	Soil sealing (ha)*	Habitat fragmentation (ha)**
Aquafil S.p.A.	Italy	3.6	No
Aquafil CRO - Oroslavje	Croatia	4	No
Aquafil SLO - Ajdovscina	Slovenia	4.6	No
Aquafil SLO - Celje	Slovenia	2.11	No
Aquafil SLO - Ljubljana	Slovenia	6.3	No
Aquafil SLO - Senozece	Slovenia	1.1	No
Tessilquattro Cares	Italy	3.45	3.45
Tessilquattro Rovereto	Italy	3.8	No
Anaheim	California	0.42	No
Aquafil USA	Georgia	3.1	No
Chula Vista	California	0.55	No
Miramar	California	0.15	No
O'Mara	North Carolina	3.61	No
Total	**Entire scope**	**36.79**	**3.45**

* *The area of soil sealed off due to cementification coincides with the area occupied by each production plant in hectares.*

(**) Habitat fragmentation occurs only where the plant is located in a natural area (or was in the past). Again, the impact is assessed by measuring the size of the plant in hectares.

Impact mitigation plan

In **2025**, we developed an initial biodiversity impact mitigation plan, focusing on **seven facilities selected based** on the 2024 BIA, corresponding to 68% coverage of the Group's total workforce. Specifically, the plan included production sites where **potential impacts were identified in connection with specific structural and operational elements** such as light and noise pollution, the presence of glass surfaces, and indirect interactions with sensitive habitats and species in surrounding areas.

For these sites, a **more detailed analysis was carried out on habitats and species** within a 10 km radius, considering their **ecological and functional characteristics** and assessing potential direct or indirect interactions with production activities.

When identifying mitigation measures, the mitigation hierarchy defined by the **United Nations Convention for Biological Diversity** was applied: Avoidance, Minimisation, Restoration/Rehabilitation, Compensation/Offsetting (see figure 2.5).

19 The Taxonomy DNSH criterion for Biodiversity calls for assessment for facilities "close" to areas of high biodiversity content. Aquafil decided to consider areas within 10 km of its plants as "close", a precautionary choice as usually a shorter distance (5 km) is selected for certifications such as EIA.

FIGURE 2.5 – MITIGATION HIERARCHY DEFINED BY THE UNITED NATIONS CONVENTION FOR BIOLOGICAL DIVERSITY

The following **mitigation actions** outlined in the plan[20] seek to progressively reduce effects on local ecosystems components:

Artificial lighting: outdoors, limit night-time lighting to strictly necessary areas, using shielded lamps with reduced-spectrum light;

Glass surfaces: application of stickers or films to make glass more visible and prevent bird collisions;

Green areas and surrounding habitats: protection and enhancement of wildlife and insects, maintaining hedges and green belts and prioritising the reuse of existing spaces;

Noise emissions: all plants in the European scope meet the limits imposed by law. However, considering the continuity of sound emissions (almost all facilities produce sound 24/7), it is advisable to create sound-absorbing devices and sound barriers;

Other attractive factors: as no relevant factors have arisen, no mitigation measures are necessary.

Aquafil does not currently make use of **biodiversity compensation or offsetting measures**. The mitigation plan is based exclusively on avoidance, minimisation and, where relevant, the management and improvement of existing environmental conditions. None of the proposed actions **generate additional negative impacts** and all have been assessed as compatible with the local ecological context.

2.4.2 Biodiversity Risk Assessment

In 2025, Aquafil further strengthened its approach to managing biodiversity-related risks by expanding the scope of its **Biodiversity Risk Assessment** (BRA). The analysis covered 100% of the Group and included **nine strategic partners** involved in the supply of **caprolactam** for the first time.[21] Table 2.13 presents the scope analysed in 2025. For a full list of selected suppliers, please refer to Appendix 5.7.2 (table 5.24).

20 The mitigation actions identified form part of an individual initiative by the Aquafil Group. They do not form part of collective programmes and do not derive from external regulatory obligations. Instead, they have been defined and adopted exclusively using company resources, although in some cases they involve collaboration with local authorities or contributions to district initiatives.

21 Suppliers were selected considering the Group's total expenditure on each supplier in 2024.

TABLE 2.13 – SCOPE SELECTED FOR THE BIODIVERSITY RISK ASSESSMENT

	Scope of analysis	
Scope	**Number of sites**	**Countries covered**
Own operations	22	USA; Italy; Slovenia; China; Thailand; Germany; Belgium; Croatia
Supply chain	**Supply of caprolactam:** Nine suppliers for an	Germany; USA; Slovakia; The Netherlands; Spain; Poland

The **BRA** provides an overview of Aquafil's interactions with biodiversity, allowing the **most critical or relevant areas to be identified**, both in terms of the Group's direct operations and the value chain. The assessment made use of the **WWF Biodiversity Risk Filter (BRF)**, a digital tool aligned with the **ESRS standards and main international frameworks**[22]. The tool integrates global environmental data with sector-specific risk factors, thus providing a local-level risk assessment. In addition, the **WWF Water Risk Filter** was also used, as one of the main biodiversity risks for Aquafil concerns its own water availability.

The analysis has identified biodiversity-related risks material to the Group's operations and those of select key suppliers, divided into **two** main **categories**: **physical risks**, which arise from Aquafil's dependence on or impact on natural ecosystems, and **reputational risks**, which reflect the effects of the company's activities on the perception of the public and local communities.[23] For each production site, exposure to **33 risks** identified by the WWF Biodiversity Risk Filter was assessed. The rating scale ranges from **1 to 5,** where **1** indicates a **very low level of risk** and **5** indicates a **very high level of risk**.

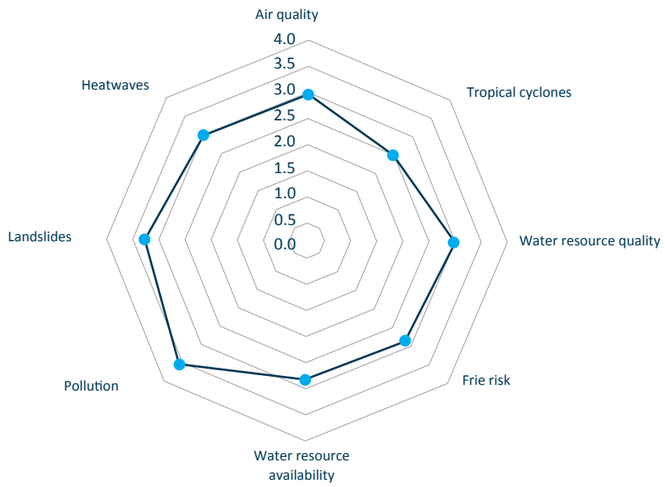
Risks related to Aquafil's operations

Figure 2.6 summarises the main **physical risks** identified, among which **pollution**, landslides and **water resource** quality stand out. The first reflects both the location of some sites in **areas already marked by high environmental pressure** and the intrinsic characteristics of the textile sector. The second is exacerbated by the sector's heavy **reliance** on water resources. Poor water quality can affect availability, treatment costs and production continuity. The potential landslide risk, on the other hand, represents a significant factor for **people's safety**. It could also cause operational disruptions, infrastructure damage and economic impacts. In all three cases, these are **systemic risks**, reflecting the broader **context** in which Aquafil operates, rather than the direct impacts of its operations.

22 Taskforce on Nature-related Financial Disclosures (TNFD), Task Force on Climate-related Financial Disclosures (TCFD), Science Based Targets Network (SBTN), Global Reporting Initiative (GRI).

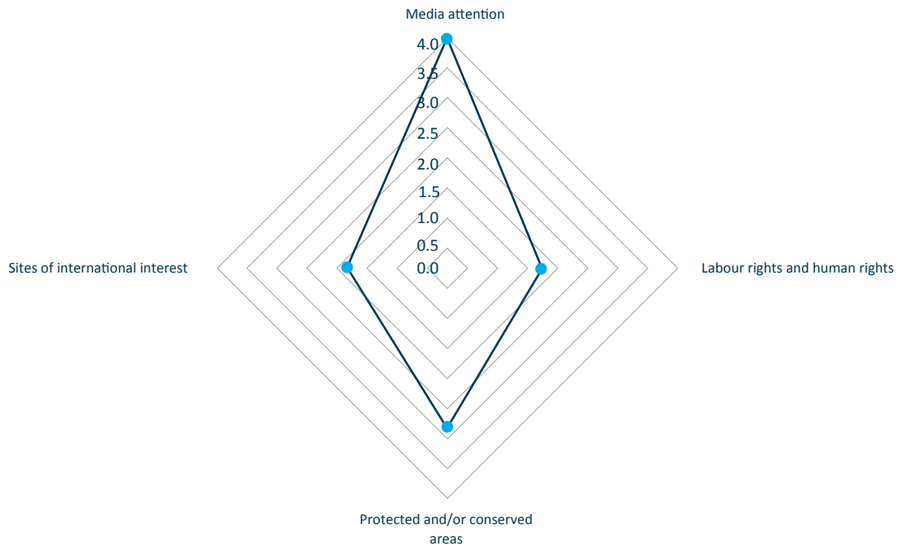
23 The analysis did not include direct stakeholder involvement

FIGURE 2.6 – MAIN BIODIVERSITY-RELATED PHYSICAL RISKS AFFECTING AQUAFIL FACILITIES, WITH RELATED RISK SCORE



Meanwhile, Figure 2.7. summarises the main **reputational risks** identified. Even if they are not directly under our control, proactive engagement, transparent communication and sound environmental management can help mitigate their impact. The two most relevant factors for Aquafil are **media attention** and the proximity of its facilities to **protected** areas. On the one hand, we have experienced high media coverage of environmental issues in the industry and in the areas where we operate, which translates into **public opinion that is highly sensitive** to sustainability matters. On the other hand, proximity to legally designated conservation areas implies **stricter regulatory standards** for the Group and **higher social expectations**.

FIGURE 2.7 – MAIN BIODIVERSITY-RELATED REPUTATIONAL RISKS AFFECTING AQUAFIL FACILITIES, WITH RELATED RISK SCORE



The distribution of sites according to the **10 main risk indicators** is shown in Appendix 5.7.2 (table 5.25).

Risks along the supply chain

In 2025, analysis was extended to **nine strategic suppliers of caprolactam** for the first time, covering a total of **37** production sites in Germany, the United States, Slovakia, the Netherlands, Spain, Poland and China.

As illustrated in table 2.14, **media attention**, which is a **reputational risk**, shows consistently high values for almost all of the selected suppliers. With regard to **physical risks**, **pollution** emerges as a cross-cutting factor. These are also **systemic risks**, linked to the regional and industrial contexts in which the suppliers operate, rather than to the direct impacts of individual facilities.

Alongside these shared aspects, some **regional specificities** emerge. **Supplier 3** shows a high exposure to the risk of **tropical cyclones**, consistent with the location of its sites in the **United States**. **Supplier 9,** on the other hand, shows elevated risks related to air quality and **heatwaves**, in line with the Chinese environmental context.

TABLE 2.14 – MAIN BIODIVERSITY-RELATED REPUTATIONAL AND PHYSICAL RISKS CONCERNING THE NINE CAPROLACTAM SUPPLIERS, WITH CORRESPONDING RISK SCORES

	Reputational risks		Physical risks			
Average risk by supplier	**Media scrutiny**	**Protected and/or conserved areas**	**Pollution**	**Tropical cyclones**	**Air quality**	**Heatwaves**
Supplier 1	4.5		4.1			
Supplier 2	4.5		3.8	4		
Supplier 3	4.5		4.1			
Supplier 4			4.2			
Supplier 5	4.5		4.3			
Supplier 6	4.5		4			
Supplier 7	4.5	4	4.3			
Supplier 8	4.5		4.3			
Supplier 9	4.5		4.8		4	4

The distribution of sites according to the **10 main risk indicators** is shown in Appendix 5.7.2 (table 5.26).

Next steps: the transition plan

The **Biodiversity Risk Assessment** made it possible to identify **priority areas for intervention** by collecting more detailed data and laying the groundwork for a **transition plan** aligned with international regulations and best practices. In **2026**, the plan will be formalised in **two phases**. The **first** phase will focus on **contextualising the risks**, assessing the extent to which actions already adopted, such as reducing water consumption or the climate risk adaptation plan, have effectively **contributed to lowering** the level of risk associated with **biodiversity** indicators. The **second** phase will focus on identifying high risks that are **not yet managed**, defining targeted interventions to mitigate **negative impacts** on ecosystems and enhance positive opportunities, such as stakeholder engagement, the protection of degraded areas and communication initiatives about sustainable practices.

2.5 CIRCULAR ECONOMY

We want to be pioneers in an industry that transcends the traditional linear model, and embraces the principles of the circular economy.

For more than 20 years, the Group has been on a deep **transformation journey** to align its **strategy** and **business model** with the principles of the **circular economy**. This implies going beyond simply using raw materials responsibly or reducing waste - it means **devising products that can be recycled and remanufactured**, completely reconsidering their **life cycle**. In 2025, the Company allocated almost Euro 4 million in CapEx investment and approximately Euro 15.3 million in OpEx spending to the circular economy. Specifically, CapEx concerned: the improvement of production

lines connected to the ECONYL® Regeneration System, the development of ECONYL® samples, and the enhancement of infrastructure supporting ongoing research projects. OpEx, on the other hand, mainly consists of costs incurred for maintenance, research and the development of samples whose costs cannot be capitalised.

Table 5.10 in Appendix 5.4 summarises the **main** material **impacts, risks and opportunities** identified through **the materiality assessment** (see section 1.4) within the circular economy, as well as the main **actions** put in place to mitigate negative impacts and pursue opportunities. Sections 2.5.1 and 2.5.2 below provide details of the quantitative impacts related to raw materials and waste.

Given the pivotal role of this topic in our ESG strategy, the Company also **set and achieved several targets**, which can be consulted in table 1.1 in section 1.3.3. The related targets are **voluntary**, i.e. not imposed by regulatory requirements, and relate to various aspects: increasing circular product design, increasing the rate of circular material use, sourcing renewable resources and more efficient waste and refuse management.

ECONYL® nylon forms the bedrock of our circular transformation: in 2025, it accounted for 60.4% of our fibre turnover. Its value proposition, based on **durability**, **reuse** and **regeneration**, contrasts with the rapid consumption logic so much in vogue in the industry today. For us, it is not only a matter of reducing our negative impacts on the environment and mitigating the risks posed by the industry's **dependence** on **fossil-based raw materials**; but of seizing **new market opportunities** and differentiating ourselves in an industry still strongly characterised by inefficient resource use. The ECONYL® Regeneration System and the actions adopted through the ECONYL® brand are further discussed in section 2.5.3.

Our commitment to "closing the loop" is also reflected in our **investment in research and development** (see section 1.2.5), with projects aimed at reducing waste, improving the recyclability of multi-material garments and mats and creating new circular supply chains. **Collaboration** with the **value chain** remains central to achieving shared industry-wide goals. At Aquafil, we support our customers in designing products from a **circular** perspective so that they can be fully remanufactured when they reach the end of their life instead of being disposed of in landfills (see Section 3.3.3).

2.5.1 Resource inflows and outflows

With its **Green Procurement Policy** (see section 3.2), Aquafil commits to **purchasing recycled and/or recyclable products, materials and services** capable of limiting both direct and indirect negative environmental impacts, including those related to greenhouse gas (GHG) emissions.

The raw materials managed by the Group are divided into **three categories**:

- basic raw materials, consisting of virgin raw materials (e.g. caprolactam, polymers), second-hand raw materials derived from processing waste (pre-consumer) and end-of-life products, e.g. carpet fluff or fishing nets (post-consumer);
- packaging materials;
- auxiliary materials, i.e. additives and other substances used in the production process.

The methodology for calculating volumes is discussed in more detail in Appendix 5.8.1.

In 2025, approximately **226.3 million kg of raw materials** were used, representing a slight decrease on **2024** (-0.6%) – see table 2.15.[24] The share of **biological materials** (mainly consisting of packaging) in the overall mix remained broadly stable. With regard to **resource outflows**, 2025 saw a further improvement in the recyclability profile of products. The **rate of recyclable content in products reached 100%**, confirming the Group's commitment to adopting innovative technologies to ensure a circular end-of-life for all materials placed on the market. On the **packaging** front, 2025 marks the first year in which data on the rate of recyclable content are available, amounting to **99.2%**.

TABLE 2.15 – INFLOWS AND OUTFLOWS OF RESOURCES* (2024 VS 2025)

Resource inflows	**Unit**	**2024**	**2025**
Total weight of products and technical and biological materials	kg	227,472,781	226,299,416
Total weight of biological materials (**)	kg	10,756,474	10,532,117
% of biological materials in total	%	4.73%	4.65%
Resource outflows			
Rate of recyclable content in products	%	99.7%	100.0%
Rate of recyclable content in packaging	%	N/A (***)	99.2%

* *The company does not disclose the data relating to recyclable material in its products, as it is considered sensitive information under paragraph 7.7. of ESRS 1: the weight, in absolute value and percentage, of reused or recycled secondary components and secondary intermediate products and materials used by the company for its products and services (including packaging).*

** *from certified supply chain with sustainability characteristics*

*** *figure not available*

Initiatives to increase the circularity of transport materials also continue. Specifically, the project concerning the recovery of pallets used to handle and transport products, which has been running for several years, achieved a **reuse rate of 48% for the BCF EMEA business** in 2025, in line with the targets set to reduce impacts along the value chain.

2.5.2 Waste

In line with the requirements of its **Environmental Policy**, Aquafil has over the years created an environment that is mindful of **reducing waste**, and where **waste** is managed transparently and in compliance with the **current regulations** of the countries in which we operate.

Table 2.16 shows the waste produced by the Group, broken down by category, highlighting a total volume for 2025 that remains in line with 2024. Changes compared to the previous year are due to natural variations in production and raw materials that feed the chemical recycling processes.

24 Resource inflows were mapped only for Aquafil's own operations, not including the upstream or downstream value chain

TABLE 2.16 - WASTE GENERATED BY THE GROUP BY COMPOSITION, IN KG (2024 VS 2025)

Composizione dei rifiuti	2024	2025
Electrical devices	30,035	107,378
Oils	15,149	10,958
Lead batteries	4,221	3,752
Slurry	46,962	22,627
Waste chemicals	165,119	625,529
Used filters	14,669	25,027
Waste lubricating oils	50,692	75,444
Miscellaneous hazardous waste	27,680	247,006
Aqueous liquid waste	220,353	260,036
Glass	2,240	2,573
Inert material from civil works	17,343	14,871
Metals	374,070	273,989
Paper	2,728,337	2,312,411
Plastic	2,910,529	2,720,498
Wood	842,307	806,201
Other waste	6,055,604	5,451,359
Chemical process waste	2,328,540	2,783,124
Municipal waste	904,496	800,175
Sludge from wastewater treatment	9,855	8,546
Total	**16,748,201**	**16,551,493**

End-of-life management is entrusted to **third parties**, whose actions are governed by **specific contracts** in line with current legislative obligations. Compliance with these contracts is monitored by the Group's internal bodies responsible for ensuring both contractual and regulatory compliance.

Table 2.17 shows the **breakdown of waste** generated by **end-of-life destination**. While the volume of waste generated is an actual and verified figure, the breakdown by end-of-life was **estimated to be 44% of the volume in 2025** – a significant improvement compared with 2025 (58%), thanks to extensive refinement work carried out through the collection of declarations from waste disposal operators – see Appendix 5.8.2 for further details.

TABLE 2.17 - WASTE BY END-OF-LIFE DESTINATION, IN KG (2024 VS 2025)

Type of waste	End-of-life treatment	Unit	2024	2025
Diverted from disposal		**Kg**	**10,878,878**	**9,719,794**
Hazardous	Recycling	kg	56,474	1,414,185
	Preparation for reuse	kg	-	2,342
	Other recovery operations	kg	959,739	-
	Total	**kg**	**1,016,213**	**1,416,527**
Non-hazardous	Recycling	kg	9,771,026	8,271,767
	Preparation for reuse	kg	60,766	31,500
	Other recovery operations	kg	30,873	-
	Total	**kg**	**9,862,665**	**8,303,267**
Directed to disposal		**Kg**	**5,869,322**	**6,831,699**
Hazardous	Landfill	kg	13,728	5,905
	Incineration with energy recovery	kg	10,607	224,761
	Incineration without energy recovery	kg	425,778	597,640
	Other disposal operations	kg	162,231	347,845
	Total	**kg**	**612,344**	**1,176,152**
Non-hazardous	Landfill	kg	4,044,882	3,882,416
	Incineration with energy recovery	kg	1,210,106	1,760,712
	Incineration without energy recovery	kg	1,990	12,419
	Other disposal operations	kg	-	-
	Total	**kg**	**5,256,978**	**5,655,548**
Radioactive waste		**kg**	**80**	**0**
Total waste		**kg**	**16,748,281**	**16,551,493**
% non-recycled waste		kg	35.04%	41.28%

2.5.3 ECONYL®: the infinite thread, like imagination

Our ECONYL® nylon is created from fishing nets, fabric scraps, used carpeting and industrial plastics and can be regenerated indefinitely.

ECONYL® nylon is our flagship product: an ingredient created by giving new life to the things people no longer use. It has **unique characteristics** that no other product on the market can match: while having the same quality as traditional nylon, it generates **less environmental impact**, and its chemical composition means it can be recycled an **infinite number of times**.

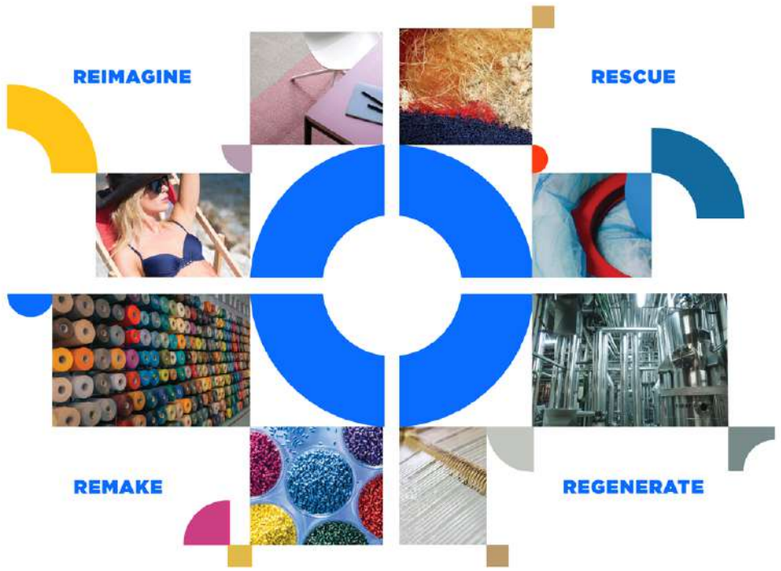
For us, it is not just a product, but a manifesto for a new production model, where **technological innovation, circular economy and human creativity** come together to generate sustainable value. Thanks to the ECONYL® Regeneration System, it is possible to create new high-quality raw materials while **reducing the use of new fossil-based raw materials**.

ECONYL® REGENERATION PROCESS

The **innovative ECONYL® Regeneration System** represents the culmination of intensive research and development. With this cutting-edge technology, we are able to produce new nylon without using the petroleum-derived raw material, thereby regenerating pre- and post-consumer nylon waste. The system is based on a process called **depolymerisation**, a sophisticated chemical recycling process that breaks down waste and returns it to its raw material state, which can be repeated **indefinitely** without any loss of quality.

The system has brought about a **paradigm shift** in the production of plastic materials and textile yarns, with profound implications for these sectors. On the one hand, it reduces **reliance on fossil resources**, while on the other it opens doors to **new circular supply chains**.

FIGURE 2.8 – ECONYL® REGENERATION SYSTEM



IMPROVING THE EFFICIENCY OF THE ECONYL® PROCESS

Every year, we work to make the system increasingly efficient by reducing waste and improving environmental performance. In 2025, our research and development activities focused on three main areas:

- **Purification and pre-filtration**: improving the removal of impurities present in incoming waste to prevent potential line blockages and reduce plant downtime;
- **Flow analysis and depolymerisation**: analysing in detail the composition of materials and the behaviour of impurities during depolymerisation, with the aim of increasing the quantity of recovered raw material;
- **Energy efficiency**: developing new solutions to reduce the energy consumption of the process.

FROM WASTE TO RESOURCES

Where others see discarded carpets, abandoned fishing nets and industrial waste, we see the raw material of the future. Through **upstream vertical integration operations and targeted partnerships** with institutions, companies, NGOs and consortia, we have built a strong **supply chain** of nylon waste to which we give a new life. We also continue to work on enhancing our **Take Back** programmes, in collaboration with our customers, to increase the inducement of pre-consumer waste.

We collected approximately **16,000 tonnes** of post-consumer waste in 2025 alone.

Where our ECONYL® nylon comes from:

- OLD CARPETS: We process tonnes of carpets and rugs per year, thanks mainly to our recycling and collection plants in the United States;
- FISH NETS: We collaborate with the aquaculture industry, fish farms, and the Healthy Seas foundation to recover end-of-life nets. In addition, since 2021, we have held a stake in the share capital of Nofir, a Norwegian company specialising in the recovery of fishing nets. This has enabled us to vertically integrate our activities and be directly involved in the upstream supply chain;
- INDUSTRIAL WASTE: We collect different types of pre-consumer waste including fabric scraps and plastic components.

OUR CUSTOMERS, OUR PARTNERS

CIRCUFORM

We have begun a partnership with **Circuform**, a Dutch brand that has launched a line of furniture for offices, schools and public spaces. The collaboration's flagship product is **REX**, a chair made entirely of **ECONYL®** nylon and glass fibre, a recycled composite material that is highly durable and designed for long-term use. Circuform has also developed a **take-back** system, directly managing both the sale and collection of products at the end of their life cycle.

OBJECT CARPET

OBJECT CARPET developed **Duo**, an innovative circular carpet presented at the Berlinale 2024. Unlike traditional carpets, which often combine more than 30 different materials, this product is composed exclusively of **ECONYL® nylon** and **polyester**. Thanks to **CLICK/UNCLICK** technology, these two components can be easily separated at end of life, significantly improving recycling efficiency. The production process reduces energy consumption by 95% compared with traditional methods and eliminates the use of water. The carpet is also around 50% lighter, simplifying handling and installation. Designed as part of the **R2R®** (**Born Regenerated to be Regenerable** – see section 3.3.3 "Collaboration for eco-design and the creation of circular supply chains"), the DUO Carpet can easily be separated and reintegrated into the production cycle, promoting a closed-loop circular economy model.

FULI

In China, the partnership with **FULI** led to the development of the **AUTO PADS series: car mats** made from ECONYL® nylon, designed to be customised using an interactive 3D system that allows users to view, modify and select dimensions, colours and design.

MCM

Since 2019, we have collaborated with **MCM**, a luxury brand founded in Munich, which has chosen to invest concretely in sustainability by using our **ECONYL®** nylon in its operations. Through this collaboration, MCM produces **bags and jackets** made with regenerated yarn. Its **R.U.N. – Recycle, Upcycle, Network** department offers designers and companies the opportunity to participate in projects to recover and recycle leather and nylon, reducing waste and making use of surplus materials and fabrics.

ECONYL® in sustainable construction

In 2025, we launched the **Green Map** project to further **explore**, **map and illustrate** how the **ECONYL®** ingredient can support sustainable construction projects and contribute to achieving major international certifications. As a high-quality circular material, supported by third-party verified data, ECONYL® nylon is fully aligned with the priorities of leading standards: from LEED® and BREEAM® protocols to WELL™ and Gensler's GPS Standards. Our nylon **directly contributes** to the achievement of certification credits, enabling designers and architects to demonstrate compliance with requirements and generate a tangible and measurable impact.

Information and training

For many years, the ECONYL® brand has promoted **awareness** and **educational** initiatives on circularity and sustainability matters, with the aim of encouraging consumers to make **more responsible** everyday choices. These activities take place in both the **real** and **digital** worlds.

We regularly open the doors of our facilities to **students** and teachers, giving them the opportunity to **observe** the regeneration process first-hand. At the same time, we organise **educational meetings** and **initiatives** at schools and universities (see section 3.4 "Investing in future generations").

We also continue to develop our digital ecosystem to **raise awareness**, **stimulate debate** and **encourage the exchange of ideas** by collecting and sharing contributions and perspectives from experts, consumers and customers.

The ECONYL® digital training and information ecosystem includes a wide range of platforms and formats:

- **ECONYL® Blog**: a point of reference in public discourse about sustainability;
- **ECONYL® Academy**: an educational hub dedicated to global megatrends related to sustainability and innovation across various sectors;
- **ECONYL® E-Shop**: an international showcase demonstrating the application possibilities of regenerated ECONYL® nylon;
- **The Future is Circular**: a podcast now in its third season;
- **ECONYL® On Air**: an immersive digital experience designed to explain how the Regeneration System works.

ECONYL® Academy and The Future is Circular

Our Academy continues to grow, offering increasingly diverse and up-to-date educational content designed to respond to the needs and interests of our community.
In 2025, topics included:

- Biodiversity and ecosystem restoration;
- Natural and synthetic fibres: characteristics, quality, life cycle assessment (LCA) and applications;
- Regulatory updates in the textile sector, including the new Waste Framework Directive.

In 2025, there was a **significant increase in the average number of webinar participants**, rising by **approximately 43% compared with 2024**, with an average satisfaction score of **8.04**/10.

The Future is Circular podcast also continued to grow on Spotify, Amazon Music and Apple Podcasts, with increases in both followers and listening figures, further consolidating its role as a knowledge channel on key topics related to the transition to a circular economy.

2.6 ALIGNMENT WITH THE EUROPEAN TAXONOMY

The European Taxonomy (EU Regulation 2020/85) is a classification system established by the European Union that determines which economic activities can be considered sustainable and the criteria they must meet. To be defined as aligned with the Taxonomy, an activity must **contribute substantially** to at least one of the six environmental objectives identified in the Regulations, avoid significant harm to others, and meet minimum safeguards (see figure 2.9).

In January 2026, following a simplification process launched in 2025, the European Commission published Delegated Regulation (EU) 2026/73, which supplements and amends, among other provisions, Delegated Regulation (EU) 2021/2178. The new regulation introduces several simplifications to the disclosure requirements that entities must publish pursuant to the EU Taxonomy and revises certain KPI calculation methodologies in order to reduce the administrative burden on European companies, while ensuring maximum transparency and clarity in sustainability reporting. The new Regulation, applicable from January 1, 2026, allows non-financial undertakings to determine the reporting method to be adopted for the 2025 financial year. Specifically, the Regulation provides the option to adopt three different reporting approaches:

- the first option involves reporting based on the templates and rules already applied for FY 2024 reporting;
- the second option foresees the adoption of new reporting methods introduced by Delegated Regulation (EU) 2021/2178, as revised by Delegated Regulation (EU) 2026/73;
- the third option allows the Company to not report Taxonomy KPIs, including a specific statement in the Directors' Report instead.

With reference to reporting for the 2025 financial year, the Aquafil Group did not adopt the new reporting methods introduced by Delegated Regulation (EU) 2026/73, and therefore applied the first option described above.

FIGURE 2.9 – THE THREE REQUIREMENTS FOR TAXONOMY ALIGNMENT

1) SUBSTANTIAL CONTRIBUTION	2) DO NO SIGNIFICANT HARM (DNSH)	3) MINIMUM SAFEGUARDS
Contribute positively to at least one of the six environmental objectives: • climate change adaptation • climate change mitigation • sustainable use and protection of water and marine resources • pollution prevention and control • protecting Biodiversity • transition to a circular economy	Produce no negative impacts on any other of the six objectives	Meet minimum social and governance standards, including: • workers' human rights • taxation criteria • anti-corruption • fair competition

It is important to emphasise that the Taxonomy approach is not to assess the sustainability of organisations in their entirety, but for each individual economic activity that generates a revenue stream to third parties or investments associated with activities recognised as environmentally sustainable. The economic activity can also be identified by any **NACE code** assigned. Specifically, for each environmental goal, the legislation provides within the published Delegated Regulations a list of economic activities that can potentially contribute to the achievement of each objective. These activities, defined as eligible, are activities for which technical screening criteria are available in order to verify their possible alignment with the specific environmental objective and consequently with the requirements of the Regulations. The fact that an activity is eligible is therefore a necessary condition for assessing its alignment. Therefore, the alignment indicates how much the potentially sustainable activity actually contributes to the achievement of the goal, and is expressed through specific financial indicators such as the percentage of **Turnover, CapEx and OpEx**.

Aquafil's general approach

To date, the main economic activity, reported in the delegated regulations and attributable to our business is the activity of "Manufacture of plastics in primary form", associated with NACE code 20.16. In contrast, the activity that generates most of the revenue for the Group, namely "Manufacture of artificial and synthetic fibres", which corresponds to NACE

code 20.60, is not included in the regulations. Therefore, compared to the current provisions of the legislation, in which there is no complete mapping of economic activities, the Regulation considers as eligible only the activity of producing polyamide 6 polymers in granular form. In our case, these polymers mostly serve as inputs for the production of nylon yarn and therefore often do not generate revenue to third parties. As a result, the majority of Aquafil's business, namely the production and sale of yarns (NACE 20.60), is not considered eligible under current Delegated Acts. For more details see figure 2.10 and section 1.2.4.

FIGURE 2.10 - NYLON PRODUCTION PROCESS (AQUAFIL PROCESS)

Caprolactam (monomer)	Phases included in NACE code 20.16 (Activity Regulation 3.17)
Polymerisation: the process of transforming caprolactam (monomer) into PA6 (polymer)	
PA6 (polymer)	
Spinning: process of physical transformation of polymer from granules to yarn	Phase excluded from NACE code 20.16 (Activities related to NACE code 20.60)
Basic Yarn/Reworked Yarn	

In light of the above, Aquafil believes that the exclusion from the list of eligible activities of yarn production (main source of revenue at Group level) does not allow for a true representation of the Group's potential contribution to the environmental goals included in the Regulation. In fact, Aquafil believes that **all activities related to the ECONYL® Regeneration System** participate in **achieving the objectives** of "climate change mitigation" and "transition to a circular economy". This is due to the uniqueness of the above-mentioned process, which enables the generation of significantly lower emissions than the traditional production process and is widely recognised as an example of a circular system.

Nevertheless, based on the literal interpretation of the description of economic activities reported to date in the delegated regulations of the Taxonomy, the entirety of the activities related to ECONYL® yarn appears to be excluded. For these reasons, in continuity with previous years, the Company has decided to provide a **double view** in the disclosure: the first, following the literal interpretation of the regulation, which considers as eligible the activity of production and sale of polyamide 6 polymer in granular form; the second, provided on a voluntary basis, which looks at the entire activity of production and sale, thus including yarn-related activities. For both scenarios (summarised in tables 2.18 and 2.19), the relevant figures on **Turnover, CapEx** and **OpEx** according to the characteristics given in the Regulations are published in Appendix 5.9. In addition, in line with the regulations, activities were also identified in both views as potentially sustainable economic activities:

2.3 Collection and transport of non-hazardous and hazardous waste, 2.7 Sorting and material recovery of non-hazardous waste, 4.1 Electricity generation using solar photovoltaic technology, 4.30 High-efficiency cogeneration of heat/cool and electricity from gaseous fossil fuels.

TABLE 2.18 - AQUAFIL ALIGNMENT APPROACH WITH DOUBLE VIEW: LITERAL INTERPRETATION

View	Eligibility	Alignment	Target
Literal interpretation	3.17 Production and sale of polyamide 6 polymer (PA6) in granular form	ECONYL® Regeneration System (production and sale of ECONYL® only in granular form) and sale of other plastics in primary form produced from secondary raw material	Climate change mitigation
	2.3 Collection and transport of non-hazardous and hazardous waste carpets	Sales to third parties of end-of-life by Aquafil Carpet Collection	Transition to a circular economy
	2.7 Sorting and material recovery of non-hazardous waste	/	Transition to a circular economy
	4.1 Electricity generation using solar photovoltaic technology;	Sales revenue from third parties from the sale of energy produced by the photovoltaic system of the Aquafil CRO plant	Climate change mitigation
	4.30 High-efficiency cogeneration of heat/cool and electricity from gaseous fossil fuels	/	Climate change mitigation

TABLE 2.19 - AQUAFIL ALIGNMENT APPROACH WITH DOUBLE VIEW: VOLUNTARY INTERPRETATION

View	Eligibility	Alignment	Target
Voluntary interpretation	3.17 Total production and sales activities of Aquafil (i.e. yarn)	ECONYL® Regeneration System (production and sale of ECONYL® in granular and spun form) and sale of other plastics in primary form produced from secondary raw material	Climate change mitigation
	2.3 Collection and transport of non-hazardous and hazardous life carpets	Sales to third parties of end-waste of-Aquafil Carpet Collection	Transition to a circular economy
	2.7 Sorting and material recovery of non-hazardous waste	/	Transition to a circular economy
	4.1 Electricity generation using solar photovoltaic technology	Sales revenue from third parties from the sale of energy produced by the photovoltaic system of the Aquafil CRO plant	Climate change mitigation
	4.30 High-efficiency cogeneration of heat/cool and electricity from gaseous fossil fuels	/	Climate change mitigation

ELIGIBILITY AND ALIGNMENT WITH THE OBJECTIVE OF "CLIMATE CHANGE MITIGATION"

Activity 3.17: manufacture of plastics in primary form

Alignment with respect to voluntary disclosure, i.e. with respect to the "totality of yarn production", as described above, takes into account the peculiarities of the ECONYL® regeneration system process. Aquafil believes that it contributes to the achievement of "climate change mitigation" through the chemical recycling process known as depolymerisation, which allows us to regenerate nylon waste. The resulting product is a nylon of comparable quality to that obtained from fossil raw materials, but with a significantly lower environmental impact in terms of emissions, as demonstrated by our Life Cycle Assessment. The alignment under the more restrictive interpretation of the regulation, on the other hand, considers only ECONYL® polymer sales, thus excluding yarn. Finally, turnover, CapEx and OpEx related to the sale of other plastics in primary forms produced through mechanical recycling processes are considered aligned in both views.

Activity 4.1: electricity generation using solar photovoltaic technology

Beginning in 2024, Aquafil has identified its occasional activity of selling electricity generated by means of its photovoltaic systems as an eligible activity in relation to the climate change mitigation objective. In 2024, electricity sales were generated by the photovoltaic system at Aquafil's facility in Croatia (Oroslavje). In 2025, the scope was extended to include electricity sales generated by the photovoltaic system at the Company facility in China (Jiaxing). In both cases, compliance with the substantial contribution and technical screening criteria set out in the Taxonomy Regulation was demonstrated, and the activities were therefore classified as Taxonomy-aligned.

Activity 4.30: high-efficiency cogeneration of heat/cool and electricity from gaseous fossil fuels

In accordance with Article 8 of Delegated Regulation 2021/2178, non-financial companies are required to declare the presence of activities related to the use of energy from nuclear or fossil gas sources within their scope of operations. This obligation is part of the provisions of the Taxonomy Regulations and is intended to ensure maximum transparency regarding these activities.

Following a thorough analysis, the Group has ruled out activities associated with nuclear energy. However, the presence of fossil gas-related activities has been detected, specifically in relation to heating/cooling and electricity provided through co-generation. These activities are detailed in Table 2.20, which provides a clear and transparent representation of the contribution of these activities within the Group's operating scope. Specifically, the activity concerns the sale of a portion of the heat generated by the cogeneration facilities in Arco and Ljubljana to neighbouring companies. Revenues from this activity were eligible in both views but not aligned.

TABLE 2.20 - ACTIVITY RELATED TO NUCLEAR ENERGY AND FOSSIL SOURCES

Nuclear energy related activities	
The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas related activities	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

ELIGIBILITY AND ALIGNMENT WITH THE OBJECTIVE OF "TRANSITION TO A CIRCULAR ECONOMY"

Activities 2.3 and 2.7:

With reference to the "transition to a circular economy" objective, the EU Taxonomy Delegated Act identifies two economic activities related to Aquafil's business: **2.3 "Collection and transport of non-hazardous and hazardous waste"** and **2.7 "Sorting and material recovery of non-hazardous waste".** In particular, these two activities are linked respectively to the production processes of our Aquafil Carpet Collection (2.3) and Aquafil Carpet Recycling (2.7) plants, all located in the United States.

The work of Aquafil Carpet Collection consists chiefly of collecting and sorting post-consumer waste, mainly carpets. Aquafil Carpet Recycling, on the other hand, deals with the recovery of post-consumer waste and, through a mechanical recycling process, the subsequent transformation of this waste into pellets of various kinds.[25)]

The eligibility of both activities was verified in 2023. Subsequently, in 2024, the alignment of activity 2.3, as carried out by Aquafil Carpet Collection, was also assessed. This alignment, confirmed for the 2025 financial year, is presented under both views adopted in the disclosure. On the other hand, activity 2.7 remains eligible in both views.

In addition, the Delegated Regulations above make no mention of chemical recycling, the process behind the ECONYL® Regeneration System", which allows nylon to be regenerated an infinite number of times and contributes to the circular economy. In fact, the legislation currently only provides for "mechanical recycling". It follows that, in the absence of any development in the legislation to this effect, the ECONYL® regeneration process remains excluded from alignment with the 2025 objective.

TABLE 2.21 – ELIGIBILITY AND ALIGNMENT ACCORDING TO THE LITERAL INTERPRETATION OF THE REGULATION

KPI	2025 Taxonomy eligibility (%)	2025 Alignment with Taxonomy (%)
Turnover	10.1%	2.7%
CapEx	14.6%	8.2%
OpEx	20.4%	14.5%

25 Almost all of Aquafil Carpet Recycling's production activity can be attributed to the activity "3.17 Manufacture of plastics in primary forms" and only a negligible (non-material) part to the activity "2.7 Sorting and material recovery of non-hazardous waste".

TABLE 2.22 – ELIGIBILITY AND ALIGNMENT ACCORDING TO THE VOLUNTARY INTERPRETATION OF THE REGULATION

KPI	2025 Taxonomy eligibility (%)	2025 Alignment with Taxonomy (%)
Turnover	99.9%	57.0%
CapEx	99.8%	45.4%
OpEx	100%	67.8%

See Appendix 5.9 for more detailed information on alignment. Alignment with the literal reading of the Regulations, i.e. the activity "Production and sale of polyamide 6 polymer (PA6) in granular form" is shown in Appendix 5.9.2.

INSIGHT: CRITERIA FOR ALIGNMENT WITH ACTIVITY 3.17

Substantial contribution

Nylon produced through the ECONYL® regeneration system is a viable alternative to that derived from fossil sources, contributing significantly to the objective of "**climate change mitigation**". Its production at Aquafil comes from a chemical recycling process known as depolymerisation, which takes nylon waste as an input, and outputs caprolactam of comparable quality to that obtained from fossil raw materials but with a lower environmental impact. Life cycle assessments have demonstrated the benefits in terms of lower greenhouse gas emissions compared to traditional technologies, enabling Aquafil to publish regular **environmental product declarations**.

Do no significant harm (DNSH)

Aquafil's activity does not cause significant harm to the other five objectives:

- **Climate change adaptation**: in 2023, Aquafil launched a Climate Risk & Vulnerability Assessment (CRVA) to identify and mitigate climate change-related risks. In 2024 and 2025, the scope of the CRVA was progressively extended to cover the entire Group (see section 2.1.1). In 2025, this activity was complemented by the addition of an Adaptation Plan, which involved identifying specific measures for each facility, in addition to a Group-level procedure to monitor extreme weather events. Some of the measures identified have already been adopted, while others will be planned and implemented in the coming years;
- Sustainable use and protection of marine and water resources Since 2023, we have implemented two environmental policies - the Environmental Policy and the ESG Policy - which codify, among other environmental goals, a commitment to reduce water consumption and pollution. Many of our production facilities have an ISO 14001 certified Environmental Management System;
- **Pollution prevention and control**: through the adoption of its Environmental Policy, Aquafil strengthens its commitment to preventing and reducing pollution, including through the adoption of an Environmental Management System (EMS) at all Group facilities certified under ISO 14001. In addition, certain plants operate under an Integrated Environmental Authorisation and a Single Regional Authorisation, which establish specific emission limits in compliance with applicable regulations;
  Biodiversity protection: in 2025, the Group extended its Biodiversity Impact Assessment (BIA) to all plants. At the same time, an initial draft of the Mitigation Plan was outlined (see section 2.4). Based on a detailed analysis of the BIA results, this enabled a more precise assessment of the nature and scale of site-level impacts on high biodiversity areas, in addition to the identification of any mitigation measures to be adopted at each facility. Meanwhile, in 2025, Aquafil expanded the Biodiversity Risk Assessment to the entire Group (see section 2.4), including an initial selection of material suppliers;
- **Transition to a circular economy**: although the principle of DNSH does not apply in activities related to NACE code 20.16, Aquafil has been engaged over the years in developing an approach aimed at creating systems and new circular supply chains (see section 2.5).

MINIMUM SAFEGUARDS

Human rights

- Code of Conduct (see section 4.1);
- Human Rights Policy (see section 3.1.1);
- Diversity and Inclusion Policy (see section 3.1.1);
- Gender Equality Policy (see section 3.1.1);
- Whistleblowing procedure (see section 4.4);
- Green Procurement Policy (see section 3.2);
- Supply Chain Due Diligence (EcoVadis Project) (see section 1.5.3).

Corruption

- Code of Conduct (see section 4.1);
- Anti-Corruption Policy (see section 4.3);
- Whistleblowing procedure (see section 4.4);
- 231 Model (see section 4.2);
- Green Procurement Policy (see section 3.2);
- Supply Chain Due Diligence (EcoVadis Project) (see section 1.5.3).

Taxation

- Anti-Corruption Policy (see section 4.3);
- 231 Model (see section 4.2);
- Transfer Price Policy (see section 4.5).

Fair competition

- Anti-Corruption Policy (see section 4.3);
- 231 Model (see section 4.2).

As a result of this commitment, the Aquafil Group has not received any convictions for violations of tax laws, unfair competition, corruption or fraud, or violation of workers' rights and human rights In addition, consistent with the requirements of the Sustainable Finance Disclosure Regulation (SFDR), Aquafil is committed to monitoring two indicators in particular: the gender pay gap (see section 3.1.1) and gender diversity on the Board of Directors (see section 1.5.1).

3 SOCIAL INFORMATION

3.1 AQUAFIL PERSONNEL

Valuing people is critical to building solid, long-term success.

People are the beating heart of Aquafil's strategy: the quality and effectiveness of every piece of work we do depend on the commitment, passion and skills of each individual. Promoting their well-being and supporting their professional and personal growth therefore constitute one of the pillars of "The ECO PLEDGE®" (see section 1.3.1). This commitment is renewed every year and translates into concrete initiatives and actions - described in this section - which seek to value the contribution of every individual, strengthening a work environment that is increasingly inclusive, safe and geared towards continuous development.

This year, the company allocated approximately Euro 37,000 in CapEx investments and Euro 1.6 million in OpEx to its own workforce in the form of investments and activities in training, safety, professional development and welfare initiatives.

At the end of 2025, the Group had **2,227 employees** (see Figure 3.1). More than 92% of the workforce in 2025 is concentrated in four key countries - Italy, Slovenia, the US and China - which remain the Group's main operational hubs (see Figure 3.2).

Compared with the previous year, the workforce decreased by 6.8%, with 374 new additions and 537 departures. This change forms part of the process of corporate **reorganization** that began in previous years, consistent with the evolution of the market environment and the Group's organisational needs with a view to rationalising and streamlining activities.

FIGURE 3.1 - NUMBER OF EMPLOYEES, BY GENDER - HEADCOUNT

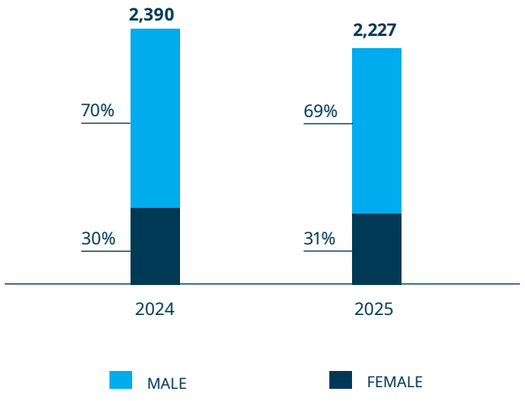


FIGURE 3.2 - GEOGRAPHIC BREAKDOWN OF THE WORKFORCE BY GENDER - HEADCOUNT (2025)

	Male	Female	TOT
Italy	485	172	**657**
Slovenia	536	137	**673**
USA	327	126	**453**
China	135	147	**282**
Croatia	28	104	**132**
Thailand	4	11	**15**
Germany	8	2	**10**
Turkey	0	0	**0**
Australia	2	0	**2**
Belgium	2	1	**3**
United Kingdom	0	0	**0**

2025 saw a **reduction** in negative turnover in almost all Group countries. The exceptions are **China,** where the rate increased slightly to 7.1% while remaining at **low** levels in absolute terms, and the **United States**, where the rate was 67.1%. This is a reflection of **structural features** of the US labour market, which has traditionally been more **fluid** and flexible than its European counterpart. In 2025, these features were compounded by the reorganisation and rationalisation work involving the Aquafil Carpet Recycling #1 and Aquafil Carpet Collection sites. In other countries such as Germany, Belgium, and Turkey, percentage changes are a function of the **smaller workforce size of** or the cessation of activities.

At Group level, voluntary resignations account for **9.1%** of turnover, a slight decrease on 2024.

TABLE 3.1 - NEGATIVE TURNOVER RATE BY GEOGRAPHIC AREA (2024 VS 2025)

	2024		2025	
	Negative turnover	Of which voluntary resignations	Negative turnover	Of which voluntary resignations
Italy	9.1%	2.7%	7.0%	3.2%
Slovenia	17.1%	10.3%	12.9%	6.1%
USA	56.0%	24.4%	67.1%	28.3%
China	4.7%	2.7%	7.1%	2.4%
Croatia	25.6%	0%	16.7%	0%
Thailand	15.0%	10.0%	11.8%	11.8%
Germany	0%	0%	28.6%	0%
Turkey	0%	0%	100.0%	0%
Australia	0%	0%	0%	0%
Belgium	0%	0%	25.0%	0%
United Kingdom	0%	0%	100.0%	0%
Group	**22.2%**	**9.5%**	**22.5%**	**9.1%**

In assessing our impacts, risks and opportunities related to the workforce, we considered not only employees, but also the **133 external collaborators** who work with us including workers on temporary contracts signed through agencies, consultants and technical specialists. Table 5.11 in Appendix 5.4 summarises the **main IROs identified** by the materiality assessment, as well as the policies and actions that enable us to best manage them.

All initiatives and targets put in place take into account the **needs, perspectives and aspirations** of our people, which we gather through an **open and constant dialogue**, thanks to an HR structure that operates with an integrated Group-wide approach and with the support of the HR managers of each plant.

Again this year, we invested a significant portion of **our budget** in initiatives aimed at the well-being, development and success of our employees, continuing our commitment to three areas:

- Building an equitable and inclusive environment;
- Promoting safety and well-being;
- Fostering personal and professional growth.

In the following sections we elaborate on the policies adopted and initiatives adopted.

3.1.1 Building an equitable and inclusive environment

Building an inclusive work environment means putting focusing on people, ensuring equal opportunities, respect and positive conditions for all. Through targeted initiatives and policies, we support diversity, equity and inclusion, promoting a culture in which every individual can actively contribute and feel valued. In this section, we described the actions taken and results achieved in making our workplaces increasingly open and welcoming.

Respecting human rights

Respect for the **personal dignity** of every individual is a fundamental principle for the Group and is protected by the **Code of Conduct**, which strongly condemns any offense, harassment or discrimination on the grounds of race, sex, age, culture, religion, political belief or sexual orientation (see section 4.1). Since 2023, we have adopted a **Human Rights Policy**, which is inspired by the principles of **social responsibility** enshrined in the **UN Universal Declaration of Human Rights**, the **Fundamental Conventions of the ILO** (international body responsible for the adoption and implementation of international labour standards) and the **OECD Guidelines**. This policy identifies **10** inalienable and indispensable **principles** to which the company adheres and establishes procedures for preventing and mitigating the **risk of violation**.

All Aquafil employees have access to a **whistleblowing system** to report any suspected wrongdoing with guaranteed **anonymity** and **protection against any form of retaliation** or discrimination, as described in section 4.4. All new hires are provided with information on how to use this tool right from the onboarding stage.

Thanks to the safeguards in place, no plant or geographical area of the Group's direct operations is considered at risk for **forced** or **child labour**.

Foundational principles:

1. The freedom of association and protection of the right to organise;
2. Equal pay;
3. Elimination of discrimination in employment and occupation;
4. Abolition of child labour;
5. Improving occupational health and safety;
6. Abolition of forced labour and all forms of corporal punishment or disciplinary practices;
7. Commitment against harassment and bullying in the workplace;
8. Local community rights;
9. Anti-corruption policy;
10. Privacy protection.

Human Rights Policy link	
Targets	Identifies the **core human rights principles** the company stands for, and defines processes to prevent and **mitigate risks of violation**.
Contents	• Lists the basic human rights principles • Identifies procedures for breach risk mitigation • Outlines a training course aimed at promoting a continuous system of **training and information**
Impacts, risks and opportunities	S1 Own workforce, S2 Workers in the value chain, S3 Affected communities, S4 Consumers and end-users.
Application	Board of Directors, Board of Statutory Auditors, management and employees of Aquafil; External collaborators; registered suppliers; customers with an active contract.
Owner	The policy was approved by the **Board of Directors**. The **ESG Committee**, including through **the ESG Director**, is responsible for its implementation.
Alignment with international initiatives	United Nations International Bill of Human Rights, ILO Core Conventions and others (see policy)

Social feedback and dialogue

Every individual has **unique value**. At Aquafil, cultivating inclusion means creating **spaces** where **ideas** and opinions can circulate freely, working together to help the corporate culture **grow** and to build a shared future. In 2025, we continued to invest in structured feedback tools to gather opinions on well-being, engagement, and satisfaction, strengthening internal dialogue as part of our organisational evolution.

The key tool is constant dialogue with **union representatives**, which is maintained through periodic meetings. In the past year, each plant in Italy alone averaged more than one meeting every two months for a total of 23 meetings. At Group level, approximately **78% of employees** are covered by union representation, in line with the figure reported for 2024 (see Table 3.2).

To further strengthen social dialogue and worker representation, an Employee Representative Committee (ERC) was established at the Aquafil site in Jiaxing, China. Created as an evolution of the former health and safety committee (HSE) and also in response to insights gained through a recent corporate climate survey, the ERC is set up as a dialogue channel and comprises representatives elected directly by employees. The committee oversees the collection of requests, reports and proposals for improvement from the various departments and brings them to the attention of the local management through periodic dedicated meetings. Local management is committed to actively assessing each request, defining concrete action plans and ensuring transparent, two-way feedback, with the goal of promoting well-being and active participation throughout the company population.

Coverage remains total (100%) in Italy, Slovenia, China, Croatia and Australia, while the United States, Thailand, Germany and Belgium have no forms of union representation. In Turkey and the United Kingdom, where headcount dropped to zero in 2025, there is no coverage.

TABLE 3.2 - EMPLOYEES COVERED BY UNION REPRESENTATIVES - PERCENTAGE (2024 VS 2025)

	2024	2025
Italy	100%	100%
Slovenia	100%	100%
Croatia	100%	100%
USA	0%	0%
China	100%	100%
Thailand	0%	0%
Germany	0%	0%
Turkey	0%	N/A
Australia	100*%	100%
Belgium	0%	0%
United Kingdom	100%	N/A
Total	**77%**	**78%**

* *value restated from the 2024 Statement.*

Diversity and inclusion

Diversity and inclusion policies have been the focus of our social initiatives over recent years. Our **DE&I Policy** sets out a structured approach to promote a more equitable and inclusive work environment through a transparent, impartial selection process, equal access to training and growth, merit-based compensation policies and communication that values diversity.

In 2024, we set out on a concrete path to reach an **ambitious goal**: to train at least **50% of employees on diversity issues** by 2025. By the end of **2025**, this goal had been **successfully achieved**, with **56.6%** of our employees involved in training.

DE&I Policy link	
Targets	Ensure fairness and equal treatment for all with the goal of building an inclusive environment that follows the principles outlined in the Code of Conduct.
Contents	• Outlines the core principles on **Equality, Diversity & Inclusion** • Identifies the implementation of actions to promote a **plural, equitable and inclusive work environment** • Lists strategies put in place for reporting and mitigating the violation of Human Rights
Impacts, risks and opportunities	**S:** S1 Own workforce, S2 Workers in the value chain, S3 Affected communities, S4 Consumers and end-users **G:** G1 Business conduct
Application	**Board of Directors:** guided by the principles of this document when setting business objectives. **Members of the Control and Supervisory Boards:** ensure that the contents of the Policy are respected and complied with in the performance of their duties. **Company executives:** give concrete form to the values and principles contained in the Policy, assuming responsibility both internally and externally. **Employees:** adapt their actions and conduct to the principles, objectives and commitments set out in the Policy.
Owner	Approved by the BoD. This Policy will be **periodically reviewed** to assess its **adequacy** and the **effectiveness** of its implementation.
Alignment with international initiatives	United Nations (UN) International Charter of Human Rights, International Labour Organization (ILO) Core Conventions, Declaration on Fundamental Principles and Rights at Work (1998), European Parliament Resolution of March 10, 2021, making recommendations to the Commission concerning due diligence and corporate responsibility.

Gender equality

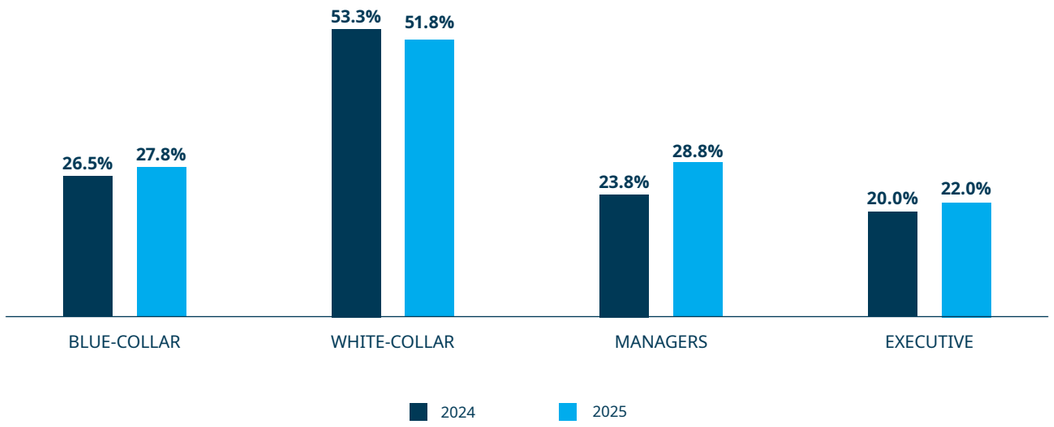
To us, **sustainability** also means unleashing **talent** and valuing **every voice, without discrimination**. Creating a work environment that challenges **stereotypes** and opens doors for women in key roles is more than simply a matter of social justice and well-being - it is a force for innovation and **business growth**.

The percentage of **women in the Group's total employees** has remained essentially unchanged since 2024 at around **31%** (see Figure 3.3). The increase in women in the management category is particularly significant, where they account for 28.8%.

This increase is also seen among executives: in 2025, women made up 22.0% of this category, up from 20.0% in 2024 and 15.8% in 2023. This trend is the result of hiring and promotion policies geared toward more inclusive criteria, and of mentorship and development programs designed to support women's professional growth and their access to leadership roles.

A significant step in this journey was the achievement in 2024 - and subsequent renewal in 2025 - of **UNI/PdR 125** gender equality certification by Aquafil S.p.A., Tessilquattro Cares and Tessilquattro Rovereto.

FIGURE 3.3 - PERCENTAGE OF WOMEN OUT OF TOTAL EMPLOYEES, BY ROLE



Fair remuneration

Pay equity is a key pillar in ensuring that every **individual** receives **fair remuneration commensurate** with the value of his or her contribution, regardless of gender. The Group's remuneration policy is constantly updated with the aim of ensuring fair remuneration, and incentivising the achievement of corporate goals.

All our employees receive an **adequate salary**. In **Europe**, most workers are covered by **collective bargaining** (see Table 3.3), while in the United States **and Asia**, wages are set through company pay policies and individual bargaining, remaining **competitive** with the **market average**.

In 2025, the percentage of employees covered by collective bargaining remained was unchanged from 2024. Coverage remains at 100% in Italy, Slovenia, Croatia and Australia. In the United States, China, Thailand, Germany and Belgium there are no forms of collective bargaining, while in the United Kingdom and Turkey - where there were no employees in 2025 - there was no coverage. The overall increase testifies to the strengthening of **social dialogue and protections** in the key countries in which the Group operates.

TABLE 3.3 - EMPLOYEES COVERED BY COLLECTIVE BARGANINING AGREEMENTS - PERCENTAGE (2024 VS 2025)

	2024	2025
Italy	100%	100%
Slovenia	100%	100%
Croatia	100%	100%
USA	0%	0%
China	0%	0%
Thailand	0%	0%
Germany	0%	0%
Turkey	0%	N/A
Australia	100*%	100%
Belgium	0%	0%
United Kingdom	100%	N/A
Totale	**65%**	**66%**

* *value restated from the 2024 Statement.*

In 2025, the ratio of the gross pay of the CEO - the highest paid individual - to the Group employee median is **34.57 to 1** (40.32 to 1 in 2024). The gender pay gap, defined as the percentage difference between the average male and female pay levels, stood at **22.4%**, **down 3.7 percentage points** on the previous year.[26] **This index is, however, affected by professional categories and the geographical distribution of the female workforce.** 57% of female employees work in countries where the average base salary is lower than the Group's overall average. This aspect contributes to the apparent wage gap, rather than reflecting an actual wage disparity for equivalent roles.

For these reasons, the Group also closely monitors wage indexes referring to different professional categories and geographical areas. Table 3.4 presents the **gender pay gap by site and job role**; the salary considered is the annual gross monetary salary, excluding variable components and benefits (see Appendix 5.10 for the inclusive detail of these components). The analysis confirms that the observed pay gap is chiefly attributable to the lesser representation of women in **key roles** within each category, rather than a pay disparity between positions of equal level and responsibility.

TABLE 3.4 - GENDER PAY GAP BY COMPANY AND PROFESSIONAL ROLE - EXCLUDING VARIABLE COMPONENTS AND BENEFITS (2025)

	Senior Management	Executives	Managers	White-collar	Blue-collar
Jiaxing - Aquafil Cina		N/A - Male only	10.4%	-7.6%	15.3%
Oroslavje - AquafilCro			43.0%	-8.1%	14.8%
Cares - Tessilquattro			-14.9%	14.7%	1.2%
Rovereto - Tessilquattro			N/A - Male only	27.3%	6.7%
Cartersville (Georgia) - Aquafil USA- 1 Aquafil Drive	N/A - Male only	N/A - Male only	11.1%	28.1%	14.7%
Phoenix - Aquafil Carpet Recycling #1			N/A - Male only	N/A - Male only	N/A - Male only
Ajdovscina - AquafilSLO					N/A - Male only
Celje - AquafilSLO		N/A - Male only	N/A - Male only	N/A - Women only	5.6%
Ljubljana - AquafilSLO	N/A - Male only	34.7%	4.1%	-2.9%	8.5%
Senozece - AquafilSLO			N/A - Male only		-5.8%
Anaheim - ACC			N/A - Male only	N/A - Women only	N/A - Male only
Chula Vista - ACC			N/A - Male only		N/A - Male only
Phoenix - ACC		N/A - Male only			N/A - Male only
Rutherford College - AquafilOMara		N/A - Male only	8.1%	-0.4%	5.9%
Arco - Aquafil	N/A - Male only	10.6%	14.4%	7.9%	1.7%
Rayong - Aquafil Asia Pacific				-76.2%	-15.8%
Harelbeke - Aquafil Benelux		N/A - Women only	N/A - Male only	N/A - Male only	
Melbourne - Aquafil Oceania		N/A - Male only		N/A - Male only	
Berlin - Aquafil Engineering		N/A - Male only		17.5%	

The gender pay gap is calculated using the following formula: (male pay level - female pay level) / male pay level. If the ratio is positive, the average male wage level is higher than the average female wage level; if the ratio is negative, the average female wage level is higher than the average male wage level.

3.1.2 Promoting safety and well-being

The well-being of our employees is not just a priority - it is a responsibility and a concrete commitment. We are committed to creating working conditions that promote physical and mental health, providing tools and support to meet daily challenges. Beyond safety and prevention policies, we cultivate initiatives that help find a harmonious balance between professional and personal life, creating a climate of trust, feedback and mutual support. This chapter describes the measures in place to ensure that each individual has a safe, healthy and truly sustainable work space where they feel welcomed and valued every day.

Stable employment relationships

A **stable and secure job** that can provide a **regular income** is essential to provide **peace of mind and well-being** while contributing to each individual's job satisfaction. At Aquafil, we give priority to establishing long-term working relationships, fostering employment stability. In 2025, **94.8%** of employment contracts are permanent, a further

26 The gender pay gap is calculated using the following formula, in line with the methodology specified in the ESRS standards: (average male pay level- average female pay level) / average male pay level. Until 2023, the gender pay gap was expressed as the ratio of average female wages compared to average male wages (equal to 100%).

increase from the 93.5% reported in 2024 and 91% in 2023. In addition, **97.4%** of employment relationships are full-time (see Table 3.5).

This approach not only protects employees but also benefits the company by enabling it to ensure **business continuity**, foster **long-term strategic and operational planning**, and reduce the risks associated with the **loss of key talent** and **high turnover**, with a positive impact on retention. The use of fixed-term contracts remains limited and is only used to handle temporary and unpredictable production peaks.

TABLE 3.5 - TYPE OF CONTRACT BY GENDER - HEADCOUNT (2025)

	Male	Female	Total	%
Permanent	1,464	647	**2,111**	94.8%
Temporary	63	53	**116**	5.2%
Full-time	1,506	663	**2,169**	97.4%
Part-time	21	37	**58**	2.6%

With regard to workers who are not employees, there were **133 external workers** employed in 2025, most of whom perform work through **agency contracts**, mainly in the field of production. This category was excluded from the employed labour force metrics. There were no **non-guaranteed hours** workers among Group employees.

Welfare plans and work-life balance

In 2025, the corporate **welfare scheme** adopted the previous year was reconfirmed while keeping the dedicated **budget** unchanged. This **benefits system** is designed to attract, motivate and retain employees, ensuring their physical and psychological well-being. The program is divided into **two main categories**: on the one hand, **fixed benefits**, such as **pension**, **insurance** and **health plans** offering employees and their families a range of customisable non-monetary services; and on the other hand, **variable benefits**, linked to a **collective incentive system** that rewards the achievement of annual company goals. Employees can choose whether to allocate the incentive, if accrued, to welfare plans or receive it as part of their salary.

Our **Global Parental Policy** ensures paid parental leave for all employees, even in countries without specific regulations such as the United States. In addition, employees in Italy, Slovenia and Croatia, continue to benefit from the **agreement on agile working**, fostering a better work-life balance.
In addition to this, numerous **social and sharing activities**, such as company picnics and buffets, were once again organised in 2025, creating moments of meeting and getting to know each other outside the work environment, and thus strengthening corporate identity and the **spirit of belonging**.

Health and Safety

We are committed to ensuring health and safety through policies, initiatives and investments aimed at preventing **and reducing** workplace **risks**, **accidents** and **injuries**.

Within the Aquafil Group, **99%** of employees are **covered by the health and safety management system**, described in detail in this section. Most plants are also certified according to ISO 45001 (see section 4.7).

Thanks to our efforts, **no workplace fatalities occurred** in 2025. However, one case of **serious injury** was recorded (see Table 3.6). Safety-related indices increased, even following a refinement in the calculation of days lost to injury, **but the frequency index related to serious injuries** remains essentially stable, confirming the effective management of the most critical cases.

In any case, the Group continues to proactively monitor and improve its employees' health and safety, strengthening preventive measures and investment in training and technology to reduce workplace risks.

TABLE 3.6 - INJURIES, WORK-RELATED ILL HEALTH AND WORKING DAYS LOST WITH RELATED INDICES OF FREQUENCY, SEVERITY AND RISK (2024 VS 2025)

	2024	2025
Hours worked	4,584,610	4,438,346
Incidents of work-related ill health	1	4
Injuries > 3 days	41	63
Of which serious injuries	*1*	*1*
Working days lost (*)	1,381	2,130
Frequency rate (**)	8.94	14.19
Serious injuries frequency rate	*0.22*	*0.23*
Severity index (***)	0.30	0.48
Risk index (****)	2.69	6.81

* *From 2025, following a methodological refinement, the calculation of lost days takes into account calendar days and no longer exclusively working days.*

** *The frequency rate correlates the number of occupational injuries to the extent of exposure to risk (it is calculated by dividing the number of injuries resulting in over-3-days absence from work multiplied by 1,000,000 compared to the number of hours worked).*

*** *The severity index correlates the severity of the injury to the extent of exposure to risk (it is calculated by dividing the number of days lost over 3 days multiplied by 1,000, compared to the number of hours worked)*

*****The risk index correlates the frequency and severity indices.*

THE 5 PILLARS OF OUR HEALTH AND SAFETY MANAGEMENT SYSTEM

1. Careful **risk analysis** to prevent accidents and ensure employees have access to appropriate **personal protective equipment**
2. A **Health and Safety Committee** present at each Group company, responsible for monitoring incidents, periodically assessing the effectiveness of preventive measures and promoting the **sharing of best practices** among plants
3. **Continuing education** programmes to spread a culture of safety and reduce human-related accidents, the leading cause of injuries at our production sites. In 2025, **11,320 hours of safety training** were provided (see section 3.1.3)
4. A structured **corporate procedure** for **reporting injuries**, supported by a digital platform
5. The presence of a **company doctor** and a **health surveillance system** to protect workers' health

3.1.3 Fostering personal and professional growth

We believe that continuing education is an invaluable tool in helping our employees reach their full potential. With an approach that encourages curiosity, innovation and expertise, we support workers on a path of personal and professional growth, accompanying them step by step within the organisation.

In 2025, we delivered approximately **30 thousand hours of training** (see Table 3.7) divided into six subject areas: technical, human rights, health and safety, languages, environment and business conduct. Courses involved all company levels, averaging approximately **13 hours of training per employee** (see Table 3.8), equally distributed between men and women.

TABLE 3.7 - HOURS OF TRAINING BY AREA (2024 VS 2025)

	2024	2025
Technical	14,593	14,218
Human Rights	1,571	1,243
Safety	11,682	11,320
Language	1,447	2,440
Environment	1,822	358
Business conduct	673	23
Total	**33,362**	**29,602**

TABLE 3.8 - HOURS OF TRAINING BY GENDER - TOTAL AND AVERAGE VALUE (2024 VS 2025)

	2024		2025	
	Total	**Per employee**	**Total**	**Per employee**
Male	23,208	13.9	20,652	13.5
Female	10,155	14.0	8,949	12.8
Total	**33,363**	**14.0**	**29,602**	**13.3**

Training takes place both in-person and online via a digital platform that provides access to a wide range of training resources and content. "***Aquapedia***" represents our knowledge centre by offering a comprehensive catalogue of technical courses, interactive programmes on soft skills, articles and videos, accessible to all employees. In 2025, the platform was further enriched with new courses, providing a special focus on cyber security.

Over the past year, we have continued to work to develop **projects aimed at growing** talent and strengthening skills, including the Talent Management program, the onboarding process, and Communities of Practice. All our initiatives are detailed below.

Search for new talent

Attracting and retaining young talent is a growing challenge, not only for our company, but for many European enterprises, due to the progressive (and systematic) ageing of the population. Currently, those **under 30** make up **11% of our workforce** (see Figure 3.4 and Table 3.9), in line with the previous year.

To encourage the entry of new resources, we actively **co-operate with local universities and colleges**, holding numerous meetings with students each year. These initiatives include visits to our plants and speaking at local schools and universities. We also participate in **networking** events and **career days**, which are strategic opportunities to connect with young professionals interested in learning about us.

Our commitment also extends to the world of research by partnering with universities and **funding doctoral scholarships**. In the past year, we continued to sponsor two PhD courses in collaboration with the University of Trento and the University of Salerno, thus consolidating our contribution to advanced education and innovation.

FIGURE 3.4 - BREAKDOWN OF STAFF BY AGE - HEADCOUNT (2025)

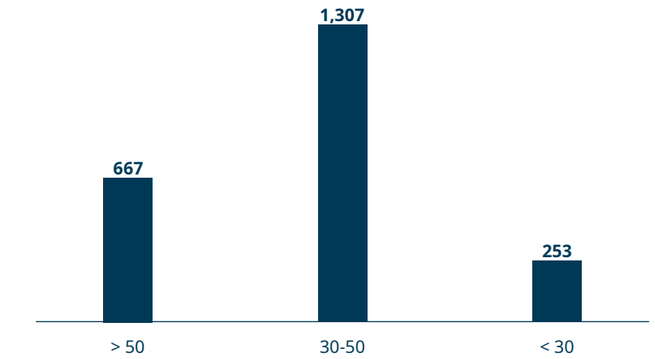


TABLE 3.9 - BREAKDOWN OF STAFF BY AGE, ROLE AND GENDER - HEADCOUNT (2025)

	<30		Between 30 and 50		>50	
	Male	**Female**	**Male**	**Female**	**Male**	**Female**
Executives	0	0	9	3	23	6
Managers	5	0	48	28	61	18
White-collar	14	18	96	116	54	42
Blue-collar	173	43	728	279	316	147

Onboarding and mentoring

The **onboarding** procedure consists of three stages: **"pre-recruitment", "first day**" and **"next days."** The new employee is welcomed by the HR team and their supervisor, supported by a **mentor**, to facilitate integration and understanding of the company culture and provide a point of reference for any needs. Subsequently, through a structured course, **dedicated material** and the **Aquapedia e-learning platform**, s/he is able to enhance their skills and processes independently and gradually.

Enhancing talent

In 2023, we launched the "Talent Management" project with three stages: defining, evaluating and enhancing talent within the Group.

1) What is talent?

We **profiled talent**, identifying qualities, attitudes and skills that characterise them locally and globally.

2) How to recognise it?

In 2024, we began a process of **assessing the potential** of Aquafil employees, using a uniform approach throughout the Group. Over the past year we have identified the profile of talent at **local level** while the assessment on a global scale is still in progress.

3) How to enhance it

In 2025, we launched different types of initiatives to nurture and retain local talent, including **training courses**, **coaching, career plan** setting, role rotations and revised compensation packages.

Communities of Practice

Our **communities** established to foster **cross-collaboration** among employees of different Group companies around specific **topics** continue to grow. The goal of Communities of Practice is to give people the opportunity to engage with colleagues from other plants to **share information** and **best practices** in order to expand their knowledge and achieve business goals more quickly.

Succession planning for key figures

Managing the succession of key figures is a key element in ensuring business continuity, long-term stability and growth. To meet this challenge, the Group has adopted a **succession planning policy**, based on five essential principles: business continuity, preparedness, meritocracy, transparency and harnessing internal talent.

The process involves periodic analysis to **identify strategic roles**, followed by the **establishment of selection criteria** for **potential successors**. Then, **internal and external candidates** suitable for these positions are evaluated and, where necessary, targeted **training** is initiated to fill any skills gaps and ensure a successful transition.

Through this procedure, potential successors in key roles have already been identified.

3.2 WORKERS IN THE VALUE CHAIN

Aquafil's value chain consists of more than **4,500 suppliers and customer partners** from nearly 200 different industries. In assessing our material impacts, risks and opportunities, we considered **three categories of workers** belonging to our supply chain: workers who serve at our suppliers (upstream), those who work at our customers (downstream) and those who work at Group sites but are not part of our workforce (mainly extraordinary maintenance workers and employees of cleaning companies). The sectors in which activities are mainly conducted by upstream and downstream workers in the supply chain are outlined in section 1.2.4.

The **main** material **IROs** related to value chain workers are summarised in Table 5.12 in the Appendix. The identified actual or potential negative impacts do not result directly from Aquafil's strategy and business model, but are generated by players in the supply chain. Nevertheless, our ESG strategy includes actions to mitigate these impacts. One of the pillars of our "THE ECO PLEDGE" is "sharing responsibility along the supply chain", and to achieve this we foster the principles of our Code of Conduct and Human Rights Policy among our partners.

Supervision of the **value chain** is assigned to the **Presidents** responsible for the three **product areas**. In 2025, the company allocated approximately Euro 52,000 of OpEx expenses to value chain topics in relation to subscriptions, licences and consulting. In recent years, we have implemented a set of policies and procedures to **mitigate risks** and **negative impacts**, improve **monitoring of our partners**, and **promote ethical supply chains**. The main ones are listed below and elaborated on in the paragraphs to follow:

- EcoVadis Project;
- Signing of the Aquafil Code of Conduct;
- Human Rights Policy;
- Whistleblowing system;
- Supplier engagement procedure;
- Reputational analysis of customers.

EcoVadis Project

With the support of **EcoVadis**, a leading company in sustainability ratings (see section 1.5.3), the Group has consolidated the ESG risk monitoring project along the value chain and brought it into operation.

Using **IQ+**, a tool provided by EcoVadis, in 2024 we identified partners operating in **sectors** and **geographic areas** at high risk of **human rights** violations and **modern slavery**. The sectors most at risk are the manufacture of textile products, and their spinning, weaving and finishing - activities downstream in Aquafil's value chain. Geographically, the main countries where our business partners belonging to the aforementioned sector are concentrated are the United States, Italy and China.

In 2025, risk oversight on the value chain was strengthened: **55 strategic suppliers** were selected for in-depth assessment using the **EcoVadis ESG Risk Rating**, while a further **389 suppliers** were identified, some of whom have already been assessed through the **EcoVadis Vitals** questionnaire. This work will continue in 2026. The analysis considered key indicators such as child labour, forced labour and human trafficking, diversity, equity and inclusion, and stakeholder rights, along with aspects of **human resource** management including health and safety, working conditions, social dialogue, skills development and training.

The results revealed that **none of the suppliers analysed fell into the "very high" risk range.** The information collected enabled the Group to consolidate its understanding of ESG risk profiles along the value chain and was used to support **estimations of the probability of occurrence** of worker-related **impacts, risks and opportunities**.

Signing of the Aquafil Code of Conduct

First, all of our partners are required to take note of Aquafil's **Code of Conduct**, which repudiates any kind of behaviour involving forms of **slavery**, **forced labour, child labour**, **corruption**, **discrimination** or **violation of workers' human rights** (all principles and contents of the code are summarised in section 4.1).

Although the Group has not prepared an ad-hoc code of conduct for suppliers, they are required to sign a **declaration of acceptance** of the Code of Conduct, and any violation of the moral principles described therein could result in **termination of the contract.**

The principles set out in the Code of Conduct are consistent and aligned with the requirements of major international social responsibility standards, including SA 8000 certification (see section 4.7). This provides a reference for defining social requirements for supply chain partners, and an independent third party-attested guarantee of compliance.

Human Rights Policy

As of 2023, Aquafil has published a Human Rights Policy (see section 3.1.1) to raise awareness of human rights protection among **employees**, **customers**, **suppliers** and **investors** and establish a system of **continuous monitoring** in all business activities and processes. The policy is inspired by the fundamental principles contained in the **United Nations Universal Declaration of Human Rights**, the **Fundamental Conventions** of the ILO (International Labour Organization) and the **OECD Guidelines**, reaffirming our commitment to responsible and sustainable management.

Whistleblowing system

All actors in the value chain, including workers or their representatives, have a **whistleblowing** tool available to **report possible violations** of human rights or social responsibility principles. Details of the system are provided in section 4.4. Anonymity and non-retaliation are always guaranteed.

Supplier engagement procedure

The Group has a **Green Procurement Policy**, which codifies the **procedure for qualifying a new supplier**. This involves three steps:

1. Suppliers are required to complete a **self-assessment questionnaire** to analyse their performance in five key areas: **quality management**, **health and safety**, **energy performance**, **environmental performance** and

social responsibility. The data collected is used to assign a **score**; providers who do not meet the minimum threshold set by Aquafil are excluded from engagement;

2. **Internal reporting** is prepared to ensure transparency and constantly monitor suppliers, which indicates both the number of certifications held by each supplier and the score obtained in the self-evaluation questionnaire;
3. **Periodic Internal Audits** are carried out to assess the effectiveness of our procurement procedures and identify opportunities for improvement.

DE&I Policy link

Targets	Formalises policies for supplier qualification, and responsible procurement of products, materials and services, to ensure environmental protection and health protection.
Contents	• Lists the Group's commitments to building a resilient, sustainable and ethical supply chain • Codifies the procedure for qualifying a new supplier, and the controls put in place
Impacts, risks and opportunities	E1 Climate change, E2 Pollution, E3 Water and marine resources, E4 Biodiversity and ecosystems, E5 Circular economy, S2 Workers in the value chain, G1 Business conduct.
Application	Employees, customers, suppliers and other stakeholders.
Owner	The policy was approved by the Board of Directors. The ESG Committee, including through the ESG Director, is responsible for its implementation.
Alignment with international initiatives	CSDDD (Corporate Sustainability Due Diligence Directive).

Reputational analysis of customers

To ensure that activities with customers are conducted in accordance with the principles of **integrity**, **transparency**, **professionalism** and **clarity**, we adopt an **internal procedure** for the **reputational assessment of** customers. The analysis is carried out on the basis of **reputational surveys** conducted by specialised companies or by relying on the opinion of the Insurance Companies that grant any insurance credit lines.

3.3 CONSUMERS AND END-USERS

Aquafil's customer base is an **industrial** base: we maintain **B2B business relationships** with **companies** that use our nylon thread or compound to **make intermediate or final products** in the textile flooring, apparel or design industries.

Our customers' **requests and perspectives** are collected daily by the **sales force.** This **process of constant dialogue** helps us better understand and meet emerging needs, mitigate risks and negative impacts, and pursue opportunities. The company also maintains customer relationships through industry events and trade shows. The **Presidents and managers of** Aquafil's **main business lines** - BCF, NTF and Polymers - guarantee that this continuous exchange takes place and is taken into account when setting Aquafil's policies and actions. In 2025, the company allocated over Euro 217,000 of OpEx expenses to communication and marketing activities related to managing customer relationships and partnerships.

The main **impacts, risks and opportunities** generated on customers are summarised in Table 5.14 in Appendix 5.4. In assessing materiality, the Group considered both **direct impacts** on its customers and **indirect impacts** on **end-users**, who purchase products made from our nylon. Positive impacts and opportunities arise from the Group's strategy and business model of investing in R&D to offer better and better products, and involving customers in eco-design or circular economy projects. The identified negative impacts and risks, all potential, are related to Aquafil's operations. Mitigation measures have already been put in place for these, which are discussed in more detail in this section.

In general, to best manage the identified IROs, we have put in place a series of **policies, actions and initiatives**, divided into three categories:

- Product management, health and safety;
- Inclusive and transparent communication, against greenwashing;
- Collaboration for eco-design and the creation of circular supply chains.

The effectiveness of the customer engagement process is assessed through **successful completion of projects** and **broad participation** in Group initiatives involving B2B customers. These aspects are discussed in more detail in the following sub-sections.

3.3.1 Product management, health and safety

Aquafil offers its customers a **wide portfolio** of quality products, which is constantly being updated thanks to the **research and development activities** carried out by the Group, aiming at the constant improvement of the offering and the introduction of **new circular products** to the market (see section 1.2.5). The company also offers its customers the opportunity to request **custom prototypes or samples**, and to make **returns and complaints** through a structured system.

Our products comply with the highest safety standards in handling chemicals. Protecting people's health and the environment is based on three key elements:

- A **clear policy establishes** guidelines for a strict control system for the management of hazardous chemicals;
- **Third-party certifications** ensure the safety of our products: all Aquafil companies in Europe are certified according to the European Union Regulation on Registration, Evaluation, Authorisation and Restriction of Chemicals **(REACH**). We also hold other certifications, listed in section 4.7.1;
- A **Sustainability Compliance Team** supports all Group plants on REACH regulatory issues.

This approach helps develop trusting relationships with customers, leading over time to strong and lasting business partnerships and improving the company's competitiveness.

3.3.2 Inclusive and transparent communication, against greenwashing

We take the utmost care in **communicating** about our products - both in relations with B2B customers and B2C users - to minimise the **risk of greenwashing**. We ensure the **highest accuracy and transparency** of information in several ways.

Firstly, we acquire and periodically renew a number of **product certifications**, which attest to the **presence of recycled material** in our ECONYL® nylon or assess its **environmental footprint** throughout its life cycle (see section 4.7.1). These certifications clearly communicate to customers the composition and impact of products on our planet, increasing transparency and thus mutual trust.

Secondly, Aquafil supports its customers in responsibly marketing products made with ECONYL® nylon, with the goal of preventing unclear or incorrect information from reaching end-users. This commitment is embodied in the definition of guidelines with which customers are required to comply and, since 2018, in the work of a dedicated internal team that works directly with customers to prevent greenwashing as much as possible.

The team also regularly monitors key digital platforms, including websites, social media and information channels, to detect and correct any inaccurate or misleading information about the brand.

Finally, through the **ECONYL®** brand, the Group carries out **positive, educational and inclusive communication** activities towards customers and end-users, with the aim of **spreading** awareness of sustainability and circularity issues, and raising awareness towards **more responsible purchasing choices**. The main **training and information activities** fielded are detailed in section 2.5.3, and include both **physical** (plant visits) and **digital** (blog articles, webinars, podcasts, newsletters, and social media) initiatives. The effectiveness of online initiatives is assessed by monitoring key KPIs tracked on sites with Google Analytics, and through quarterly reports on the performance of social profiles.

3.3.3 Collaboration for eco-design and the creation of circular supply chains

We are always looking for and working with customers who share our **commitment to sustainability** and want to build new circular supply chains with us through a shared design approach. Together we develop partnerships ranging from **recovering waste materials** into nylon to **co-designing innovative products**.

The **Take Back** programs we have launched in the apparel and textile flooring sectors provide a concrete example of this. These initiatives allow us to recover nylon waste, both pre- and post-consumer, which is regenerated through the ECONYL® Regeneration System and **reintroduced into the production cycle** as a new raw material. For carpet and rug manufacturers, we set a goal of engaging more than 60% of EMEA customers by 2025. To date, 55% of customers involved have joined the initiative, a result that is in line with the target set.

Collaboration with customers also extends to the initial stages of **product conception and design**. In line with the principles of **ecodesign**, we co-create products that can be disassembled and remanufactured at the end of their useful life. In 2025, major applications focused on two areas: the Born Regenerated to be Regenerable® (R2R®) program and the development of circular fishing nets made of ECONYL® nylon.

Born R2R 2.0: eco-design of the carpets of the future

The **Born Regenerated to be Regenerable® (R2R®)** program is the result of a simple vision: to engage customers in designing products created according to design-for-recycling principles that can be fully **disassembled** and regenerated at the end of their useful lives.

In 2025, we continued to strengthen the program, achieving our targets by signing **15 Memoranda of Understanding (MoUs)** with selected customers. As further evidence of the success of the initiative, we also signed an additional 5 MoUs with customers who were not identified and included in the initial selection. Beyond that, the project entered a new phase with the launch of **R2R® 2.0**, which is an evolution of the initial model. Thanks to improved **recycling** technology, the new edition expands the scope of the program to **new product categories**: **textile tiles, car mats and rubberized mats** with technical requirements tailored to different applications are included alongside wall-to-wall and standard mats.

A positive example of the R2R® project is scheduled for February 2026 at the **BRAFA Fair** in Brussels, where our customer **EGE Carpets** will install **15,000 m² of R2R® carpeting**, an area the size of more than two football pitches. The project **practically demonstrates** the potential of the R2R® program, showing how large carpets can be installed, used and then fully **recycled through the ECONYL® Regeneration System.**

All R2R® products continue to be made **of ECONYL® nylon** and to display a **dedicated logo**, making them easier to recognise and certifying their circularity throughout the supply chain.

R2R® in the maritime sector

Since 2024, Aquafil has **collaborated** with cruise lines, shipyards, and other supply chain players, with the goal of introducing **eco-design** solutions and circular patterns into textile flooring. This commitment has led to the development of R2R® carpets specifically designed to meet the requirements of the maritime industry and to be **fully recyclable** at the end of life.

In 2025, this approach was further **accelerated** thanks to the consolidation of the partnership with **Radici Marine**, a leading supplier of textile flooring for the maritime industry. Together, we presented the Bloom Black carpet collection at the **Cruise Ship Interior Exhibition** (CSI) in Hamburg in December; the flooring - the result of a collaboration between Aquafil, **Radici Marine** and **Oceancircle** as part of **AIDA Cruises' AIDA Evolution** program - has also already been installed aboard the ship AIDAdiva.[27)]

Circular fishing nets: comparative tests

In 2024, in partnership with **Diopas** and **Philosofish**, Aquafil developed the first **100% circular fishing net** made of **ECONYL®** nylon, investing in the development of a stronger and more durable thread that meets the needs of the fishing industry. **Pilot tests** reported performance equivalent to traditional nets, with the advantage that the product is fully recyclable.

In 2025, work in this area continued in co-operation with a consortium consisting of **Nofir** and two leading manufacturers - **Egersund** (Norway) and **Hampidjan** (Iceland) - to **test** nets made of ECONYL® nylon under real operating conditions. Two identical nets were installed in the same fjord in Norway, allowing a direct comparison on a level playing field. Preliminary results confirming both products' ability to withstand the particularly harsh North Sea conditions were also presented at the **AquaNor** trade fair in Norway in August 2025.

CISUFLO: CIrcular SUstainable FLOor coverings

The European **CISUFLO** project, funded by the European Commission's Horizon 2020 program, was developed to improve the supply of circular solutions in the **flooring** industry and involved more than **30 partners** along the entire value chain. After more than four years of work, the project concluded positively and a final report was delivered to the Commission. Our Group contributed on two complementary fronts: on the one hand, through the development of **single-material** mats, and on the other, the testing of new **technologies to separate multilayer** mats already on the market.

In the first area we collaborated with manufacturing partners - including **Edel Carpets** of the Condor Group - to develop prototypes of single-material carpet tiles made of **ECONYL®** nylon, designed from the outset to be recycled through our Regeneration System. We also tested **Aquafil Carpet Separation (ACS)** technology to separate the various components of multilayer carpets (see section 1.2.5 "Recycling of rubber carpets and carpet tiles").

A key component of the project was devoted to **calculating environmental impacts** and evaluating **business models**, comparing a centralised recycling system with a distributed model based on **portable technologies** spread across the country. Results have shown that the decentralized approach reduces emissions and logistics costs while also generating new opportunities along the local supply chain.

The project thus concluded by confirming the effectiveness of both single-material mats and ACS technology and demonstrating the validity of a decentralized, more environmentally and economically efficient recycling model.

Aquafil and Voith Paper: a circular model for the paper industry

The collaboration with **Voith** Paper - a leading supplier of machinery for the paper industry, stems from the need to more sustainably manage **felts** used in production processes. Felts are nylon fabrics used as conveyor belts in paper manufacturing plants. The continuous wear and tear caused by constant contact with water and abrasive materials means they must be **replaced frequently**, thereby generating large quantities of **textile waste**. Aquafil and Voith Paper have therefore jointly developed a **closed-loop** system capable of reducing **the carbon footprint** of these components by **80%**. Voith uses ECONYL® reclaimed **nylon** supplied by Aquafil to produce the felts, which have been re-engineered from an eco-design perspective to be recycled at the end of their useful life. Paper manufacturers purchase and use the **felts** in their facilities, and once they reach the end of their useful lives, they return them so that

27 https://econyl.aquafil.com/eco-design-magazine/circular-design-in-the-cruise-industry-aida-cruises-chooses-econyl-regenerated-nylon-yarn/

they can be **remanufactured** through the ECONYL® Regeneration System.

After an initial pilot phase, ECONYL® felts were launched on the market in 2025, and the project was extended to a growing number of customers. This collaboration also led to a significant award: **Voith Paper received the German Sustainability Award 2025** in the Products - Resources category, thanks to Infinity +Green felts and the integration of ECONYL® regenerated nylon into the production cycle.

3.4 SUPPORT FOR LOCAL COMMUNITIES

Connecting with local communities is at the core of our commitment to sustainable growth.

We believe that a company's value is also measured by its ability to **generate shared well-being**. Therefore, we continue to strengthen our **dialogue with the communities** in which we operate, promoting initiatives ranging from **training** to **social inclusion** and **environmental protection** projects. Through **partnerships with local authorities** and **non-profit organizations**, we work to create a positive and lasting impact, contributing to the economic, social and environmental development of the regions **where the Group is present -** whether with offices, production plants or operating sites.

The materiality assessment (as outlined in section 1.4) found no negative impacts or significant risks to the company in relation to local communities, instead highlighting only **positive impacts and opportunities** (see table 5.13 in Appendix 5.4). In line with the findings, the Group has not adopted specific corrective policies, but has continued to invest in initiatives that directly benefit people, consistent with the **supporting local communities** pillar of "The ECO PLEDGE®" ESG strategy. The Group has not identified any dependencies in relation to local communities.

Again in 2025, work focused on three main areas:

1. Investing in future generations;
2. Helping the most vulnerable;
3. Taking action to protect the environment.

The Group allocated a total of **more than Euro 77,000 in OpEx expenses** to these initiatives, mainly in the form of sponsorships and donations.

Through **direct and ongoing dialogue** with **representatives of our communities** - cultural associations, non-profits, schools and universities - we are able to undertake targeted initiatives that actively respond to the challenges and needs of different regional areas. Every year, the **stakeholders** we work with ask the company to **repeat the experience**, evidence of the great added value it generates.

Aquafil's **Chief Communication Officer** oversees the Group's local community engagement strategy, but each **production plant** is **independent** and **autonomous** in choosing which social and environmental initiatives to develop and in setting the **budget**. The company actively encourages its employees to propose activities and collaborations with NGOs, supporting the causes closest to them. This approach ensures that we create a **bond of proximity**, allowing us to interact with local community stakeholders without filtering and to gather their perspectives.

All activities for the benefit of local communities implemented by the Group are guided by and inspired by the **principles and values** expressed in our **Code of Conduct** (see section 4.1) and **Human Rights Policy** (see section 3.2), including equality, solidarity, environmental protection**, protection of civil and political rights**, and **social, economic and cultural** rights. Our **whistleblowing system** is also available to this category of stakeholders, accessible through our website. If there is a suspected violation of these principles, anyone can submit an anonymous report in line with the procedure described in section 4.4.

TABLE 3.10 - ANNUAL RESULTS RELATED TO LOCAL COMMUNITY IMPACT INITIATIVES

Target	Results
Educate individuals on environmental protection by supporting local cultural and sports clubs and helping to educate younger generations	25 school trips to Group plants and/or school educational activities
	15 sponsorships of local sports and cultural events/associations
Help vulnerable groups	Support for 10 organisations

Investing in future generations

Investing in younger generations means taking **responsibility for the future**, helping build an **inclusive society** that enables talent to express itself regardless of starting conditions, one in which **economic development and social progress** go hand in hand. As such, the Group supports young people through **learning programmes** and **academic collaboration**.

In 2025, Aquafil organised a total of 25 meetings for **secondary school and university students**, divided between visits to our plants and lectures, in Italy and Slovenia. **The majority** of these took place in **Italy, where 468 students were involved**. These had the opportunity to get to know us, learn more about the circular economy model behind **ECONYL®** regenerated nylon, and visit our production facilities. These activities were complemented by **six lectures** at various universities and high schools on environmental, social and economic issues.

Aquafil also continues to support the academic pursuits of university students. 25 young people of various nationalities received **support in writing their dissertations**, using Aquafil and the ECONYL® Regeneration System as case studies and application examples of the circular economy, industrial sustainability and product innovation. In this area, as part of the initiatives dedicated to young people, Aquafil launched a new collaboration with the **Alba Chiara Association** (see in-depth section "Alba Chiara: support, rebirth and the threads of solidarity") to design a **structured educational course** on the topics of **gender diversity**, the **culture of the other** and **preventing violence**. The **six-week** project will be offered in the **first half of 2026**. The course was developed through **co-design** work involving the participating schools, a sociologist and a psychologist, and involves a **highly experiential approach** based on **role play and simulations**.

The Group's commitment also continues in Slovenia, where **AquafilSLO** sponsored the "Circularity is our opportunity" project for the third consecutive year as part of the **Ekošola - Eco Schools** programme. The project involved **64 schools** and **2,300 children** in **circular economy** educational activities, including **two participations** in **workshops,** one of which was organised in partnership with **Healthy Seas**.

In **China**, Aquafil organised a **summer volunteer programme** for children, offering English **tutoring**, arts and crafts, safety education and legal awareness. The **11** volunteers provided participants with **learning opportunities** and **chances to socialise** during the summer holidays.

In the United States, meanwhile, we consolidated our collaboration with the **Parsons School of Design in New York** as part of a project developed in synergy with the **United Nations**. This sought to reinterpret the data contained in the report on global migration through art using our **ECONYL®** nylon (see in-depth section "Passage Patterns: UN migration data in ECONYL® nylon fabric").

Passage Patterns: UN migration data in ECONYL® nylon fabric

Passage Patterns is a textile exhibition developed by **Parsons School of Design**, in collaboration with **Aquafil** and the United Nations' **International Organization for Migration (IOM)**.

Students on **Parsons' MFA Textiles** course were tasked with transforming numerical data on global migration flows into **textile works** that could **emotionally** engage the public, rendering the information more accessible and comprehensible. Using **nothing but ECONYL® regenerated nylon yarn**, students used **different colours, techniques and processes** to represent displacement and migration.

The project led to an **exhibition that has travelled across the world**, demonstrating how design and creativity can transform a technical report into an effective story-telling tool. After debuting in **May 2025** at the **Parsons School of Design in New York**, the exhibition continued in June at Aquafil's showrooms in **Chicago** during NeoCon and Fulton Market Design Days, before landing at the **United Nations** sites in **London** and **Geneva**.

"In an era where global migration shapes our world's social fabric, this collaboration stands at the intersection of sustainable design and humanitarian care. [...] valuing humanity and the environment through conscious making and innovation, we harness the power of textiles to raise awareness and transform art, industry and society."

- Preeti Gopinath, Associate Professor of Textiles at Parsons School of Design.

The numbers behind the weaves

At the heart of the project is the **Displacement Tracking Matrix (DTM)**, IOM's main data collection programme, which operates in over 100 countries.

The textile works in Passage Patterns translate some of the most significant figures gathered, including:

- **2,317,254 people temporarily displaced** in 11 districts of Sindh province (Pakistan) in 2022 following monsoon rains that caused widespread flooding and landslides.
- **55,290 individuals displaced** in central and southern Iraq due to climate change and environmental degradation.
- **57,562 migrants intercepted** by Turkish Coast Guard as they attempted to cross the sea to reach the European Union.

Helping the most vulnerable

We want to contribute to a more **equitable** and **inclusive** society that leaves no one behind. One of our central initiatives is **corporate volunteering**. For the third year in a row, we made approximately **600 working hours** available for our employees in Arco, Cares and Rovereto to volunteer to support the third sector. The activities supported three local organisations: Casa Mia in Riva del Garda, a social-educational centre for young people; the Trade Union Representative Body (RSA) in Arco, which supports the elderly; and the Dreams association, which works towards integrating people with autism and Down syndrome into the jobs market.

Corporate volunteer initiatives also featured in other Group countries. In **Slovenia**, Aquafil continued to support the **multigenerational** centre run by the Friends of the Youth Ljubljana Moste Polje **(FYLMP**) humanitarian association, which is located near the Ljubljana plant. The centre provides educational programs, tutoring and workshops for children, adolescents and the elderly, with the goal of **preventing poverty** and social exclusion.

In **China**, Aquafil strengthened its social commitment through a number of coordinated initiatives targeting the **elderly**, **people with disabilities** and **women**. In 2025, the " **Support the Elderly"** programme offered support, companionship and daily assistance to a Group of elderly people living alone. The **"Weaving Love"** project also saw us donate yarns and make a financial contribution to a local **charity** that supports people with disabilities by offering them **training and craft workshops.** Finally, throughout the year we provided support - including financially - to women with **breast and cervical cancer**, promoting awareness and support activities dedicated to women's health.

Finally, the Group's commitment to combatting **violence against women continues**. This commitment is **strengthened** through its collaboration with the **Alba Chiara Association** (see in-depth section "Alba Chiara: support, rebirth and the threads of solidarity"). In addition to the numerous outreach initiatives in the area, of particular note is the innovative action called "Punto e a Capo" made possible with Aquafil's support. "Punto e a Capo" is a listening group run by two experts in female empowerment. It was established to offer free support, listening and advocacy to those coming to terms with a past trauma relating to incidents of domestic violence. Specifically, it offers tools to process and manage the aftermath of such abuse in managing relationships with children and potential new partners. In the group, useful information is shared regarding the resources available to victims of violence (including support services, safe houses, legal counsellors and therapists) and the participants weave a network of mutual support; feeling heard, supported and understood by others in the group can help them regain control of their lives and work toward improving their self-esteem. Alongside these activities, AquafilCRO also continues its commitment to raising breast cancer awareness through "Pink Week", which is dedicated to prevention in the company, and through a donation to the Europa Donna Krapina Association.

Alba Chiara: support, rebirth and the threads of solidarity

In 2025, Alba Chiara consolidated its role in the Alto Garda area as a cultural and community safeguard in preventing and combatting gender-based violence.

Through our Benefit Company Bluloop by Aquafil, we renewed our support for its activities for the fourth consecutive year, **co-funding** high-impact community projects. These included including **"Punto e a Capo", a free self-determination** initiative for women who have experienced abusive relationships. Sponsored by the Alto Garda and Ledro Community, it is the first initiative of its kind in the area.

The distinctive value of Punto e a Capo is not only therapeutic, but **relational and systemic**. Through discussion activities and educational tools inspired by the principles of the Istanbul Convention on Preventing and Combating Violence Against Women, Alba Chiara leads participants in:

- reprocessing traumatic experiences;
- reducing internalised guilt ;
- recognising the dynamics of violence;
- rebuilding self-esteem and self-determination.

The first listening group began on **January 30, 2025**. During the year, **12** women requested access, and **eight** joined permanently.

An element that emerged with particular clarity was the **mutual support between the women involved during legal proceedings**. Some participants in trial stages found a network of emotional and practical **support** through the group, through attendance at hearings, listening and by sharing their day-to-day difficulties.

The key step was the recovery of the **collective dimension**: these new bonds counteracted isolation, which is one of the most persistent effects of violence, transforming it into **belonging**, recognition and the **ability to give testimony**.

Taking action to protect the environment

Our impact on the land also comes through environmental protection. In addition to **emissions reduction** initiatives (see section 2.1.3), and **education and information** activities on sustainability matters, described under the ECONYL® project (see section 2.5.3), Aquafil is a co-founder of **Healthy Seas**, a foundation whose ambitious goal is to spread awareness about marine litter prevention, including by organising cleanup and recovery activities with volunteer divers (see in-depth section "The Healthy Seas: regenerating the sea, together").

In 2025, environmental initiatives expanded further. In **China**, Aquafil promoted a structured **corporate eco-welfare** programme in which employees **actively participated** in **collecting plastic bottles** and **cans** at dedicated recycling points, helping to spread **responsible** practices for daily **waste management**.

In **Italy**, the Group sponsored a project promoted by the **Smart Cooperative**, which organised an event on Sunday, April 6, 2025, dedicated to **sustainable living and transport**. To mark the initiative, the streets of Arco were temporarily **closed to road traffic.** Games, activities and public discussions encouraged reflection on sustainable mobility practices and **environmentally** friendly lifestyles.

The Healthy Seas: regenerating the sea, together

Every day, the equivalent of **2,000 truckloads of plastic** ends up in the world's oceans, rivers and lakes.[1)] Of this quantity, approximately 10% comes from fishing activity, tools and nets abandoned at sea.[2)] By partnering with **Healthy Seas**, we seek to be an active part of the solution and promote marine waste circularity.

The Healthy Seas Foundation was co-founded by Aquafil in 2013 with the goal of combatting ocean pollution by adopting a three-pillar approach: **cleanup, education, and prevention**. Between 2013 and 2025, the involvement of volunteer divers and fishing communities helped the foundation recover **1,309,100 kg of fishing nets and marine waste**. This is equivalent to the weight of **nine blue whales or 297 orcas**.

2025 saw ocean protection efforts take another step forward. Clean-up activities included **140 days of diving** and **213 field operating days**, during which **81,100 kg of waste** were collected. Every recovered nylon 6 fishing net was sent to Aquafil's regeneration process, contributing to the production of **ECONYL® nylon**.

Particularly noteworthy is the special focus on **abandoned aquaculture sites**, or "ghost farms", a little-known but high-impact source of pollution. In 2025, Healthy Seas conducted an operation in Greece's **Saronic Gulf** in co-operation with the Athanasios C. Laskaridis Charitable Foundation. **18 industrial fish farm rings, fishing nets, tyres, pipes and plastics** had been abandoned in the area. The mission recovered **40,100 kilograms of waste**, with significant benefits for marine biodiversity and local shipping.

In terms of **education and awareness**, Healthy Seas organised **125 educational events** and **73 environmental education days**, involving **13,339 students and adults** in **20 countries**. Initiatives ranged from school and university programmes to discussions with local communities, all with the goal of raising awareness about the impact of marine waste and the importance of prevention.

Meanwhile, dialogue with the fishing industry continued to be strengthened: the foundation actively collaborated with **1,250 fishermen and fish farmers**, promoting more sustainable fishing practices and better management of end-of-life nets. These activities were all made possible by the contribution of **550 volunteers**, who are the beating heart of Healthy Seas' work.

With the support of **DWS**, Healthy Seas also launched a new **research** initiative on the impact of ghost nets on marine life in the **Mediterranean Sea**. The project involves monitoring ecosystems before and after nets are removed, with the goal of analysing changes in **biodiversity, habitat structure**, and the **regenerative capacity of marine environments**. Dives, biological surveys and comparative analysis will allow researchers to quantify the benefits of **clean-up** operations.

Healthy Seas 2025 in numbers:

- More than 13,000 school-age children and adults involved;
- 125 educational events;
- 353 active days (in 20 countries);
- 140 days of diving;
- 550 volunteers;
- 1,250 fishermen and fish farmers;
- 81,100 kg of waste collected.

1 https://www.unep.org/plastic-pollution
2 https://wwfwhales.org/news-stories/stop-ghost-gear-wwf-report

4. BUSINESS CONDUCT

Corporate integrity is not only a moral obligation, but a strategic lever that creates value in the long run.

Aquafil promotes **business conduct** and a **corporate culture** based on **integrity, transparency and diligence**, encouraging **individual and collective responsibility**. Through a **structured system** of **principles, processes, policies and tools**, the Group ensures compliance with the **highest ethical standards**, and prevents misconduct or wrongdoing.

Aquafil's **Board of Directors** establishes the basic principles of Group corporate conduct and culture through the definition and approval of the **Code of Conduct**, which is our **moral compass** (see section 4.1). Leveraging **Directors' expertise** in management and control, corporate restructuring, and business conduct, the Board periodically reviews and improves the Code: the last update was completed in 2023.

The Group also has a number of other **policies and procedures** with the same purpose, including the 231 Model (see section 4.2), the Anti-Corruption Policy (see section 4.3), and the Whistleblowing System (see section 4.4), in addition to the aforementioned Human Rights Policy (see section 3.1.1) and the Gender Equality Policy (see section 3.1.1).

Employee **training and information** is another key tool for disseminating principles of good management and ethical business conduct. All new hires are required to sign the Code of Conduct and undergo training to thoroughly assimilate its principles during **onboarding**. We also hold periodic professional **development courses** on business integrity topics to help people better understand the company's **ethical values** and the **procedures** that ensure their compliance. Topics include the **231 Model**, **anti-corruption policies**, and the **whistleblowing procedure**.

As part of these periodic training and update activities, we have delivered more than 670 hours of training on business conduct over the past two years. Specifically, training activities explored key topics such as the 231 Model, Whistleblowing and the recognition and prevention of corporate, environmental and tax crimes. Training was provided mainly to the sales and purchasing functions and also involved 42.5% of people in Group management positions.

This holistic system enables us to generate opportunities and positive impacts throughout the value chain, and to minimise risks and negative impacts. **The materiality assessment** described in section 1.4 identified **two material IROs** related to the topic of business conduct. These are shown in table 5.15 in Appendix 5.4. Overall, in 2025 the company allocated more than Euro 170,000 of CapEx investments and Euro 7,000 of OpEx expenses to the topic of corporate conduct and culture. These costs were incurred mainly in relation to software development and implementation.

4.1 CODE OF CONDUCT

We act with transparency, honesty and in compliance with laws and regulations.

Aquafil's **Code of Conduct** is the basis for our business conduct. It establishes standards of **diligence, integrity and transparency** that stakeholders must adhere to in their daily activities. The Code strictly and without exception prohibits any behaviour involving forms of **exploitation** (such as slavery, forced labour or child labour), **corruption, discrimination** or violations of **workers' human rights**, placing respect for the individual and dignity at the centre.

Aquafil makes a copy of the Code available to all employees, suppliers, customers and outside contractors and requires their **acceptance**. The Group is also committed to providing **training** on the Code, in order to promote in-depth knowledge and correct interpretation; encouraging its use as a practical, everyday tool at all levels of the organisation. The Code of Conduct can only be amended by the **Board of Directors**. The **Supervisory Board** ensures oversight of its implementation in Group activities.

Any addressee who becomes aware of a violation of the principles of the Code of Conduct is required to report it as outlined in the **whistleblowing** procedure described in paragraph 4.4. It is a tool for **preventing, detecting and managing** cases of corruption with input from **all stakeholders**. These violations are investigated by an independent body **(Management Body)** and the results are reported quarterly to the **Control, Risks and Sustainability Committee** and the **Supervisory Board** ensuring periodic monitoring.

In 2025, **no Group company** incurred fines or other penalties for violations related to the Code of Conduct or related regulations, proving the effectiveness of the procedures and actions undertaken as part of the corporate culture that are monitored on a daily basis.

Compliance with all laws (including anti-money laundering anti-corruption, antitrust)	**Protecting intellectual property**
Protection of human rights	**Preservation of cultural heritage and landscape**
Loyalty and integrity in dealing with customers, suppliers and institutions	**Use of corporate assets**
Health and Safety	**Accounting and internal controls**
Environmental	**Tax compliance**
Conflict of interest	**Human resources and employment policies**
Data protection	**Gifts**

4.2 231 MODEL

The **Organisation, management and control model** of Aquafil is a system of **rules**, **procedures** and **controls** designed to ensure **compliance with laws**. It aims to prevent offences such as corruption, involvement in organised crime, money laundering, terrorism, subversion of democratic order, market abuse, violations of security regulations and unlawful processing of personal data.

The Model provides for the drafting of a **Code of Conduct**, mapping of the **corporate areas at risk**, assessment of the **control systems**, and the adoption of a **disciplinary system** to punish any **illicit** behaviour. Supervision of its functioning, updating of the Model and compliance with regulations is entrusted to the **Supervisory Board**, appointed by the **Board of Directors** (see section 1.5.1).

The Model applies to the **Group's Italian companies** that have adopted its principles, offering employees the opportunity to report any wrongdoing through a **whistleblowing system**.

It was adopted by the Board of Directors in **2014** and updated in **2023** to include the changes introduced by Italian legislation regarding the list of offences under Legislative Decree No. 231.

The **Model** is intended to raise awareness among all **employees** and corporate **stakeholders** so that they adopt proper behaviour in the performance of their duties. In line with the provisions of **Legislative Decree No. 231/2001**, **Aquafil** is committed to organising **periodic training sessions** for employees on these issues, and to providing appropriate **communications** to collaborators and external partners, to ensure that the **Model** is adequately disseminated and understood.

To ensure proper implementation of the **Model**, it is the responsibility of the **Board of Directors** to implement the necessary operational procedures, with the support of the **Supervisory Board**. These corporate instructions are considered a **duty** and **obligation** for all addressees, and their proper application depends on the primary responsibility of each individual, beginning with the heads of departments, functions or services.

Despite the Euro 2,278.14 administrative fine imposed (due to a breach of Article 71(1) of Legislative Decree No. 81/08) in connection with an incident that occurred at the Arco production facility, the ongoing commitment of all Group companies to ensure the proper adoption of the Organisational Model remains unaffected.

4.3 ANTI-CORRUPTION POLICIES

In September 2023, Aquafil's ESG Committee approved for the first time an Anti-Corruption Policy, which prohibits all forms of corruption, including **unauthorised favours, collusive behaviour and requests for personal or professional benefits**, whether for oneself or others. In 2024, the Policy was **updated** to include a more precise **definition of corruption**, in line with Italian and international best practices. In 2025, it was updated to include references to the double materiality assessment.

The **Policy** establishes the prohibition of:

- **Procuring, promising or offering anything of value** to anyone, including public sector officials, in order to obtain undue advantages in business activities;
- **Paying bribes to obtain or extend contracts**, expedite official procedures or improperly influence third parties
- **Accepting gifts or gratuities related to conduct that violates the principles** of the Anti-Corruption Policy, Code of Conduct and applicable laws;

The Group is committed to **monitoring and preventing** corruption risks in certain **areas** identified as **sensitive** through risk assessment including: issuance of authorisations and licenses and submission of documentation and certifications to the Public Administration, gifts and entertainment expenses, events and sponsorships, donations/membership fees, purchases of goods and services, consulting, brokerage, business partner relationships, joint ventures, acquisitions and disposals, and selection, recruitment and management of personnel.

The Group's **procedures** for preventing, identifying and handling incidents of corruption are outlined in the **Code of Conduct** and the **whistleblowing** procedure as described in sections 4.1 and 4.4. The effectiveness of our procedures, actions and ongoing commitment to training (see paragraph 4) is demonstrated by the fact that again in 2025 no Group company incurred fines, penalties or legal action for irregularities or non-compliance with the Anti-Corruption Policy.

Anti-Corruption Policy link	
Targets	Provides a **framework** for **preventing corruption** by defining rules of conduct to ensure **compliance with Anti-Corruption Laws**.
Contents	• Provides a clear **definition** of corruption • Defines the **basic principles** to be observed within the company to prevent and avoid acts of corruption • Specifies **information, training and monitoring** arrangements to ensure maximum dissemination of the policy
Impacts, risks and opportunities	S1 own workforce, S2 Workers in the value chain, S3 Affected communities, S4 Consumers and end-users, G1 Business conduct.
Application	Board of Directors, Supervisory and Control Bodies, executives, employees, contractors, suppliers, customers.
Owner	The Anti-Corruption Policy and its updated versions have been defined and approved by the ESG Committee.
Alignment with international initiatives	The Penal Code and the Italian Civil Code, Law No. 190/2012 (anti-corruption), Legislative Decree No. 231/2001 on the administrative liability of entities, anti-corruption laws, anti-money laundering laws, privacy and personal data protection laws, the Organisation for Economic Co-operation and Development Convention on combatting corruption of foreign Public Officials in international business transactions, the United Nations Convention against corruption, the Foreign Corrupt Practices Act (FCPA) enacted in the United States, the UK Bribery Act enacted in the United Kingdom.

4.4 WHISTLEBLOWING SYSTEM

All Group stakeholders have the opportunity to report, in complete anonymity, unlawful conduct, incidents of harassment and bullying and violations of the Code of Conduct.

Transparency, **fairness and integrity** are the pillars of Aquafil's business conduct. Our **whistleblowing procedure** helps us ensure the highest **ethical standards**: employees, suppliers, external contractors and customers are provided with an IT platform for submitting reports of **wrongdoing**, **irregularities** and **non-compliance**, accessible **24/7**.

Aquafil always guarantees **anonymity**, **confidentiality** and protection against any form of **retaliation** or **discrimination** against the reporter. Currently, the platform is managed by an independent entity **(Management Body**), which ensures the confidentiality of information through **security** protocols and advanced **encryption** tools.

Reports are processed **promptly** (within 7 days) by specially trained staff. If the alleged violation is among the illegal behaviours regulated by Legislative Decree No. 24 of March 10, 2023, which implements European Directive No. 1937/2019, the Management Body shall promptly inform a special Aquafil **Internal Committee** (composed of the CFO, Internal Audit, Legal, HR and a member of the Supervisory Board) to verify the merits of the report.

If the report is well-founded, the company will apply **disciplinary sanctions** proportionate to the severity of the violation. Once the internal investigation is completed, a response is provided to the reporter no later than **3 months** after receipt of the report.
If the report turns out to be unfounded, the file is closed; conversely, if the report turns out to be well-founded, it is promptly communicated to the **Control**, **Risks and Sustainability Committee** and the **Supervisory Board,** which receive detailed information on reports received and handled through a dedicated channel.

The Group ensures, at the onboarding stage, that the new employee is informed and aware of the existence of this tool. It also organises business conduct **training** courses (see chapter 4) that provides further information on the use of whistleblowing. In addition, it provides **up-to-date information** through circulars, e-mail and the company intranet. The platform is available in **all languages** of the Group's major companies to ensure maximum accessibility. 100% of workers have access to the platform and 99% have the ability to use it in their native language.

Aquafil Group companies that hold **SA 8000 Social Accountability** certification have an additional tool at their disposal to report suspected **human rights** violations. These reports are collected through an online platform and then reviewed by the **SA 8000 Committee**, a technical body that also includes employee representatives. In 2025, **no reports were received** under SA 8000.

TABLE 4.1 - SUMMARY OF REPORTS RECEIVED IN 2025

Reports	Country	Origin	Nature of the report	Investigated	Managed	Any corrective measures/actions
#1	Closed	USA	Misconduct towards staff	YES	YES	Unfounded report (no evidence provided)
#2	Closed	Italy	Test by Aquafil SB	YES	YES	WB operation test report
#3	Closed	Italy	Test by Tessilquattro SB	YES	YES	WB operation test report
#4	Closed	USA	Violation of 231 Code of conduct	YES	YES	Report closed due to handling by US judicial authorities*
#5	Closed	USA	Misconduct towards staff	YES	YES	Report closed due to lack of evidence provided, despite being requested
#6	Closed	Italy	Misconduct towards staff	YES	YES	Report outside the scope of Legislative Decree No,24/2023

* *The circumstances referred to in report #4 are currently the subject of ongoing litigation before the United States courts.*

Whistleblowing procedure link	
Targets	Defines the whistleblowing procedure for the involvement of all Group stakeholders in upholding high ethical standards and combating misconduct.
Contents	• Outlines the **procedure** for **sending reports** via an online platform • Outlines ways to **protect the reporter** by ensuring **anonymity** and protection against any **retaliation** or discrimination • Establishes a **training and information plan** to ensure the dissemination and proper application of the procedure
Impacts, risks and opportunities	S1 own workforce, S2 Workers in the value chain, S3 Affected communities, S4 Consumers and end-users, G1 Business conduct.
Application	All Aquafil Group **stakeholders**
Owner	Aquafil's **Board of Directors** approved the Whistleblowing Procedure. The methods of periodic updating and reporting are managed by the **Control, Risks and Sustainability Committee and the Supervisory Board**.
Alignment with international initiatives	Legislative Decree No. 24 of March 10, 2023 implementing European Directive No. 1937/2019.

4.5 TAX COMPLIANCE

We manage our **tax affairs** with **transparency, integrity and fairness**. All **Group** companies pay taxes on profits, labour and consumption in the countries in which they operate. The tax strategy is defined by the **Board**, which takes a prudent and strict approach, excluding **tax planning** practices such as creating artificial structures to avoid tax obligations.

To ensure tax compliance, **Aquafil** applies a **Group Transfer Price Policy**, which ensures proper economic valuation of intercompany transactions across borders.

4.6 POLITICAL INFLUENCE AND ADVOCACY

We continuously monitor regulatory developments and actively contribute to policy processes within our areas of expertise.

Aquafil's activities centre around two main lines: **ongoing monitoring of relevant legislative initiatives** and targeted advocacy on strategic dossiers for our supply chain.

In 2025, the Group continued to play an active role in European processes relating to the circular economy, strengthening dialogue with legislators and contributing its technical expertise in advanced material recycling. In line with the previous year, a significant part of our activity focused on the **Waste Framework Directive**. We continued to engage with European institutions, providing targeted suggestions and highlighting key areas of attention. The Directive introduces new **Extended Producer Responsibility (ERP) schemes** for textile waste, which will finance end-of-life collection, sorting and recycling in the coming years through eco-modulated contributions paid by producers and importers. In parallel, we shared a **position paper** with the European legislator calling for urgent support measures for the recycling sector. The plastics recycling sector has been under increasing pressure in recent years, with turnover falling by 5.5% and an overall loss of recycling capacity that could reach **one million tonnes between 2023 and 2025**. In 2025 alone, plant closures increased by **50%** compared with 2024. This situation is compounded by an **8.3%** decrease in European plastics production and a progressive decline in the global market share of European industry.[28)] In our document, we highlighted the urgent need to introduce **structural measures** to support European recyclers, ranging from the reduction of energy costs to stricter controls on non-compliant **imports**, the **standardisation of End-of-Waste criteria** and the reduction of administrative authorisation burdens.

During the year, we also closely monitored other key dossiers in order to understand the direction of European industrial policy, including:

- The **Omnibus package**, which introduces changes and simplifications to the two main directives on corporate sustainability, namely the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD);
- The **Circular Economy Act**, for which we participated in the public consultation;
- **State aid and the ETS** for energy-intensive sectors;
- The **Clean Industrial Deal** and the **Chemical Industry Action Plan**;

Aquafil does not exercise political influence through financial or in-kind contributions to parties or organisations. The Group is also listed in the **EU Register for Transparency** (REG number 656018035243-03).

4.7 CERTIFICATIONS

Our voluntary certifications attest to adherence to the highest environmental, social and quality standards.

Aquafil has an **Integrated Management System** to ensure quality, environmental protection, energy efficiency, health and safety, social responsibility and gender equality in **all Group companies**. The policy includes alignment with international standards ISO 9001, ISO 14001, ISO 45001, ISO 50001, SA 8000, and ISO 30415.

In 2025, the Group acquired a new ISO 45001 certification for Tessilquattro's Rovereto and Cares plants. We have also continued to work toward the goals for 2025 and 2028 - see table 4.2.

All certifications are available on the Aquafil website. **(LINK)**

28 https://plastics-recyclers-europe.prezly.com/2024-data-reveals-a-deepening-crisis-of-the-european-plastics-recycling-industry?utm_source=prezly.com&utm_medium=campaign&utm_campaign=2024+Data+Reveals+a+Deepening+Crisis+of+the+European+plastics+recycling+industry&utm_id=470a3083-40d3-4d0e-88f9-15b94a8217b8&utm_content=story+header

https://plastics-recyclers-europe.prezly.com/plastics-value-chain-demands-immediate-action-to-save-eu-industry?utm_source=prezly.com&utm_medium=campaign&utm_campaign=Plastics+Value+Chain+Demands+Immediate+Action+to+Save+EU+Industry&utm_id=7ca2e595-6573-4fab-9b8b-dfd876f3b6d5&utm_content=story+header

https://plastics-recyclers-europe.prezly.com/wave-of-surging-plastic-recycling-plant-closures-hits-europe?utm_source=prezly.com&utm_medium=campaign&utm_campaign=Wave+of+Surging+Plastic+Recycling+Plant+Closures+Hits+Europe&utm_id=130762a4-c67f-4f24-96b4-416802844ef2&utm_content=story+header

LIST OF CERTIFICATIONS HELD BY THE AQUAFIL GROUP IN 2025[29)]

Environmental management (ISO 14001)

Defines the framework for developing an effective Environmental Management System, supporting the company in improving its environmental performance, ensuring regulatory compliance and managing risks and opportunities:
Production facilities certified: 11/13;
Aquafil employees covered: 92%.

Energy management (ISO 50001)

Sets a framework for implementing an effective energy strategy, setting challenging goals, monitoring the right indicators and evaluating results, with the goal of optimising energy efficiency:
Production facilities certified: 8/13;
Aquafil employees covered: 70%.

Social responsibility (SA 8000)

Defines eight basic requirements inspired by the principles of the **Universal Declaration of Human Rights**, including the prohibition of child and forced labour, health and safety protection, freedom of association and collective bargaining, non-discrimination, compliance with disciplinary procedures, limitation of working hours, and ensuring an adequate minimum wage:
Production facilities certified: 8/10;
Aquafil employees covered: 66%.

Occupational health and safety (ISO 45001)

Establishes requirements to prevent injuries, ensure safe and healthy work environments and promote worker well-being:
Production facilities certified: 10/13;
Aquafil employees covered: 79%.

Quality management (ISO 9001)

Provides a structured framework for optimising the organisation of business processes. The goal is to ensure the delivery of products and services that meet agreed standards and customer expectations:
Production facilities certified: 12/13;
Aquafil employees covered: 92%.

Gender equality (UNI / PdR 125)

Awarded by the DNV certifying body, it testifies to the company's ongoing commitment to promoting an increasingly inclusive culture and work environment. All Italian sites have achieved certification.[30)]:
Production facilities certified: 3/3 in Italy;
Aquafil employees covered: 100% in Italy.

29 The percentage of employees covered was calculated as follows: the numerator is the number of employees employed in facilities covered by certification at December 31, 2025 and the denominator is the total number of Group employees at December 31, 2025.

30 UNI / PdR 125 certification is Italian, and can only be acquired by Italian factories

TABLE 4.2 - GROUP CERTIFICATIONS AND TARGETS (2025)

	ISO 14001	ISO 50001	SA 8000*	ISO 45001	ISO 9001
Aquafil Arco	✓	✓	✓	✓	✓
Aquafil Cina	✓	✓	-	✓	✓
Aquafil USA-Cartersville	✓	by end of 2028	-	by end of 2026	✓
AquafilCRO	✓	✓	✓	✓	✓
AquafilSLO - Ljubljana	✓	✓	✓	✓	✓
AquafilSLO - Ajdovščina	✓	✓	✓	✓	✓
AquafilSLO - Senožeče	✓	✓	✓	✓	✓
AquafilSLO - Celje	✓	✓	✓	✓	✓
Asia Pacific	✓	✓	-	✓	✓
Tessilquattro	✓	by end of 2028	✓	✓	✓
Tessilquattro - Rovereto	✓	by end of 2028	✓	✓	✓
Aquafil O'Mara	by end of 2028	by end of 2030	-	by end of 2030	-

* *From 2026, SA 8000 certifications acquired at the various sites will not be renewed. We remain committed to keeping all measures in place to ensure that the risks and impacts associated with social responsibility are managed effectively.*

4.7.1 Product certifications

Recycled content

Aquafil has obtained a number of certifications for its ECONYL® caprolactam, yarns and polymers to attest to the presence of recycled materials.

Environmental impact

Aquafil has confirmed the validity of the **Environmental Product Declarations** (EPDs) for ECONYL® polymer and yarns, which are used in both apparel and textile flooring.
These certifications measure the environmental performance of products through **Life Cycle Assessment** according to the ISO 14025 standard.

Health and safety

All of Aquafil's European locations operate in accordance with the European Union's **REACH regulation**, which governs the registration, evaluation, authorisation and restriction of chemicals.
The company also holds additional certifications to protect the chemical safety of its products, including:

- **OEKO-TEX:** guarantees the absence of harmful substances in Aquafil S.p.A.'s products;
- **Cradle to Cradle Material Health Gold & Silver:** recognition for ECONYL® yarn intended for carpets;
- **ECO Passport:** certification obtained for 14 AquafilSLO materials, recognised under the Zero Discharge of Hazardous Chemicals initiative.

4.8 DIALOGUE WITH STAKEHOLDERS

Stakeholder	Engagement area	Measures taken
Our people	*Training*	Feedback and performance review through the Do ut des and Talent program
		Dedicated training and induction programmes for new hires
		Training courses: people trained in 2025
	Information on Group strategies and results	Company intranet
		Live sharing of financial results
	Equal opportunity, diversity and inclusion	Whistleblowing platform/SA 8000
		D&I Policy and human rights
		Corporate volunteer programme
	Harmonious and safe working environment	Business climate analysis
		Periodic union meetings
		Health and Safety office in each legal entity, incident reporting and constant injury monitoring
Suppliers	*Ethical and sustainable supply chain management*	Supplier assessment procedure
		Reputational analysis of suppliers
		All suppliers required to sign Code of Conduct
	Transparency, communication, training	ECONYL® on air platform
Customers	*Accessibility and speed of service*	Returns and complaints management system
	Transparency, communication, training	ECONYL® blog, ECONYL® Academy, ECONYL® on air, ECONYL® E-commerce, dedicated in-person tours at AquafilSLO
		Support and review of customer communication to avoid the risk of greenwashing
	Ethical behaviour	Reputational analysis of customers
		All customers required to acknowledge Code of Conduct
	"Tailor-made" products	Creation of prototypes or ad-hoc samples upon request
		Investment in R&D to improve products and services
Financial community and investors	*Transparency and communication*	Quarterly financial reports
		Quarterly online presentations of financial results
		Star conference (Italian Stock Exchange) on the results of the latest approved financial statements
		Individual calls with leading industry analysts
		Policy for managing dialogue with investors
		Sustainability ratings from third-party agencies such as EcoVadis
Entities and Institutions	*Research and dissemination of best practices*	Collaboration with national and international bodies such as National Research Council, International Organization for Standardization (ISO) and UNI (Italian National Unification Body)
	Advocacy	Frequent and ongoing interactions with European institutions related to new laws currently being prepared or amended
		Participation in roundtables organised by Confindustria or sector associations (e.g. CIRFS)
Schools and new generations	*Accessibility and speed of service*	Work in schools with presentations dedicated to the circular economy and Aquafil's journey toward sustainability
		School-to-work and internship initiatives
		Testimonials at universities and prestigious events
		Student visits to production facilities
Local communities	*Supporting or funding initiatives*	Sponsorship of annual activities
	Collaboration and support for NGOs	Collaboration with Healthy Seas and definition and development of joint projects
Media	*Availability, timeliness and accuracy of information*	Press conferences and constant dialogue
		Press release
End consumers	*Transparency, awareness and training*	ECONYL® blog, ECONYL® Academy, ECONYL® on air, ECONYL® E-commerce

4.9 PARTNERSHIPS AND COLLABORATION

The Group has established strategic partnerships and joined several associations that promote a common vision of sustainable and circular business.

UN Global Compact: This is a voluntary initiative launched by the United Nations. More than 25,000 signatories from 167 countries join forces to encourage the adoption of sustainable and socially responsible practices.

Alliance for the Circular Economy: Includes nine Made-in-Italy companies that support a change in the production ecosystem to achieve full circularity.

Plastics Recyclers Europe: Brings together major companies involved in plastics recycling, encouraging the use of high-quality recycled plastics and representing the industry at European level.

Textile Exchange: Promotes sustainable and responsible practices throughout the textile supply chain. Develops standards and certifications widely used in the fashion and apparel industry.

European Man-Made Fibres Association (Cirfs): Represents the interests of the European synthetic fibre industry.

European Community of Practice for a Sustainable Textile Ecosystem (ECOSYSTEX): Includes a network of 50+ projects co-funded by the European Union and focused on sustainability and circularity in the textile sector. Aims to promote partnerships between projects and collaboration with policymakers to develop effective policies and programmes.

5. APPENDIX

5.1 AQUAFIL'S FACTORIES

FIGURE 5.1 - AQUAFIL PLANTS, OPERATIONS (2025)

USA

ARIZONA

ACR #1 / PHOENIX
ERS
Recovery and separation of post-consumer carpets

ACC - PHOENIX
ERS
Recovery of post-consumer carpets

NORTH CAROLINA

AQUAFIL O'MARA - RUTHERFORD COLLEGE
NTF
Spinning
Texturing
Interlacing

GEORGIA

AQUAFIL USA - AQUAFIL DRIVE, CARTERSVILLE
BCF
Spinning
Masterbatch
Interlacing
Twisting
Heat Setting

AQUAFIL USA - FIBER DRIVE, CARTERSVILLE
BCF
Logistics

CALIFORNIA

ACC - ANAHEIM
ERS
Recovery of post-consumer carpets

ACC - CHULA VISTA
ERS
Recovery of post-consumer carpets

ACC - MIRAMAR
ERS
Recovery of post-consumer carpets

ACR #2 / WOODLAND
Sales office

EUROPE

ITALY

AQUAFIL - ARCO (TN)
BCF
Polymerisation
Spinning
Masterbatch

TESSILQUATTRO - CARES
BCF
Interlacing
Twisting

TESSILQUATTRO - ROVERETO
BCF
Dyeing
EP
Compound

BLULOOP S.R.L. SB
Sales department (e-shop)
Benefit company

CROATIA

AQUAFIL CRO - OROSLAVJE
NTF
Interlacing
Coiling
Texturing

UNITED KINGDOM

AQUAFIL UK LTD. - KILBIRNIE
Sales office

SLOVENIA

AQUAFIL SLO - LJUBLJANA
BCF
Polymerisation
Spinning
Twisting

NTF
Spinning
Masterbatch
Warping

ERS
ECONYL® caprolactam production

AQUAFIL SLO - AJDOVSCINA
ERS
Waste Preparation for ECONYL®

AQUAFIL SLO - SENOZECE
NTF
Warping

AQUAFIL SLO - CELJE
BCF
Twisting
Heat setting

SOUTH AMERICA

CHILE

AQUAFIL CILE - SANTIAGO DEL CILE
ERS
Waste collection and preparation for ECONYL®

BELGIUM

AQUAFIL BENELUX FRANCE BVBA
Sales office

TURKEY

AQUAFIL TEKSTIL SANAYI VE TICARET A.S.
Sales Office

ASIA

CHINA

AQUAFIL SYNTHETIC FIBRES AND POLYMERS - JIAXING
BCF
Spinning
Interlacing
Twisting
Heat Setting

AUSTRALIA

AUSTRALIA

AQUAFIL OCEANIA PTY
Sales office

GERMANY

AQUAFIL ENGINEERING GMBH
Development and design of industrial plant

AQUAFIL AQUALEUNA GMBH
Inactive

JAPAN

AQUAFIL JAPAN
Ufficio commerciale

THAILAND

AQUAFIL ASIA PACIFIC - RAYONG
BCF
Interlacing
Twisting

ERS
Waste collection and preparation for ECONYL®

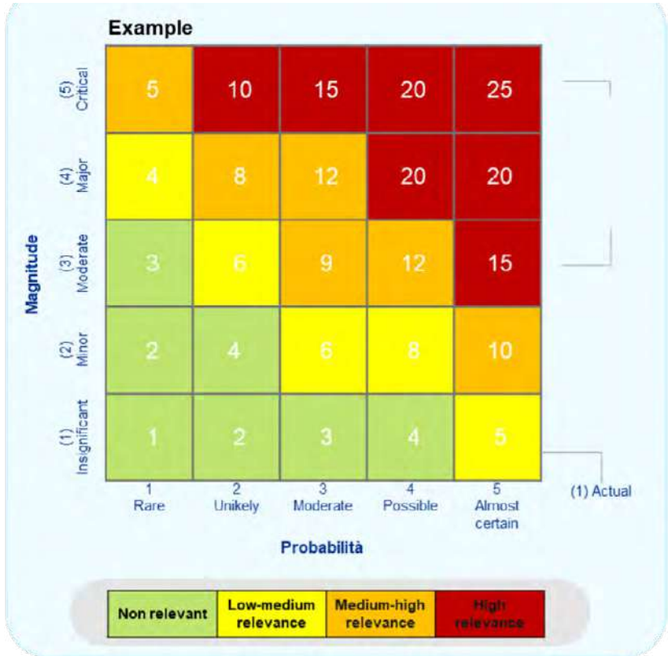
5.2 MATERIALITY ASSESSMENT

5.2.1 Definition of the materiality threshold

To define the materiality threshold, a matrix was created (see figure 5.2) that maps the **severity and probability** of occurrence of each IRO (for positive impacts, severity was calculated by summing two parameters - scale and scope - while for negative impacts, a third parameter, irremediable character, was also added).

On the basis of the matrix, it was decided to follow a **risk-based approach**, considering as material those IROs that obtained a rating of **medium-high relevance and high relevance**. The materiality threshold is asymmetrical in that more weight was given to IROs with very high severity even if they were not probable based on a prudent viewpoint.

FIGURE 5.2 - MATERIALITY MATRIX



5.2.2 List of material topics

TABLE 5.1 - AQUAFIL TOPICS, SUB-TOPICS AND SUB-SUB-TOPICS - IMPACT MATERIALITY

	Topic	Subtopic	Sub-subtopic	Type	Upstream		Direct		Downstream	
E1	**Climate change**	Climate change adaptation								
		Energy		-						
		Climate change mitigation		+ -						
E2	**Pollution**	Soil pollution		-						
		Water pollution		-						
		Air pollution		-						
		Substances of very high concern		-						
E3	**Water and marine resources**	Water	Water consumption	-						
			Water withdrawals	-						
			Water discharges	-						
		Water and marine resources	Water discharges in the oceans	-						
E4	**Biodiversity and ecosystems**	Direct impact drivers of biodiversity loss	Climate change	-						
			Land use change, water use change	-						
			Pollution	+						
			Direct exploitation	+						
		Impacts on the extent and condition of ecosystems	Land degradation	-						
			Fragmentation and/or subtraction of natural habitat	-						
			Soil sealing	-						
		Impacts on the state of species	Species population size	+ -						
E5	**Circular economy**	Resource inflows, including resource use		-						
		Resource outflows related to products and services		+						
		Waste		+ -						
G1	**Business conduct**	Corruption and bribery	Incidents							
			Prevention and detection including training							
		Corporate culture								
		Management of relationships with suppliers, including payment practices		-						
		Protection of whistleblowers		-						
		Development and technological innovation								
S1	**Own workforce**	Other work-related rights	Adequate housing							
			Forced or compulsory labour	-						
			Child labour	-						
			Privacy	+						
		Working conditions	Other	+ -						
			Collective bargaining, including the percentage of workers covered by collective agreements	+						
			Work-life balance	+ -						
			Freedom of association, the existence of works councils and the information, consultation and participation rights of workers	+						
			Secure employment	+						
			Working time	-						
			Adequate wages	+						
			Health and safety	+ -						
		Equal treatment and opportunities for all	Diversity	+ -						
			Training and skills development	+ -						
			Measures against violence and harassment in the workplace	+						
			Employment and inclusion of persons with disabilities	-						
			Gender equality and equal pay for work of equal value	-						

	Topic	Subtopic	Sub-subtopic	Type	Upstream		Direct		Downstream	
S2	**Workers in the value chain**	Other work-related rights	Water and sanitation	-						
			Adequate housing	-						
			Forced or compulsory labour	-						
			Child labour	-						
			Privacy							
		Working conditions	Collective bargaining, including the percentage of workers covered by collective agreements	-						
			Work-life balance	-						
			Freedom of association, the existence of works councils and the information, consultation and participation rights of workers							
			Secure employment	-						
			Working time	-						
			Adequate wages	-						
			Health and safety	-						
		Equal treatment and opportunities for all	Diversity	+ -						
			Training and skills development	+						
			Measures against violence and harassment in the workplace	-						
			Employment and inclusion of persons with disabilities	-						
			Gender equality and equal pay for work of equal value	-						
S3	**Affected communities**	Communities' civil and political rights	Other	+						
			Freedom of expression							
		Rights of indigenous peoples	Self-determination	-						
			Free, prior and informed consent	-						
			Cultural rights	-						
		Communities' economic, social and cultural rights	Other	+						
			Land-related impacts	-						
			Security-related impacts	-						
S4	**Consumers and End-Users**	Product management								
		Information-related impacts for consumers and/or end-users	Access to quality information							
			Privacy	-						
		Social inclusion of consumers and/or end-users	Non-discrimination							
			Responsible marketing practices	+						
		Personal safety of consumers and/or end-users	Health and safety	-						

Value chain of standard nylon Value chain of ECONYL® nylon

TABLE 5.2 - AQUAFIL TOPICS, SUB-TOPICS AND SUB-SUB-TOPICS - FINANCIAL MATERIALITY

	Topic	Sub-topic	Sub-sub-topic	Type	Upstream		Direct		Downstream	
E1	**Climate change**	Climate change adaptation		-						
		Energy		-						
		Climate change mitigation		+ -						
E2	**Pollution**	Soil pollution		-						
		Water pollution		-						
		Air pollution		-						
		Microplastics		+ -						
		Substances of very high concern		-						
		Substances of concern		-						
E3	**Water and marine resources**	Water	Water consumption							
			Water withdrawals	-						
			Water discharges	-						
		Water and marine resources	Discharges of water into the sea	-						
E4	**Biodiversity and ecosystems**	Direct impact drivers of biodiversity loss	Climate change							
			Land use change, water use change							
			Pollution	+						
			Direct exploitation	+						
		Impacts on the extent and condition of ecosystems	Land degradation	-						
			Fragmentation and/or subtraction of natural habitat							
			Soil sealing	-						
		Impacts on the state of species	Species population size	+						
E5	**Circular economy**	Resource inflows, including resource use		-						
		Resource outflows related to products and services		+ -						
		Waste		+ -						
G1	**Business conduct**	Corruption and bribery	Incidents	-						
			Prevention and detection including training							
		Corporate culture		-						
		Management of relationships with suppliers, including payment practices		-						
		Protection of whistleblowers		-						
		Development and technological innovation		+						
S1	**Own workforce**	Other work-related rights	Forced or compulsory labour	-						
			Child labour	-						
			Privacy	-						
		Working conditions	Other	-						
			Work-life balance	+ -						
			Secure employment	-						
			Working time	-						
			Adequate wages	+ -						
			Health and safety	+ -						
		Equal treatment and opportunities for all	Diversity	+ -						
			Training and skills development	+ -						
			Employment and inclusion of persons with disabilities	-						
			Gender equality and equal pay for work of equal value	-						
S2	**Workers in the value chain**	Other work-related rights	Water and sanitation	-						
			Adequate housing	-						
			Forced or compulsory labour	-						
			Child labour	-						
			Privacy	-						
		Working conditions	Collective bargaining, including the percentage of workers covered by collective agreements	-						
			Work-life balance	-						
			Freedom of association, the existence of works councils and the information, consultation and participation rights of workers	-						
			Secure employment	-						
			Working time	-						
			Adequate wages	-						
			Health and safety	-						
		Equal treatment and opportunities for all	Diversity	+ -						
			Training and skills development	+ -						
			Employment and inclusion of persons with disabilities							
			Gender equality and equal pay for work of equal value	-						
S3	**Affected communities**	Diritti civili e politici delle comunità	Other							
			Freedom of expression	+						
		Diritti dei popoli indigeni	Self-determination	-						
			Free, prior and informed consent	-						
			Cultural rights	-						
		Diritti economici, sociali e culturali delle comunità	Other	+						
			Land-related impacts	-						
			Security-related impacts	-						
S4	**Consumers and End-Users**	Gestione del prodotto		+ -						
		Impatti legati alle informazioni per i consumatori e/o per gli utilizzatori finali	Privacy	-						
		Inclusione sociale dei consumatori e/o degli utilizzatori finali	Responsible marketing practices	+ -						
			Health and safety	-						

Value chain of standard nylon Value chain of ECONYL® nylon

5.3 COMPOSITION OF AQUAFIL'S OTHER GOVERNING BODIES

5.3.1 Board of Statutory Auditors and Supervisory Board

TABLE 5.3 - COMPOSITION AND ROLES OF THE BOARD OF STATUTORY AUDITORS (2025)

Name	Office	Role	Age	ESG experience and skills
Stefano Poggi Longostrevi	Chairperson of the Board of Statutory Auditors and Statutory Auditor	Statutory Auditor	>50	**G** **Independent Director** in listed companies including **AQUAFIL S.p.A., Banca Generali, Sogefi S.p.A. and Banca Ifis S.p.A.**. **Chairperson of the Control and Risks Committee of Banca Generali** (from 2019) and member of the Appointments and Remuneration Committee of **Sogefi S.p.A.** (from 2021). **Chief Executive Officer of Interbanca S.p.A.** (2005-2007), with established experience in **corporate governance and risk management**.
Beatrice Bompieri	Member of the Board of Statutory Auditors	Statutory Auditor	>50	**G** **Statutory Auditor** in listed companies including **AQUAFIL S.p.A.** and **Industrie De Nora S.p.A.** **Statutory Auditor in FNMPAY S.p.A.**(2020-2023) and **AQUASER S.r.l.** (2023-2025). **Auditor at ACM - Milan Association of Concurrency Practitioners** (since 2016). **Delegate** to the **CNPADC** for the Milan Order of Chartered Accountants (2020-2024). Member of the **Commission for Enterprise Crisis Management** of the **Order of Chartered Accountants of Milan** (since 1998).
Bettina Solimando	Member of the Board of Statutory Auditors	Statutory Auditor	>50	**G** **Partner** at **Studio Pirola Pennuto Zei & Associati** (since 1998), with experience in tax and legal consulting for Italian and multinational Groups. **Statutory Auditor** in listed companies and member of **Boards of Statutory Auditors**. Member of **Supervisory Boards**. Speaker in **Masters of Tax Law** and conferences on tax and corporate issues.
Marina Manna	Member of the Board of Statutory Auditors	Alternate Auditor	>50	**G** **Member of the Board of Directors of Carel Industries S.p.A.** (listed company) since 2018. **Chairperson** of the **Control, Risks and Sustainability Committee** and member of the **Remuneration Committee**. **Chairperson of the Board of Statutory Auditors of SINLOC S.p.A. and BLM S.p.A.**, with extensive experience in **corporate governance** and **internal control** systems. **Statutory Auditor** of several companies, including **Carrara S.p.A.** and **Slowear S.p.A., and Alternate Auditor of Aquafil S.p.A.**
Davide Barbieri	Member of the Board of Statutory Auditors	Alternate Auditor	>50	**G** Member of the **Board of Statutory Auditors of Sogefi S.p.A.** (listed company) since 2019 and Statutory Auditor of several companies, including **Cembre S.p.A. and Interpump Group S.p.A.** **Auditor and Certified Public Accountant**, with extensive experience in **corporate governance, auditing and regulatory compliance**. Has served as **Statutory Auditor and Auditor** in numerous industrial and financial companies, providing oversight and transparency in **internal control** systems. Many years' experience in managing **corporate governance and audit processes** in listed companies.

TABLE 5.4 - COMPOSITION AND ROLES OF THE SUPERVISORY BOARD (2025)

Name	Office	Role	Age	ESG experience and skills
Michele Pansarella	Chairperson of the Supervisory Board	External member	>50	**S - G** **Partner** at **KPMG** and **head** of the **Legislative Decree No. 231/01, corporate governance and compliance** team. **Chairperson** and **member of Supervisory Boards** in companies including **ENI, Lottomatica, SHELL Group, Aquafil and Alfasigma**. **Lecturer** in master's programmes at **LUISS, Roma Tre and La Sapienza**. **Author** and **speaker** on **anti-corruption, whistleblowing**, and **231 organizational models**. **Member** of the **Confindustria Commission** for **231 Model Guidelines**.
Manfredi Ferrari Liccardi Medici	Member of the Supervisory Board	External member	<50	**S - G** **Senior Lawyer** at **KPMG Tax & Legal** in the **231 Legal** team. **Corporate governance** and **compliance consultant** for listed and multinational companies including **illycaffè S.p.A., Lottomatica Group S.p.A. and Shell Group**. **Trainer** on the **Administrative Liability of Entities (Legislative Decree No. 231/01)** and **Anti-corruption**. **Member** and **consultant** of **Supervisory Boards** under **Legislative Decree No. 231/01** for leading **industrial** and **financial** companies.
Giovanni De Lorenzi	Member of the Supervisory Board	Internal member	<50	**G** Qualified **lawyer** since 2010. **In-house counsel** with responsibility for corporate affairs management at **Kartell, Salvagnini, Solydera**. He has participated in the adoption of the **231 Organisational Model** at private companies, including OTB and Salvagnini. Trainee on the **CUOA Business School Executive Course** in Corporate Governance. **Mentor** at **the University of Padua**. Member of the Aquafil **Whistleblowing Committee**.

5.3.2 BoD Committees

Control, Risks and Sustainability Committee

- Patrizia Riva (Chairperson);
- Roberto Siagri (Director);
- Chiara Mio (Director).

Appointments and Remuneration Committee

- Roberto Siagri (Chairperson);
- Ilaria Maria Dalla Riva (Director);
- Patrizia Riva (Director).

5.3.3 Gender representation in governing bodies

TABLE 5.5 - PERCENTAGE OF FEMALE MEMBERS IN GOVERNING BODIES (2025)

Corporate body	Percentage of female members of the total
BoD	44%
Board of Statutory Auditors	60%
Supervisory Board	0%
Control, Risks and Sustainability Committee	66%
Appointments and Remuneration Committee	66%

5.4 Impacts, risks and opportunities

TABLE 5.6 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO TOPIC E1 - CLIMATE CHANGE

Sub-topic	Sub-sub-topic	IRO name	IRO	Type of impact	Direct or indirect	Time horizon	Actual or potential	Impact materiality	Financial materiality	Policy and procedures	Shares
Energy		High energy consumption in business production activities	I	⊖	Direct and downstream	Short term	Actual	✓	NA	Environmental Policy	ISO 50001 certification ISO 14001 certification
		High energy needs related to oil extraction activities	IR	⊖	Upstream	Short term	Actual	✓	✓	Environmental Policy	Investment in circular supply chain ECONYL ® to reduce dependence on fossil-based raw materials (see section 2.5.3)
		Geopolitical tensions, conflicts, dependence on other countries or natural disasters lead to energy shortages and higher prices	R	⊖	Entire value chain	Medium term	Potential	NA	✓	Environmental Policy	Establishment of a co-generation plant for self-generation of steam and electricity
Climate change adaptation		Extreme weather events damage production sites, warehouses and company buildings, possibly worsening GHG emissions (physical risk)	R	⊖	Entire value chain	Medium term	Potential	NA	✓	Environmental Policy	Conducting a Climate Risk and Vulnerability Assessment
		Introduction of new environmental regulations such as taxation on CO_2 emissions in production plants	R	⊖	Direct	Short term	Potential	NA	✓	Environmental Policy	Efficiency measures
Climate change mitigation		Emissions generated from the extraction and initial processing of raw materials for the manufacture of Aquafil's products by suppliers	I	⊖	Upstream	Short term	Actual	✓	NA	Environmental Policy	Investment in circular supply chain ECONYL ® to reduce dependence on fossil-based raw materials (see section 2.5.3)
		GHG emissions generated by Aquafil production plants, offices and employee mobility (Scope 1 and Scope 2)	I	⊖	Direct	Short term	Actual	✓	NA	Environmental Policy	Identification of decarbonization levers and establishment of a transition plan in 2027 ISO 50001 certification ISO 14001 certification
		GHG emissions generated from distribution and processing of Aquafil products, used by end consumers, and in end of life (Scope 3)	I	⊖	Downstream	Short term	Actual	✓	NA	Environmental Policy	Investment in circular supply chain ECONYL® Eco-design
		Exceeding the limits imposed by the ETS leads to the purchase of new allowances to offset the generation of direct GHG emissions	R	⊖	Direct	Short term	Potential	NA	✓		Efficiency of co-generation plants
		The introduction of new processes and products developed with eco-design principles makes it possible to reduce their life cycle environmental impact in terms of CO_2eq	IO	⊕	Entire value chain	Long term	Potential	✓	✓		Collaborations with customers (see section 3.3.3)

TABLE 5.7 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO TOPIC E2 - POLLUTION

Sub-topic	Sub-sub-topic	IRO name	IRO	Type of impact	Direct or indirect	Time horizon	Actual or potential	Impact materiality	Financial materiality	Policy and procedures	Shares
Air pollution		Air pollution caused by the release of toxic or noxious fumes and vapours. Exceeding air pollution levels at Aquafil's production plants	IR	⊖	Direct	Short term	Potential	⊗	✓	Environmental Policy	ISO 50001 certification ISO 14001 certification
		Air pollution caused by the typical activities of fossil-based raw material companies	IR	⊖	Upstream	Short term	Potential	✓	⊗	Environmental policy	Investment in circular supply chain ECONYL® to reduce dependence on fossil-based raw materials (see section 2.5.3)
		Air pollution caused by the production of semi-finished and finished products with Aquafil's yarns and polymers	IR	⊖	Downstream	Short term	Potential	✓	⊗	Environmental policy	
Water pollution		Water pollution caused by the typical activities of fossil-based raw material companies (spills)	IR	⊖	Upstream	Short term	Potential	✓	⊗	Environmental policy	
		Exceeding water pollution levels in Aquafil's production plants (chemical spills)	IR	⊖	Direct	Short term	Potential	⊗	✓	Water Policy Environmental Policy	Water monitoring systems by detecting temperature, abnormal values or exceeding critical pollutant thresholds Use of purifiers Laboratory analysis
		Water pollution caused by the production of semi-finished and finished products with Aquafil's yarns and polymers	IR	⊖	Downstream	Short term	Potential	✓	⊗		
Soil pollution		Soil contamination due to dispersion of organic (persistent) chemicals and due to improper waste management (e.g. exceeding of temporary storage limit)	IR	⊖	Direct	Short term	Potential	⊗	✓	Environmental Policy	Monitoring of waste management using appropriate tracking systems (e.g. Winwaste, disposal company reports)
		Soil contamination due to dispersion of organic chemicals (e.g., spills during oil extraction phases)	IR	⊖	Upstream	Short term	Potential	✓	⊗		
		Soil contamination due to improper waste management by B2B customers or end-user	IR	⊖	Downstream	Short term	Potential	✓	⊗		
Substances of concern		The release of substances of concern during the extraction of raw materials	IR	⊖	Upstream	Medium term	Potential	✓	⊗		
		The release of substances of concern during the manufacture of products with Aquafil yarns or polymers	IR	⊖	Downstream	Medium term	Actual	✓	⊗		
Substances of very high concern		The release of substances of very high concern during the extraction of raw materials	IR	⊖	Upstream	Medium term	Actual	✓	⊗		
		The release of substances of very high concern during the manufacture of products with Aquafil yarns or polymers	IR	⊖	Downstream	Medium term	Actual	✓	⊗		
Microplastics		Investment in new technologies to reduce and contain the generation of microplastics	O	⊕	Direct	Medium term	Potential	NA	✓		Development of a new international standard to uniquely measure microplastics released from the textile sector: ISO 4484-2
		Introduction of new legislation in the European Union regarding the ban on emission of microplastics on the market.	R	⊖	Diretto	Medium term	Potential	NA	✓		Development of a new international standard to uniquely measure microplastics released from the textile sector: ISO 4484-2

TABLE 5.8 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO TOPIC E3 - WATER AND MARINE RESOURCES

Sub-topic	Sub-sub-topic	IRO name	IRO	Type of impact	Direct or indirect	Time horizon	Actual or potential	Impact materiality	Financial materiality	Policy and procedures	Shares
Water	Water withdrawals	High water withdrawal for production activities	I	⊖	Direct	Short term	Actual	✓	NA	Water Policy	Creation of the A.G.W.T. (Aquafil Global Water Team) Team Efficiency activities to reduce consumption, including indoor recirculation systems Monitoring water stress levels in the areas where we operate
	Water consumption	Water consumption during raw material production phases (e.g. caprolactam)	I	⊖	Upstream	Short term	Actual	✓	NA		
	Water consumption	Water consumption during B2B processing of yarns and polymers by Aquafil	I	⊖	Downstream	Short term	Potential	✓	NA		
Water and marine resources	Water discharges in the oceans	In the oil extraction phase in marine habitats, drilling cuttings, drilling fluids and processing waters can drastically pollute water and have negative chemical effects on local habitats and marine ecosystems	IR	⊖	Upstream	Medium term	Potential	✓	⊗		

TABLE 5.9 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO TOPIC E4 - BIODIVERSITY AND ECOSYSTEMS

Sub-topic	Sub-sub-topic	IRO name	IRO	Type of impact	Direct or indirect	Time horizon	Actual or potential	Impact materiality	Financial materiality	Policy and procedures	Shares
Direct impact drivers of biodiversity loss	Climate change	Biodiversity loss caused by direct GHG emissions (Scope 1, 2)	I	⊖	Direct	Medium term	Actual	✓	NA		Biodiversity Impact & Risk Assessment Publication of a Biodiversity Strategic Plan in 2026
	Climate change	Biodiversity loss caused by GHG emissions throughout the upstream value chain (Scope 3)	I	⊖	Upstream and downstream	Medium term	Actual	✓	NA		Extension of Biodiversity Impact & Risk Assessment to the value chain in 2025
	Land use change, freshwater use change and sea use change	Consequences on biodiversity due to land transformation from on-shore oil extraction activities; alteration of sea use due to off-shore oil extraction and operational activities	I	⊖	Upstream	Medium term	Actual	✓	NA		
	Direct exploitation	Protect biodiversity by preferring the recovery of secondary materials for the production of Aquafil solutions to traditional sourcing (oil extraction), or producing raw materials from natural resources	IO	⊕	Upstream and direct	Medium term	Actual	✓	✓		R&D activities to develop plant-derived nylons Investment in circular supply chain ECONYL ® to reduce dependence on fossil-based raw materials (see section 2.5.3)
	Pollution	Reduce the amount of waste for disposal (incineration, landfill) by preferring the recovery of secondary materials for the production of Aquafil solutions instead of traditional sourcing	IO	⊕	Downstream	Medium term	Actual	✓	✓		Investment in circular supply chain ECONYL ® to reduce dependence on fossil-based raw materials (see section 2.5.3) Collaborations with customers in take back programmes and eco-design projects (see section 3.3.3)
Impacts on the state of species	Species population size	Improve the conservation status of local habitats and species in areas identified through BIA and BRA assessments and affected by the value chain, through initiatives with specific stakeholders (e.g. Healthy Seas)	IO	⊕	Upstream and direct	Medium term	Potential	✓	✗		Extension of Biodiversity Impact & Risk Assessment to the value chain in 2025
	Species population size	Noise pollution caused by drilling can have a negative impact on migratory routes and habitats of species, resulting in significant changes in populations; loss of access to breeding areas can result in reduced populations near drilling sites	I	⊖	Upstream	Short term	Actual	✓	NA		
Impacts on the extent and condition of ecosystems	Land degradation	Some production processes in the extraction and refining phase of the raw material (petroleum) are at high risk of explosion and can cause localised fires that can spread to large areas of land	IR	⊖	Upstream	Medium term	Potential	✓	✗		
	Land degradation	Raw material (oil) extraction activities that include pipeline and oil infrastructure construction, well construction, use of electric pumps and oil storage all contribute to land degradation and habitat fragmentation	I	⊖	Upstream	Medium term	Actual	✓	NA		Biodiversity Impact & Risk Assessment Publication of a Biodiversity Strategic Plan in 2026
	Fragmentation and/or subtraction of natural habitat	Infrastructure construction that has resulted in the loss of land area and fragmentation of natural areas	I	⊖	Direct	Long term	Actual	✓	NA		Extension of Biodiversity Impact & Risk Assessment to the value chain in 2025
	Soil sealing	Intensive land use for infrastructure and mining, and possible soil contamination due to oil spills during the extraction phase can lead to soil sealing and damage to the natural cycle of ecosystems	IR	⊖	Upstream	Medium term	Actual	✓	✗		
	Soil sealing	Production plants, offices and product distribution infrastructure contribute to soil sealing and can lead to damage to the natural cycle of ecosystems	I	⊖	Entire value chain	Medium term	Actual	✓	NA		Biodiversity Impact & Risk Assessment Extension of Biodiversity Impact & Risk Assessment to the value chain in 2025 Publication of a Biodiversity Strategic Plan in 2026

TABLE 5.10 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO TOPIC E5 - CIRCULAR ECONOMY

Sub-topic	Sub-sub-topic	IRO name	IRO	Type of impact	Direct or indirect	Time horizon	Actual or potential	Impact materiality	Financial materiality	Policy and procedures	Shares
Resource inflows, including resource use		Aquafil uses raw materials from fossil sources contributing to their gradual depletion	I	⊖	Upstream and direct	Medium term	Actual	✓	NA	Green procurement policy	Investment in circular supply chain ECONYL® to reduce dependence on fossil-based raw materials (see section 2.5.3)
Resource outflows related to products and services		Development and implementation of projects to promote traceability of raw materials and Aquafil product	O	⊕	Direct	Medium term	Potential	NA	✓		Collaborations with customers in eco-design projects, including R2R (see section 3.3.3)
		Increased consumer awareness of plastic materials may lead to increased demand for ECONYL®	O	⊕	Downstream	Medium term	Potential	NA	✓		Investment in circular supply chain ECONYL® (see section 2.5.3)
		Recovery and reuse of packaging (i.e. pallets) through collaboration with customers	O	⊕	Direct	Short term	Actual	NA	✓		Pallet recycling activities
		Reduce virgin material consumption by setting up reverse logistics systems and partnerships with customers to recover and reuse wooden pallets	IO	⊕	Direct	Short term	Actual	✓	✓		Recycling activities other packaging components
Waste		Recover and exploit production waste, leading to a reduction in waste generation and the production of secondary raw material (e.g. Pyrolysis)	IO	⊕	Direct	Medium term	Actual	✓	✓		Collaborations with customers in eco-design projects, including R2R (see section 3.3.3)
		A change in waste management and exchange regulations could lead to the inability or greater difficulty of recovering and using waste as a secondary raw material	R	⊖	Upstream and direct	Medium term	Potential	NA	✓		Monitoring of regulatory developments, and political influence and advocacy activities (see Section 4.6)
		Reduction of waste for disposal produced in the value chain through its recovery and reuse as secondary raw material (ECONYL®)	IO	⊕	Direct and downstream	Medium term	Actual	✓	✓		Investment in circular supply chain ECONYL® (see section 2.5.3) Collaborations with customers in take back and eco-design projects, including R2R (see section 3.3.3)
		Collaboration with B2B customers in the NTF sector to develop products that can be easily broken down into their constituent materials during the post-use recovery phase	O	⊕	Direct and downstream	Medium term	Attuale	NA	✓		Investment in circular supply chain ECONYL® (see section 2.5.3) Collaborations with customers in take back and eco-design projects (see section 3.3.3)
		New eco-design projects in collaboration with BCF customers to jointly design products that can be easily broken down into their constituent materials during the post-use recovery phase	IO	⊕	Direct and downstream	Medium term	Attuale	✓	✓		Investment in circular supply chain ECONYL® (see section 2.5.3) Collaborations with customers in take back and eco-design projects, including R2R (see section 3.3.3)
		Development of new technologies to easily recover PA6 from the waste produced for secondary raw material production	O	⊕	Direct	Medium term	Potenziale	NA	✓		R&D activities (see section 1.2.5)
		Incorrect handling and management of waste during B2B customer processing and end-user phases	IR	⊖	Downstream	Medium term	Potenziale	✓	✗		

TABLE 5.11 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO TOPIC S1 - OWN WORKFORCE

Sub-topic	Sub-sub-topic	IRO name	IRO	Type of impact	Direct or indirect	Time horizon	Actual or potential	Impact materiality	Financial materiality	Policy and procedures	Shares
Working conditions	Adequate wages	Offer competitive compensation policies to its employees	IO	⊕	Direct	Short term	Actual	✓	✓	Code of Conduct Human Rights Policy Remuneration Policy DE&I Policy	
		Not aligning salary with employee's workload and responsibilities	R	⊖	Direct	Short term	Potential	NA	✓		
	Work-life balance	Worker stress due to inadequate strategic work planning process and lack of interpersonal relationships in the company	IR	⊖	Direct	Short term	Potential	✓	⊗		Business climate analysis Remote work
		Guarantee standards of employee well-being beyond industry minimums, through policies on flexible working hours, work-life balance, and the introduction of the Global Parental Leave Policy, which aligns all Group facilities covered by less stringent safeguards with Italian regulations	IO	⊕	Direct	Short term	Actual	✓	✓	Parental Leave Policy	Business climate analysis Welfare plans Communities of Practice: Digitalisation
	Health and safety	Occupational accidents due to direct or indirect contact with live elements	IR	⊖	Direct	Short term	Potential	✓	⊗	Code of Conduct Health and Safety Procedure Integrated Management System	ISO 45001 certification Health and safety training
		Work-related accidents or ill-health due to lack of personnel skills, negligence, lack of compliance with preventive measures and failure/incorrect use of personal protective equipment (PPE)	IR	⊖	Direct	Short term	Potential	✓	✓		
		Risk to workers' health and safety from extreme events	IR	⊖	Direct	Short term	Potential	✓	✓		
		Implement automation systems in production plants and warehouses to improve human-machine interaction, efficiency and safety in the workplace, enabling people to perform more value-added tasks that are less harmful to health	IO	⊕	Direct	Medium term	Actual	✓	✓		Communities of Practice: Digitalisation R&D
	Other	Lack of (or partial) engagement of workers and their representatives in social dialogue and consultation processes with the company, leading to reduced feedback regarding working conditions, company strategies and collective agreements applied	IR	⊕	Direct	Short term	Potential	✓	✓		Union meetings Company intranet
Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	Unequal pay and treatment (e.g. in promotions, selection processes)	IR	⊖	Direct	Medium term	Potential	✓	⊗	Code of Conduct DE&I Policy Human Rights Policy	UNI / PdR 125 certification DE&I training
	Training and skills development	Lack of pathways for professional growth, skill development and an aging workforce lead to a lack of trained and experienced workers	IR	⊖	Entire value chain	Short term	Potential	✓	✓	Code of Conduct DE&I Policy Top management succession policy	Do ut Des project Talent management project Aquapedia Onboarding and mentoring process
		Loss of key figures	R	⊖	Direct	Short term	Potential	NA	✓		
		Developing internal skills through training, retraining and refresher programmes, fostering professional growth and attracting talent	IO	⊕	Direct	Short term	Potential	✓	✓		
	Diversity	Incidents of discrimination in the workplace and in personnel selection and compensation processes (pay discrimination, inappropriate comments against an employee on cultural, linguistic, religious, political and ethnic grounds).	IR	⊖	Direct	Short term	Potential	✓	✓	Code of Conduct Human Rights Policy DE&I Policy Whistleblowing Policy	UNI / PdR 125 certification DE&I training
		Concrete support for diversity and inclusion through targeted initiatives such as D&I training and obtaining UNI PdR 125 gender equality certification	IO	⊕	Direct	Short term	Potential	✓	⊗		
Other work-related rights	Privacy	Risk of software/hardware integrity and data integrity in the execution of operational processes due to a lack of information and awareness programme on the proper use of IT systems and related risks.	R	⊖	Direct	Medium term	Potential	NA	✓	Privacy Policy SOD (Segregation of Duties) "Incident Response Plan" procedure	Periodic cybersecurity training
		Violation of the right to privacy, loss and dissemination of personal data and information.	R	⊖	Direct	Short term	Potential	NA	✓	Code of Conduct Human Rights Policy	Designation of a Data Protection Officer

TABLE 5.12 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO TOPIC S2 - WORKERS IN THE VALUE CHAIN

Sub-topic	Sub-sub-topic	IRO name	IRO	Type of impact	Direct or indirect	Time horizon	Actual or potential	Impact materiality	Financial materiality	Policy and procedures	Shares
Working conditions	Collective bargaining	Violation of collective bargaining coverage and the right of representation of Aquafil value chain actors	IR	⊖	Downstream	Short term	Potential	✓	⊗	Human Rights Policy	SA 8000 certification
	Secure employment	Erroneous, late or failure to prepare contractual arrangements or obligations to workers resulting in violation of their rights	IR	⊖	Downstream	Short term	Potential	✓	⊗	Reputational analysis of customers	
	Working time	Inadequate and unbalanced work schedules	IR	⊖	Downstream	Short term	Potential	✓	⊗	Human Rights Policy	SA 8000 certification
	Adequate wages	Inadequate wages and remuneration policies in the value chain	IR	⊖	Downstream	Short term	Potential	✓	⊗	Code of Conduct and Human Rights Policy	
	Health and safety	Work-related injuries and accidents in the value chain	IR	⊖	Upstream and downstream	Medium term	Potential	✓	⊗	Human Rights Policy	
	Health and safety	Injuries and incidents involving third parties (workers from outside companies) in Aquafil's business scope	IR	⊖	Upstream	Medium term	Potential	✓	✓	Human Rights Policy, Integrated Management System, ISO 45001 Certification	
Other work-related rights	Forced or compulsory labour	Incidents of forced labour and forms of modern slavery in the value chain	IR	⊖	Downstream	Short term	Potential	✓	⊗	Code of Conduct, Human Rights Policy, Customer Reputational Control	EcoVadis project, SA 8000 certification
	Child labour	Incidents of child labour in the value chain	IR	⊖	Downstream	Short term	Potential	✓	⊗	Code of Conduct, Human Rights Policy, Customer Reputational Control	EcoVadis project, SA 8000 certification

TABLE 5.13 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO TOPIC S3 - AFFECTED COMMUNITIES

Sub-topic	Sub-sub-topic	IRO name	IRO	Type of impact	Direct or indirect	Time horizon	Actual or potential	Impact materiality	Financial materiality	Policy and procedures	Shares
Communities' economic, social and cultural rights	Other	Support for local communities through social inclusion, education and gender equality initiatives applied through partnerships with associations, schools and universities, volunteer projects and programmes for women's empowerment and to combat gender-based violence	IO	⊕	Direct	Short term	Actual	✓	✗	DE&I Policy	Support for Alba Chiara APS, and Europa Donna Kranina. Scholarships for ITET Floriani of Riva del Garda (TN), meetings with students, collaboration with Parson School of Design (NY), partnership with Slovenian Chemical Society and EDI Onlus.

TABLE 5.14 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO TOPIC S4 - CONSUMERS AND END-USERS

Sub-topic	Sub-sub-topic	IRO name	IRO	Type of impact	Direct or indirect	Time horizon	Actual or potential	Impact materiality	Financial materiality	Policy and procedures	Shares
Product management		Developing new circular products and services enables entry into new markets and meeting new customer priorities	O	⊕	Downstream	Medium term	Actual	NA	✓	ESG Policy	R&D activities for creating new products and improving existing products, eco-design activities (see section 1.2.5)
		A change in commodity prices due to interest rates or strategic decisions can lead to a drop in demand from B2B customers	R	⊖	Upstream and downstream	Medium term	Potential	NA	✓		Commercial relationships consolidated in the medium or long term
Social inclusion of consumers and/or end-users	Responsible marketing practices	Incorrect or misleading communication about Aquafil products by B2B customers and to end-users	R	⊖	Direct and downstream	Medium term	Potential	NA	✓	Guidelines for the promotion of ECONYL® products	Team against greenwashing
		Collaborations and partnerships with customers to create sustainable and circular production and consumption models	IO	⊕	Direct and downstream	Medium term	Actual	✓	✓	Code of Conduct (see section 4.1) Human Rights Policy (see section 3.1.1) Reputational analysis of customers	Project R2R and Take Back (see section 3.3.3)

TABLE 5.15 - MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO TOPIC G1 - BUSINESS CONDUCT

Sub-topic	Sub-sub-topic	IRO name	IRO	Type of impact	Direct or indirect	Time horizon	Actual or potential	Impact materiality	Financial materiality	Policy and procedures	Shares
Corruption and bribery	Incidents	Corruption and bribery, non-compliance with laws, regulations and standards, anti-competitive behaviour, monopolistic practices	IR	⊖	Entire value chain	Medium term	Potential	✗	✓	231 Model Code of Conduct Anti-Corruption Policy Whistleblowing system	Business integrity training
Protection of whistleblowers		Failure to protect whistleblowers through appropriate systems and procedures to facilitate information (e.g. whistleblowing)	IR	⊖	Entire value chain	Short term	Potential	✓	✗	Code of Conduct Whistleblowing system	

5.5 CLIMATE CHANGE - ADDITIONAL DATA AND CALCULATION METHODOLOGY

5.5.1 Results of the Climate Risk and Vulnerability Assessment

In the analysis, only risks applicable to the specific operations of the plant were considered.

TABLE 5.16 - RISK DERIVING FROM MAIN CLIMATE PHENOMENA BY GROUP COUNTRY, IN THE FIRST SCENARIO (2.1°C-3.5°C)

First Scenario (2.1°C-3.5°C)	Italy	Slovenia	Croatia	Arizona		Georgia	North Carolina	California	Belgium	Germany	China	Thailand
HOT AND COLD												
Average temperature	Medium high	High	Medium high	Medium high		Medium high	Medium high	Medium high	Medium low	High	Medium high	High
Extreme heat	Medium high	High	Medium high	Medium high		Medium high	Medium high	High	Medium low	High	High	High
Cold waves	Medium low	Medium high	Medium low	Medium low		Medium high	Medium low	Low	Medium low		Medium low	Medium low
RAIN AND DROUGHT												
Average rainfall	Medium high	High	Medium low	Medium high		Medium low	Medium low	Low	Low		Medium high	Medium low
Extreme rainfall and flooding	High	High	Medium low	Medium low		Medium low	Medium high	Medium low	Medium low	Medium high	Medium high	Medium high
Fire risk	Medium high	High	Medium high	Medium low		Low	Medium low	High	Low	Medium low	Medium low	Low
Drought		High	Medium high	Medium low		Low	Low	Medium low	Low		Medium low	
Aridity	Medium high	High	Medium high	Medium low		Low	Low	Medium low	Low		Medium low	
WIND												
Average windspeed	Low	Low	Medium low			Low		Low	Low		Medium low	
Tropical cyclones						Medium low					Medium high	Medium low
Windstorms	Medium high	Medium high	High	Low		Medium low	Medium high	Low	Low	Medium low	Medium high	Medium low
SNOW AND ICE												
Snow, ice and ice caps	Medium high	Medium low	Medium low			Medium high	Medium low		Medium low		Medium low	
Permafrost	Medium low	Medium low	Medium low						Medium low		Low	
LANDSLIDES AND AVALANCHES												
Landslides	Medium low	Medium low	Medium low	Low		Low	Low	Medium low	Low		Low	
Avalanches	Low	Medium low	Medium low				Low	Low	Low		Low	
COASTS												
Sea level		Medium low						Medium low			High	Medium low
Coastal flooding								Medium low			High	Medium low
OCEANS												
Average ocean temperature		Medium low										
Marine heatwaves		Medium low										
Ocean chemistry: dissolved oxygen and ocean acidity		Medium low										

Key:
Climate Impact Driver - Acute
Climate Impact Driver - Chronic

TABLE 5.17 - RISK DERIVING FROM MAIN CLIMATE PHENOMENA BY GROUP COUNTRY, IN THE SECOND SCENARIO (3.3°C-5.7°C)

Second Scenario (3.3°C-5.7°C)	Italy	Slovenia	Croatia	Arizona		Georgia	North Carolina	California	Belgium	Germany	China	Thailand
HOT AND COLD												
Average temperature	High	Very high	High	High		High	High	High	Medium high	Very high	High	Very high
Extreme heat	High	Very high	High	High		High	High	Very high	Medium high	Very high	Very high	Very high
Cold waves	Medium low	Medium low	Medium low	Medium low		High	Medium low	Low	Medium low		Medium low	Medium low
RAIN AND DROUGHT												
Average rainfall	High	Very high	Medium high	High		Medium low	Medium low	Medium low	Medium low		Medium high	Medium low
Extreme rainfall and flooding	Very high	Very high	Medium high	Medium high		High	High	Medium high	Medium low	High	High	High
Fire risk	High	Very high	High	Medium high		Medium low	Medium low	Very high	Medium low	Medium high	Medium high	Medium low
Drought	High	Very high	High	Medium high		Medium low	Medium low	Medium high	Medium low		Medium high	
Aridity	Very high	Very high	High	Medium high		Medium low	Medium low	Medium high	Medium low		Medium high	
WIND												
Average windspeed	Low	Low	Medium low			Low		Low	Medium low		Medium low	
Tropical cyclones						Medium high					High	Medium high
Windstorms	High	High	Very high	Medium low		Medium high	High	Medium low	Medium low	Medium high	High	Medium high
SNOW AND ICE												
Snow, ice and ice caps	High	Medium low	Medium low			High	Medium low		Medium low		Medium low	
Permafrost	Medium low	Medium low	Medium low						Medium low		Low	
LANDSLIDES AND AVALANCHES												
Landslides	High	Medium low	Medium low	Low		Medium low	Low	Medium high	Medium low		Medium low	
Avalanches	Medium high	Medium low	Medium low				Low	Low	Medium low		Medium low	
COASTS												
Sea level		Medium low						Medium low			Very high	Medium low
Coastal flooding								Medium low			Very high	Medium low
OCEANS												
Average ocean temperature		Medium low										
Marine heatwaves		Medium low										
Ocean chemistry: dissolved oxygen and ocean acidity		Medium low										

Key:
Climate Impact Driver - Acute
Climate Impact Driver - Chronic

5.5.2 Energy consumption

Table 5.18 shows the 2025 reporting scope, which includes all companies in the financial consolidation of Aquafil. The companies Acca, Poly, Aquafil India, and Nofir, which are reported in the Sustainability Report as "Holdings", are excluded from the energy mix scope (and emissions calculation) as Aquafil has no operational control over them.

The companies in the scope all fall under the classification of high-impact activities according to the European Commission's Delegated Regulation (EU) 2022/1288, with the sole exception of Aqualeuna. Also for Aqualeuna, energy consumption has been separated into all the fossil components to provide the reader with more detailed information.

TABLE 5.18 - SCOPE OF ENERGY MIX CALCULATION AND HIGH IMPACT SECTORS (2025)

Company	Included in the scope of energy mix calculation	Industry description	NACE/ Corresponding Activity Code	High climate impact sector?
Aquafil USA	Included	Artificial and Synthetic Fibres and Filaments Manufacturing	2060	High impact
Aquafil O'Mara	Included	Artificial and Synthetic Fibres and Filaments Manufacturing	2060	High impact
Aquafil SLO	Included	Manufacture of man-made fibres	2060	High impact
Aquafil CRO	Included	Preparation and spinning of textile fibres	1310	High impact
Aquafil Synthetic Fibres and Polymers (CHN)	Included	Manufacturing of nylon fibres	2821	High impact
Aquafil Japan	Included	Textile industry	13	High impact
Aquafil Asia Pacific (TH)	Included	Spinning of natural textile fibres	131	High impact
Aquafil S.p.A.	Included	Manufacture of man-made fibres	2060	High impact
Tessilquattro	Included	Preparation and spinning of textile fibres	1310	High impact
Aquafil Carpet Collection	Included	Materials Recovery Facilities	3832	High impact
Aquafil Carpet Recycling 1	Included	Materials Recovery Facilities	3832	High impact
Aquafil Benelux-France	Included	Commission trade of miscellaneous products	46190	High impact
	Included	Commission trade of textiles, clothing, fur, footwear and leather goods	46160	High impact
Aquafil Chile	Included	Rental of real estate furnished or with equipment and machinery	6810	High impact
	Included	Recovery and recycling of other waste and scrap	383	High impact
Aquafil Engineering	Included	Manufacture of other special purpose machinery not elsewhere classified	289	High impact
	Included	Manufacture of other non-industry specific machinery	2829	High impact
Aquafil Tekstil Sanayi (TR)	Included	Wholesale of textile fibres	46761	High impact
Aquafil Oceania	Included	Commission trade of textiles, clothing, fur, footwear and leather goods	46190	High impact
Bluloop	Included	Retail sale via mail order houses or via Internet	4791	High impact
Aqualeuna	Included	Engineering activities and related technical consultancy	7112	Not high impact
	Included	Manufacture of other general-purpose machinery	2829	High impact
	Included	Wholesale of chemical products	4675	High impact
Aquafil UK	Included		1310	High impact
Aquafil Carpet Recycling #2	Included	Materials Recovery Facilities	3832	High impact
Aquafil India	Not included			
Nofir	Not included			
Poly - Service SAS (FR)	Not included			
Acca S.p.A.	Not included			

Utility bills, invoices, and meter readings served as the primary data sources for calculating energy consumption. Exceptions to this approach include certain external warehouses and employee housing, for which consumption was estimated based on floor area.

5.5.3 GHG emissions

Greenhouse gas emissions are calculated annually by converting the amounts of **energy consumed** into carbon dioxide equivalent (CO2eq). The conversion takes place within dedicated spreadsheets that take the activity data recorded in the new Tagetik tool as an input and use energy carrier-specific **emission factors**.

The Inventory Management Plan guarantees uniformity in the different plants' approaches to data sharing, ensuring compliance with CRSD requirements (including the use of PCI in energy conversion).

Emissions were calculated according to the GHG Protocol with an "operational control" consolidation approach. Table 5.19 shows the consolidation method and the percentage of emissions considered for each entity in the scope. The companies Poly-Service, Aquafil India, Acca and Nofir are considered as "Holdings" as Aquafil does not exercise operational control over them; the corresponding emissions are reported in the Category "Investments" in Table 2.4 of section 2.1.3.

TABLE 5.19 - EMISSION CALCULATION SCOPE (2025)

Company name	Country	Description	% of consolidated GHG emissions for the company
Aquafil S.p.A.	Italy	Production site and headquarters	100
Tessilquattro S.p.A.	Italy	Production site	100
AquafilSLO d.o.o.	Slovenia	Production site	100
AquafilCRO d.o.o.	Croatia	Production site	100
AquafilUK Ltd.	United Kingdom	Sales office	100
Aquafil Fibers and Polymers (Jiaxing) Co.Ltd	China	Production site	100
Aquafil Asia Pacific Co. Ltd.	Thailand	Production site	100
Aquafil U.S.A. Inc	USA	Production site	100
Aquafil Carpet Recycling (ACR) #1 Inc.	USA	Production site	100
Aquafil Carpet Collection LLC	USA	Production site	100
Aquafil O'Mara	USA	Production site	100
Aquafil Carpet Recycling (ACR) #2 Inc.	USA	Sales office	100
Aquafil Engineering GmbH	Germany	Production site	100
Aquafil Aqualeuna GmbH	Germany	Sales office	100
Aquafil Tekstil Sanayi Ve Ticaret A.S.	Turkey	Sales office	100
Aquafil Chile S.p.A.	Chile	Production site	100
Aquafil Japan Corp	Japan	Sales office	100
Aquafil Benelux France BVBA	Belgium	Sales office	100
Aquafil Oceania Pty	Australia	Sales office	100
Bluloop Srl SB	Italy	Sales office	100
Acca S.p.A.	Chile	Associate	50
Nofir	Norway	Associate and commercial partner	32
Poly-Service	France	Associate	45
Aquafil India	India	Holding	100

All categories relevant to Aquafil's production environment were accounted for. In fact, the categories "Use phase of the product sold "and "Processing of sold products" are excluded from the quantification of GHG emissions. In the first case, Aquafil products, after being processed, have an indirect use phase and therefore their quantification is not strictly required methodologically by the GHG Protocol. For "Processing of sold products", in line with 2024 and in accordance with the EPD Product Category Rules for our products, emissions related to this category were estimated but not reported, as the figure is based on assumptions that are considered insufficiently robust.

Currently, Aquafil **does not use primary data obtained from suppliers** in the calculation of Scope 3 emissions (0% use of primary data). Primary data obtained from suppliers means the specific emission factors for the products purchased; in the case of Aquafil, supplier engagement began in 2024 but is currently being evaluated.

Table 5.20 shows the **source of the data used to calculate emissions** and the quantification approaches (CDP compliant).

TABLE 5.20 - EMISSION QUANTIFICATION APPROACHES

GHG Protocol Categories	Quantification approach used
Scope 1 Direct emissions	Site-specific method; average data method
Scope 2 Market- and Location-Based	Site-specific method; average data method
Scope 3.1 Purchased goods and services	Site-specific; spend-based; average product method
Scope 3.2 Capital goods	Spend-based method
Scope 3.3 Fuel and energy-related activities	Site-specific method; fuel-based method
Scope 3.4 Upstream transportation and distribution	Distance-based method; spend-based method
Scope 3.5 Waste generated in operations	Waste-type-specific method
Scope 3.6 Business travelling	Spend-based method
Scope 3.7 Employee commuting	Average data method; distance-based method
Scope 3.9 Downstream transportation	Distance-based method; average data method
Scope 3.10 Processing of sold products	Average data method
Scope 3.12 End-of-life treatment of sold products	Average data method; waste-type-specific method
Scope 3.13 Downstream leased assets	Average data method
Scope 3.15 Investments	Average data method

Table 5.21 shows the databases used for emission factors and their version.

TABLE 5.21 - DATABASES USED FOR EMISSION FACTORS

Database	Version
Ecoinvent	3.11
Ademe	v17 2023
IEA	IEA Emission Factor Package 2025
DESNZ (formerly DEFRA)	2025
EXIOBASE/EPA	2019

Assumptions on commuting habits were made for all establishments on a national basis (except Aquafil China, which carried out a survey). Data not provided but derived from assumptions on literature are also related to:

- Energy consumption (natural gas and electricity) for new companies and leased assets (upstream and downstream) estimated by AQUAFIL from literature (EURAC);
- Water consumption for new companies estimated from national literature where available;
- End-of-life treatments according to EPD and literature indications (metals).

5.6 WATER RESOURCES - ADDITIONAL DATA

TABLE 5.22 - WATER WITHDRAWAL VOLUMES BY WATER STRESS AREAS, IN M³ (2024 VS 2025)

Measurements in m³	2024	2025
Areas with high water stress	**1,735**	**747**
Surface water discharges	0	0
Discharge to consortium facilities (industrial use)	0	0
Discharge to consortium facilities (civil use)	1,735	747
Areas with medium water stress	**59,901**	**48,135**
Surface water discharges	0	0
Discharge to consortium facilities (industrial use)	53,280	42,793
Discharge to consortium facilities (civil use)	6,620	5,342
Areas with low water stress	**1,286,262**	**1,255,702**
Surface water discharges	780,154	777,481
Discharge to consortium facilities (industrial use)	440,648	412,361
Discharge to consortium facilities (civil use)	65,460	65,860

5.7 BIODIVERSITY - ADDITIONAL DATA

5.7.1 Biodiversity Impact Assessment

TABLE 5.23 - SENSITIVE AREAS WITHIN 10 KM OF GROUP PLANTS, IN EUROPE AND NORTH AMERICA

Name of the area	Country	Directive/Protection Mechanism	Site code or classification
Panorama Nature Reserve:	California	IUCN	V Protected landscape
San Diego Bay National Wildlife Refuge	California	IUCN	IV: Habitat / species management
Tijuana Slough National Wildlife Ref	California	IUCN	IV: Habitat / species management
Robinhood Ridge	California	IUCN	V: Protected landscape / seascape
Newport 5 Preserve	California	IUCN	V: Protected landscape / seascape
Dennery Preserve	California	IUCN	V: Protected landscape / seascape
Los Penasquitos Canyon Preserve	California	IUCN	V: Protected landscape / seascape
Elliott Chaparral Reserve	California	IUCN	V: Protected landscape / seascape
Red Top Mountain State Park feature	Georgia	IUCN	III: Natural monument
Etowah Mounds Historic Site	Georgia	IUCN	IUCN - Unknown
Foothills Conservancy of North Carolina Easement	North Carolina	Non-Governmental Organization	Gap status 2
Foothills Conservancy of North Carolina Preserve	North Carolina	IUCN	V: Protected landscape / seascape
Monte Brione	Italy	Habitat Directive	IT3120075
Lago di Loppio	Italy	Habitat Directive	IT3120079
Manzano	Italy	Habitat Directive	IT3120111
Bus del Diaol	Italy	Habitat Directive	IT3120137
Monte Brento	Italy	Habitat Directive	IT3120115
Torbiera Lomasona	Italy	Habitat Directive	IT3120069
Fiavè	Italy	Habitat Directive	IT3120068
Marocche di Dro	Italy	Habitat Directive	IT3120074
Crinale Pichea – Rocchetta	Italy	Habitat and Birds Directive	IT3120093
Villa Rendena	Italy	Habitat Directive	IT3120152
Lago di Toblino	Italy	Habitat Directive	IT3120055
Le Sole	Italy	Habitat Directive	IT3120154
Dolomiti di Brenta	Italy	Habitat Directive	IT3120177
Brenta	Italy	Birds Directive	IT3120159
Adige	Italy	Habitat and Birds Directive	IT3120156
Laghetti di Marco	Italy	Habitat Directive	IT3120080
Monte Zugna	Italy	Habitat Directive	IT3120114
Monte Ghello	Italy	Habitat Directive	IT3120149
Pra dall'Albi - Cei	Italy	Habitat Directive	IT3120081
Talpina - Brentonico	Italy	Habitat Directive	IT3120150
Taio di Nomi	Italy	Habitat Directive	IT3120082
Servis	Italy	Habitat Directive	IT3120086
Monte Baldo di Brentonico	Italy	Habitat Directive	IT3120173
Ljubljanica - Gradaščica - Mali Graben	Slovenia	Habitat Directive	SI3000291
Ljubljansko barje	Slovenia	Birds Directive	SI5000014
Sava - Medvode - Kresnice	Slovenia	Habitat Directive	SI3000262
Dolina Vipave	Slovenia	Habitat Directive	SI3000226
Vipavski rob	Slovenia	Birds Directive	SI5000021
Kras	Slovenia	Habitat Directive	SI3000276
Voglajna pregrada Tratna - izliv v Savinjo	Slovenia	Habitat Directive	SI3000068
Volčeke	Slovenia	Habitat Directive	SI3000213
Posavsko hribovje	Slovenia	Birds Directive	SI5000026
Savinja Celje - Zidani most	Slovenia	Habitat Directive	SI3000376
Reka pri Laškem	Slovenia	Habitat Directive	SI3000358
Ocvirkova jama	Slovenia	Habitat Directive	SI3000083
Kozarica	Slovenia	Habitat Directive	SI3000368
Bistrica pri Libojah	Slovenia	Habitat Directive	SI3000314
Cerovec	Slovenia	Habitat Directive	SI3000114
Medvednica	Croatia	Habitat Directive	HR2000583
Tegeler Fließtal	Germany	Birds and Habitats Directive	DE3346301
Baumberge	Germany	Habitat Directive	DE3445304
Spandauer Forst	Germany	Birds and Habitats Directive	DE3445301
Muhrgraben mit Teufelsbruch	Germany	Habitat Directive	DE3345301
Bossen van de Vlaamse Ardennen en andere Zuidvlaamse bossen	Belgium	Habitat Directive	BE2300007

5.7.2 Biodiversity Risk Assessment

TABLE 5.24 - THE 9 MATERIAL SUPPLIERS OF CAPROLACTAM ANALYSED

PERIMETER OF SUPPLY ANALYSIS

Supplier	Number of sites involved	Countries covered
Supplier 1	12	Germany
Supplier 2	5	USA
Supplier 3	3	Germany
Supplier 4	3	Slovakia
Supplier 5	2	Netherlands
Supplier 6	2	Spain
Supplier 7	7	Poland
Supplier 8	2	Germany
Supplier 9	1	China

TABLE 5.25 - NUMBER OF AQUFIL PLANT-RELATED SITES BY THE TOP 10 RISK INDICATORS

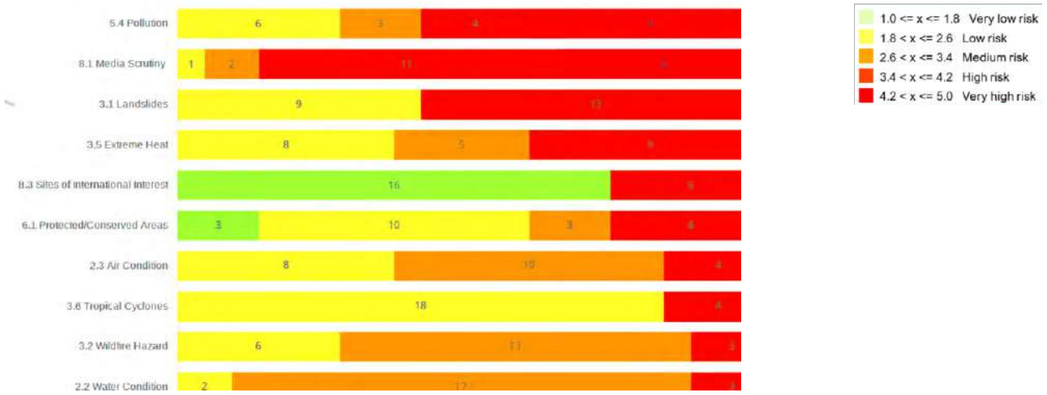
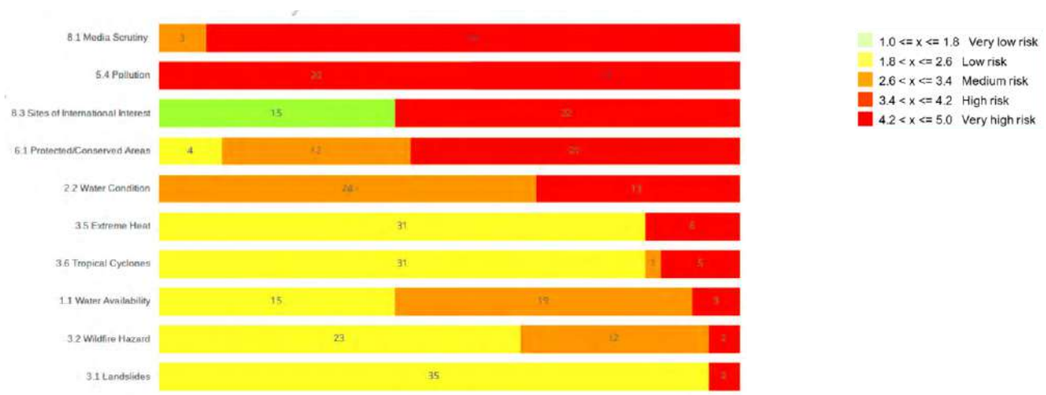


TABLE 5.26 - NUMBER OF SITES RELATED TO THE 9 CAPROLACTAM PRODUCERS BY THE TOP 10 RISK INDICATORS



5.8 CIRCULAR ECONOMY - CALCULATION METHODOLOGY

5.8.1 Resource inflows and outflows

Material weight calculation uses consumption data collected from the SAP management system. In the absence of more precise guidance on what the legislature intends the words "technical" and "biological" to mean, Aquafil has applied the following definitions:

- **Technical materials:** "Raw materials, i.e. natural resources used for conversion to products or services, such as ores, minerals, and wood; associated process materials, i.e. materials that are needed for the manufacturing process but are not part of the final product, such as lubricants for manufacturing machinery; semi-manufactured goods or parts, including all forms of materials and components other than raw materials that are part of the final product; materials for packaging purposes, including paper, cardboard and plastics" (GRI 301, 2018);
- **Biological materials:** "Bio-based products are derived, in whole or in part, from materials of biological origin (such as plants, animals, enzymes, and microorganisms, including bacteria, fungi and yeasts)" (European Commission, 2024); and "A biomaterial is a material derived or produced from biological organisms such as plants, animals, bacteria, fungi and other life forms. These are also called biological source materials" (Penn State University, 2024).

Applying these definitions to Aquafil's production, two biological input material streams were identified: wood and paper.

Regarding the **percentage of recyclable products sold**, we consulted the sales report and identified material codes associated with products that can be recycled, belonging to these six macro-categories:

4. Nylon 6 yarn;
5. Nylon 66 yarn;
6. Polyester yarn (PET);
7. Polypropylene yarn (Dryarn);
8. Polymer of PA6 (Polyamide 6);
9. Polymer of PA66 (Polyamide 66);
10. PP, polypropylene;
11. Calcium carbonate;
12. Master.

5.8.2 Waste

The volume of waste produced in 2025 - **16,551,493 kg** - is an actual and verified figure. The portion relating to end-of-life was estimated to be approximately **7,265,710 kg**, corresponding to **44% of the total waste generated**. This percentage represents a more accurate estimate than in previous years, thanks to the refinement of data provided by the third parties that manage the waste end-of-life.

End-of-life management continues to be outsourced to external operators who, in some cases, do not provide detailed information about the final destination of materials. In the absence of specific data, estimates are used based on official waste disposal statistics provided by Eurostat for Europe, the EPA for the United States and other authoritative sources for other countries. Each individual waste code was assigned end-of-life processing based on the local statistics, referring to the country in which the facility generating the waste is located, considering the methods for waste disposal and recovery employed in that jurisdiction.

5.9 EUROPEAN TAXONOMY TURNOVER, CAPEX AND OPEX

Aquafil voluntarily adopts a double view in disclosure: the first, following the strict interpretation of the standard, which considers as eligible only the activity of producing and selling polyamide 6 polymer in granular form; the second, provided voluntarily, which looks at the entire activity of production and sales, including that of yarn. For both scenarios, the relevant data on Turnover, CapEx and OpEx are published according to the characteristics specified in the Regulations.

5.9.1 View 1 – Production and sale of polyamide 6 polymer (PA6) in granular form

TABLE 5.27 – TURNOVER FROM PRODUCTS AND SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (2025)

	Economic activity (1)	Code(s) (2)	Turnover (3)	Proportion of turnover (4)	Substantial contribution criteria							Criteria for "do no significant harm": does the activity satisfy the DNSH criteria?						Minimum safeguards (17)	Proportion of Taxonomy-aligned turnover, fiscal year 2025 (18)	Proportion of Taxonomy-aligned turnover, fiscal year 2024 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
					Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosystems (10)		Climate chang mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)					
	VIEW 1: Production and sale of polyamide 6 polymer (PA6) in granular form		Currency	%	%	%	%	%	%	%		Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
	A.1 Environmentally sustainable activities (Taxonomy-aligned)																					
	3.17 Manufacture of plastics in primary form (Yarn&Multi Yarn)	C20.16	13,640,965	2.6%	100%							Y	Y	Y	Y	Y	Y	Y	2.6%	2.07%		T
	4.1 Electricity generation using solar photovoltaic technology (AQCRO)	D35.11	11,842	0.0023%	100%							Y	Y	Y	Y	Y	Y	Y	0.0023%	0.0006%		T
	2.3 Collection and transport of non-hazardous and hazardous waste	E38.1	497,568	0.10%					100%			Y	Y	Y	Y	Y	Y	Y	0.10%	0.25%		N/A
	Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		14,150,375.36	2.7%	96.5%				3.5%										2.7%	2.3%		
	A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
	3.17 Manufacture of plastics in primary form	C20.16	37,841,799	7.3%															7.3%	9.1%		
	2.7 Material recovery from non-hazardous waste	E38.3	2,125	0.0004%															0.0004%	0.0004%		
	4.30 High-efficiency cogeneration of heat/cool and electricity from gaseous fossil fuels	D35.30	488,179	0.094%															0.094%	0.004%		
	Turnover complessivo relativo alle attività ammissibili ma non ecosostenibili (non allineate alla Tassonomia) (A.2)		38,332,102	7.4%															7.4%	9.1%		
A.	**Taxonomy-eligible activities (A.1 + A.2)**		**52,482,477**	**10.1%**	**96.5%**				**3.5%**										**2.7%**	**2.3%**		
B.	**Taxonomy-non-eligible activities (B)**																					
	Turnover of Taxonomy-non-eligible activities (B)		468,353,416	89.9%																		
	Total A + B		**520,835,894**	**100%**																		

TABLE 5.28 – CAPEX FROM PRODUCTS AND SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (2025)

	Economic activity (1)	Code(s) (2)	CapEx (3)	Proportion of CapEx (4)	Substantial contribution criteria							Criteria for "do no significant harm": does the activity satisfy the DNSH criteria?						Minimum safeguards (17)	Proportion of Taxonomy-aligned CapEx, fiscal year 2025 (18)	Proportion of Taxonomy-aligned CapEx, fiscal year 2024 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
					Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosy-stems (10)		Climate chang mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosy-stems (16)					
	VIEW 1: Production and sale of polyamide 6 polymer (PA6) in granular form		Currency	%	%	%	%	%	%	%		Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
	A.1 Environmentally sustainable activities (Taxonomy-aligned)																					
	3.17 Manufacture of plastics in primary form (Yarn&Multi Yarn)	C20.16	1,871,695	7.9%	100%							S	S	S	S	S	S	S	7.9%	16.1%		T
	2.3 Collection and transport of non-hazardous and hazardous waste	E38.1	74,045	0.3%					100%			S	S	S	S	S	S	S	0.3%	1.6%		N/A
	CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1,945,740	8.2%	96.2%				3.8%										8.2%	17.7%		
	A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
	3.17 Manufacture of plastics in primary form	C20.16	1,530,531	6.4%															6.4%	7.3%		
	2.7 Material recovery from non-hazardous waste	E38.3	295	0.001%															0.001%	0.001%		
	CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,530,826	6,4%															6.4%	7.3%		
A.	**Taxonomy-eligible activities (A.1 + A.2)**		**3,476,566**	**14.6%**	**96.2%**				**3.8%**										**8.2%**	**17.7%**		
B.	**Taxonomy-non-eligible activities**																					
	CapEx of Taxonomy-non-eligible activities (B)		20,282,605	85,4%																		
	Totale A + B		**23,759,171**	**100%**																		

TABLE 5.29 – OPEX FROM PRODUCTS AND SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (2025)

	Economic activity (1)	Code(s) (2)	OpEx (3)	Proportion of OpEx (4)	Substantial contribution criteria							Criteria for "do no significant harm": does the activity satisfy the DNSH criteria?						Minimum safeguards (17)	Proportion of Taxonomy-aligned OpEx, fiscal year 2025 (18)	Proportion of Taxonomy-aligned OpEx, fiscal year 2024 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
					Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosy-stems (10)		Climate chang mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosy-stems (16)					
	VIEW 1: Production and sale of polyamide 6 polymer (PA6) in granular form		Currency	%	%	%	%	%	%	%		Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
	A.1 Environmentally sustainable activities (Taxonomy-aligned)																					
	3.17 Manufacture of plastics in primary form (Yarn&Multi Yarn)	C20.16	3,198,131	13.8%	100%							Y	Y	Y	Y	Y	Y	Y	13.8%	13%		T
	2.3 Collection and transport of non-hazardous and hazardous waste	E38.1	153,795	0.7%					100%			Y	Y	Y	Y	Y	Y	Y	0.7%	0.5%		N/A
	OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		3,351,926	14.5%	95.4%				4.6%										14.5%	13.6%		
	A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
	3.17 Manufacture of plastics in primary form	C20.16	1,378,445	6.0%															5.9%	8%		
	2.7 Material recovery from non-hazardous waste	E38.3	1,138	0.005%															0.005%	0.003%		
	OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,379,583	6.0%															6%	8%		
A.	**Taxonomy-eligibile activities (A.1 + A.2)**		**4,731,509**	**20%**	**95.4%**				**4.6%**										**14.5%**	**13.6%**		
B.	**Taxonomy-non-eligible activities**																					
	OpEx of Taxonomy-non-eligible activities (B)		18,452,775	79.59%																		
	Total A + B		**23,184,284**	**100%**																		

TABLE 5.30 - TURNOVER RELATED TO ACTIVITY 4.30 ON GROUP TOTAL (2025)

Turnover	Proportion (present information in monetary amounts and percentages)					
Economic activity 4.30	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of activity 4.30 in the denominator of the applicable KPI (Turnover)	488,179	0.094%	488,179	0.094%	-	0%
Amount and proportion of activity 4.30 in the numerator of the applicable KPI (Turnover)	488,179	0.93%	488,179	0.93%	-	0%

5.9.2 View 2 – Total production and sales activities of Aquafil (i.e. yarn)

TABLE 5.31 – TURNOVER FROM PRODUCTS AND SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (2025)

	Economic activity (1)	Code(s) (2)	Turnover (3)	Proportion of turnover (4)	Substantial contribution criteria							Criteria for "do no significant harm": does the activity satisfy the DNSH criteria?						Minimum safeguards (17)	Proportion of Taxonomy-aligned turnover, fiscal year 2025 (18)	Proportion of Taxonomy-aligned turnover, fiscal year 2024 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
					Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosy-stems (10)		Climate chang mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosy-stems (16)					
	VIEW 2: Total production and sales activities of Aquafil (i.e. yarn)		Currency	%	%	%	%	%	%	%		Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
	A.1 Environmentally sustainable activities (Taxonomy-aligned)																					
	3.17 Manufacture of plastics in primary form (Yarn&Multi Yarn)	C20.16	296,454,089	56.9%	100%							Y	Y	Y	Y	Y	Y	Y	56.9%	50.4%		T
	4.1 Electricity generation using solar photovoltaic technology (AQCRO - AQCINA)	D35.11	11,842	0.0023%	100%							Y	Y	Y	Y	Y	Y	Y	0.0023%	0.0006%		T
	2.3 Collection and transport of non-hazardous and hazardous waste	E38.1	497,568	0.10%					100%			Y	Y	Y	Y	Y	Y	Y	0.10%	0.25%		N/A
	Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		296,963,498.71	57.0%	100%				0.2%										57%	50.6%		
	A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
	3.17 Manufacture of plastics in primary form	C20.16	223,105,067	42.8%															42.8%	49.2%		
	2.7 Material recovery from non-hazardous waste	E38.3	2,125	0.0004%															0.0004%	0.0004%		
	4.30 High-efficiency cogeneration of heat/cool and electricity from gaseous fossil fuels	D35.30	488,179	0.094%															0.094%	0.004%		
	Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		223,595,371	42.9%															42.9%	49.2%		
A.	**Taxonomy-eligibile activities (A.1 + A.2)**		**520,558,869**	**99.9%**	**99.8%**				**0.2%**										**57%**	**50.6%**		
B.	**Taxonomy-non-eligible activities**																					
	Turnover of Taxonomy-non-eligible activities (B)		277,025	0.1%																		
	Total A + B		**520,835,894**	**100%**																		

TABLE 5.32 – CAPEX FROM PRODUCTS AND SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (2025)

	Economic activity (1)	Code(s) (2)	CapEx (3)	Proportion of CapEx (4)	Substantial contribution criteria						Criteria for "do no significant harm": does the activity satisfy the DNSH criteria?						Minimum safeguards (17)	Proportion of Taxonomy-aligned CapEx, fiscal year 2025 (18)	Proportion of Taxonomy-aligned CapEx, fiscal year 2024 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
					Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosy-stems (10)	Climate chang mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosy-stems (16)					
	VIEW 2: Total production and sales activities of Aquafil (i.e. yarn)		Currency	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
	A.1 Environmentally sustainable activities (Taxonomy-aligned)																				
	3.17 Manufacture of plastics in primary form (Yarn&Multi Yarn)	C20.16	10,700,752	45.0%	100%						Y	Y	Y	Y	Y	Y	Y	45.0%	58.9%		T
	2.3 Collection and transport of non-hazardous and hazardous waste	E38.1	74,045	0.3%					100%		Y	Y	Y	Y	Y	Y	Y	0.3%	1.6%		N/A
	CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		10,774,796	45.4%	99.3%				0.7%									45.4%	60.5%		
	A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
	3.17 Manufacture of plastics in primary form	C20.16	12,945,207	54.5%														54.5%	39.3%		
	2.7 Material recovery from non-hazardous waste	E38.3	295	0.001%														0.001%	0.001%		
	CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		12,945,502	54.5%														54.5%	39.3%		
A.	**Taxonomy-eligibile activities (A.1 + A.2)**		**23,720,298**	**99.8%**	**99.3%**				**0.7%**									**45.4%**	**60.5%**		
B.	**Taxonomy-non-eligible activities**																				
	CapEx of Taxonomy-non-eligible activities (B)		38,873	0.2%																	
	Total A + B		**23,759,171**	**100%**																	

TABLE 5.33 – OPEX FROM PRODUCTS AND SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (2025)

	Economic activity (1)	Code(s) (2)	OpEx (3)	Proportion of OpEx (4)	Substantial contribution criteria						Criteria for "do no significant harm": does the activity satisfy the DNSH criteria?						Minimum safeguards (17)	Proportion of Taxonomy-aligned OpEx, fiscal year 2025 (18)	Proportion of Taxonomy-aligned OpEx, fiscal year 2024 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
					Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosy-stems (10)	Climate chang mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosy-stems (16)					
	VIEW 2: Total production and sales activities of Aquafil (i.e. yarn)		Currency	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
	A.1 Environmentally sustainable activities (Taxonomy-aligned)																				
	3.17 Manufacture of plastics in primary form (Yarn&Multi Yarn)	C20.16	15,571,428	67.2%	100%						Y	Y	Y	Y	Y	Y	Y	67.2%	55.4%		T
	2.3 Collection and transport of non-hazardous and hazardous waste	E38.1	153,795	0.7%					100%		Y	Y	Y	Y	Y	Y	Y	0.7%	0.5%		N/A
	OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		15,725,223	67.8%	99%				1%									67.8%	55.9%		
	A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
	3.17 Manufacture of plastics in primary form	C20.16	7,447,552	32%														32.1%	43.6%		
	2.7 Material recovery from non-hazardous waste	E38.3	1,138	0.005%														0.005%	0.003%		
	OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		7,448,690	32.1%														32.1%	43.6%		
A.	**Taxonomy-eligibile activities (A.1 + A.2)**		**23,173,913**	**99.96%**	**99%**				**1%**									**67.8%**	**55.9%**		
B.	**Taxonomy-non-eligible activities**																				
	OpEx of Taxonomy-non-eligible activities (B)		10,371	0.04%																	
	Total A + B		**23,184,284**	**100%**																	

TABLE 5.34 – TURNOVER RELATED TO ACTIVITY 4.30 ON GROUP TOTAL (2025)

Turnover	Proportion (present information in monetary amounts and percentages)					
Economic activity 4.30	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
	Amount	%	Amount	%	Amount	%
Amount and proportion of activity 4.30 in the denominator of the applicable KPI (Turnover)	488,179	0.094%	488,179	0.094%	-	0%
Amount and proportion of activity 4.30 in the numerator of the applicable KPI (Turnover)	488,179	0.93%	488,179	0.93%	-	0%

5.9.3 Methodological approach

Calculation of indicators

The Taxonomy requires entities reporting on sustainability to set out the percentage of eligible and aligned activities each year through three key performance indicators (hereafter also" KPIs"), according to the specifications outlined in the Regulation. These indicators relate to: turnover, capital expenditures ("CapEx") and operating expenditures ("OpEx"). In addition, a view is required to facilitate comparison with the previous year's data.

Data collection process

In addition to quantitative data, the Regulation calls for qualitative disclosure. Specifically, the discussion should focus on: how turnover, CapEx and OpEx are allocated to the numerator, the method used and the assumptions to determine the proportion of turnover, CapEx and OpEx for each economic activity.

Turnover

The KPI numerator corresponds to the turnover defined as aligned according to the criteria provided by the EU Taxonomy. Specifically, the Group's turnover aligned with the Taxonomy are the total sum of the gross revenues from sales related to the activity "ECONYL® Regeneration System and other environmentally sustainable activities" (activity 3.17), those related to activity 2.3 referring to revenues from the sale of post-consumer material by Aquafil Carpet Collection and those related to activity 4.1 referring to revenues from the sale of energy produced by photovoltaic systems installed at the Aquafil CRO and Aquafil China plant. The denominator of the indicator, on the other hand, corresponds to the total net revenues of the Group, as defined within the Consolidated Income Statement.

CapEx

The numerator of the KPI, i.e. the aligned proportion of capital expenditures, corresponds to the amount of CapEx related to the activity "ECONYL® Regeneration System and other environmentally sustainable activities" and activity 2.3. This proportion was determined in two main ways:

- in the case of expenses directly attributable to the activities described above, these were valued on the basis of the primary figure recorded;
- in the case of expenses not directly attributable to the activity, the allocation of costs was made in proportion to the percentage of aligned turnover to total turnover.

The total CapEx figures (KPI denominator) correspond to the increases for the year, as reported in the consolidated financial statements at December 31, 2025. In line with the provisions of point 1.1.2.1. of Annex I to the Delegated Regulation (EU) 2021/2178, CapEx also included expenses incurred on leased assets, accounted for in accordance with IFRS 16, and expenses incurred for sample development, accounted for in accordance with IAS 38. Both of these types of CapEx were allocated using the methodology outlined above.

Maintenance OpEx

The numerator of the KPI, i.e. the maintenance costs aligned with the Taxonomy refer to all maintenance costs related to the activity "ECONYL® Regeneration System and other environmentally sustainable activities" and the aligned activity 2.3. The alignment data were provided directly by Management Control based on the bills of materials entered within the management ERP. The figures for total maintenance (the denominator of the KPI) correspond to those included in the consolidated financial statements as of 31/12/2025. The Aquafil Group presents an income statement by nature and not by purpose, so the maintenance item is included partly in Service costs and partly in Material purchase costs (e.g. spare parts).

OpEx R&D - Research

The numerator of the KPI, i.e. research costs aligned with the Taxonomy refer to all project-related costs:

- related to the development/optimisation of products related to the activity "ECONYL® Regeneration System and other environmentally sustainable activities".
- related to the development of new environmentally sustainable products/processes (e.g. use of natural pigments). Data on total research costs (denominator of the KPI) are derived from the reporting, internally, of all costs (i.e. personnel costs, consumables) related to the individual research projects described above.

OpEx R&D - Development

The numerator of the KPI, i.e. development costs aligned with the Taxonomy, is derived from the reporting of all processed samples attributable to the "ECONYL® Regeneration System and other environmentally sustainable activities". Data on total development costs (denominator of the KPI) are derived from the reporting within the Group ERP of all samples produced during 2025.

5.10 AQUAFIL PERSONNEL - ADDITIONAL DATA

TABLE 5.35 - GENDER PAY GAP BY COMPANY AND PROFESSIONAL ROLE - EXCLUDING VARIABLE COMPONENTS AND BENEFITS (2025)

	Senior Management	Executives	Managers	White-collar	Blue-collar
Jiaxing - Aquafil Cina		N/A - Male only	10.8%	2.5%	13.4%
Oroslavje - AquafilCro			42.2%	23.1%	19.8%
Cares - Tessilquattro			-11.3%	23.4%	-1.7%
Rovereto - Tessilquattro				27.5%	13.7%
Cartersville (Georgia) - Aquafil USA- 1 Aquafil Drive	N/A - Male only	N/A - Male only	19.7%	28.8%	19.1%
Phoenix - Aquafil Carpet Recycling #1			N/A - Male only	N/A - Male only	N/A - Male only
Ajdovscina - AquafilSLO					N/A - Male only
Celje - AquafilSLO		N/A - Male only	N/A - Male only	N/A - Women only	10.7%
Ljubljana - AquafilSLO	N/A - Male only	31.5%	17.3%	-5.5%	25.5%
Senozece - AquafilSLO			N/A - Male only		-6.3%
Anaheim - ACC			N/A - Male only	N/A - Women only	N/A - Male only
Chula Vista - ACC			N/A - Male only		N/A - Male only
Phoenix - ACC		N/A - Male only			N/A - Male only
Rutherford College - AquafilOMara		N/A - Male only	23.4%	-20.6%	16.7%
Arco - Aquafil	N/A - Male only	11.3%	17.7%	19.9%	11.3%
Rayong - Aquafil Asia Pacific				-53.8%	-10.7%
Harelbeke - Aquafil Benelux			N/A - Male only	N/A - Male only	
Melbourne - Aquafil Oceania		N/A - Male only			
Berlin - Aquafil Engineering		N/A - Male only		18.6%	
Berlin - Aquafil Engineering GmbH		N/A - Solo Uomini		18,6%	

The gender pay gap is calculated using the following formula: (male pay level - female pay level) / male pay level. If the ratio is positive, the average male wage level is higher than the average female wage level; if the ratio is negative, the average female wage level is higher than the average male wage level.

5.11 ESRS CONTENT INDEX

TABLE 5.36 - DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S SUSTAINABILITY STATEMENT

Reporting requirement		Sustainability Statement section
ESRS 2 - General disclosures		
BP-1	General basis for preparation of sustainability statements	1.1 Methodological note
BP-2	Disclosures in relation to specific circumstances	1.1 Methodological note
GOV-1	The role of the administrative, management and supervisory bodies	1.5.1 Main governing bodies
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	1.5.1 Main governing bodies
GOV-3	Integration of sustainability-related performance in incentive schemes	1.5.2 Our remuneration policy
GOV-4	Statement on due diligence	1.5.3 Risk management system
GOV-5	Risk management and internal controls over sustainability reporting	1.5.3 Risk management system
SBM-1	Strategy, business model and value chain	1.2.1 Who we are 1.2.4 Our value chains 1.3 Our ESG strategy
SBM-2	Interests and views of stakeholders	4.8 Dialogue with stakeholders
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	1.4 Materiality assessment 5.4 Impacts, risks and opportunities
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	1.4 Materiality assessment
IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	5.11 ESRS Content Index
E1 - Climate change		
E1-1	Transition plan for climate change mitigation	2.1 Climate change
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	2.1 Climate change 5.4 Impacts, risks and opportunities 2.1.1 Climate change risk
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	1.4 Materiality assessment
E1-2	Policies related to climate change mitigation and adaptation	2.1 Climate change 1.3.5 Aquafil's policies
E1-3	Actions and resources in relation to climate change policies	2.1 Climate change 2.1.2 Energy consumption 2.5.3 ECONYL®: the infinite thread, like imagination 3.3.3 Collaboration for eco-design and the creation of circular supply chains
E1-4	Targets related to climate change mitigation and adaptation	1.3.3 Goals and progress against targets 2.1 Climate change
E1-5	Energy consumption and mix	2.1.2 Energy consumption
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	2.1.3 Emissions
E2 - Pollution		
ESRS 2, IRO-1	Descrizione dei processi per individuare e valutare gli impatti, i rischi e le opportunità rilevanti legati all'inquinamento	1.4 Analisi di materialità
ESRS 2, SBM-3	Impatti, rischi e opportunità rilevanti e loro interazione con la strategia e il modello aziendale	2.2 Inquinamento 5.4 Impatti rischi e opportunità materiali
E2-1	Politiche relative all'inquinamento	2.2 Inquinamento 1.3.5 Le policy di Aquafil
E2-2	Azioni e risorse connesse all'inquinamento	2.2 Inquinamento
E2-3	Obiettivi connessi all'inquinamento	1.3.3 Obiettivi e progresso rispetto ai target
E2-4	Inquinamento di aria, acqua e suolo	2.2 Inquinamento 2.3.2 Scarichi idrici
E2-5	Sostanze preoccupanti e sostanze estremamente preoccupanti (phase in)	3.3.1 Gestione del prodotto, salute e sicurezza 4.7.1 Certificazioni di prodotto
E3 – Water and marine resources		
ESRS 2, IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	1.4 Materiality assessment
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	2.2 Pollution 5.4 Impacts, risks and opportunities
E3-1	Policies related to pollution	2.2 Pollution 1.3.5 Aquafil's policies
E3-2	Actions and resources related to pollution	2.2 Pollution
E3-3	Targets related to pollution	1.3.3 Goals and progress against targets
E3-4	Pollution of air, water and soil	2.2 Pollution 2.3.2 Water discharge

Reporting requirement		Sustainability Statement section
ESRS E4 - Biodiversity and ecosystems		
ESRS 2, IRO-1	Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	1.4 Materiality assessment 2.4 Biodiversity 2.4.1 Biodiversity Impact Assessment 2.4.2 Biodiversity Risk Assessment
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	2.4.1 Biodiversity Impact Assessment 2.4.2 Biodiversity Risk Assessment 5.4 Impacts, risks and opportunities
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	2.4 Biodiversity
E4-2	Policies related to biodiversity and ecosystems	2.4 Biodiversity 1.3.5 Aquafil's policies
E4-3	Actions and resources related to biodiversity and ecosystems	2.4.1 Biodiversity Impact Assessment
E4-4	Targets related to biodiversity and ecosystems	1.3.3 Goals and progress against targets 2.4 Biodiversity
E4-5	Impact metrics related to biodiversity and ecosystems change	2.4.1 Biodiversity Impact Assessment
ESRS E5 - Circular economy		
ESRS 2, IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	1.4 Materiality assessment 2.5 Circular economy
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	2.5 Circular economy 5.4 Impacts, risks and opportunities 2.5.3 ECONYL®: the infinite thread, like imagination
E5-1	Policies related to resource use and circular economy	1.3.5 Aquafil's policies 2.5.1 Resource inflows and outflows
E5-2	Actions and resources related to resource use and circular economy	1.2.5 The power of conscious innovation 2.5.3 ECONYL®: the infinite thread, like imagination 3.3.3 Collaboration for eco-design and the creation of circular supply chains
E5-3	Targets related to resource use and circular economy	1.3.3 Goals and progress against targets 2.5 Circular economy 2.5.3 ECONYL®: the infinite thread, like imagination
E5-4	Resource inflows	2.5.1 Resource inflows and outflows
E5-5	Resource outflows	2.5.1 Resource inflows and outflows 2.5.2 Waste
ESRS S1 – Own workforce		
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	3.1 Aquafil personnel 5.4 Impacts, risks and opportunities
S1-1	Policies related to own workforce	1.3.5 Aquafil's policies 3.1.1 Building an equitable and inclusive environment 4.1 Code of Conduct
S1-2	Processes for engaging with own workers and workers' representatives about impacts	1.4 Materiality assessment 4.8 Dialogue with stakeholders 3.1.1 Building an equitable and inclusive environment
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	3.1 Aquafil personnel (and subsections) 4.4. Whistleblowing system 5.4 Impacts, risks and opportunities
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	3.1 Aquafil personnel (and subsections) 5.4 Impacts, risks and opportunities
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	1.3.3 Goals and progress against targets
S1-6	Characteristics of the undertaking's employees	3.1 Aquafil personnel
S1-7	Characteristics of non-employees in the undertaking's own workforce	3.1 Aquafil personnel
S1-8	Collective bargaining coverage and social dialogue	3.1.1 Building an equitable and inclusive environment
S1-9	Diversity metrics	3.1.1 Building an equitable and inclusive environment
S1-10	Adequate wages	3.1.1 Building an equitable and inclusive environment
S1-11	Social protection	3.1.2 Promoting safety and well-being
S1-13	Training and skills development metrics	3.1.3 Fostering personal and professional growth
S1-14	Health and safety metrics	3.1.2 Promoting safety and well-being
S1-16	Remuneration metrics (pay gap and total remuneration)	3.1.1 Building an equitable and inclusive environment
S1-17	Incidents, complaints and severe human rights impacts	3.1.1 Building an equitable and inclusive environment 4.1 Code of Conduct 4.4. Whistleblowing system
ESRS S2 - Workers in the value chain		
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	3.2 Workers in the value chain 5.4 Impacts, risks and opportunities
S2-1	Policies related to value chain workers	3.2 Workers in the value chain
S2-2	Processes for engaging with value chain workers about impacts	1.4 Materiality assessment 3.2 Workers in the value chain

Reporting requirement		Sustainability Statement section
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	3.2 Workers in the value chain 1.5.3 Risk management system 4.4. Whistleblowing system
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	3.2 Workers in the value chain 1.5.3 Risk management system
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	1.3.3 Goals and progress against targets
ESRS S3 - Affected communities		
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	3.4 Local communities 5.4 Impacts, risks and opportunities
S3-1	Policies related to affected communities	1.3.5 Aquafil's policies 3.4 Local communities
S3-2	Processes for engaging with affected communities about impacts	3.4 Local communities 4.8 Dialogue with stakeholders
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	4.4. Whistleblowing system
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	3.4 Local communities
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.4 Local communities
ESRS S4 – Consumers and end-users		
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	3.3 Consumers and end-users 5.4 Impacts, risks and opportunities
S4-1	Policies related to consumers and end-users	1.3.5 Aquafil's policies 3.3 Consumers and end-users
S4-2	Processes for engaging with consumers and end-users about impacts	3.3 Consumers and end-users 4.8 Dialogue with stakeholders 3.3.2 Inclusive and transparent communication, against greenwashing
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions;	3.3 Consumers and end-users (and subsections)
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	1.3.3 Goals and progress against targets
ESRS G1 - Business conduct		
ESRS 2, GOV-1	The role of the administrative, management and supervisory bodies	1.5.1 Main governing bodies 4. Business conduct
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	1.4 Materiality assessment 4. Business conduct
G1-1	Corporate culture and business conduct policies	4. Business conduct 4.1 Code of Conduct 4.2 231 Model 4.3 Anti-corruption policies 4.4 Whistleblowing system
G1-2	Management of relationships with suppliers	3.2 Workers in the value chain
G1-3	Prevention and detection of corruption and bribery	4.3 Anti-corruption policies
G1-4	Confirmed incidents of corruption or bribery	4.3 Anti-corruption policies 4.4 Whistleblowing system
G1-5	Political influence and lobbying activities	4.6 Political influence and advocacy

TABLE 5.37 - LIST OF DATAPOINTS IN CROSS-CUTTING AND TOPICAL STANDARDS THAT DERIVE FROM OTHER EU LEGISLATION

Disclosure requirement and related datapoint	SFDR reference (1)	Pillar 3 Reference (2)	Benchmark Regulation Reference (3)	EU Climate Law Reference (4)	Sustainability Statementsection
ESRS 2 GOV-1 Board's gender diversity, paragraph 21(d)	X		X		1.5.1 Main governing bodies
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21(e)			X		1.5.1 Main governing bodies
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	X				1.5.3 Risk management system
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40(d)(i)	X	X	X		Not material
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40(d)(ii)	X		X		Not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40(d)(iii)	X		X		Not material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40(d)(iv)			X		Not material
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14				X	2.1 Climate change
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16(g)		X	X		Not material
ESRS E1-4 GHG emission reduction targets, paragraph 34	X	X	X		2.1 Climate change
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	X				2.1.2 Energy consumption
ESRS E1-5 Energy consumption and mix, paragraph 37	X				2.1.2 Energy consumption
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	X				2.1.2 Energy consumption
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44	X	X	X		2.1.3 GHG emissions
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	X	X	X		2.1.3 GHG emissions
ESRS E1-7 GHG removals and carbon credits, paragraph 56				X	Not material
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66			X		Phase-in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66(a) ESRS E1-9 Location of significant assets at material physical risk, paragraph 66(c)		X			Phase-in
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67(c)		X			Phase-in
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69			X		Phase-in
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	X				2.2 Pollution
ESRS E3-1 Water and marine resources, paragraph 9	X				2.3 Water resources
ESRS E3-1 Dedicated policy, paragraph 13	X				2.3 Water resources
ESRS E3-1 Sustainable oceans and seas, paragraph 14	X				Not material for direct operations

Disclosure requirement and related datapoint	SFDR reference (1)	Pillar 3 Reference (2)	Benchmark Regulation Reference (3)	EU Climate Law Reference (4)	Sustainability Statementsection
ESRS E3-4 Total water recycled and reused, paragraph 28(c)	X				Not available
ESRS E3-4 Total water consumption in m3 per net revenue on own operations, paragraph 29	X				2.3.1 Water consumption
ESRS 2 SBM-3 - E4 paragraph 16(a)(i)	X				2.4.1 Biodiversity Impact Assessment
ESRS 2 SBM-3 – E4 paragraph 16(b)	X				2.4.1 Biodiversity Impact Assessment and 5.4 Impacts, risks and opportunities
ESRS 2 SBM-3 – E4 paragraph 16(c)	X				Not material
ESRS E4-2 Sustainable land/agriculture practices or policies, paragraph 24(b)	X				Not material
ESRS E4-2 Sustainable oceans/seas practices or policies, paragraph 24(c)	X				Not material
ESRS E4-2 Policies to address deforestation, paragraph 24(d)	X				Not material
ESRS E5-5 Non-recycled waste, paragraph 37(d)	X				2.5.2 Waste
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	X				2.5.2 Waste
ESRS 2 – SBM3 – S1 Risk of incidents of forced labour, paragraph 14(f)	X				Not material
ESRS 2 – SBM3 – S1 Risk of incidents of child labour, paragraph 14(g)	X				Not material
ESRS S1-1 Human rights policy commitments, paragraph 20	X				3.1.1 Building an equitable and inclusive environment
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 21			X		3.1.1 Building an equitable and inclusive environment
ESRS S1-1 Processes and measures for preventing trafficking in human beings, paragraph 22	X				3.1.1 Building an equitable and inclusive environment
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	X				3.1.2 Promoting safety and well-being
ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32(c)	X				3.1.1 Building an equitable and inclusive environment and 4.4 Whistleblowing system
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88(b) and (c)	X		X		3.1.2 Promoting safety and well-being
ESRS S1-14 Number of days lost due to injuries, accidents, fatalities or illness, paragraph 88(e)	X				3.1.2 Promoting safety and well-being
ESRS S1-16 Unadjusted gender pay gap, paragraph 97(a)	X		X		3.1.1 Building an equitable and inclusive environment
ESRS S1-16 Excessive CEO pay ratio, paragraph 97(b)	X				3.1.1 Building an equitable and inclusive environment
ESRS S1-17 Incidents of discrimination, paragraph 103(a)	X				3.1.1 Building an equitable and inclusive environment
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD, paragraph 104(a)	X		X		3.1.1 Building an equitable and inclusive environment
ESRS 2 SBM-3 - S2 Significant risk of child labour or forced labour in the value chain, paragraph 11(b)	X				3.2 Workers in the value chain
ESRS S2-1 Human rights policy commitments, paragraph 17	X				3.2 Workers in the value chain
ESRS S2-1 Policies related to value chain workers, paragraph 18	X				3.2 Workers in the value chain
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19	X		X		3.2 Workers in the value chain
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organization Conventions 1 to 8, paragraph 19			X		3.2 Workers in the value chain
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	X				3.2 Workers in the value chain and 4.4 Whistleblowing system
ESRS S3-1 Human rights policy commitments, paragraph 16	X				3.4 Support for local communities
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines, paragraph 17	X		X		3.2 Workers in the value chain
ESRS S3-4 Human rights issues and incidents, paragraph 36	X				3.3.1 Commitment to affected communities (actions)
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	X				Not available
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 17	X		X		Not available
ESRS S4-4 Human rights issues and incidents, paragraph 35	X				3.2 Workers in the value chain and 4.4 Whistleblowing system
ESRS G1-1 United Nations Convention against corruption, paragraph 10(b)	X				4.3 Anti-corruption policies
ESRS G1-1 Protection of whistleblowers, paragraph 10(d)	X				4.4 Whistleblowing system
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24(a)	X		X		4.3 Anti-corruption policies
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24(b)	X				4.3 Anti-corruption policies

REPORT ON THE AUDIT OF THE SUSTAINABILITY STATEMENT

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Independent auditor's limited assurance report on the consolidated sustainability statement in accordance with article 14-bis of Legislative Decree 39/2010

To the Shareholders of

Aquafil SpA

Conclusion

In accordance with articles 8 and 18, paragraph 1, of Legislative Decree 125/2024 (the "Decree"), we have undertaken a limited assurance engagement on the consolidated sustainability statement of the Aquafil group (the "Group") for the year ended 31 December 2025 prepared in accordance with article 4 of the Decree, presented in the specific section of the consolidated report on operations.

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability statement of the Aquafil group for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with the reporting criteria adopted by the European Commission pursuant to Directive (EU) 2013/34/UE ("European Sustainability Reporting Standards", also the "ESRS");
- the information set out in paragraph "2.6 Alignment with the European Taxonomy" of the consolidated sustainability statement is not prepared, in all material respects, in accordance with article 8 of Regulation (UE) 852/2020 (the "Taxonomy Regulation").

PricewaterhouseCoopers SpA

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Basis for conclusion

We conducted our limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under this standard are further described in the "Auditor's responsibilities for the limited assurance conclusion on the consolidated sustainability statement" section of this report.

We are independent in accordance with the principles of ethics and independence applicable to assurance engagements on consolidated sustainability statements under Italian law.

Our firm applies International Standard on Quality Management 1 (ISQM Italia 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the directors and the board of statutory auditors of Aquafil SpA for the consolidated sustainability statement

The directors of Aquafil SpA are responsible for developing and implementing the procedures adopted to identify the information included in the consolidated sustainability statement in accordance with the provisions of the ESRS (the "materiality assessment process") and for describing those procedures in the note "1.4 Materiality Analysis" of the consolidated sustainability statement.

The directors are also responsible for preparing the consolidated sustainability statement, which contains the information identified through the materiality assessment process, in accordance with the provisions of article 4 of the Decree, including:

- its compliance with the ESRS;
- its compliance with article 8 of the Taxonomy Regulation of the information set out in paragraph "2.6 Alignment with the European Taxonomy".

That responsibility involves designing, implementing and maintaining, in the terms prescribed by law, such internal control as they determine is necessary to enable the preparation of a consolidated sustainability statement in accordance with article 4 of the Decree that is free from material misstatement, whether due to fraud or error. That responsibility also involves selecting and applying appropriate methods for processing the information, as well as developing hypotheses and estimates about specific items of sustainability information that are reasonable in the circumstances.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

Inherent limitations in the preparation of the consolidated sustainability statement

As reported in paragraph "1.1 Methodological note", forward-looking information reporting requires Directors to generate such data based on assumptions, outlined in sustainability reporting, regarding future events and potential actions the Group might take. Given the inherent uncertainty associated with the occurrence of future events, both with respect to their actual occurrence and with respect to their scale and timing, it is possible that there may be significant discrepancies between the forward-looking information and the actual data.

As reported in paragraph "2.1.3 GHG emissions", information on Scope 3 emissions is inherently more limited than Scope 1 and 2 emissions information. This is due to the limited availability and relative accuracy of the data used to determine the emissions themselves, both quantitatively and qualitatively, along the entire value chain.

Auditor's responsibilities for the limited assurance conclusion on the consolidated sustainability statement

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that contains our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated sustainability statement.

As part of our engagement designed to achieve limited assurance in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia), we exercised professional judgement and maintained professional scepticism throughout the engagement.

Our responsibilities include:

- Performing risk assessment procedures to identify the disclosures where a material misstatement, whether due to fraud or error, is likely to arise;
- Designing and performing procedures to verify the disclosures where a material misstatement is likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Directing, supervising and performing a limited assurance engagement on the consolidated sustainability statement and assuming full responsibility for the conclusion on the consolidated sustainability statement.

Summary of the work performed

An engagement designed to obtain limited assurance involves performing procedures to obtain evidence as a basis for our conclusion.

The procedures performed were based on our professional judgement and included inquiries, primarily of personnel of Aquafil SpA responsible for the preparation of the information presented in the consolidated sustainability statement, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

We performed the following main procedures:

- We understood the Group's business model and strategies, and the environment in which it operates with reference to sustainability issues;
- We understood the processes underlying the generation, collection and management of the qualitative and quantitative information included in the consolidated sustainability statement;
- We understood the process implemented by the Group to identify and assess the material impacts, risks and opportunities, in accordance with the double materiality principle, related to sustainability issues and, based on the information thus obtained, we considered whether any contradictory items emerged that could point to the existence of sustainability issues not considered by the Company in the materiality assessment process;
- We identified the disclosures where a material misstatement is likely to arise;
- We defined and performed procedures, based on our professional judgement, to address the risks of material misstatement identified;
- We understood the process implemented by the Group to identify the eligible economic activities and to determine whether they are aligned in accordance with the provisions of the Taxonomy Regulation, and we verified the related disclosures in the consolidated sustainability statement;
- We reconciled the information reported in the consolidated sustainability statement with the information reported in the consolidated financial statements in accordance with the applicable financial reporting framework, or with the accounting information used for the preparation of the consolidated financial statements, or with management accounting information;

- We verified the structure and presentation of disclosures included in the consolidated sustainability statement in accordance with the ESRS;
- We obtained management's representation letter.

Treviso, 31 March 2026

PricewaterhouseCoopers SpA

Signed by

Giorgio Simonelli

(Partner)

This report has been translated from the Italian original solely for the convenience of international readers.