



**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ON THE FOURTH ITEM ON THE
AGENDA OF THE SHAREHOLDERS' MEETING OF NEODECORTECH S.P.A., CONVENED ON
29 APRIL 2025 IN SINGLE CALL**

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS OF NEODECORTECH S.P.A.
ON THE PROPOSED RESOLUTIONS OF THE SHAREHOLDERS' MEETING

Shareholders,

you have been convened on 29 April 2025 for the Shareholders' Meeting ("**Meeting**") of Neodecortech S.p.A. ("**Neodecortech**" or the "**Company**") to review, *inter alia*, the following item on the agenda.

4. Presentation of the Neodecortech Group Sustainability Report at 31 December 2024.

This Report - prepared pursuant to Article 125-*ter*, paragraph 1, of Legislative Decree no. 58 of 24 February 1998, as amended and supplemented (the "**TUF**") and Article 84-*ter* of the Regulation adopted by CONSOB Resolution no. 11971 of 14 May 1999 (the "**Issuer Regulation**"), as amended and supplemented, and in accordance with Annex 3A to the Issuer Regulation (the "**Report**"), was approved by the Board of Directors in its meeting of 19 March 2025 and is made publicly available, within the time limits and in the manner envisaged by law and regulations, at the registered office in Via Provinciale 2, Filago (BG), as well as on the website (www.neodecortech.it, *Investors – Assemblee azionisti* section) and on the authorized storage mechanism "*1info*" on the website www.1info.it.

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With regard to item 4 on the agenda of the Meeting, the Board of Directors submits for your consideration the Neodecortech Group's non-financial disclosure (the "**Disclosure**").

In this regard, please note that, starting in 2022 (with regard to the year ended 31 December 2021), Neodecortech has reported annually on its management process, through a comprehensive and transparent representation of commitments made, related business objectives, and performance, by preparing, on a voluntary basis, the non-financial statement (NFS) referred to in Legislative Decree 254/2016, prepared following the guidelines issued by the Global Reporting Initiative and in line with the GRI Standards ("**GRI**").

Pursuant to Legislative Decree 125/2024 - which repealed Legislative Decree 254/2016 - Neodecortech will be required to include sustainability reporting in the Directors' Report on Operations starting in 2026, in relation to the year ending 31 December 2025.

In this transition period, the Company has chosen - on a voluntary basis and in continuity with the past - to provide non-financial disclosure in a separate report from the financial statements, in accordance with the methodologies and principles set forth in the GRI 2021 standards.

The information contained in the Group's Disclosure has been defined in a number of non-financial information areas of a social/environmental nature deemed material, taking account of the activities and characteristics of Neodecortech. For each area, a description is given of the relevant business model for managing and organizing activities, policies practiced and results achieved.

Additionally, for the purpose of preparing the Disclosure, account was taken of CONSOB's announcement on 1 March 2021 regarding climate change-related risks and opportunities, as per the recommendations of the *Task Force on Climate-related Financial Disclosures* (TCFD), established under the *Financial Stability Board* (FSB). The Report includes the information required by Article 8 of Regulation (EU) 2020/852 of 18 June 2020 (so-called "**Taxonomy Regulation**") and its delegated regulations.

In defining the structure and content of the Disclosure, the Company carried out a materiality analysis process aimed at identifying the topics that, in relation to its business profile, strategies, stakeholder expectations, and its context of operations, may be considered relevant in reflecting the

economic, environmental, and social impacts of the organization or influencing the decisions of the Group's stakeholders.

As in 2023, the 2024 Disclosure is based on a materiality analysis. The benchmark analysis, which took place during 2023, identified sustainability issues attributable to 4 different macro areas: governance and economic capital, relational and infrastructure capital, human capital, and environmental capital. The identified impacts were grouped based on their level of affinity to obtain a condensed list of 22 ESG topics for quantitative evaluation by top management and a representative sample of the company's main stakeholder categories: employees, suppliers, and customers. A questionnaire was used to assess the topics, with participants asked to prioritize each topic based on its level of relevance.

The Disclosure for 2024 was reviewed and approved by the Board of Directors at its meeting on 19 March 2025, after review by the Control, Risk and Sustainability Committee at its meeting on 17 March 2025, and then made available to the supervisory bodies (Board of Statutory Auditors and Independent Auditors) for their activities. The Disclosure was also subject to a limited assurance by BDO Italia S.p.A., which assessed its compliance and the principles and methodologies of the reporting standard used. The relevant report, separate from the statutory audit report, is attached to the Disclosure and published at the same time as the Disclosure.

The full text of the Disclosure accompanied by its annexes will be made available within the twenty-one days prior to the Shareholders' Meeting at the registered office in Via Provinciale 2, Filago (BG), as well as on the website (www.neodecortech.it, *Investors – Assemblee azionisti* section), and on the authorized storage mechanism "*1info*" at www.1info.it.

All that said, the Shareholders' Meeting of Neodecortech S.p.A. is called to review the Group's Consolidated Non-Financial Statement at 31 December 2024.

Filago, 19 March 2025

For the Board of Directors

The Vice Chairman

signed Gianluca Valentini