

**AVIO S.p.A.**

**EXTRAORDINARY SHAREHOLDERS' MEETING**

**3 March 2026 (single call)**

**Explanatory report of the Board of Directors pursuant to Article 125-ter of Legislative Decree No. 58 of 24 February 1998, as subsequently amended ("TUF"), and Article 72 of the Regulations adopted by Consob with Resolution No. 11971 of 14 May 1999, as subsequently amended ("Issuers' Regulations"), on the sole item on the agenda:**

**Amendment of Articles 11, 12, 14, 16, 17 and 22 of the By-laws. Related and consequent resolutions.**

Dear Shareholders,

you are hereby convened to the Extraordinary Shareholders' Meeting of Avio S.p.A. ("**Avio**" or the "**Company**") to discuss and resolve on 3 March 2026 on the sole item on the agenda concerning the proposal to approve the amendments to the By-laws set out in this explanatory report of the Board of Directors, prepared in accordance with Article 125-ter of the Consolidated Law on Finance and Article 72 of the Issuers' Regulations, in accordance with the provisions of Schedule No. 3 of Annex 3A to the Issuers' Regulations.

The amendments to the By-laws submitted for approval by the Extraordinary Shareholders' Meeting, mainly concerning the Company's governance structure, were drawn up by the Board in the exercise of its power to assess the corporate governance system and in order to take into account the recent growth of Avio's business.

In particular, over the last three years, the Company has launched new activities in the United States with a view to growing in the US Defence sector, recording significant growth in its business <sup>(1)</sup>. In September 2025, Avio also approved a business plan that envisages a significant increase in revenues by 2030, including among its planned activities the development of its own major industrial facility in the United States. In order to meet its growth and development objectives, Avio completed a capital increase of Euro 400 million in November 2025 and has the option to further increase its capital by 10% over the next few years. In addition, the Company announced to the market, on January 29, 2026, an upward revision of the 2025 guidance as a result of the increase of backlog and revenues, and exceeded market expectations in respect of net cash position. These results confirm the Company's growth perspectives for the future and, at the same time, also highlight the challenges that it will face in the coming years.

The Company also recorded significant changes in its shareholding structure and the liquidity profile of its shares, namely:

- the largest shareholder has reduced its shareholding by one third and currently holds approximately 19% of the Company's share capital (compared to approximately 29% previously held);
- the free float has increased, on the date hereof equal to approximately 60% of the total;
- approximately 20% of Avio's share capital is currently held by US investors;
- the average liquidity of the stock recorded during 2025 was more than 10 times higher than that recorded in the previous financial year 2024 <sup>(2)</sup>, and the volumes traded on foreign markets increased from approximately 20% at the beginning of 2024 to approximately 50% at the end of 2025 <sup>(3)</sup>;

<sup>1</sup> Please note that Avio signed contracts with Raytheon and the US Army in July 2024, followed by new contracts signed in 2025 to provide, *inter alia*, industrial capabilities and expertise in the production, assembly, integration and testing of solid propellant engines for tactical missiles.

<sup>2</sup> Company estimates based on Factset data.

<sup>3</sup> Estimates by Avio's advisor based on Bloomberg data.

- market capitalisation increased considerably, to over Euro 1.5 billion.

In light of the significant growth recorded by the Company over the last three years and of the enlargement of the shareholding structure, on 29 January 2026, the Board of Directors of Avio resolved to submit to the Extraordinary Shareholders' Meeting, called on 3 March 2026, a proposal concerning the adoption of certain amendments to the By-laws relating to the governance of the Company in line with market best practices also widely adopted in the international markets where the Company's business is focusing. In particular, these proposals, carefully evaluated by the Company's corporate bodies through a preliminary review process aimed at analyzing the benefits linked to a potential increase of the management efficiency and control systems effectiveness, are essentially aimed at (i) ensuring greater operational and decision-making agility of the Board of Directors, (ii) containing any increase in corporate governance costs linked to the raised complexity of the scope of associated activities, (iii) adapting the Bylaws to certain recent legislative developments, including those concerning the slate submitted by the outgoing Board of Directors, and (iv) making certain amendments for revision and coordination of the text.

During the aforementioned preliminary review process, the Board of Directors appointed an independent advisor – an experienced governance expert with international expertise – to carry out a benchmark analysis aimed at assessing governance practices in relation to the proposed amendments to the By-laws and the efficiency and representativeness requirements to be pursued, also taking into account the corporate governance recommendations adopted by institutional investors operating in the domestic market. The analysis also examined a group of comparable issuers, identified among companies whose shares are traded on Euronext Milan, STAR Segment, organised and managed by Borsa Italiana S.p.A.

The benchmark analysis shows that the number of board members of the Companies included in the STAR segment ranges between 7 and 13 members with an average of 9.1 directors. Directors expressed by minority slates are equal to 1.2; 82% of companies provide for only one.

Please also note that the analysis of the composition of the boards of directors of the companies in the sample at the end of the 2024 financial year also takes into account (i) companies in which, at the last renewal, only one slate was submitted and, therefore without minority slate representation, and (ii) companies in which the minority director has resigned and been replaced in accordance with the law and the by-laws. These cases show that the actual ratio of seats assigned to directors from minority slates to the total number of seats is less than 10%, *i.e.* equal to 1 directors.

Avio is a "widely held" company without a stable controlling shareholder and is thus different from the majority of listed companies in Italy. Among companies listed in the STAR Segment with widely held capital (currently corresponding to 12% of the listing), the seats reserved for minorities are on average 1 out of a total average of 8 members of the Board of Directors. Furthermore, considering the latest renewals of STAR Segment companies, 13% of the sample registered the presentation of more than one minority slate.

Lastly, the benchmark results show that in over 75% of companies that provide for the allocation of two or more seats to minority slates, seat allocation methods have been adopted that allow candidates from slates other than the first and second in terms of number of votes to be elected, applying proportional or majority criteria.

Below is an explanation of the content and reasons for the proposed changes, as well as a comparison of the articles proposed for amendment in the current text and in the proposed text. The text proposed for deletion is indicated in ~~strikeout~~ and the text proposed for insertion is indicated in **bold**.

At the end of the comparison, the full text of the By-laws as it would result from the approval of the proposed amendments is provided.

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#### **Amendments to Article 11 – “ADMINISTRATIVE BODY. Composition, appointment, term and replacement”.**

##### *Amendments to the first paragraph of Article 11*

The amendment to the first paragraph of Article 11 of the By-laws aims to replace the variable number of Directors, ranging from a minimum of 9 to a maximum of 11, with a fixed number of Directors comprising the management body, equal to 9. In view of the prospective evolution of the Company's activities and its business perimeter, this amendment is intended to "streamline" the management body while preserving its operational and decision-making efficiency, as well as to containing any increase in corporate governance costs linked to the raised complexity of the scope of associated activities. This approach is also in line with established market benchmarks for companies of comparable size to Avio, as described above.

*Amendments to paragraphs 6, 9, 10, 12, 13 and 17 of Article 11, with consequent renumbering*

Together with the amendment referred to in paragraph 1 of Article 11 of the By-laws, it is proposed in paragraph 9 of the same article (i) to appoint No. 7 Directors from the slate that received the highest number of votes, and (ii) to reserve for the two minority slates receiving the most votes (instead of the current system based on a single minority slate) the possibility of appointing the remaining two directors, reducing the number of Directors currently appointed by the minority (from 3 to 2), in line with the reduction in the maximum total number of directors.

This proposal aims to give adequate representation to the various components of the shareholder base by increasing the number of minority slates that can compete for the appointment of a Director, thus enhancing the ability of Avio's management body to represent the interests of the diverse group of institutional investors present in Avio's ownership structure, in line with best market practices as described above.

The Board of Directors therefore proposes the adoption of a criterion for the appointment of the remaining two members of the Board of Directors, providing for a "threshold for access to the allocation" aimed at ensuring stability and cohesion in the functioning of the management body, whereby, without prejudice to the legal requirement to ensure that the first minority slate has the possibility of appointing at least one Director, the second minority slate may compete for the appointment of a member of the Board, provided, however, that it has a sufficient degree of representativeness.

That said, the proposed amendment to Article 11.9 of the By-laws is as follows:

- (i) from the slate that obtained the highest number of votes (the "**Majority Slate**"), a number of Directors equal to the total number of members to be elected except for 2 (two) shall be drawn in sequential order as listed on the slate; and
- (ii) the remaining two (2) Directors shall be drawn, in sequential order as listed on the slate, from the slate that received the second highest number of votes (the "**First Minority Slate**") and, where applicable, from the slate that received the third highest number of votes (the "**Second Minority Slate**") and, together with the First Minority Slate, the "**Minority Slates**"), provided that the Minority Slates are not, respectively, connected – even indirectly – with the Shareholders who submitted or voted for the Majority Slate, in accordance with the following procedures:
  - (a) if the ratio between the total votes obtained by the Second Minority Slate and the total votes obtained by the First Minority Slate is equal to or greater than 25% of the total votes obtained by the First Minority Slate, one (1) Director shall be appointed from the First Minority Slate and one (1) Director shall be appointed from the Second Minority Slate;
  - (b) if the ratio between the total votes obtained by the Second Minority Slate and the total votes obtained by the First Minority Slate is less than 25% of the total votes obtained by the First Minority Slate, two (2) Directors shall be drawn from the First Minority Slate.

In light of the above criterion for allocating the remaining two Directors of the Board between the two most voted Minority Slates (instead of the current allocation mechanism), it is proposed to amend:

- (i) paragraph 6 of Article 11, providing that each slate containing: (i) no more than 4 (four) candidates must include and indicate at least one (1) candidate board member who meets the independence requirements set forth in applicable regulations and the Corporate Governance Code of Borsa Italiana

S.p.A.; or (ii) a number of candidates exceeding 4 (four) must include and indicate at least 2 (two) candidates board member who meet the independence requirements set forth in applicable regulations and in the Corporate Governance Code of Borsa Italiana S.p.A.;

- (ii) paragraphs 10 (current paragraph 9), 12 (current paragraph 11) and 13 (current paragraph 12) of Article 11, in order to align the mechanisms designed to ensure that, following the election, the required composition of the Board of Directors is guaranteed, including with regard to the rules on gender balance and independence requirements, in line with the new paragraph 9;
- (iii) the numbering of the current paragraph 13 of Article 11 of the By-laws;
- (iv) paragraph 17 (current paragraph 15), providing that, with regard to the replacement of Directors who ceases to hold office during their term, the Board of Directors shall appoint the new Director according to different criteria depending on whether the Director to be replaced was drawn from the Majority Slate or the Minority Slates, without prejudice to compliance with the criteria set forth in the *pro-tempore* regulations in force and the By-laws regarding independent directors and gender balance:
  - (a) in the case of replacement of a director appointed from the Majority Slate, the Board of Directors shall co-opt the director to succeed the former director, choosing someone also from outside the Majority Slate; or
  - (b) in the case of replacement of a director appointed from the First and/or the Second Minority Slate, the Board of Directors shall co-opt a director to succeed the former director, where possible, from among the unappointed candidates on the minority slate from which the former Director was drawn, in accordance with the sequential order of the slate, or, where this criterion cannot be applied, choosing the director to succeed the former director from outside the Minority Slates.

*Amendments to paragraphs 4, 5, 6, 8 and 15 of Article 11, with consequent renumbering, concerning the slate of the outgoing Board of Directors, and to paragraph 2 of Article 12*

As is well known, Law No. 21 of 5 March 2024 introduced, *inter alia*, Article 147-ter.1 into the Consolidated Law on Finance, which regulates the procedures for drawing up, presenting and voting on the slate of candidates that the outgoing Board of Directors may submit when renewing the aforementioned management body. This provision was then implemented by Consob Resolution No. 23725 of 29 October 2025, published in the Official Gazette on 12 November 2025.

Given that Avio's current By-laws already provide for the possibility for the outgoing Board of Directors to submit its own slate for the renewal of the management body, it is proposed to amend the Articles of Association to align them with the new regulatory framework.

To this end, the proposed new paragraph 15 of Article 11 of the By-laws provides that if the slate receiving the most votes is that submitted by the outgoing Board of Directors, the two (2) members of the new Board of Directors to be appointed from the other slates submitted by the Shareholders are drawn in accordance with the following procedures:

- (i) if the total number of votes obtained by the slates submitted by the Shareholders, up to a maximum of two ranked by number of votes obtained at the meeting, does not exceed 20% of the total votes cast, the aforementioned minority slates shall contribute to the allocation of seats on the Board of Directors in accordance with the mechanism provided for in Article 11.9 of the By-laws for cases where the slates are submitted exclusively by the Shareholders;
- (ii) if the total number of votes cast at the meeting for the slates submitted by the Shareholders, up to a maximum of two ranked by number of votes obtained at the meeting, exceeds 20% of the total votes cast, the members of the new Board of Directors representing the minorities shall be assigned to the minority slates submitted by the Shareholders who have obtained a percentage of votes not less than 3%; to this end, the votes obtained by the slates themselves shall be divided subsequently by one and two. The quotients thus obtained shall be assigned progressively to the candidates on each of these

slates, according to the ranking provided for by the slates themselves. The quotients thus assigned to the candidates on the various slates shall be placed in a single descending ranking. Those who have obtained the highest quotients shall be elected. In the event that several candidates have obtained the same quotient, the candidate from the slate that has not yet elected any Directors shall be elected. If none of these slates has yet elected a Director, the candidate from the slate that has obtained the highest number of votes shall be elected from among these slates. In the event of a tie in the slate votes and with the quotient remaining unchanged, a new vote shall be held by the entire Meeting and the candidate who obtains a simple majority of the votes shall be elected;

- (iii) if the slate of the outgoing Board of Directors is the only one submitted, the Directors to be elected shall be drawn entirely from that slate.

It is also provided that the number of Directors to be elected shall be drawn from the slate of the outgoing Board of Directors that received the highest number of votes, based on the order in which candidates are listed on the slate, in accordance with Article 147-ter.1, paragraph 3, letter (a) of the Consolidated Law on Finance.

In light of the amendments referred to in the new paragraph 15 of Article 11 of the By-laws, the following adjustments are proposed:

- (i) paragraph 4 of Article 11, providing that the outgoing Board of Directors may submit its own slate in accordance with the procedures and obligations set out in the regulations in force at the time;
- (ii) paragraph 5 of Article 11, specifying that the slates must be filed in accordance with the procedures and terms prescribed by the regulations in force, depending on whether the slate is submitted by the outgoing Board of Directors or by the Shareholders;
- (iii) paragraph 6 of Article 11, specifying that the slate submitted by the outgoing Board of Directors must contain a minimum number of candidates equal to the number of members to be elected plus one third;
- (iv) paragraph 8 of Article 11, referring to the new Article 11, paragraph 15, with regard to the individual voting of candidates on the slate of the outgoing Board of Directors at the Shareholders' Meeting;
- (v) the renumbering of the current paragraphs 14, 15 and 16 of Article 11 of the By-laws;
- (vi) paragraph 2 of Article 12, providing, as indicated in Article 147-ter.1, paragraph 4, of the Consolidated Law on Finance, that if the slate of the Board of Directors has received the highest number of votes at the Shareholders' Meeting, the Chairman of the Committee responsible for internal control and risk management shall be appointed from among the independent directors elected who have not been drawn from the slate of the outgoing Board of Directors.

#### **Amendments to Article 14 – “Powers and resolutions”**

The Board of Directors proposes to amend Article 14.2 of the Bylaws to correct a typo <sup>(4)</sup>.

#### **Amendments to Article 16 – “Appointment of the senior manager in charge”**

The Board of Directors proposes to amend the article of the By-laws concerning the appointment of the manager responsible for preparing the company's financial reports (the “**Manager in Charge**”) in order to incorporate the new regulations introduced by Legislative Decree No. 125/2024, adopted in application of Article 13 of Law No. 15 of 21 February 2024, No. 15, which implements Directive (EU) 2022/2464 (the so-called Corporate Sustainability Reporting Directive, CSRD) on corporate sustainability reporting. In particular, the aforementioned

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<sup>4</sup> Please note that the typo has been corrected in the Italian version of the Illustrative Report.

legislative measure has, *inter alia*, introduced the new paragraph 5-*ter* of Article 154-*bis* of the Consolidated Law on Finance, according to which “*the delegated management bodies and the manager responsible for drawing up the company’s financial reports shall certify, in a specific report, that the sustainability reporting included in the management report has been prepared in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and the legislative decree adopted in implementation of Article 13 of Law No. 15 of 21 February 2024, and with the specifications adopted pursuant to Article 8, paragraph 4, of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020*”.

Seizing the opportunity offered by the new paragraph 5-*ter* of Article 154-*bis* of the Consolidated Law on Finance, it is proposed to amend Article 16 of the By-laws in order to provide for the option of entrusting this certification to a manager with specific expertise in sustainability reporting and appointed after having obtained the mandatory opinion of the control body, who may be different from the Manager in Charge.

**Amendments to Article 17 – “BOARD OF STATUTORY AUDITORS AND LEGAL CONTROL OF THE ACCOUNTS. Appointment, term and replacement.”**

The proposed amendments to Article 17 of the By-laws are intended to refine the formal wording and, for greater clarity of procedure, to provide that in the event that several minority slates have obtained the same number of votes, the oldest candidate on the slate, standing auditor and alternate auditor, shall be elected.

**Amendment to Article 22 – “Referral – transitional clause”**

Through the inclusion of a final transitional provision, it is specifically provided that the amendment to the By-laws referred to in Article 11.1 concerning the composition of the Board of Directors, which will be submitted to the Extraordinary Shareholders’ Meeting convened on 3 March 2026, shall apply from the first renewal of the management body following approval by the Shareholders’ Meeting of the new text of the By-laws.

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In relation to the above, the current text of the By-laws is set out below, together with a comparison column showing the proposed amendments (the amendments are shown in bold).

Art. 11	Art. 11
11.1 The Company is managed by a board of directors made up of nine members, or by eleven members according to what has been decided by the annual shareholders' meeting.	11.1 The Company is managed by a board of directors made up of nine members, <del>or by eleven members according to what has been decided by the annual shareholders' meeting.</del>
[OMISSIS]	[OMISSIS]
11.4 Not only the outgoing Board of Directors is allowed to submit the slate for the appointment of directors, as it can also be submitted by shareholders which, at the time the slate was submitted, are holders, alone or together with other shareholders seconding the nomination, of shares equal to the percentage determined by the CONSOB in accordance with normative and regulatory dispositions. Possession of the minimum percentage for participation is determined by the shares registered to the shareholder on the date on which the slates are submitted to the issuer. The certification can be reproduced even after submission	11.4 <del>Not only the outgoing Board of Directors is</del> <b>Are</b> allowed to submit the slate for the appointment of directors <b>(i) the outgoing Board of Directors in accordance with the terms and requirements set forth in the regulations in force at the time</b> , <del>as it can also be submitted by</del> <b>and (ii)</b> shareholders which, at the time the slate was submitted, are holders, alone or together with other shareholders seconding the nomination, of shares equal to the percentage determined by the CONSOB in accordance with normative and regulatory dispositions. Possession of the minimum percentage for participation is determined by the shares registered to the

of the slate, provided that it is done by the deadline for publication of the slates.	shareholder on the date on which the slates are submitted to the issuer. The certification can be reproduced even after submission of the slate, provided that it is done by the deadline for publication of the slates.
11.5 The slates are lodged at the registered office of the company and then published in the manner and by the deadlines prescribed by rules in force.	11.5 The slates are lodged at the registered office of the company and then published in the manner and by the deadlines prescribed by rules in force, <b>depending on whether the slate is submitted by the outgoing Board of Directors or by the Shareholders.</b>
11.6 Slates are required to have no less than two nominees and no more than the number of directors to be appointed, each assigned a consecutive number. Every slate must contain and specifically name at least two directors meeting the requirement of independence provided by applicable legislation and by the Code of Conduct of Borsa Italiana SpA. Slates containing a number of nominees equal to or greater than three cannot be made up of nominees belonging to the same gender (male or female). These slates must include a number of nominees of the gender with less nominees so as to ensure that the composition of the board of directors comply with applicable legal and regulatory disposition on the issue of gender equality and equal opportunity for men and women, although if application of the gender equality criterion does not result in an even number, the latter must be rounded up to the higher unit.	11.6 Slates <b>submitted by Shareholders</b> are required to have no less than two nominees and no more than the number of directors to be appointed, <b>while the slate submitted by the outgoing Board of Directors shall include a minimum number of candidates equal to the number of members to be elected plus one third.</b> <del>Each candidate included in the slates is assigned a consecutive number. Each slate containing (i) no more than 4 (four) candidates must include and indicate at least one (1) candidate board member who meets the independence requirements set forth in applicable regulations and the Corporate Governance Code of Borsa Italiana S.p.A., or (ii) a number of candidates exceeding 4 (four) must include and designate at least 2 (two) candidates board member who meet the independence requirements set forth in applicable regulations .Every slate must contain and specifically name at least two directors meeting the requirement of independence provided by applicable legislation and by the Code of Conduct of Borsa Italiana S.p.A. Slates containing a number of nominees equal to or greater than three cannot be made up of nominees belonging to the same gender (male or female). These slates must include a number of nominees of the gender with less nominees so as to ensure that the composition of the board of directors comply with applicable legal and regulatory disposition on the issue of gender equality and equal opportunity for men and women, although if application of the gender equality criterion does not result in an even number, the latter must be rounded up to the higher unit.</del>
<i>[OMISSIS]</i>	<i>[OMISSIS]</i>
11.8 No shareholder can submit or play a role in submission, even through another person or trust company, of more than one slate or vote on different slates. In addition, each nominee can be included on just one slate, otherwise he or she is ineligible.	11.8 No shareholder can submit or play a role in submission, even through another person or trust company, of more than one slate or vote on different slates, <b>without prejudice to the provisions governing the individual voting of candidates at the Shareholders' Meeting pursuant to Article 11.15 of the By-laws.</b> In addition, each nominee can be included on just one slate, otherwise he or she is ineligible.
11.9 At the end of voting, the nominee of the two slates who obtained the higher number of votes and meet the following criteria shall be elected: (i) according to the order of submission a number of directors equal to the total number	11.9 <b>Except in cases where the slate obtaining the most votes is that submitted by the outgoing Board of Directors pursuant to Article 11.15 of the By-laws,</b> At the end of voting, <del>the nominee of the two slates who obtained the</del>

<p>of members to be elected except three shall be taken from the slate that obtained the highest number of votes (the "Majority Slate"); and (ii) according to the order of submission of the nominees on the same slate three directors, of which at least an independent one, shall be taken from the slate that obtained the second highest number of votes (the "Minority Slate") who are not even indirectly connected with the shareholders who submitted or with those who voted for the slate that came first with the highest number of votes. In the event the Majority Slate, or the Minority Slate, depending on the case, does not contain a sufficient number of nominees for election of the number of directors from each of them, due according to the above criterion, the number of directors not on the slate shall be taken from the other slate, depending on the case, either the Minority or the Majority Slate, in the same order indicated on the slate.</p> <p>Slates that did not obtain a percentage of votes equal to at least one-half of the percentage required for submission of the slates shall not be taken into account.</p>	<p>higher number of votes and meet the following criteria shall be elected <b>the appointment of Directors shall take place as follows:</b></p> <ul style="list-style-type: none"> <li>(i) according to the order of submission a number of directors equal to the total number of members to be elected except <del>two</del>three shall be taken from the slate that obtained the highest number of votes (the "Majority Slate"); and</li> <li>(ii) <b>the remaining two (2) Directors shall be drawn, according to the order submitted, from the slate that ranked second in terms of number of votes obtained (the "First Minority Slate") and, if any, from the slate that ranked third in terms of number of votes obtained (the "Second Minority Slate" and, together with the First Minority Slate, the "Minority Slates"), provided that the Minority Slates are not, respectively, connected – even indirectly – with the Shareholders who submitted or voted for the Majority Slate, in accordance with the following procedures:</b> <ul style="list-style-type: none"> <li>(a) if the ratio between the total votes obtained by the Second Minority Slate and the total votes obtained by the First Minority Slate is equal to or greater than 25% of the total votes obtained by the First Minority Slate, one (1) Director shall be appointed from the First Minority Slate and one (1) Director shall be appointed from the Second Minority Slate;</li> <li>(b) if the ratio between the total votes obtained by the Second Minority Slate and the total votes obtained by the First Minority Slate is less than 25% of the total votes obtained by the First Minority Slate, two (2) Directors shall be drawn from the First Minority Slate.</li> </ul> </li> </ul> <p><b>11.10</b> In the event the Majority Slate, or the Minority Slate, depending on the case, does not contain a sufficient number of nominees <b>to ensure reaching</b>for election of the number of directors <b>to be appointed pursuant to the previous Article 11.9</b> (i)from each of them, due according to the above criterion, <b>all candidates listed on the Majority Slate shall be drawn from that slate, according to the ranking indicated therein. After drawing the other two (2) directors from the Minority Slates according to the criteria set out in Article 11.9 (ii) above, the remaining directors for the positions not covered by the Majority Slate shall be selected from the First Minority Slate until the number of directors not on the slate shall be taken from the other slate, depending on the case, either the Minority or the Majority Slate, in the same order</b></p>
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	<p>indicated on the slate the capacity of that Slate is reached. In the event of the capacity being insufficient, the remaining Directors shall be drawn, in the same manner, from the Second Minority Slate, based on the number of votes and the capacity of the slates themselves. Lastly, if the total number of candidates included in the slates submitted (both in the Majority Slate and in the Minority Slates) is less than the number of Directors to be appointed, the remaining Directors shall be appointed by the Shareholders' Meeting by resolution passed with the majorities required by law, in compliance with the rules on the minimum number of independent directors and gender balance prescribed by the regulations in force at the time.</p> <p>Slates that did not obtain a percentage of votes equal to at least one-half of the percentage required for submission of the slates shall not be taken into account.</p>
11.10 In case some slates obtain the number of votes, the Shareholders' Meeting shall proceed with balloting, and only vote for the slates that received the same number of votes.	11.101 In case some slates obtain the number of votes, the Shareholders' Meeting shall proceed with balloting, and only vote for the slates that received the same number of votes.
<p>11.11 If at the end of voting legal and regulatory dispositions on the matter of gender equality and equal opportunity for men and women have not been respected (including rounding up to the higher unit in the event application of the gender equality criterion does not result in an even number), the replacement mechanisms specified below shall apply in the order given.</p> <p>A) The last nominees to be elected from the Majority Slate belonging to the gender with the highest number is replaced by the first nominees not elected belonging to the gender with the smallest number, taken from the same slate;</p> <p>B) When the replacement described in the preceding letter A) does not allow for reaching the minimum threshold established by provisions, regulations or the law in force on gender equality (including rounding up to the highest unit in case application of the gender equality criterion does not result in an even number), the last nominees who would have been elected from the Minority Slate belonging to the gender with the highest number is replaced by the first nominees not elected belonging to the gender with the smallest number, taken from the same slate;</p> <p>C) When the replacements described in the preceding letter A) and B) do not allow for reaching the minimum threshold established by provisions, regulations or the law in force on gender equality (including rounding up to the highest unit in case application of the gender equality criterion does not result in an even number), the replacement is made in relation to the second to last nominees who would have been elected from the Majority Slate belonging</p>	<p>11.112 If at the end of voting legal and regulatory dispositions on the matter of gender equality and equal opportunity for men and women have not been respected (including rounding up to the higher unit in the event application of the gender equality criterion does not result in an even number), the replacement mechanisms specified below shall apply in the order given.</p> <p>A) The last nominees to be elected from the Majority Slate belonging to the gender with the highest number is replaced by the first nominees not elected belonging to the gender with the smallest number, taken from the same slate;</p> <p>B) <del>When</del> When the replacement described in the preceding letter A) does not allow for reaching the minimum threshold established by provisions, regulations or the law in force on gender equality (including rounding up to the highest unit in case application of the gender equality criterion does not result in an even number), the last nominees who would have been elected from the <b>First</b> Minority Slate belonging to the gender with the highest number is replaced by the first nominees not elected belonging to the gender with the smallest number, taken from the same slate <b>or, subsidiarily, the last of the candidates who would be appointed from the Second Minority Slate and belonging to the most represented gender is replaced by the first of the unelected candidates, taken from the same slate, belonging to the least represented gender;</b></p> <p>C) <del>When</del> When the replacements described in the preceding letter A) and B) do not allow for reaching the minimum threshold established by provisions,</p>

<p>to the gender with the highest number, and continue like this moving up the ranking from the bottom, considering only nominees who were elected from that slate.</p>	<p>regulations or the law in force on gender equality (including rounding up to the highest unit in case application of the gender equality criterion does not result in an even number), the replacement is made in relation to the second to last nominees who would have been elected from the Majority Slate belonging to the gender with the highest number, and continue like this moving up the ranking from the bottom, considering only nominees who were elected from that slate.</p>
<p>11.12 Following the mechanism described above, if at least one independent director has not been elected from the Majority Slate, the last non-independent nominee elected from the Majority Slate shall be replaced by the first independent nominee not elected from the same slate according to the order of presentation, and gender equality provided for by applicable laws and regulations shall be respected and apply in all cases. The procedure shall be the same in the event that after the mechanism described above at least one independent director has not been elected from the Minority Slate.</p>	<p>11.12<del>3</del> Following the mechanism described above, if at least <del>one independent director has not been elected</del> <b>the minimum number of Independent Directors required by law</b> <del>from the Majority Slate, the last non-independent nominee elected from the Majority Slate shall be replaced by the first independent nominee not elected from the same slate according to the order of presentation,</del> <b>Article 11.12 above shall apply, <i>mutatis mutandis</i></b>, and gender equality provided for by applicable laws and regulations shall be respected and apply in all cases. <del>The procedure shall be the same in the event that after the mechanism described above at least one independent director has not been elected from the Minority Slate.</del></p>
<p>11.13 If only one slate has been submitted, the shareholders' meeting shall vote on it and if it obtains the majority of the votes, all members of the board of directors shall be taken from the slate in compliance with legal and regulatory dispositions on the matter of gender equality and equal opportunity for men and women (including rounding up to the higher unit in the event application of the gender equality criterion does not result in an even number).</p>	<p>11.13<del>4</del> If only one slate has been submitted, the shareholders' meeting shall vote on it and if it obtains the majority of the votes, all members of the board of directors shall be taken from the slate in compliance with legal and regulatory dispositions on the matter of gender equality and equal opportunity for men and women (including rounding up to the higher unit in the event application of the gender equality criterion does not result in an even number).</p>
<p>–</p>	<p>11.15 If the slate receiving the most votes is that submitted by the outgoing Board of Directors, the two members of the new Board of Directors to be appointed from the other slates submitted by the shareholders shall be drawn as follows:</p> <ul style="list-style-type: none"> <li>(i) if the total number of votes obtained by the slates submitted by the Shareholders, up to a maximum of two ranked by number of votes obtained at the meeting, does not exceed 20% of the total number of votes cast, the aforementioned minority slates shall contribute to the allocation of seats on the Board of Directors in accordance with the mechanism set out in Article 11.9 (ii) of the By-laws in the event that the slates are submitted exclusively by Shareholders;</li> <li>(ii) if the total number of votes cast at the meeting for the slates submitted by the Shareholders, up to a maximum of two ranked by the number of votes obtained at the meeting, exceeds 20% of the total votes cast, the members of the new Board of</li> </ul>

	<p>Directors representing minority shareholders shall be appointed from the minority slates submitted by Shareholders who have obtained at least 3% of the votes; to this end, the votes obtained by the slates themselves shall be divided subsequently by one and two. The quotients thus obtained shall be assigned progressively to the candidates on each of these slates, according to the order provided for by the slates themselves. The quotients thus assigned to the candidates on the various slates shall be arranged in a single descending ranking. Those who have obtained the highest quotients shall be elected. In the event that several candidates have obtained the same quotient, the candidate from the slate that has not yet appointed any Directors shall be elected. If none of these slates has yet appointed a Director, the candidate from the slate that has obtained the highest number of votes shall be elected. In the event of a tie in the slate votes and the same quotients, a new vote shall be held by the entire Shareholders' Meeting, and the candidate who obtains a simple majority of the votes shall be appointed;</p> <p>(iii) if the slate of the outgoing Board of Directors is the only one submitted, the Directors to be appointed shall be drawn entirely from that slate.</p> <p>From the slate of the outgoing Board of Directors that received the highest number of votes, the number of Directors to be appointed is determined based on the sequential order in which the candidates are listed, as follows: 1) the Shareholders' Meeting shall carry out an individual vote on each candidate; 2) the candidates are ranked according to the number of votes obtained by each of them, from highest to lowest; 3) the candidates who have obtained the highest number of votes are appointed, according to the number of positions to be assigned; 4) in the event of a tie between candidates, the order in which they are listed on the slate shall prevail. All members present at the Shareholders' Meeting, either directly or through a representative, may participate in the individual vote referred to above.</p>
<p>11.14 When there is no slate, or only one is submitted but it does not obtain the majority of the votes, or if the number of directors elected on the basis of the slates submitted is less than the number of members to be elected, or if the whole board of directors does not have to be replaced, or if it is impossible for any reason to proceed with appointment of the board of directors by the procedures provided for by this article, the members of the board of directors shall be appointed by the shareholders' meeting in the manner and with ordinary majorities, without following the voting slate procedure, although it is obligatory to keep the minimum number of independent directors established by law and to</p>	<p>11.146 When there is no slate, or only one is submitted but it does not obtain the majority of the votes, or if the number of directors elected on the basis of the slates submitted is less than the number of members to be elected, or if the whole board of directors does not have to be replaced, or if it is impossible for any reason to proceed with appointment of the board of directors by the procedures provided for by this article, the members of the board of directors shall be appointed by the shareholders' meeting in the manner and with ordinary majorities, without following the voting slate procedure, although it is obligatory to keep the minimum number of independent directors established by law and to</p>

comply with applicable legal and regulatory dispositions on gender equality.	comply with applicable legal and regulatory dispositions on gender equality.
<p>11.15 In the event for any reason one or more directors is no longer in office, or is about to leave his or her office, the board of directors shall provide by co-option and choose, if possible, from the nominees not elected from the slate the outgoing director was taken from, by choosing the next nominee in consecutive order, although it is obligatory to keep the minimum number of independent directors established by law and respect applicable legal and regulatory dispositions on gender equality.</p>	<p>11.157 In the event for any reason one or more directors is no longer in office, <del>or is about to leave his or her office</del>, the board of directors <b>provides for replacement as follows without prejudice to compliance with the criteria set forth in the <i>pro-tempore</i> regulations in force and the By-laws regarding independent directors and gender balance:</b></p> <p>(i) in the case of replacement of a director appointed from the Majority Slate, the Board of Directors shall co-opt the director to succeed the former director, choosing someone also from outside the Majority Slate; or</p> <p>(ii) in the case of replacement of a director appointed from the First and/or the Second Minority Slate, the Board of Directors shall co-opt a director to succeed the former director <del>shall provide by co-option and choose, if possible, from the nominees not elected from the minority slate the outgoing director was taken from, by choosing the next nominee in consecutive order, or, where this criterion cannot be applied, choosing the director to succeed the former director from outside the Minority Slates although it is obligatory to keep the minimum number of independent directors established by law and respect applicable legal and regulatory dispositions on gender equality.</del></p>
<p>11.16 In the event of termination from office for any reason of over one-half of the directors appointed by the shareholders' meeting, the whole board of directors shall be terminated with effect from the moment the new board of directors is formed and the directors still in office shall urgently convene the shareholders' meeting to appoint the new board of directors.</p>	<p>11.168 In the event of termination from office for any reason of over one-half of the directors appointed by the shareholders' meeting, the whole board of directors shall be terminated with effect from the moment the new board of directors is formed and the directors still in office shall urgently convene the shareholders' meeting to appoint the new board of directors.</p>
<b>Art. 12</b>	<b>Art. 12</b>
<p>12.2 Within the limits provided by law and this by-laws, the board can delegate some of its duties to an executive committee, determine limits to the delegation and the number of its members, its working procedures and appoint one or more managing directors, determine their powers and delegated organs shall report to the Board of Directors and the Board of Statutory Auditors quarterly. In addition, the board of directors can form one or more committees with advisory, inquiry and supervisory duties, and also make proposals, with the competencies determined by the Board of Directors. In such cases, the Board of Directors also decides on the composition and way in which committees work. The board of directors can also appoint general managers, decide on their powers and grant powers of attorneys to third parties for certain deeds or certain types of deeds.</p>	<p>12.2 Within the limits provided by law and this by-laws, the board can delegate some of its duties to an executive committee, determine limits to the delegation and the number of its members, its working procedures and appoint one or more managing directors, determine their powers and delegated organs shall report to the Board of Directors and the Board of Statutory Auditors quarterly. In addition, the board of directors can form one or more committees with advisory, inquiry and supervisory duties, and also make proposals, with the competencies determined by the Board of Directors. In such cases, the Board of Directors also decides on the composition and way in which committees work, <b>provided that, if the slate receiving the highest number of votes is that submitted by the outgoing Board of Directors pursuant to Article 11.15 of the By-laws, the Chairman of the committee responsible for internal control and risk management shall be chosen from among the independent directors elected who were not drawn from the</b></p>

	<b>slate of the outgoing Board of Directors.</b> The board of directors can also appoint general managers, decide on their powers and grant powers of attorneys to third parties for certain deeds or certain types of deeds.
Art. 16	Art. 16
[OMISSIS]	[OMISSIS]
14.2 Pursuant to Art. 2365, paragraph 2, of the Italian Civil Code, it is also within the competence of the board of directors to adopt the following resolutions, without prejudice to the simultaneous competence of the shareholders' meeting: (i) opening and closing secondary offices; (ii) reduction of the share capital after withdrawal; (iii) adaptation of the by-laws to regulations; (iv) moving the registered office of the company elsewhere in the country; (v) merger or break-up of the company in the cases provided by law, specification of which directors are vested with legal representation of the company.	14.2 Pursuant to Art. 2365, paragraph 2, of the Italian Civil Code, it is also within the competence of the board of directors to adopt the following resolutions, without prejudice to the simultaneous competence of the shareholders' meeting: (i) opening and closing secondary offices; (ii) reduction of the share capital after withdrawal; (iii) adaptation of the by-laws to regulations; (iv) moving the registered office of the company elsewhere in the country; (v) merger or break-up of the company in the cases provided by law, specification of which directors are vested with legal representation of the company.
[OMISSIS]	[OMISSIS]
Art. 16	Art. 16
16.1 After obtaining the opinion of the statutory board of auditors, which is obligatory, the board of directors appoints a senior manager to be in charge of preparing the company's accounting documents in accordance with Art. 154-bis of Italian Finance Consolidation Act, and grants him or her adequate means and powers for performing the assigned duties.	16.1 After obtaining the opinion of the statutory board of auditors, which is obligatory, the board of directors appoints a senior manager to be in charge of preparing the company's accounting documents in accordance with Art. 154-bis of Italian Finance Consolidation Act, and grants him or her adequate means and powers for performing the assigned duties, <b>including the powers to carry out the duties established by the laws and regulations governing sustainability reporting.</b>
[OMISSIS]	[OMISSIS]
–	<b>16.3 The Board of Directors reserves the right to assign powers and responsibilities relating to sustainability reporting to a manager other than the Manager responsible for drawing up the company's financial reports who has gained specific expertise in sustainability reporting over a reasonable period of time. The provisions of Article 16.1 apply, mutatis mutandis, to the appointment and removal of the manager responsible for sustainability reporting.</b>
Art. 17	Art. 17
[OMISSIS]	[OMISSIS]
17.8 For election of statutory auditors the procedure is as follows: (i) based on the order in which their names are printed on the slate two acting auditors and one substitute shall be taken from the slate that obtained the highest number of votes (Majority Slate); (ii) based on the order in which their names are printed on the slate, the third acting	17.8 For election of statutory auditors the procedure is as follows: (i) based on the order in which their names are printed on the slate two acting auditors and one substitute shall be taken from the slate that obtained the highest number of votes <del>(Majority Slate)</del> ; (ii) based on the order in which their names are printed on the slate, the third acting

auditor (Minority Auditor), who is due the office of chairman of the board of statutory auditors, and the second substitute auditor (Minority Substitute Auditor) shall be taken from the slate that obtained the second highest number of votes and is not even indirectly connected with the shareholders which submitted or voted for the Majority Slate in the sense provided by applicable dispositions.	auditor (Minority Auditor), who is due the office of chairman of the board of statutory auditors, and the second substitute auditor (Minority Substitute Auditor) shall be taken from the slate that obtained the second highest number of votes and is not even indirectly connected with the shareholders which submitted or voted for the <b>slate referred to in point (i) above</b> <del>Majority Slate in the sense provided by applicable dispositions.</del>
17.9 In the case of an equal number of votes between one or more slates from which the Board of Statutory Auditors is elected, a fresh ballot shall take place, considering only the slates receiving the same number of votes and, in any case, ensuring compliance with the gender parity regulation (rounding down where required, since the Board consists of three members).	<b>17.9 In the event that several minority slates have obtained the same number of votes, the oldest candidate on the slate, standing auditor, and alternate auditor shall be elected.</b> In the case of an equal number of votes between one or more slates ( <b>majority or minority slates</b> ) from which the Board of Statutory Auditors is elected, a fresh ballot shall take place, considering only the slates receiving the same number of votes and, in any case, ensuring compliance with the gender parity regulation (rounding down where required, since the Board consists of three members).
[OMISSIS]	[OMISSIS]
17.11 Where the result of voting does not satisfy the applicable gender balance law and regulations in force, the candidate for the office of Statutory or Alternate Auditor from the over-represented gender elected as last in progressive order from the Majority Slate will be excluded and will be replaced by the next candidate for the office of Statutory or Alternate Auditor from the same slate belonging to the other gender.	17.11 Where the result of voting does not satisfy the applicable gender balance law and regulations in force, the candidate for the office of Statutory or Alternate Auditor from the over-represented gender elected as last in progressive order from the <b>slate that obtained the highest number of votes</b> <del>Majority Slate</del> will be excluded and will be replaced by the next candidate for the office of Statutory or Alternate Auditor from the same slate belonging to the other gender.
[OMISSIS]	[OMISSIS]
17.13 Notwithstanding compliance with applicable legal and regulatory dispositions on the issue of gender equality and equal opportunity for men and women, in cases when, for any reason whatsoever, (i) one acting auditor taken from the Majority Slate is no longer in office or is about to leave office, he or she shall be replaced by the substitute auditor taken from the Majority Slate, (ii) the Minority Auditor is no longer in office or about to leave office, the latter shall be replaced by the Minority Substitute Auditor who shall become the Chairman. In the event the replacement carried out in accordance with this article does not allow for forming a Board of Statutory Auditors that complies with regulations in force on the matter of gender equality, a substitute auditor taken from the other slate shall take over, if this allows for restoring a composition that complies with applicable regulations on the issue of gender equality, although the Minority Auditor can only be replaced by the Minority Substitute Auditor.	17.13 Notwithstanding compliance with applicable legal and regulatory dispositions on the issue of gender equality and equal opportunity for men and women, in cases when, for any reason whatsoever, (i) one acting auditor taken from the <b>slate that obtained the highest number of votes</b> <del>Majority Slate</del> is no longer in office or is about to leave office, he or she shall be replaced by the substitute auditor taken from the <b>slate that obtained the highest number of votes</b> <del>Majority Slate</del> , (ii) the Minority Auditor is no longer in office or about to leave office, the latter shall be replaced by the Minority Substitute Auditor who shall become the Chairman. In the event the replacement carried out in accordance with this article does not allow for forming a Board of Statutory Auditors that complies with regulations in force on the matter of gender equality, a substitute auditor taken from the other slate shall take over, if this allows for restoring a composition that complies with applicable regulations on the issue of gender equality, although the Minority Auditor can only be replaced by the Minority Substitute Auditor.
[OMISSIS]	[OMISSIS]

Art. 22	Art. 22
[OMISSIS]	[OMISSIS]
–	22.3 The amendment to the By-laws referred to in Article 11.1 introduced by the Extraordinary Shareholders' Meeting convened on 3 March 2026 concerning the composition of the Board of Directors shall apply from the first renewal of the administrative body following the approval of the new text of the By-laws by the Shareholders' Meeting.

Please note that the proposed amendments to the By-laws do not grant the right of withdrawal to Shareholders who do not participate in the relevant approval, as they do not meet the requirements of any of the cases of withdrawal identified in Article 2437 of the Italian Civil Code.

### Proposed resolution

In view of the above, the Board of Directors submits the following proposed resolution to the Avio Shareholders' Meeting called on 3 March 2026, in extraordinary session, in a single call:

Dear Shareholders, We invite you to adopt the following resolution:

*"The Extraordinary Shareholders' Meeting of Avio S.p.A., having examined and approved the explanatory report of the Board of Directors and the proposals contained therein,*

#### RESOLVES

- 1. to approve the amendment to the By-laws as indicated in the explanatory report of the Board of Directors on the sole item on the agenda of the extraordinary meeting, and in particular: the amendment of Articles 11, 12, 14, 16, 17 and 22 of the By-laws;*
- 2. to establish that the change in the number of members of the Board of Directors shall take effect from the first renewal of the management body following the approval by the Shareholders' Meeting of the new text of the By-laws;*
- 3. to grant the Chairman of the Board of Directors and the Chief Executive Officer, either jointly or separately, with the power to sub-delegate, all and any powers necessary or appropriate to implement the above resolutions and to fulfil all obligations under the regulations in force at the time, including those of an informative and/or publicity nature, as well as to perform the acts and transactions necessary or appropriate for this purpose, including, by way of example, those relating to the fulfilment of all legal formalities (including filing for registration with the Companies Register), with the power to make additions, amendments and/or deletions of a formal and non-substantial nature to the resolutions adopted hereby that may be necessary or otherwise required, including for registration with the competent Companies Register.*

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Rome, 9 February 2026

The Board of Directors