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# Annual Report

# 2025

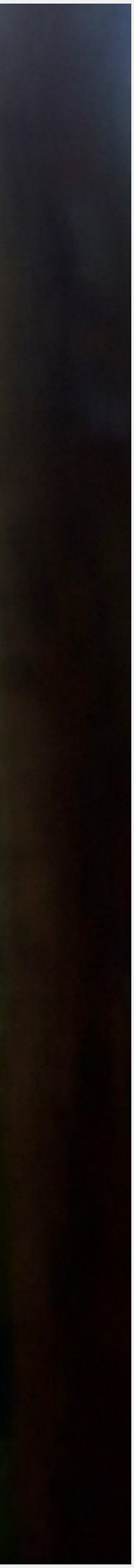
AQUAFIL

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# Corporate Boards

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# 1. ORGANI DI AMMINISTRAZIONE E DI CONTROLLO

### Board of Directors at December 31, 2025

| | |
|---|---|
| CHIARA MIO | Chairperson (*) |
| GIULIO BONAZZI | Chief Executive Officer |
| GIOVANNI STEFANO LORO | Director |
| FRANCO ROSSI | Director |
| SILVANA BONAZZI | Director |
| FRANCESCO BONAZZI | Director |
| ROBERTO SIAGRI | Director (*) |
| ILARIA MARIA DALLA RIVA | Director (*) |
| PATRIZIA RIVA | Director (*) |

(*) Director declaring independence in accordance with Article 147-ter, paragraph 4 of the CFA and Article 3 of the Self-Governance Code

### Risk and Control and Sustainability

| | |
|---|---|
| PATRIZIA RIVA | Chairperson |
| ROBERTO SIAGRI | Member |
| CHIARA MIO | Member |

### Appointments and Remuneration Committee

| | |
|---|---|
| ROBERTO SIAGRI | Chairperson |
| PATRIZIA RIVA | Member |
| ILARIA MARIA DALLA RIVA | Member |

### Supervisory Board

| | |
|---|---|
| MICHELE PANSARELLA | Chairperson |
| GIOVANNI DE LORENZI | Internal Member |
| MANFREDI FERRARI LICCARDI MEDICI | External Member |

### Board of Statutory Auditors

| | |
|---|---|
| STEFANO POGGI LONGOSTREVI | Chairperson |
| BETTINA SOLIMANDO | Statutory Auditor |
| BEATRICE BOMPIERI | Statutory Auditor |

### Independent Audit Firm

PRICEWATERHOUSECOOPERS S.p.A. – Piazza Tre Torri 2, 20145 Milan.

The Board of Directors will remain in office until the approval of the financial statements for the year 2025 and the Board of Statutory Auditors will remain in office until the approval of the financial statements for the year 2026. The independent audit firm was appointed for the 2017-2025 period.

For full details on the Corporate Boards, reference should be made to the Corporate Governance and Ownership Structure Report, drawn up in accordance with Article 123-bis of Legislative Decree 58/1998 and available on the Aquafil Group website.

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# Directors' Report to the Consolidated Financial Statements and the Separate Financial Statements of Aquafil S.p.A. 2025

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# Dear Shareholders,

the separate financial statements, which we submit for your review and approval, in 2025 report "Total revenues" of Euro 481.5 million and a net loss of Euro 22.0 million, after the write-down of equity investments for 15 million Euros and current and deferred taxes for a net positive total of Euro 2.2 million.

The Board of Directors of the Parent Company Aquafil SpA, in accordance with the accounting rules, prepared also the Aquafil Group financial statements for 2025, which report "Total revenues" of Euro 520.8 million and a Group net loss of Euro 4.7 million.

Both financial statements were prepared in accordance with international accounting standards issued by the International Accounting Standards Board (IASB), endorsed by the European Union as required by Regulation No. 1606/2002 issued by the European Parliament and European Council and adopted with Legislative Decree No. 38/2005.

## 1. INTRODUCTION

The Parent Company Aquafil SpA availed of the option contained in Legislative Decree 32/2007 which permits companies which must prepare consolidated financial statements to present a single Directors' Report for the separate and consolidated financial statements and therefore greater attention was focused in the Report, where appropriate, on the most significant matters concerning the companies included in the consolidation scope.

## 2. GENERAL INFORMATION OF THE PARENT COMPANY AQUAFIL S.P.A.

Registered Office: Via Linfano, 9 - Arco (TN) - 38062 - Italy
Telephone: +39 0464 581111- Fax: +39 0464 532267
Certified e-mail:pec.aquafil@aquafil.legalmail.it
E-mail: info@aquafil.com
Website: www.aquafil.com
Share capital (at the approval date of the financial statements at 31.12.2025):

- Approved: 54,154,161.28
- Subscribed: 53,354,161.28
- Paid in: 53,354,161.28

Tax and VAT number: IT 09652170961
Trento Economic & Administrative Registration No. 228169
There are no changes relating to the name of the entity preparing the financial statements or other means of identification with respect to the end of the previous year.
Company duration: 31/12/2100

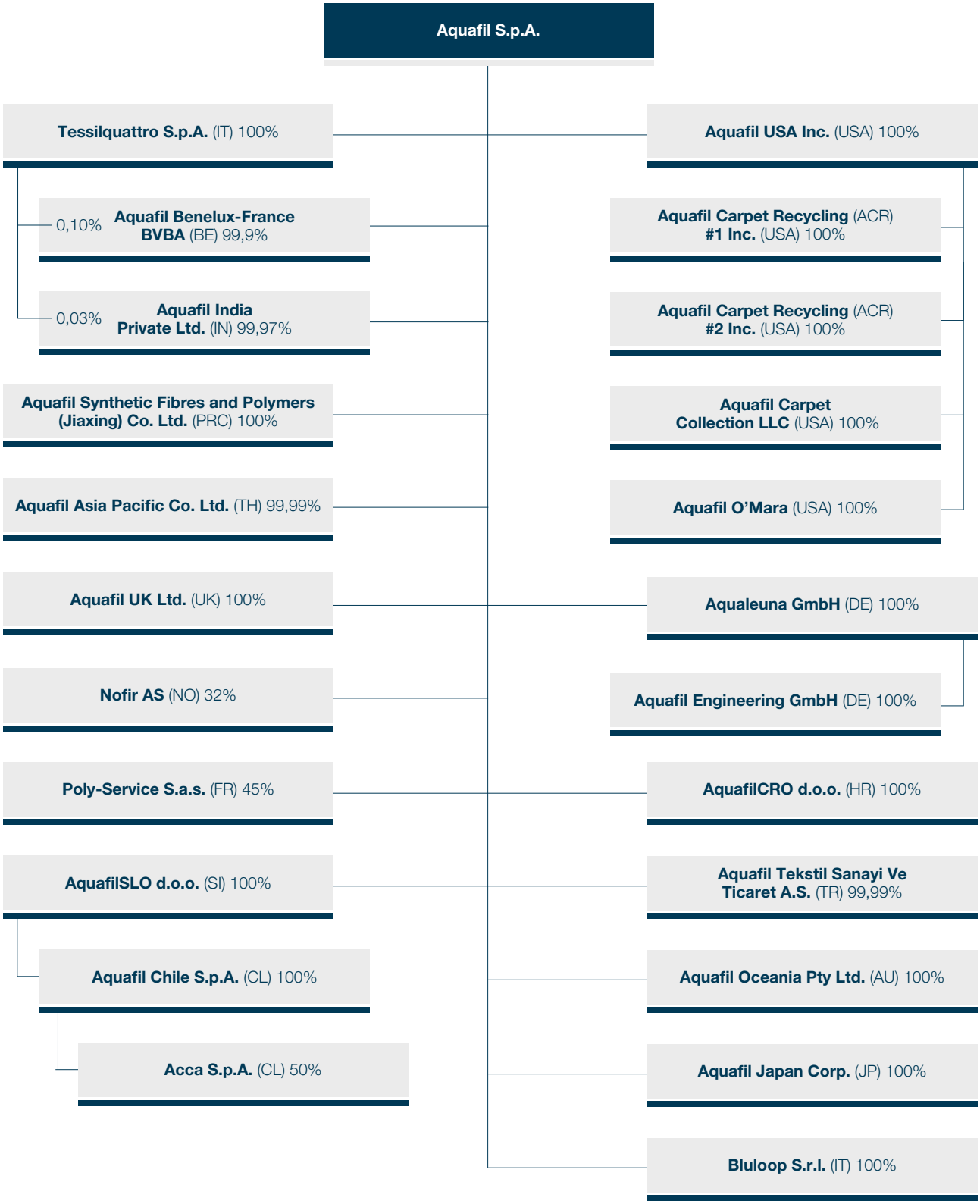
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## 3. CONSOLIDATION SCOPE

The Group consolidates the following companies, with headquarters in EMEA, the United States, Asia and Oceania.

There were no changes to the consolidation scope during the year.



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The Group is composed of the Parent Company Aquafil S.p.A. and 20 companies consolidated on a line-by-line basis as a result of direct or indirect control. In addition to these are the associated companies Nofir A.S. and Poly Services S.a.s., as well as the joint venture Acca S.p.A., which are valued at equity.

Production is carried out at 21 plants located in Europe, the United States, Asia and Oceania.

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## 4. SIGNIFICANT EVENTS IN 2025

The Group's key events in the year included:

1. On February 20, 2025, the Company announced that Mr. Roberto Bobbio, Group CFO and Executive Officer for Financial Reporting, resigned for personal reasons, effective March 1, 2025. Roberto Bobbio has retained his duties and responsibilities until February 28, 2025. Mr. Bobbio does not hold any Aquafil shares as of today. The Company also announced that it had already identified Mr. Andrea Pugnali, former Regional CFO of the group company Aquafil USA Inc. as the ideal candidate to fill the role of Group CFO: Andrea Pugnali formally assumed this role as of August 1, 2025. To ensure a smooth transition, the routine management of the AFC department's activities, as well as ensure the smooth running of activities related to upcoming corporate events, until August 1, 2025 all functions previously reporting to the Group CFO reported directly to Mr. Giulio Bonazzi, the Company's CEO. Finally, the Company announced the appointment, effective March 1, 2025, of Ms. Barbara Dalla Piazza, Consolidation & ESG Director, as the Executive Officer for Financial Reporting pursuant to and for the purposes of Law 262/05 and Article 154-bis CFA, and, effective the same date, Mr. Stefano Giovanni Loro, President BCF, as Executive Officer for Sustainability Reporting, pursuant to and for the purposes of EU Directive 2022/2464. Ms. Barbara Dalla Piazza served as the Manager Charged with preparing the company's financial reports, pursuant to Law 262/05 and Art. 154-bis of the Consolidated Law on Finance (TUF), until August 28, 2025. As of that date, the relevant responsibilities were assigned to the new Group CFO, Andrea Pugnali, while Dr. Stefano Loro continues to serve as the Manager Charged with the signing of corporate sustainability reporting, pursuant to EU Directive 2022/2464.

2. During the year, the loans were settled on schedule and new unsecured medium/long-term loans were agreed, at the parent company Aquafil S.p.A., for a total of Euro 92 million with leading banks and for Euro 50 million with PGIM through the issuance of a new Bond:
   a. Bank CF Plus on May 30, 2025 for Euro 10 million;
   b. Banca Etica on May 27, 2025 for Euro 5 million;
   c. BCC Veneta and ICCREA on June 18, 2025 for Euro 10 million;
   d. Credit Agricole on June 26, 2025 for Euro 10 million;
   e. Banco BPM on July 1, 2025 for Euro 20 million;
   f. Sparkasse on November 2, 2025 for Euro 7 million;
   g. Intesa San Paolo on November 7, 2025 for Euro 5 million;
   h. Intesa San Paolo on November 7, 2025 for Euro 25 million.

3. In addition, in 2025, the following financing was settled in advance by Aquafil S.p.A.:
   a. on July 1, 2025, a loan from Banco BPM with a residual debt amounting to Euro 2,395 thousand;
   b. on November 7, 2025, a loan received from Intesa Sanpaolo with a residual debt of Euro 18,333 thousand;
   c. on November 13, 2025, a loan taken out with MCC with a residual debt of Euro 500 thousand.

4. On June 30, 2025, Aquafil Synthetic Fibres and Polymers Co. Ltd entered into a CNY 20.6 million loan with China Zheshang Bank with a 5-year term.

5. On July 25, 2025, AquafilSlo d.o.o. entered into a Euro 10 million loan with Banca OTP with a 7-year term.

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6. The Aquafil Group has begun to reorganise the carpet collection and recycling activities currently managed by two legal entities (Aquafil Carpet Collection, ACC and Aquafil Carpet Recycling #1, ACR1) located across five separate operating sites.

The carpet collection activities are managed by ACC at four locations - three in Southern California and one in Phoenix - while the recycling activities are managed by ACR1 in Phoenix.

These operations weighed on the result for the year, in addition to EBITDA, mainly due to the squeezing of virgin raw material prices and the continued decline in the percentage of Nylon 6 carpets available on the market, in favour of Polyester carpets.

The reorganisation involves the reallocation of the five above locations into a single facility located in California, near Anaheim, which will cover both post-consumer carpet collection and recycling. The expected benefits include reducing personnel costs and improving operating efficiency by eliminating the need to pack and unpack carpets between locations, reducing logistics costs, in addition to obtaining higher subsidies as a direct result of concentrating operations in the state of California.

This transaction resulted in the recognition of the following non-recurring charges:

- accrual of a provision for charges to finish the dismantling and restoring of plants of USD 0.9 million;
- an inventory obsolescence provision related to the write-down of spare parts in the amount of USD 0.7 million;
- costs related to the production stop for the extraordinary maintenance and personnel involved in dismantling of USD 3.8 million.

For some machinery and production lines currently at the sites and whose reuse is not yet certain, the relative value was adjusted to the lower of the fair value and value in use, resulting in a write-down of USD 3.3 million.

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# 5. OPERATING ENVIRONMENT

## Implications of the Russia - Ukraine and Israel - Palestine conflicts

The conflict between Russia and Ukraine beginning on February 24, 2022 is having significant repercussions in Europe in terms of economic instability, slowing growth and high levels of inflation, driven by the sudden unavailability of the products and services subject to embargo. The lack of a resolution therefore continues to generate significant uncertainty and impact the general economic environment, and particularly in Europe.

The Aquafil Group in 2022 ceased all commercial relations with parties located in the countries involved in the conflict. It continues not to have a dependence on particular products and/or suppliers/clients in these areas which may impact upon operations. No direct consequences were therefore felt from the stoppage of import/exports of the products and businesses subject to limitations.

The conflict between the State of Israel and Hamas, which began on October 7, 2023 - with potential knock-on effects on other middle eastern political dynamics - contributes to the continued climate of uncertainty that pervades the international markets. The impact of the conflict for the Aquafil Group, given the limited significance of these regions as markets for its product lines, has therefore not affected the operating result for the period, nor the procurement of goods and services, which are usually not sourced from the areas impacted.

## Implications of the conflict in Iran

In terms of the international geopolitical environment, the Company is closely monitoring the unfolding Middle East conflict that began on February 28, 2026 and its potential repercussions on the stability of the global markets. This situation introduces elements of uncertainty that could directly and indirectly affect business operations, particularly in terms of energy and raw material cost volatility, as well as possible disruptions in global supply chains caused by unstable trade routes in the Persian Gulf. Although there are currently no immediate critical impacts on business continuity, the Company constantly assesses the risks associated with the extension of tariffs and fluctuations in exchange rates and financial markets in order to put in place timely mitigation strategies to safeguard the capital base and operating margins.

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# 6. AQUAFIL ON THE STOCK MARKET

At December 30, 2025, the Aquafil share price (ISIN IT0005241192) was Euro 1.39, down approx. 2.7% on December 30, 2024 (Euro 1.43).

In 2025, Aquafil's share price trended upward from the lows of the first quarter, recording a low of Euro 1.15 (on March 18, 2025) and a high of Euro 2.11 (on October 9, 2025).

The average volume traded during the year was 235,395 shares, with a maximum daily volume of 1,997,812 shares (traded on March 14, 2025) and a minimum daily volume of 25,738 shares (traded on April 25, 2025).

# 7. AQUAFIL GROUP AND PARENT COMPANY FINANCIAL HIGHLIGHTS

## 7.1 DEFINITION OF ALTERNATIVE PERFORMANCE INDICATORS

### Gross operating profit (EBITDA)

This is an alternative performance indicator not defined under IFRS but used by company management to monitor and assess the operating performance as not impacted by the effects of differing criteria in determining taxable income, the amount and types of capital employed, in addition to the amortisation and depreciation policies. This indicator is defined by the Aquafil Group as the net result for the year adjusted by the following components:

- *income taxes,*
- *investment income and charges,*
- *amortisation, depreciation and write-downs of tangible and intangible assets,*
- *provisions and write-downs,*
- *financial income and charges,*
- *non-recurring items.*

### Adjusted EBIT

Calculated as EBITDA, to which the accounts "amortisation, depreciation and write-downs" and "provisions and write-downs" are added. Adjusted EBIT differs from EBIT in terms of the non-recurring components and other charges, as specified in the notes to the "Parent Company Key Financial Highlights" table.

### Net Financial Position (NFP)

On April 29, 2021, Consob issued "Call to attention No. 5/21" in which it highlighted that the new "ESMA Guidelines" of March 4, 2021 replaced on May 5, 2021 those of preceding Consob communications. In particular, guideline No. 39 requires that financial statement disclosure includes the following definition of net financial debt:

A. Liquidity;
B. Other liquidity;
C. Other current financial assets;
**D. Liquidity (A+B+C);**
E. Current financial debt (including debt instruments but excluding the current portion of non-current financial

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debt);

F. Current portion of non-current financial debt;

**G. Current financial debt (E + F);**

**H. Net current financial debt (G - D);**

I. Non-current financial debt (excluding current portion and debt instruments);

J. Debt instruments;

K. Trade payables and other non-current payables;

**L. Non-current financial debt (I + J + K);**

**M. Total financial debt (H + L).**

## 7.2 KEY GROUP FINANCIAL HIGHLIGHTS

| (in Euro thousands) | 2025 | 2024 |
|---|---|---|
| Profit/(loss) for the year | (4,694) | (16,313) |
| Income taxes | (255) | (1,291) |
| Investment income and charges | (78) | (184) |
| Amortisation, depreciation and write-downs | 53,467 | 54,100 |
| Provisions and write downs/(releases) | 1,701 | (91) |
| Financial items (*) | 14,258 | 24,036 |
| Non-recurring items (**) | 8,002 | 2,097 |
| **EBITDA** | **72,401** | **62,353** |
| **Revenues** | **520,836** | **542,135** |
| **EBITDA margin** | **13.9%** | **11.5%** |

| (in Euro thousands) | 2025 | 2024 |
|---|---|---|
| **EBITDA** | **72,401** | **62,353** |
| Amortisation, depreciation and write-downs | (53,467) | (54,100) |
| Provisions and write-downs | (1,701) | 91 |
| **Adjusted EBIT** | **17,233** | **8,344** |
| **Revenues** | **520,836** | **542,135** |
| **Adjusted EBIT margin** | **3.3%** | **1.5%** |

(*) Comprises: (i) financial income for Euro 1.8 million, (ii) interest expense on loans and other bank charges for Euro 15.9 million, (iii) customer cash discounts for Euro 2.6 million and (iv) exchange gains for Euro 2.5 million.

(**) These include: (i) non-recurring Aquafil Group expansion costs for Euro 0.2 million, (ii) non-recurring extraordinary consultancy costs for Euro 0.7 million; (iii) non-recurring costs for personnel mobility of Euro 2.6 million, (iv) other non-recurring charges for Euro 0.6 million, mainly regarding the electricity blackout at Aquafil S.p.A. (v) non-recurring charges for the current reorganisation at Aquafil Carpet Collection and Aquafil Carpet Recycling #1 for Euro 3.9 million, as reported in the "significant events in 2025" paragraph. Reference should be made to paragraph 8.14 of the Notes to the consolidated financial statements.

For an analysis of the highlights indicated above, reference should be made to the paragraph "Group operating performance" below.

## 7.3 KEY GROUP BALANCE SHEET AND FINANCIAL INDICATORS

| (in Euro thousands) | At December 31, 2025 | At December 31, 2024 |
|---|---|---|
| Consolidated Shareholders' Equity | 131,258 | 158,353 |
| Net Financial Position (NFP) | 209,510 | 213,542 |
| **NFP/EBITDA** | **2.89** | **3.42** |

The comments on the movements in the Net Financial Position are reported in the "Group balance sheet and financial position" paragraph.

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## 7.4 PARENT COMPANY AQUAFIL S.P.A. KEY FINANCIAL HIGHLIGHTS

| (in Euro thousands) | At December 31, 2025 | At December 31, 2024 |
|---|---|---|
| Profit/(loss) for the year | (21,951) | 626 |
| Income taxes | (2,177) | (2,762) |
| Investment income and charges | 12,707 | (15,937) |
| Amortisation, depreciation and write-downs | 10,130 | 9,874 |
| Provisions and write-downs | 139 | 42 |
| Financial items (*) | 12,781 | 23,646 |
| Non-recurring items (**) | 2,284 | 979 |
| **EBITDA** | **13,913** | **16,466** |
| **Revenues** | **481,523** | **530,514** |
| **EBITDA margin** | **2.9%** | **3.1%** |

| (in Euro thousands) | December 31, 2025 | December 31, 2024 |
|---|---|---|
| **EBITDA** | **13,913** | **16,466** |
| Amortisation, depreciation and write-downs | (10,130) | (9,874) |
| Provisions and write-downs | (139) | (42) |
| **Adjusted EBIT** | **3,644** | **6,551** |
| **Revenues** | **481,523** | **530,514** |
| **Adjusted EBIT margin** | **0.8%** | **1.2%** |

(*) Comprises: (i) financial income for Euro 4.2 million, (ii) interest expense on loans and other bank charges for Euro 15.8 million, (iii) customer cash discounts for Euro 2.3 million and (iv) exchange gains for Euro 3.4 million.

(**) Comprises: (i) non-recurring charges related to the expansion of the Aquafil Group for Euro 0.2 million, (ii) mobility and incentive charges of Euro 0.8 million, (iii) costs relating to the electricity blackout for Euro 0.2 million (iv) legal consultancy and extraordinary administration costs and other non-recurring charges of Euro 1.1 million. For further details, see paragraph 9 of the Notes to the Separate Financial Statements.

The income statement figures of the Parent Company report revenues and acquisition costs which differ from the consolidated financial statements as including inter-company purchase and sales activities undertaken by Aquafil SpA with the investees, which however in the consolidation process are eliminated. Therefore, the margins on revenues are not representative of the company's actual profitability. Operating income and the net result also do not incorporate the positive income statement results of the subsidiaries, in view of the investments' valuation method adopted. For all other detailed information, see the section "Group operating performance" below and the Notes to the separate financial statements of the Parent Company.

## 7.5 KEY BALANCE SHEET AND FINANCIAL INDICATORS OF THE PARENT COMPANY AQUAFIL S.P.A.

| (in Euro thousands) | At December 31, 2025 | At December 31, 2024 |
|---|---|---|
| Shareholders' Equity | 119,460 | 141,398 |
| Net Financial Position (NFP) | 265,313 | 263,732 |

The net financial position of the Parent Company Aquafil SpA does not reflect the real debt of the company as not taking account of liquidity available in the bank accounts of the subsidiaries at year-end. Funding from the financial system in fact was undertaken largely by the parent company, which plays a financial support role for all of the subsidiaries. For all other detailed information, reference should be made to the separate financial statements of the company.

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# 8. GROUP OPERATING PERFORMANCE

The 2025 Income Statement compared with the previous year is reported below:

| **Consolidated income statement** (in Euro thousands) | **Note** | **2025** | *of which non-recurring* | **2024** | *of which non-recurring* |
|---|---|---|---|---|---|
| Revenues | 8.1 | 520,836 | *0* | 542,135 | *0* |
| *of which related parties* | | *12* | | *9* | |
| Other revenues and income | 8.2 | 13,490 | *252* | 8,908 | *42* |
| *of which related parties* | | *352* | | *325* | |
| **Total revenues and other revenues and income** | | **534,326** | ***252*** | **551,043** | ***42*** |
| Cost of raw materials and changes to inventories | 8.3 | (225,068) | *(794)* | (250,433) | *0* |
| *of which related parties* | | *(9)* | | *0* | |
| Service costs and rents, leases and similar costs | 8.4 | (126,783) | *(2,978)* | (122,784) | *(253)* |
| *of which related parties* | | *(697)* | | *(650)* | |
| Labour costs | 8.5 | (122,383) | *(4,119)* | (121,641) | *(1,641)* |
| Other costs and operating charges | 8.6 | (3,254) | *(363)* | (3,290) | *(244)* |
| *of which related parties* | | *(70)* | | *(70)* | |
| Amortisation, depreciation, and write-downs | 8.7 | (49,924) | | (54,058) | |
| Write-down of fixed assets | | (3,543) | *0* | (42) | |
| Provisions and write downs/(releases) | 8.8 | (1,701) | *(752)* | 91 | |
| Increase in internal work capitalised | 8.9 | 4,935 | | 4,435 | |
| **Operating Profit/(loss)** | | **6,605** | ***(8,754)*** | **3,321** | ***(2,096)*** |
| Investment income/charges | | 78 | | 184 | |
| *of which related parties* | | *78* | | *184* | |
| Financial income | 8.10 | 1,748 | | 1,370 | |
| *of which related parties* | | *3* | | *2* | |
| Financial charges | 8.11 | (15,840) | | (21,007) | |
| *of which related parties* | | *(225)* | | *(116)* | |
| Exchange gains/(losses) | 8.12 | 2,460 | | (1,472) | |
| **Profit/(loss) before taxes** | | **(4,949)** | ***(8,754)*** | **(17,604)** | ***(2,096)*** |
| Income taxes | 8.13 | 255 | | 1,291 | |
| **Net Profit/(loss)** | | **(4,694)** | ***(8,754)*** | **(16,313)** | ***(2,096)*** |
| *Minority interest net profit* | | *0* | | *0* | |
| **Group Net Profit/(loss)** | | **(4,694)** | ***(8,754)*** | **(16,313)** | **(2,096)** |
| *Basic earnings per share* | 8.15 | *(0.05)* | | *(0.30)* | |
| *Diluted earnings per share* | 8.15 | *(0.05)* | | *(0.30)* | |

## Revenues

2025 consolidated revenues decreased on the previous year by Euro 21.30 million (-3.9%), from Euro 542.1 million to Euro 520.8 million.

The decrease is mainly due to the adjustment of sales prices to the lower cost of raw materials.

## Other Revenues and Income

Other revenues and income amounted to Euro 13.5 million, an increase on 2024 (Euro 8.9 million). The increase in the item was mainly due to the reimbursements received by the U.S. Group companies for the grants to support labour costs and the prior year income of AquafilSLO.

## Raw material costs

Raw materials, ancillaries and consumables amount to Euro 225.1 million, decreasing Euro 25.4 million on the previous year (-10.1%).

They accounted for 43.2% of revenues in 2025 (46.2% for the previous year). This decrease is principally due to the reduction in the cost of these raw materials.

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## Service costs and rent, lease and similar costs

Service costs and rent, lease and similar costs amounted to Euro 126.8 million, increasing Euro 4.1 million on 2024 (Euro 122.8 million).

The increase is mainly due to the higher cost of utilities, in view of the increased gas prices in the first quarter of 2025.

## Labour costs

Labour costs totalled Euro 122.4 million, remaining essentially in line with 2024 (Euro 121.6 million). Labour costs, net of non-recurring components, account for 22.7% of revenues, compared to 22.1% in 2024. The increase in this percentage is mainly attributable to inflation. The average workforce for the Group decreased by 96 employees, from an average of 2,528 in 2024 to 2,432 in 2025.

Reference should also be made to paragraph 8.5 of the Explanatory Notes.

## Other costs and operating charges

Other costs and operating charges amounted to Euro 3.3 million, in line with Euro 3.3 million in 2024. The percentage of these costs and charges on total revenues remained substantially in line with the previous year (0.6%).

## Increases for internal work

Increases for internal work amounted to Euro 4.9 million, compared to Euro 4.4 million in 2024. For further details, reference should be made to paragraph 8.9 of the Explanatory Notes.

## EBITDA

EBITDA was Euro 72.4 million, increasing Euro 10.0 million (16.1%) on 2024 (Euro 62.4 million).

The EBITDA Margin in 2025 was 13.9%, compared to 11.5% in 2024.

This increase is mainly due to the effects of the above-outlined items.

## Amortisation, depreciation and write-downs

Amortisation, depreciation and write-downs of Euro 53.5 million decreased by Euro 0.6 million on 2024 (Euro 54.1 million). The item includes write-downs of Euro 3.5 million related mainly to the reorganisation process of the carpet collection and recycling activities managed by Aquafil Carpet Collection and Aquafil Carpet Recycling #1. This adjustment is a direct consequence of adjusting the carrying amounts to the lower of fair value and recorded value. This figure relates to the straight-line amortisation and depreciation of fixed assets.

## Provisions and write downs/releases

"Provisions and write-downs/releases" amount to Euro 1.7 million, compared to Euro 0.1 million in 2024.

The item includes an accrual to the risks provision by the company Aquafil Carpet Recycling# 1 following the reorganisation of the carpet collection and recycling activities, as outlined in greater detail in the "Significant events in 2025" paragraph, and an accrual of Euro 0.8 million to the provision for future charges of AquafilSlo d.o.o.

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## EBIT

EBIT in 2025 was Euro 6.6 million, compared to Euro 3.3 million in 2024 (increasing Euro 3.28 million). This increase is mainly due to the effects described above.

## Financial Management Result

Net financial charges of Euro 11.6 million were reported in 2025, compared to net charges of Euro 20.9 million in 2024.

The net increase is mainly due to the decrease in financial charges of Euro 5.2 million, mainly due to the lower interest rate and to the improved net balance of exchange gains and losses, resulting in a net gain in 2025 of Euro 2.5 million, compared to a net loss of Euro 1.5 million in the previous year. For further details reference should be made to paragraphs 8.10 and 8.11 of the Explanatory Notes.

## Income taxes

Income taxes reported income of Euro 0.3 million, compared to income of Euro 1.3 million in 2024. For further details reference should be made to paragraph 8.13 of the Explanatory Notes.

## Consolidated Result

The Group net loss was Euro 4.7 million, compared to a net loss of Euro 16.3 million in 2024.

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## 9. BREAKDOWN OF REVENUES BY REGION AND PRODUCT LINE

The breakdown of revenues by region and product line is presented in the following table (Euro millions) and also in percentage terms, alongside an analysis of the movements against the previous year:

| | BCF (fibre for carpet) | | | | NTF (fibre for fabrics) | | | | EP | | | | Polymers | | | | Total | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **At December 31, 2025** | **2025** | **2024** | **Δ** | **Δ%** | **2025** | **2024** | **Δ** | **Δ%** | **2025** | **2024** | **Δ** | **Δ%** | **2025** | **2024** | **Δ** | **Δ%** | **2025** | **2024** | **Δ** | **Δ%** |
| EMEA | 169.7 | 181.3 | (11.5) | (6.4) % | 57.7 | 57.5 | 0.2 | 0.3 % | 30.3 | 29.3 | 1.0 | 3.4 % | 13.9 | 20.4 | (6.4) | (31.6) % | 271.6 | 288.4 | (16.8) | (5.8) % |
| North America | 136.3 | 125.3 | 11.0 | 8.7 % | 22.4 | 24.3 | (1.9) | (7.6) % | 0.8 | 0.2 | 0.6 | 2.7% | 5.4 | 7.6 | (2.3) | (29.7) % | 164.8 | 157.4 | 7.4 | 4.7 % |
| Asia and Oceania | 78.0 | 88.3 | (10.3) | (11.6) % | 3.2 | 3.1 | 0.0 | 1.5 % | 1.3 | 0.9 | 0.4 | 40.0 % | 0 | 1.3 | (1.3) | (99.2) % | 82.5 | 93.6 | (11.1) | (11.9) % |
| RoW | 0.9 | 0.7 | 0.3 | 36.5 % | 1.0 | 2.0 | (1.0) | (52.0) % | 0 | 0 | 0 | N.A. | 0 | 0 | 0 | N.A. | 1.9 | 2.7 | (0.8) | (29.3) % |
| **Total** | **385.0** | **395.5** | **(10.6)** | **(2.7) %** | **84.3** | **86.9** | **(2.7)** | **(3.1) %** | **32.3** | **30.4** | **1.9** | **6.3 %** | **19.3** | **29.3** | **(10.0)** | **(34.0) %** | **520.8** | **542.1** | **(21.3)** | **(3.9) %** |

The comparison indicates the following:

1. revenues in **EMEA** amounted to Euro 271.6 million, decreasing by 5.8% (Euro 16.8 million) in 2025 compared to the previous year, mainly due to a decrease in quantities sold for the BCF and NTF product lines. Specifically, the BCF product line saw a 6.4% decrease due to the joint impact of a decrease in quantities sold and lower selling prices. The NTF product line shows an increase of 0.3% related to a slight increase in selling prices. To better appreciate the product line, EP has been separated from other polymers that represent a purely opportunistic business. The EP product line was up 3.4% or Euro 1.0 million.
2. **North American** revenues were Euro 164.8 million, compared to Euro 157.4 million in the previous year, an increase of Euro 7.4 million (+4.7%). For the BCF product line, revenues increased Euro 11.0 million compared to the previous year (8.7%), due entirely to increased volumes, which more than offset a slight decrease in sales prices. The NTF line saw a reduction of Euro 1.9 million (7.6%), due to the joint impact of the decrease in quantities sold and of lower sales prices in 2025.
3. **Asia and Oceania** revenues amounted Euro 82.5 million, compared to Euro 93.6 million in the previous year, a decrease of Euro 11.1 million (11.9%). For the BCF product line, there was a decrease in sales of Euro 10.3 million compared to the previous year due to the combined effect of reduced quantities sold and lower sales prices in 2025.

Finally, ECONYL® brand revenues accounted for 60.4% of fibre revenues in FY 2025 compared to 54.8% in the previous year.

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## 10. GROUP BALANCE SHEET AND FINANCIAL SITUATION

The following table reclassifies the consolidated equity and financial position of the Group at December 31, 2025, and December 31, 2024.

| **Group balance sheet and financial situation** (in Euro thousands) | **At December 31, 2025** | **At December 31, 2024** | **Change** |
|---|---|---|---|
| Trade receivables | 19,974 | 20,370 | (397) |
| Inventories | 172,754 | 197,535 | (24,780) |
| Trade payables | (77,443) | (109,178) | 31,734 |
| Tax receivables | 940 | 1,529 | (589) |
| Other current assets | 7,540 | 8,033 | (494) |
| Other current liabilities | (20,557) | (19,644) | (913) |
| **Net working capital** | **103,207** | **98,645** | **4,561** |
| Property, plant and equipment | 197,714 | 233,900 | (36,186) |
| Intangible assets | 12,009 | 15,168 | (3,159) |
| Goodwill | 14,237 | 16,064 | (1,827) |
| Financial assets | 2,020 | 2,082 | (62) |
| **Net fixed assets** | **225,980** | **267,214** | **(41,235)** |
| Employee benefits | (4,262) | (4,627) | 366 |
| Other net assets/(liabilities) | 15,842 | 10,517 | 5,324 |
| **Net capital employed** | **340,767** | **371,750** | **(30,983)** |
| Cash and banks | 165,548 | 130,366 | 35,182 |
| ST bank payables and loans | (71,791) | (75,706) | 3,915 |
| M-LT bank payables and loans | (188,117) | (177,651) | (10,466) |
| M-LT bond loan | (81,572) | (44,481) | (37,090) |
| ST bond loan | (13,932) | (13,301) | (631) |
| Current financial receivables | 2,262 | 980 | 1,282 |
| Other financial payables | (21,906) | (33,603) | 11,697 |
| **Net financial position** | **(209,508)** | **(213,396)** | **3,888** |
| Group shareholders' equity | (131,258) | (158,353) | 27,095 |
| Minority interests shareholders' equity | 0 | (1) | 0 |
| **Total shareholders' equity** | **(131,258)** | **(158,353)** | **27,095** |

In the consolidation process, the balance sheet items expressed in foreign currencies were impacted by the write-back/write-down of opening balance sheet items in 2025 (currency translation effects) principally between the Euro the US and Chinese currencies: the changes in the balance sheet items compared to the previous year arose partly due to this factor.

**Net working capital** amounts to Euro 103.2 million, increasing Euro 4.6 million on Euro 98.6 million at December 31, 2024.

The movement is mainly due to a decrease in trade payables of Euro 31.7 million that was not fully offset by a decrease in other current assets and tax receivables of Euro 1.1 million, and a decrease in the value of inventories of Euro 24.8 million.

**Fixed assets** at December 31, 2025 amounted to Euro 226.0 million, decreasing Euro 41.2 million on December 31, 2024 (Euro 267.2 million), due to the combined effect of:

1. net investment activities in tangible and intangible assets of Euro 22.4 million, including Euro 1.2 million regarding the increase in the year concerning the movement in goods recognised as per IFRS 16;
2. negative conversion differences and other minor items for Euro 10.1 million;
3. amortisation and depreciation in the year of Euro 53.5 million.

Investments in tangible assets are outlined in the Explanatory Notes and mainly concerned (a) the industrial and energy

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efficiency improvements at the Group's facilities, (b) the industrial efficiency and energy improvement regarding the production of ECONYL® caprolactam and of its raw materials, in addition to the development of circularity-focused technologies, (c) the expansion of existing production capacity, (d) the improvement and technological upgrading of existing plants and equipment, and (e) the right-of-use as per IFRS 16.

The increase in intangible assets is mainly due to (a) development costs of textile fibre samples that meet the criteria set by IAS 38, (b) costs incurred in implementing and improving the Aquafil Group's digitisation activities.

**Shareholders' Equity** decreased by Euro 27.1 million, from Euro 158.4 million to Euro 131.3 million, mainly due to the translation reserve of financial statements expressed in currencies other than the Euro for a negative Euro 22.6 million and the net loss of Euro 4.7 million.

The **Net Financial Position (net debt)**, as calculated above, at December 31, 2025, amounted to Euro 209.5 million, compared to Euro 213.4 million in the previous year, an improvement of Euro 3.9 million. The main determinant factors are presented in detail in the consolidated cash flow statement, which shows: i) the cash generated from operating activities for Euro 61.7 million; ii) the cash absorbed by working capital for Euro 14.0 million; iii) the change in other assets and liabilities for a negative Euro 1.1 million; iv) the cash absorbed by net investments for Euro 21.1 million; v) the payment of net financial expenses for Euro 14.0 million, the payment of taxes equal to Euro 3.1 million, and the change related to the application of IFRS 16 for Euro 1.2 million; vi) the negative translation reserve for Euro 3.2 million.

Group company current account liquidity, diversified by region and institution, increased from Euro 130.4 million at December 31, 2024 to Euro 165.5 million at December 31, 2025.

During the year new loans totalling Euro 104.5 million and a bond loan of Euro 50 million were undertaken and mortgages and/or loans totalling Euro 110.3 million were repaid. The bank debt situation is detailed in the Notes to the Financial Statements.

The short-term credit lines granted to the Group companies were available for a total amount at period-end of Euro 37.7 million, and all the relative lines remain substantially unused.

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# 11. INTERCOMPANY TRANSACTIONS AND TRANSACTIONS WITH RELATED COMPANIES

## 11.1 INTER-COMPANY TRANSACTIONS

Aquafil Group operations directly involve - both in terms of production and distribution - the Group companies, which are assigned, interconnected and depending on the case, the processing, special processing, production and sales phases for specific regions.

The main activities of the various group companies and principal events in 2025, broken down by each of the three product lines, were as follows.

### BCF (Bulk Continuous Filament for textile floor covering) Line

The core business of the Aquafil Group is the production, re-processing and sale of yarn, mainly polyamide 6-based yarn, partly petroleum based and partly from regenerated ECONYL®, for the higher-quality end-markets. The Group also produces and markets polyester fibres for certain textile flooring applications.

The Group companies involved in the production and sales processes for this product line are the Parent Company Aquafil S.p.A., with production site in Arco (Italy), Tessilquattro S.p.A., with production based in Cares (Italy) and in Rovereto (Italy), Aquafil SLO doo, with facilities in Ljubljana, Store and Ajdovscina (Slovenia), Aquafil USA Inc. with two facilities in Aquafil Drive and Fiber Drive in Cartersville (USA), Aquafil Synthetic Fibres and Polymers Co. Ltd with facilities in Jiaxing (China), Aquafil Asia Pacific Co. Ltd with facilities in Rayong (Thailand), Aquafil UK, Ltd., based in Kilbirnie (Scotland), which carries out commercial activities for the UK market, the commercial company Aquafil Benelux-France BVBA based in Harelbeke (Belgium) and the commercial company Aquafil Oceania Pty Ltd., Melbourne (AUS).

Group commercial operations for this product line are undertaken with industrial clients, which in turn produce for the intermediate/end-consumer markets, whose sectors are principally (a) the "contract" markets (hotels, offices and large public environments), (b) car floors and (c) residential textile flooring. Ongoing product and process technology innovation involves frequent updates to the yarns comprising the customer's collection; the research and development is carried out by the internal development centre in collaboration with developers within client companies and architectural studies and designers upon the final users of carpets.

### NTF Line (Nylon Textile Filament - Fibres for textile/clothing use)

The NTF product line produces and reprocesses polyamide 6 and 66 fibres, Dryarn® polypropylene microfibers for men's and women's hosiery, knitwear and non-run fabrics for underwear, sportswear and special technical applications. The markets concern producers in the clothing, underwear and sportswear sectors, on which the main clothing brands operate.

The production/sale of fibres for textile/clothing use is undertaken by the companies Aquafil SpA (Arco), Aquafil SLO doo with facilities in Ljubljana and Senozece (Slovenia), AquafilCRO doo, with facilities in Oroslavje (Croatia), Aquafil O'Mara Inc., with facilities in Rutherford College (North Carolina) and Aquafil Tekstil Sanayi Ve Ticaret A. S., with commercial operations based in Istanbul (Turkey).

The percentage of NTF polyamide-6 fibre made from caprolactam obtained from the ECONYL® regeneration process is significant. The product is being used in the final applications of many clothing brands, who are increasingly sensitive to environmental issues.

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### Nylon 6 polymer line

The Group produces and sells polymers and polyamide 6 for end segments, including "engineering plastics" (injection moulding).

The polymers are mainly produced/sold by Aquafil SpA, Tessilquattro SpA, Aquafil SLO doo and Aquafil USA Inc. Cartersville (USA).

### ECONYL® regeneration process

A significant proportion of polyamide-6 fibres, for both the BCF and the NTF product lines, as well as for polymers, are produced using the caprolactam from regenerated ECONYL® , a logistical-production system which obtains top-quality caprolactam from the transformation of materials, and mainly recovered industrial (pre-consumer) polyamide 6 and/or (post-consumer) materials disposed of at the end of their life cycle.

The caprolactam monomer obtained at the Ljubljana plant from the ECONYL® process supports all three product lines - BCF, NTF and polymers - as an alternative raw material to that from fossil sources, for applications (a) in textile flooring with a specific sustainability focus, (b) in clothing and accessories, in particular at the request of the leading international fashion brands more dedicated to a concrete circular economy and (c) in the design and manufacture of innovative polyamide 6 based plastic products, instead of other plastic materials that, unlike polyamide 6, can not be restored to their original state by way of chemical regeneration.

The ECONYL® regeneration process is fed by recovering polyamide-6 textile flooring materials and fish netting at the end of their useful lives and a series of other industrial and consumer waste materials with high polyamide-6 content. The process is completed at the facilities of AquafilSLO doo in Ljubljana (SLO), while taking advantage of synergies within a single system of logistics and production across multiple Group companies. For the regeneration of textile flooring, certain stages of material collection and pre-treatment of used carpeting are carried out by the companies Aquafil Carpet Recycling (ACR) #1 Inc. in Phoenix, Arizona (USA) and Aquafil Carpet Collection (ACC) Inc., Phoenix, Arizona (USA), Miramar, Chula Vista and Anaheim (California). For the regeneration of fish netting, the investee company Aquafil Chile SpA, Santiago, Chile procures good quality polyamide 6 based fishing nets in that country to ensure consistent and stable support for the ECONYL® regeneration process, as does the investee company Nofir AS in Bodø, Norway, a European leader in the collection and treatment of end-of-life fish netting.

### Other activities

*Aquafil Engineering GmbH*, Berlin (Germany), carries out industrial chemical plant design and supply for customers outside the Group and in part for Group companies.

*Aqualeuna GmbH*, with registered office in Berlin (Germany), does not conduct operations-related activities and is solely the holding company, with a 100% stake, of Aquafil Engineering GmbH. The company currently has a tax dispute pending with the German Tax Agency, a detailed explanation of which may be found in the Notes.

The subsidiary *Aquafil India Private Ltd* (India) does not undertake operational activities.

## 11.2 RELATED PARTY TRANSACTIONS

The transactions of the Aquafil Group with related parties, as defined by international accounting standard IAS 24, relating to the consolidated financial statements for the year ended December 31, 2025, are presented below. The Aquafil Group undertakes commercial and financial transactions with its related companies, consisting of

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transactions relating to ordinary operations and at normal market conditions, taking into account the features of the goods and services provided.

The Group has made available on its website www.aquafil.com, in the Corporate Governance section, the Related Parties Transactions Policy.

The Aquafil Group undertakes transactions with the following related parties:

- Parent Company and other companies at the head of the chain of control (Parent Companies);
- other parties identified as related parties in accordance with IAS 24 (other related parties).

The transactions between the Parent Company, its subsidiaries outside of the consolidation scope and the Aquafil Group concern financial transactions, commercial leases and transactions for the settlement of accounts receivable and payable arising from the tax consolidation of Aquafin Holding S.p.A., which includes, in addition to Aquafil SpA, the company Tessilquattro SpA. and the company Bluloop Srl. The transactions are shown in the Explanatory Notes to the financial statements.

The transactions were executed at market conditions; for a breakdown of the income statement and balance sheet amounts generated by related party transactions included in the Group consolidated financial statements at December 31, 2025, reference should be made to the Explanatory Notes.

With the exception of that indicated above there were no other transactions or contracts with related parties which, with regard to materiality upon the financial statements, may be considered significant in terms of value or conditions.

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# 12. RESEARCH AND DEVELOPMENT

## 12.1 INTRODUCTION

The Aquafil Group has a Research & Development unit that manages and oversees all product and process innovation applied mainly to BCF yarns, NTF yarns, PA6 polymers and the ECONYL® regeneration process and to new recycling processes.

Technological research, development and innovation during 2025 constitutes the natural continuation of the activities carried out in the preceding years, and concerned the main stages of production and the materials used, from the production inputs to the by-products of polymerisation, spinning, reprocessing and, for ECONYL®, regeneration and recycling of materials.

A number of projects - due to their complexity - last many years and are undertaken in collaboration with outside partners; other less complex projects present results in a short timeframe.

More specifically, R&D led to actions regarding efficiency, performance, product functioning, eco-design, recycling, use of auxiliary products from natural origins, the study of micro-plastics, the development of polymerisation processes, and the sectors with final product application, taking advantage of outside contributions coming in the form of market input, new technologies, new materials, and the use of solutions recommended by qualified research partners.

Research and Development carried out by the Aquafil Group in 2025 incurred operating costs and investment activity totalling Euro 7.2 million, corresponding to 1.5% of consolidated revenues.

## 12.2 SUMMARY AND DESCRIPTION OF THE INDIVIDUAL PROJECTS

Technological research, development and innovation concerned numerous projects, some of which began in 2025, while others began in prior years. The main projects are listed below:

1. "Ecodesign": identification of basic knowledge and technology for the creation of industrial prototypes of textile flooring designed at origin to be recognisable (through the "R2R, born Regenerated to be Regenerable" dedicated voluntary marking) and recyclable, and to recover the residual value of the materials at the end-of-use. The project is carried out in collaboration with textile flooring stakeholders throughout the supply chain to create know-how that has industrial value;
2. Development of new technologies for mechanically separating multilayers in complex carpets, where standard grinding technologies cannot work. This project focuses mainly on projects such as: (a) carpet tiles, (b) broadloom carpets and (c) rubber underlay carpets. The objective of the technology identified (ACS - Aquafil Carpet Separation) and currently developed up to TRL5 is to be economic, versatile and reliable and that can be installed locally, at the point of industrial waste production or post-consumer carpet collection, to enable on-site pre-processing of the material, optimising reverse logistics costs. Tests are also currently being conducted with carpet manufacturers on the purification and reintroduction of separated materials into production cycles, with the goal of achieving the full circularity of the solution;
3. Related to Ecodesign activities, Aquafil participates in certain European and domestic projects aimed at identifying innovative Ecodesign solutions and recycling technologies related to flooring. The European project CISUFLO (CIrcular SUstainable FLOor covering) under the Horizon 2020 programme, which was recently concluded, has involved 23 partners, including research centres and companies operating in the flooring industry. For Aquafil, the opportunity has been not only to evaluate the effectiveness of the new

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design in terms of the recyclability of developed carpet tiles, but also to guide the development of the dedicated technologies of separation and recycling. Within that consortium, Aquafil has been able to validate, by way of various partners, the quality of material other than nylon 6 recovered through recycling technologies as their recovery and reprocessing technologies changed. Among the project's results to date are the development of AI-based systems for end-of-life carpet identification, the creation of predictive models to understand the environmental and economic impact of various circularity scenarios, and the demonstration of the "single-material" approach for making high-polyamide 6 carpets suitable for direct recycling through the ECONYL® Regeneration System.
The project, which came to an end on June 30, 2025, has now continued with the new I-CARE project, funded by Valobat, an eco-organisation dedicated to the recovery and recycling of building materials. This project involves a collaboration with two carpet manufacturing firms interested in the future commercial scale-up of ACS technology;

4. Development of flame-retardant carpets in association with certain customers for the aviation market. The combination of additives to meet the performance demands of the market, meaning a reduction in the weight of the finished product and passing the flammability tests required by the airlines. 2024 saw the first aircraft outfitted with carpets made from ECONYL® yarn and the development of a new production technology supported by related quality control. In 2025, research continued through the development and industrialisation of a carpet latex with specially developed additives, which act in combination with the treatment on flame retardant ECONYL® yarn;
5. Development of a BCF fibre with stain-resistant and water-repellent properties, based on existing products and introducing improvements in product performance, by validating options for surface treatments available on the market. In terms of stain resistance, a product has been chosen that gives the yarn excellent resistance to acid stains and more common stains, such as coffee and wine. The research activity continues with the characterization of the colour-dependent anti-stain effect. The 2025 study focused on the scalability of the solution chosen, assessing its impact on technology, quality control, logistics and production organisation both at the Italian plant and globally;
6. Study and engineering of polyamide 6 stabilising molecules aimed at increasing the UV and heat resistance for outdoor applications of nylon textile fibres (NTFs);
7. Along with industrial partners, joint development of new types of medium- and high-resistance polyamide 6 fibres for specific technical applications;
8. Study of innovative auxiliary products, including those of a natural origin, aimed at improving the chemical and physical characteristics of BCF and NTF yarns and which are compatible not only with polyamide and production processes, but also with the ECONYL® Regeneration System;
9. 9. Research and development of ECONYL® PA6-based materials (with special additives developed in-house) that can be used in 3D printing. A project funded by the Autonomous Province of Trento, named MAGRITTE, began in 2024 to formulate an ECONYL® based compound suitable for large-scale 3D printing, which can be fully recycled at end-of-life by way of the ECONYL® Regeneration System. In 2025, following identification of the correct additives and fillers and assessment of production feasibility, formulations developed during previous months were printed by ProM Facility, and the top 3 formulations were selected. Next, the three compounds were sent to Caracol, which printed the materials using extruders different from the one owned by ProM. The outcome of the tests and related report will be delivered to Aquafil in early 2026. During the last five months of the project, a piece of furniture is to be printed and presented at least one trade show, and the LCA value of the finished product will be calculated;
10. Study and development of "Cast" nylon based on polyamide 6 ECONYL® with high mechanical performance. 2025 saw the dosage of activator and catalyst in caprolactam studied and optimized, with the goal of avoiding the need to deactivate and therefore overdose them. Cast nylon sheets were also produced at the multipurpose plant in Arco using the opening mould designed in the preceding months. The process deli-

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vered positive results in terms of polymerisation and residual monomer. Supports to be inserted inside the mold in order to produce composites and to study their properties were also studied and designed;

11. Development of a standard methodology to determine the micro-plastics found in various forms (i.e. solid, liquid, gas). The ISO 4484-2:2023 standard has also been implemented by the various member states, including Italy, by the UNI body as UNI ISO 4484-2:2023. The work also features the publication and dissemination of scientific articles, which also continues through new partnerships. Specifically, this involves a collaboration with CNR STIIMA in Milan (along with CNR STIIMA in Biella) focusing on an environmental impact study of fibrous microplastics emitted from fabrics during washing, as part of the life cycle assessment. In 2025, further collaborations began with Trento's Muse, the University of Verona, the University of Trento, and the Mario Negri Institute for Pharmacological Research, which will be geared toward conducting eco-toxicological tests on particular chironomides and on fibrous microplastics based on virgin PA6 and PA6 ECONYL(R). In this area, which will also include activities in 2026, marking systems for fibrous microplastics will be developed and marked nanoplastics will also be attempted, again with the aim of following eco-toxicology tests on micro- and nanoplastics of textile origin. Also in 2025, a new working group with CNR Biella and the University Politecnica of Turin, Italy, also began in order to test the release of fibrous microplastics from washing by various textiles that differ only in the type of material they are made of, keeping constant the type of mechanical construction of the textile itself;
12. "Bio-based" project in collaboration with Genmatica Inc., in San Diego, California (USA). This partnership continues with a focus on activities to continuously improve microorganism yields and productivity, to study the impact of by-products in the linear intermediate on its cyclization to caprolactam, and to optimise purification of crude bio 6-ACA. Thanks to the pilot campaign conducted in 2024, valuable information was gathered which enabled the third demo campaign, which took place with encouraging results in Ljubljana in the last quarter, to be conducted most effectively. Polymerisation and subsequent transformations of the polymer into final products will follow in 2026;
13. Development of a PET depolymerisation technology. In 2025 tests continued at the Arco pilot plant, with the aim of studying on the scale of hundreds of kilogrammes the effect of the main parameters defining the process: a) type and colour of PET fed; b) amount of catalyst; c) process temperatures; d) type of decolourising agents and their amounts; e) conditions for evaporation of glycol; f) mode of crystallisation of BHET; and g) mode of drying of the obtained BHET. For some of these parameters, optimisation can be considered to be well advanced, while for others development work continues.
    In a parallel effort, the doctoral research degree course continues with the Department of Physics at the University of Trento on the topic of "Composition, structure and chemical recycling of polymers from polycondensation". The main achievements in 2025 relate to the identification via NMR of a number of impurities and the definition of the optimal parameters for evaporation of BHET and glycol mixtures;
14. Development of a process to separate polymer fibres (as such and/or in the form of fabrics) from elastomers. The process was found to be suitable for PA6, PA66 and PET-based fabrics and was therefore the subject of a special patent application filed in December 2022. 2025 saw trials carried out to separate elastomer from fabrics containing combinations of nylon 6 and elastomer. The Ljubljana production site hosts a pilot plant that enables the various stages of the process to be tested. Meanwhile, laboratory research activities continued to optimise process parameters and develop analytical methodologies. In addition, the conditions for coagulation of the separated elastomer for the purpose of its chemical or physical recycling were studied and optimised. Alongside this, in collaboration with the University of Trento, various types of elastomers - both purchased and obtained post-separation and recovery - were identified to highlight any structural differences useful to optimise the separation process;
15. Research and development of processes aimed at the chemical recovery of polymers from separation/recycling processes: this activity was undertaken in partnership with the University of Padua. A focus was placed on the potential recovery of elastomer from separation from fibres by conversion to polyols for the

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production of polyurethanes. Specifically, after appropriate depolymerisation reactions and purifications, the resulting liquid is used to make polyurethane formulations. A range of formulations were studied and the influence of various recycled material contents on the final properties of the resulting polyurethane foam was assessed. In addition, physical recycling of the recovered polyurethane by incorporating it into compounds with other elastomeric materials was also studied;

16. Identification, development and assessment of an appropriate pyrolysis technology for recovery and utilisation of by-products of the ECONYL® process, enabling the additional recovery of a monomer from the remaining portion of polyamide. Longer, more continuous pyrolysis tests were carried out in 2025 to assess the stability and reproducibility of the process and the most critical points of the plant. Tests were conducted at various temperatures to identify the threshold below which the ash still contains pyrolysable organic material. Based on the outcomes of the longer duration tests, plant modifications were designed and implemented to allow for greater continuity and stability of operations. Process data was also collected and oil, gas and ash composition was analysed. These data were assessed to find correlations between the various parameters and to create a predictive model;
17. Optimisation of polymerisation production processes, in order to reduce energy and water consumption;
18. As part of the continuous improvement of the ECONYL® process, caprolactam distillation and purification processes were optimised in order to reduce energy consumption and decrease process byproducts; Specifically, this work focused on caprolactam recovery from waste streams and optimising the process of separating solids after neutralisation to increase filtration efficiency. In the first case, the studies carried out in 2024-2025 led to the design of a dedicated reactor that is currently undergoing testing and development. In the latter case, however, the studies focused on flocculation, by means of a three-year dissertation from the Faculty of Chemistry and Chemical Technology at the University of Ljubljana, whereby the behaviour of different flocculants was studied in addition to the development of methods to verify physical parameters that may influence flocculation. In addition, an analytical methodology was developed to minimise the amount of additives used in the purification step of caprolactam, and the evaluation and study for the integration of this method into automatic online monitoring systems was initiated. Finally, a new continuous separation system was implemented to remove waxy insoluble materials and improve the quality of caprolactam by reducing the manual steps required to limit the presence of these compounds;
19. Analysis and introduction of innovative training techniques using digital tools (video tutorials and interactive knowledge testing with a focus on knowledge transfer);
20. Low & Ultralow DPF - Development of new portfolio of items of 1 DPF or under for the textile industry. Low DPF items validated and industrialised; the biggest obstacle for Ultralow DPF items is pilling resistance;
21. A polyamide 6 fabric for use in warp-knitted applications that mimic natural materials, using a variety of processes, threads and colours, is in development;
22. Equipment with greater parameter flexibility usable for developments of new types of anti-static wires is being tested;
23. Project HIGH BULK: in line with market trends, Aquafil has identified a new spinning concept capable of creating yarns with high crystalline content, which ensure superior coverage without compromising wear resistance, at a competitive cost. In the course of the project, the key parameters that create the cover were then identified and studied, testing, first internally, then externally at a partner customer, the mechanical performance as the carpet production looms changed. Finally, using an iterative approach of testing and improvement, a completely new filament section was developed that can increase crush resistance and yarn coverage. The novelty of this solution, which is in the process of being patented, is also worthy of note. Following the successful testing of several prototype carpets on industrial plants, the new yarn has been released under the name TRIFORMA-HC. The first market impacted by this release is Japan.
Meanwhile, internal testing continues in order to assess into which areas to expand this new and very promising technology. The new yarn has made it possible to reduce the weight of yarn in the carpet by about

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25%, while maintaining wear resistance in accordance with regulatory standards;

24. ICE: Project: The project, which focuses on the Cares (TN) plant, has as its primary objective the integrated digitisation of production lines through the adoption and implementation of an advanced Manufacturing Execution System (MES). Phase 2 of the project, aimed at ensuring full interoperability between factory systems and the ERP management platform (SAP), was launched in 2025, thereby enabling timely process control and greater operational flexibility. Development activities have focused on implementing the Adaptive Manufacturing Controller (AMC) module for dynamic and automated scheduling of Production Orders (POs) based on real-time analysis of physical machine constraints and production rules. In parallel, features have been developed for advanced traceability via "micro-batches" and digitised cart handling, thereby eliminating paper handling and integrating flows with the SAP Warehouse Management (WM) module. The solution is designed to create a uniform, scalable infrastructure with the goal of replicating the model of efficiency and waste reduction at the Group's other plants as well.

## 12.3 PATENT DEVELOPMENTS

The following is a list of the main patents that have been filed:

a. Patent on the separation of elastomers from polymeric fabrics, with a particular focus on PA6 for recycling by means of the ECONYL® process. Priority 09.12.2022, PCT filing 06.12.2023 international publication WO/2024/121765.
The opinion of ISA, the international research authority, arrived in 2024; the documents cited and the objections raised coincided with that reported by the UIBM in 2023. As such, the response was the same as it was for the Italian case, in which these responses were accepted (leading to the grant of an Italian patent in late 2024).
A decision was therefore made to proceed with the international preliminary examination, thereby simplifying the process to enter the national stages. The international study initially confirmed the ISA's opinion, so a new rebuttal was submitted in early 2025; this time, following some minor changes to the claims, the examiner recognised the novelty and inventive nature of each of the claims: it was therefore decided to enter the national stages with this latest version of the claims.
In H1 2025, the following areas of interest were selected: Europe, the U.S., Canada, China, South Korea, Japan, Vietnam, Indonesia, Thailand and India; the patent was published in India in June 2025; in the second half of the year, it was also published in Europe, China, South Korea and Indonesia;

b. Patent on the composition of a compound for 3D printing that can be directly chemically recycled. Priority 03.11.2022, PCT filing 31.10.2023 international publication WO/2024/095146.
The ISA opinion that all claims were considered novel and inventive was received in 2024; 2024 also saw the granting of the patent in Italy. Following the ISA opinion, there was no need to apply for the preliminary examination in preparation for entry into the national stages, which began in early 2025 in Europe, Eurasia, the U.S., China, Japan, and Brazil. In the second half of 2025, the grant was approved by the Eurasian Patent Office;

c. Patent on textile flooring waste treatment and recycling process. Priority 21.09.2022, PCT filing 17.07.2023, international publication WO/2024/061510.
The PCT was filed in 2023, with international publication in March 2024. Following the first ISA opinion in early 2025, extensions were made in the individual areas of interest: Europe, U.S., Canada, China, Japan, India, Mexico, Australia and New Zealand; for most of which publication occurred as early as the second half of the year;

d. Patent on the separation of fibreglass from polymers with a particular focus on PA6 for recycling by means of the ECONYL® process. Priority 10.11.2021, PCT filing 10.11.2022 international publication WO/2023/084441.
Patent with inventors Aquafil and University of Padua (Department of Industrial Engineering), but the exclusive property of Aquafil. In 2024, publications were made in all areas of interest (Europe, Europe, Eurasia, the USA, Canada, Brazil, China, Japan, South Korea, and India), and requests for payment of annuities for the

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European patent had already arrived, indicating that a grant would be forthcoming. In January 2025, the first grant was obtained in Eurasia, specifically in Russia and Belarus, countries where caprolactam is produced; the grant in Europe came in October of 2025, and patent applications are being assessed in Brazil, Japan and South Korea;

e. Patent on the synthesis of catalysts for PET glycolysis. Priority 17.05.2021, PCT filing 16.05.2022 international publication WO/2022/243832.
Patent with inventors Aquafil and University of Padua (Department of Industrial Engineering), but the exclusive property of Aquafil. The national extensions were launched in the areas where polyester and processes for its chemical recycling play a key role: Europe, Eurasia, the USA, Canada, Mexico, Brazil, China, Japan, South Korea, Thailand, Indonesia, India, and Saudi Arabia;
The certificate of grant for the Italian patent was obtained in 2023, and in 2024 annual fee payment notices began to arrive from Canada, Brazil, Saudi Arabia, and Europe, a sign that a grant was forthcoming: the grant for Europe arrived in January 2025. An official action began in Eurasia in 2024, for which a rebuttal with slightly modified claims was prepared; a grant was then obtained in April 2025;

f. Patent on the production process of a new multicomponent NTF fibre with reduced impact on GWP (global warming potential). Priority and PCT filing 10.02.2021 international publication WO/2022/173379.
For the patent, the extension was launched in Europe, with publication in 2023; the annual fees for maintaining the patent are currently being paid;

g. Patent on synthesis of caprolactam from 6-ACA, principally designed for the production of caprolactam from plant-based raw materials. Priority 28.12.2018, PCT filing 23.12.2019 international publication WO/2020/136547.
Aquafil jointly-owned patent with Genomatica. The national extensions were launched in the areas where there is production of caprolactam and available of renewable raw materials: Europe, Eurasia, the USA, Mexico, Brazil, China, Japan, South Korea, Thailand.
After the patents granted in Eurasia, India, Japan and the U.S. (2024), and in China, South Korea, Mexico and Brazil (in the first half of 2025), the patent in Europe has yet to be officially granted, although we are already paying annual patent maintenance fees;

h. Patent on improvements and optimization of solvent-free caprolactam purification technology. Priority and PCT filing 15.12.2017, international publication WO/2019/117817.
Regional extensions had been requested for this patent in the major areas where caprolactam production plants are located, following the patents granted in all countries of interest (USA, Europe, Eurasia and Japan, and China), annual maintenance fees are currently being paid;

i. Patent on the recovery and separation of the waste components of end-of-life polyamide carpeting. Priority and PCT filing 29.05.2017, international publication WO/2018/222142.
For the patent, valid in the USA, a further patent application was made for additions to the same process, which led to the patent being granted in Europe in 2023. Annual maintenance fees are currently paid;

j. Patent on the recovery of copper from discarded fishing nets used to supply ECONYL®. Priority and PCT filing 22.12.2016, international publication WO/2018/117978.
Between 2020 and 2024, grants were received in all countries for which applications had been made: USA, Japan, China, Europe, Canada, India and Chile. Annual maintenance fees have been paid since 2025.

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# 13. CORPORATE GOVERNANCE

For further information on corporate governance, reference should be made to the Corporate Governance and Ownership Structure Report, prepared in accordance with Article 123-bis of Legs. Decree 58/1998, approved by the Board of Directors, together with the Directors' Report made available at the registered office of the company and on the Group website (https://www.aquafil.com/it/investor-relations/bilanci-e-relazioni).

Certain disclosure within the scope of the Corporate Governance and Ownership Structure report is covered by the "Remuneration Report" drawn up as per Article 123-ter of Legislative Decree 58/1998. Both reports, approved by the Board of Directors, are published in accordance with law on the company website www.aquafil.com.

# 14. OTHER INFORMATION

## 14.1 MANAGEMENT AND CO-ORDINATION ACTIVITY

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

The parent company Aquafin Holding SpA does not exercise management and co-ordination over Aquafil as substantially operating as a holding company, without an independent organisational structure and, consequently, de facto does not exercise direct management over Aquafil SpA.

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

## 14.2 TREASURY SHARES

At December 31, 2025, the Company holds a total of 1,278,450 treasury shares, comprising 1.46% of the share capital, for a total value of Euro 8,612,054.

## 14.3 GROUP IRES (CORPORATE INCOME TAX) TAXATION PROCEDURE

Aquafil SpA is the consolidating company of the group taxation procedure, as chosen by Aquafin Holding SpA for the 2023-2025 three-year period in accordance with Articles 117 to 128 of Presidential Decree 917/1986, as amended by Legs. Decree No. 344/2003. Similarly, the companies Tessilquattro SpA and Bluloop Srl are consolidated companies within the Group taxation procedure, in accordance with the option exercised by Aquafin Holding SpA as consolidating company.

Aquafil S.p.A. for fiscal year 2023 altered the method for allocating fiscal losses resulting from tax consolidation in the event of the suspension or non-renewal of tax consolidation in accordance with Article 124(4) of the Income Tax Law. Specifically, as part of the renewal for the three-year period 2024-2026, it was indicated in line OP6, col. 3, code "4" (Change in the criterion used for any allocation of residual losses) and in column 7, code "3" (Allocation to companies that produced losses in a different manner from the previous). This change therefore results in the allocation of losses to Aquafil S.p.A..

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## 14.4 ORGANISATION, MANAGEMENT AND CONTROL MODEL IN ACCORDANCE WITH LEGS. DECREE 231/2001

The Italian companies of the Aquafil Group have supplemented the organisation, management and control model as per Legislative Decree No. 231 of June 8, 2001, including the conduct code and operating procedures. Specifically, the Model provides for the drafting of a Code of Conduct, mapping of the corporate areas at risk, assessment of the control safeguards, and a disciplinary system to punish any offences. The Supervisory Board, appointed by the Board of Directors, is appointed to oversee its operation and update, and compliance with the law. The Model was adopted by means of a Board resolution in 2014 and was updated in 2023. It is application to Italian Group companies that have adopted it, whose employees may also use the whistleblowing system to report any offences. On this occasion, the model was revised based on the extended catalogue of 231 offences provided for under Italian law. Specifically, three families of offences have been added to the list of predicate offences in the General Section of the Model: Crimes against cultural heritage; and Laundering of cultural property and devastation and looting of cultural and scenic heritage; Offences involving non-cash payment instruments. In relation to these offences, the Special Section of the Model has also been updated. This section describes the types of offence, risk areas and sensitive activities, and the existing safeguards, with general principles and specific protocols.

## 14.5 APPLICATION OF ACCOUNTING STANDARD IFRS 17

It should be noted that from the analyses conducted, there are no transactions performed by the Group that fall under the scope of the accounting standard IFRS 17.

## 14.6 IMPAIRMENT TEST PROCEDURE

In order to conduct impairment tests for the purpose of verifying the recoverability of assets, as described below, the Parent Company has adopted specific, formal procedures as approved by the Board of Directors on February 15, 2019.

## 14.7 ARTICLE 15 OF CONSOB MARKET REGULATION NO. (UPDATED BY CONSOB RESOLUTION NO. 20249 OF DECEMBER 28, 2017): CONDITIONS FOR LISTING SHARES OF PARENT COMPANIES INCORPORATED AND REGULATED BY THE LAW OF NON-EU STATES.

In relation to the regulations concerning the conditions for the listing of companies that control companies constituted and regulated according to laws outside of the European Union and of significant importance for the purposes of the consolidated financial statements, it is reported that:

- at December 31, 2025, the regulatory requirements of Article 15 of the Market Regulations apply to the Group's subsidiaries;
- appropriate procedures have been adopted to ensure full compliance with the aforementioned regulations.

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## 15. RECONCILIATION BETWEEN THE PARENT COMPANY AND GROUP SHAREHOLDERS' EQUITY AND OPERATING RESULT AT DECEMBER 31, 2025

A breakdown of the composition and movement of shareholders' equity of the parent company and the Group consolidated financial statements at December 31, 2025 is presented in the following table:

| (in Euro thousands) | Shareholders' Equity | Net Result |
|---|---|---|
| **Parent company net equity and net result** | **119,460** | **(21,951)** |
| Consol. Adjustments on parent company | 7,262 | (1,816) |
| **Elimination of carrying amounts of consolidated investments** | | |
| Difference between Shareholders' Equity & Carrying amount | (10,803) | |
| Pro-quota results of investees | 5,138 | 5,138 |
| **Elimination of the effects of transactions between consolidated companies** | | |
| Reversal of write-downs net of revaluations of investments | 15,019 | 15,019 |
| Inter-company dividends | (2,234) | (2,234) |
| Inter-company profit/(loss) included in inventories & other minor | (2,584) | 1,150 |
| **Shareholders' equity and net result as per consolidated financial statements** | **131,258** | **(4,694)** |
| Minority interest net equity and net result | 0 | 0 |
| **Group net equity and net result** | **131,258** | **(4,694)** |

## 16. OUTLOOK

2025 saw a very strong performance compared to the previous year, especially in terms of margins.

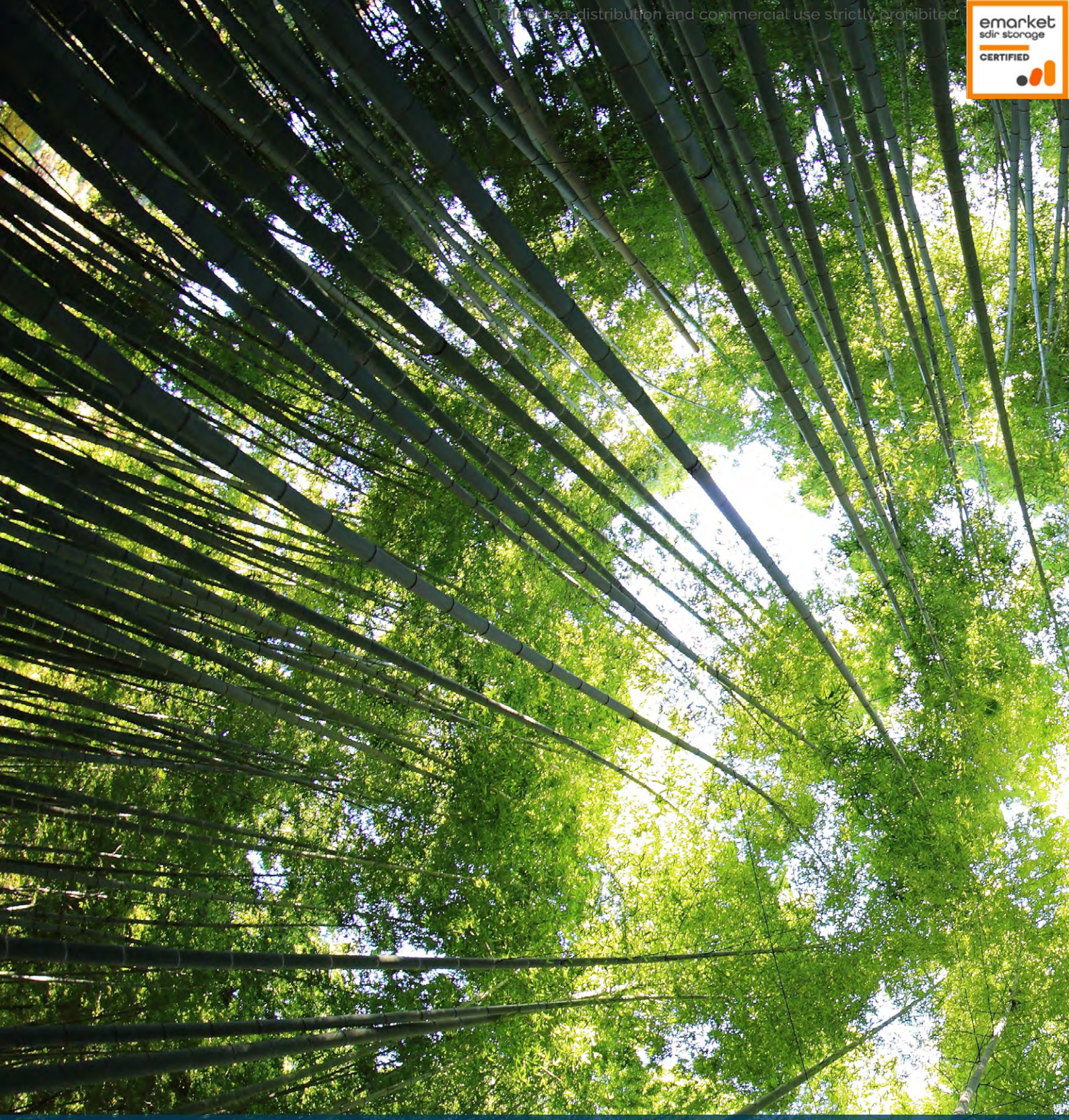
FY 2026 will focus on rationalising costs, consolidating margins, and increasing volumes in key businesses. The Group will continue to benefit from the cost rationalisation plan, with a positive impact expected in terms of profitability over the coming quarters. The main financial management goal will be to continue to pursue deleveraging and cash flow optimisation.

The macroeconomic backdrop of recent weeks calls even more for constant market monitoring. Our global presence and distinctive positioning in ECONYL® brand regenerated fibres enable the Company to look to the future with confidence, focused on sustainable growth and the progressive strengthening of market leadership.

Arco, March 12, 2026

Chairperson of the Board of Directors
Ms. Chiara Mio

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# Aquafil Sustainability Statement 2025

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

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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").

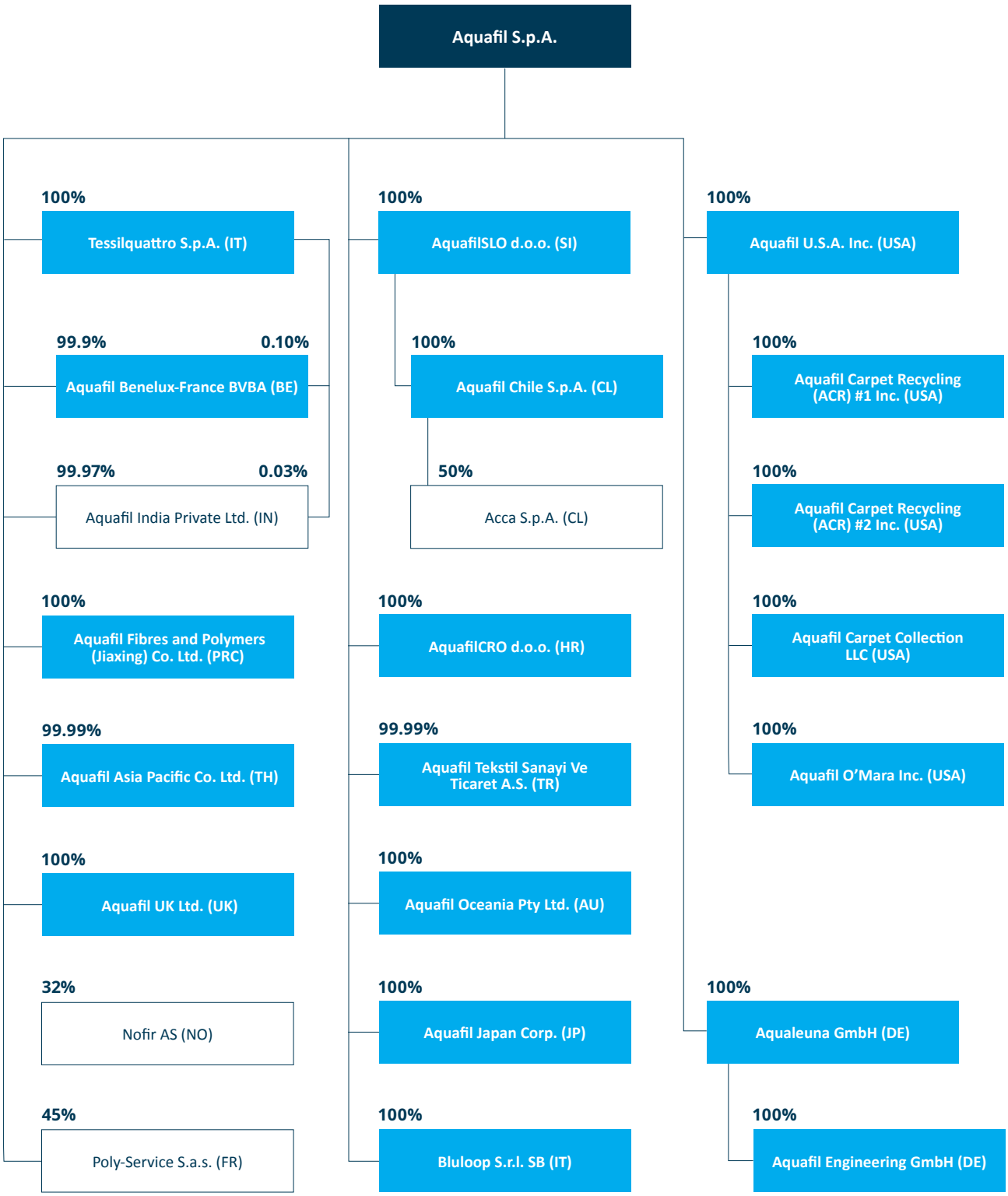
Until 2023, reporting was undertaken in accordance with the Global Reporting Initiative (GRI) Standards.

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.

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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

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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.

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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

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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.

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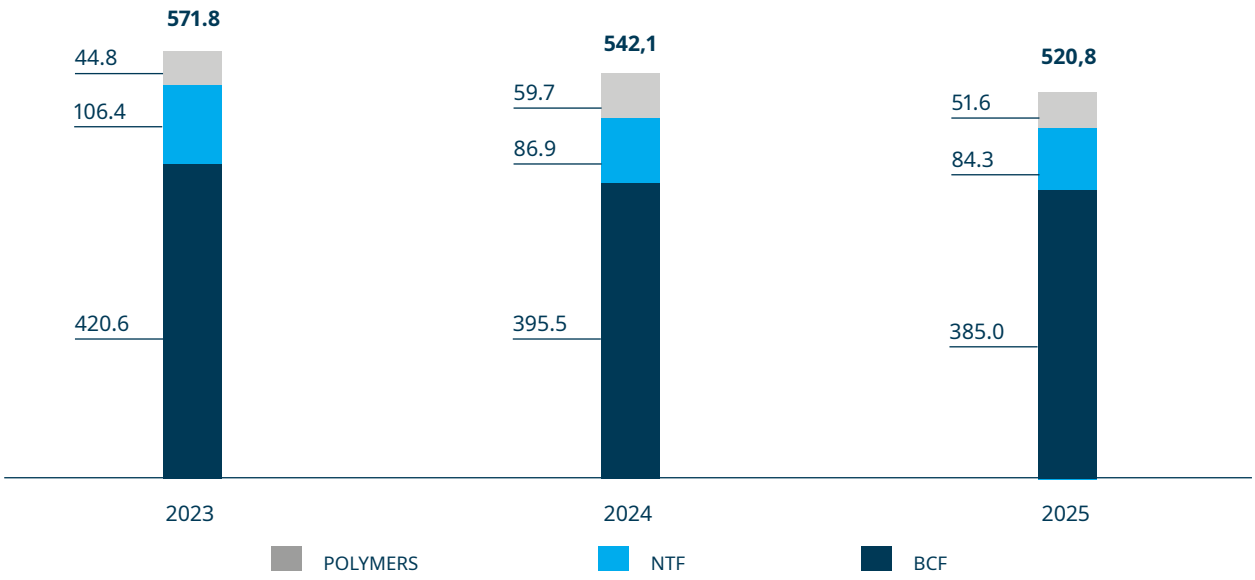


## Our activities

- **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)



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### 1.2.2 Aquafil in the world

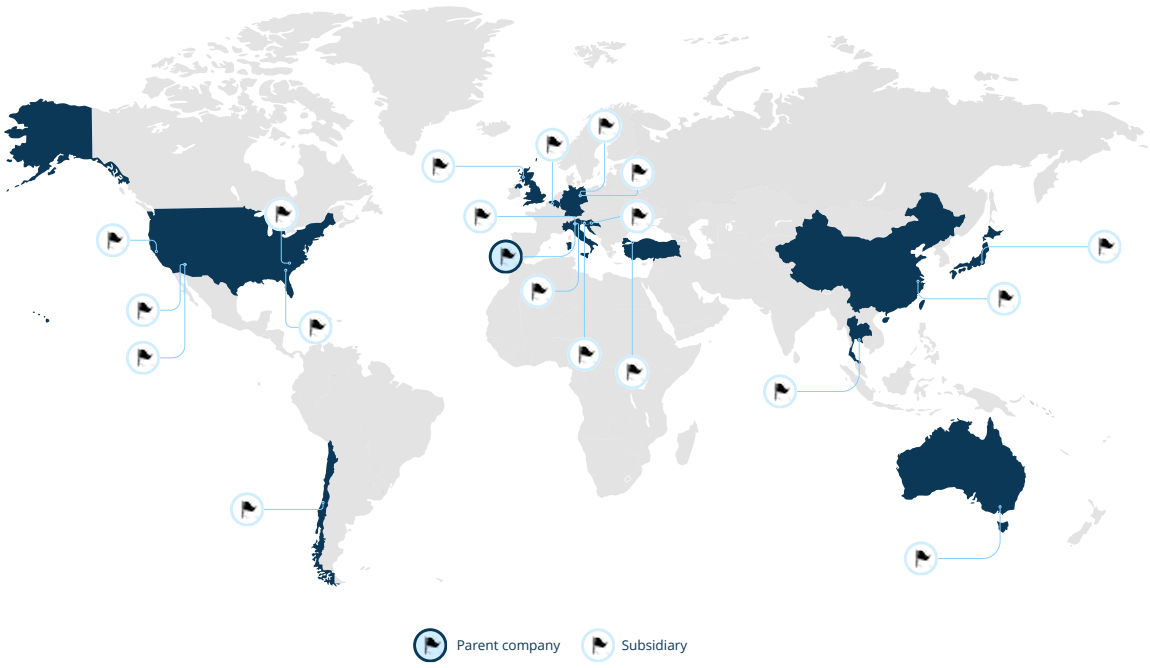
**Our international presence spans 13 countries across four continents.**

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.**

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### 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).

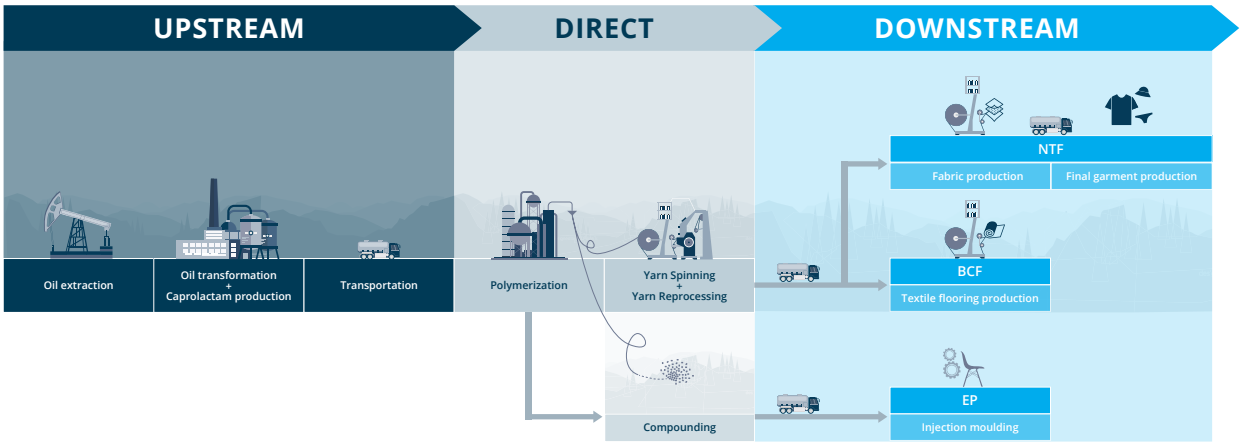
We look to the future with determination, committed to achieving **full circularity** in our business model, generating stable, long-term value not only for our shareholders, but also for people, communities and the entire planet. We intend to lead the **circular revolution** in the textile sector, driving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

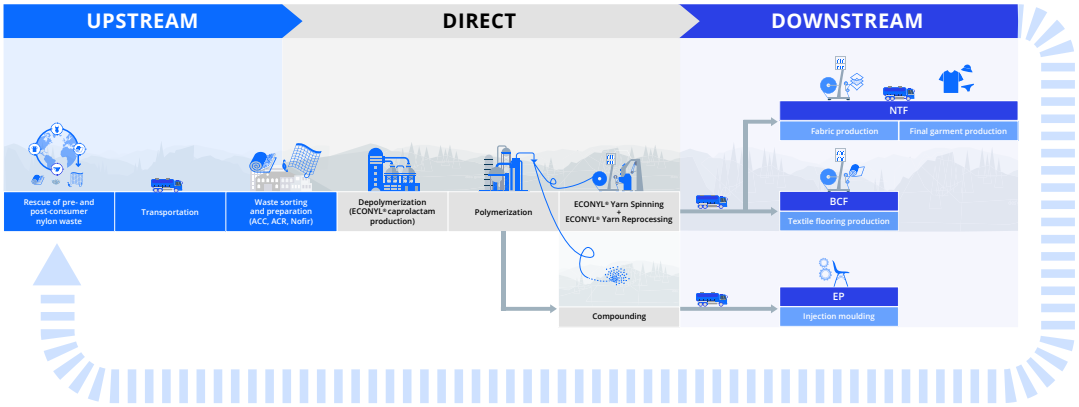
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- **Yarns** > manufacturers of textile flooring (BCF segment for the contract, residential and automotive segments) and textiles for the garment and sports industries (NTF segment);
- **Compounds (or granules)** > injection moulding companies for the 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




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

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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

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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.

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## 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";

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- **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.

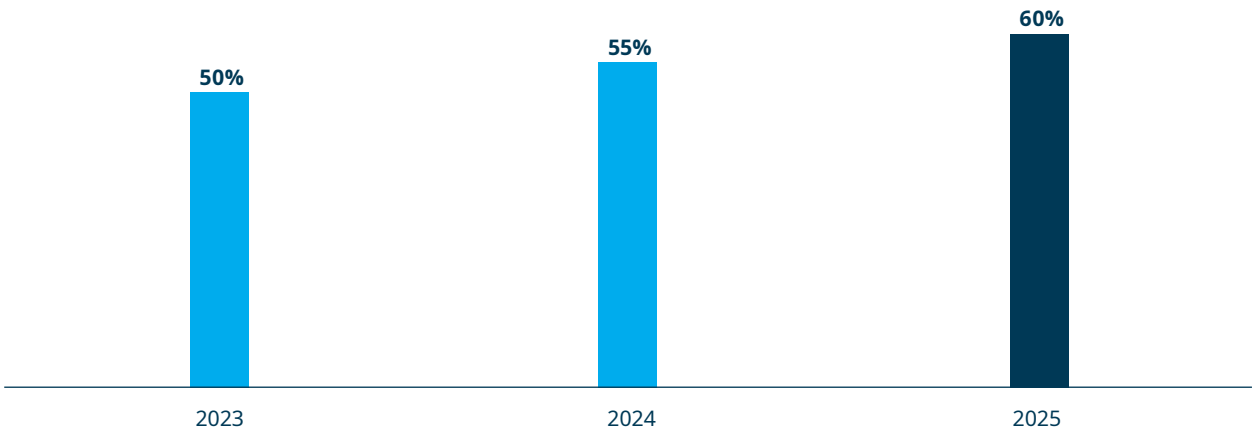
## 1.3 OUR ESG STRATEGY

### 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.

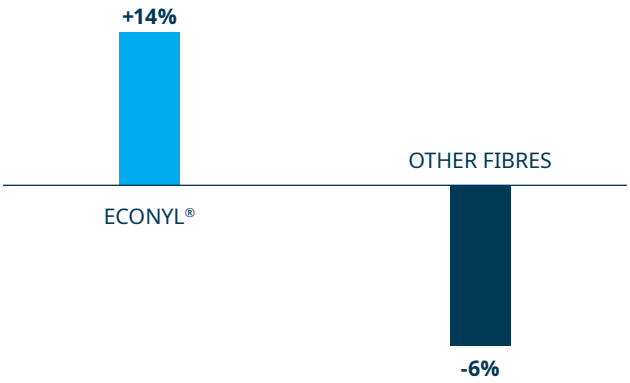
**FIGURE 1.4 - CONTRIBUTION OF ECONYL® PRODUCT SALES ON TOTAL FIBRE SALES**



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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**.

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### 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.

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## 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 $m^2$ 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.

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### 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.

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

| Sustainability pillars | Objective | Target | Baseline | Deadline |
|---|---|---|---|---|
| **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 |
| | | 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 |
| | 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 |
| | 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 |
| | | 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 |

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®".

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| Progress at 31/12/2025 | Note | CSRD Subtopic[3)] | Policy (see section 1.3.5) |
|---|---|---|---|
| 60.4% | **Target achieved** | E5 Waste<br>E5 Resource outflows related to products and services | ESG Policy<br>Environmental Policy |
| 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<br>E5 Resource outflows related to products and services<br>S4 Social inclusion of consumers and/or end-users | ESG Policy<br>Environmental Policy |
| 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<br>E5 Resource outflows related to products and services<br>S4 Social inclusion of consumers and/or end-users | ESG Policy<br>Environmental Policy |
| 9 projects initiated<br>- 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<br>E5 Resource outflows related to products and services<br>S4 Social inclusion of consumers and/or end-users | ESG Policy<br>Environmental Policy |
| 50% | **Target achieved:** 15 MoUs were signed out of the 30 initially identified customers.<br>Subsequently, a further five MoUs were signed with customers not included in the original selection. | E5 Waste<br>E5 Resource outflows related to products and services<br>S4 Social inclusion of consumers and/or end-users | ESG Policy<br>Environmental Policy |

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| Sustainability pillars | Objective | Target | Baseline | Deadline |
|---|---|---|---|---|
| **Environmental protection**  | E Use energy from renewable sources | Procure 100% electricity from renewable sources for the entire Aquafil group. | 100% (2022) | Annuale |
| | E Mitigate the impact of production processes | Ensure all Group plants are ISO 14001 certified (environmental management). | 9 (2021) | 2025 |
| | | Ensure all Group plants are ISO 14001 certified (environmental management). | 5 (2021) | 2028 |
| | | Commit to the Science Based Targets (SBTs) initiative and adhere to GHG reduction targets. | ND (2021) | 2025 |
| | 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 |

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

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| Progress at 31/12/2025 | Note | CSRD Subtopic[4)] | Policy (see section 1.3.5) |
|---|---|---|---|
| 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<br>E1 Climate change mitigation<br>E2 Air pollution | Code of Conduct<br>ESG Policy<br>Environmental Policy |
| 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<br>E1 Climate change adaptation<br>E1 Climate change mitigation<br>E2 Air pollution<br>E2 Water pollution<br>E2 Soil pollution<br>E5 Resource outflows related to products and services<br>E5 Waste | Code of Conduct<br>Environmental Policy<br>Integrated Management System |
| 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<br>E1 Climate change mitigation<br>E2 Air pollution | Environmental Policy<br>Integrated Management System |
| | **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<br>E1 Climate change mitigation<br>E2 Air pollution | ESG Policy<br>Environmental Policy |
| 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<br>E5 Waste<br>S4 - Product management | Green Procurement Policy |

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| Sustainability pillars | Objective | Target | Baseline | Deadline |
|---|---|---|---|---|
| **Guarantee the well-being of individuals**  | S Reduce injuries | Ensure all Group plants are ISO 45001 certified (risk management). | 6 (2021) | 2025 |
| | S Support professional development | Create professional development pathways for talented Group employees. | ND (2022) | 2025 |
| | S Achieve equal gender representation at all company levels | Train at least 50% of employees on diversity issues. | 0% (2023) | 2025 |
| | | Have at least 20% female figures in top and senior management.[8] | 0% (2023) | 2026 |
| | 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 |
| **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 |
| **Cross-cutting objectives** | S G Improve Corporate Governance | Develop a succession plan for management. | ND (2022) | 2025 |

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

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| Progress at 31/12/2025 | Note | CSRD Subtopic[6] | Policy (see section 1.3.5) |
|---|---|---|---|
| 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<br>S2 Working conditions | Code of Conduct<br>Human Rights Policy<br>Integrated Management System |
| 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<br>Human Rights Policy<br>DE&I Policy |
| 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<br>Code of Conduct<br>Human Rights Policy<br>DE&I Policy |
| 0% | **Target on hold:** Following the ongoing reorganisation, we decided to exclude this target from the current ESG strategy.<br>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<br>Human Rights Policy<br>DE&I Policy |
| - | **Target removed** Having gained experience, with our first site certified in 2019, we decided not to renew SA8000 certification at the facilities already covered.<br>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<br>S1 Other work-related rights<br>S2 Equal treatment and opportunities for all<br>S2 Other work-related rights<br>G1 Business conduct<br>G1 Protection of whistleblowers | Code of Conduct<br>Human Rights Policy<br>DE&I Policy<br>Integrated Management System |
| 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.<br>In 2025, 61% were assessed in greater detail using the EcoVadis Rating or a simplified questionnaire (Vitals). | E1 Climate change mitigation<br>S2 Working conditions<br>G1 Business conduct<br>G1 Management of relationships with suppliers, including payment practices | ESG Policy<br>Code of Conduct<br>Human Rights Policy<br>Green Procurement Policy |
| Completed | **Target achieved:** A succession plan was drawn up in 2024. | S1 Equal treatment and opportunities for all<br>G1 Corruption and bribery<br>G1 Business conduct<br>G1 Management of relationships with suppliers, including payment practices | Policy for succession planning for key figures |

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### 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 |
|---|---|---|
|   | 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**. |
|   | 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. |
|   | 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**. |
|   | 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. |
|   | 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). |
|   | 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). |
|   | 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. |

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**TABLE 1.3 - SDG: IMPACT THROUGH CONTEXTUAL INITIATIVES**

| SDG | Targets | Our contribution |
|---|---|---|
|  | 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. |
|  | 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. |
|  | 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**. |
|  | 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.

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| | | |
|---|---|---|
| **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.**

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### 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.

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### 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 | |

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## 1.5 SUSTAINABILITY GOVERNANCE

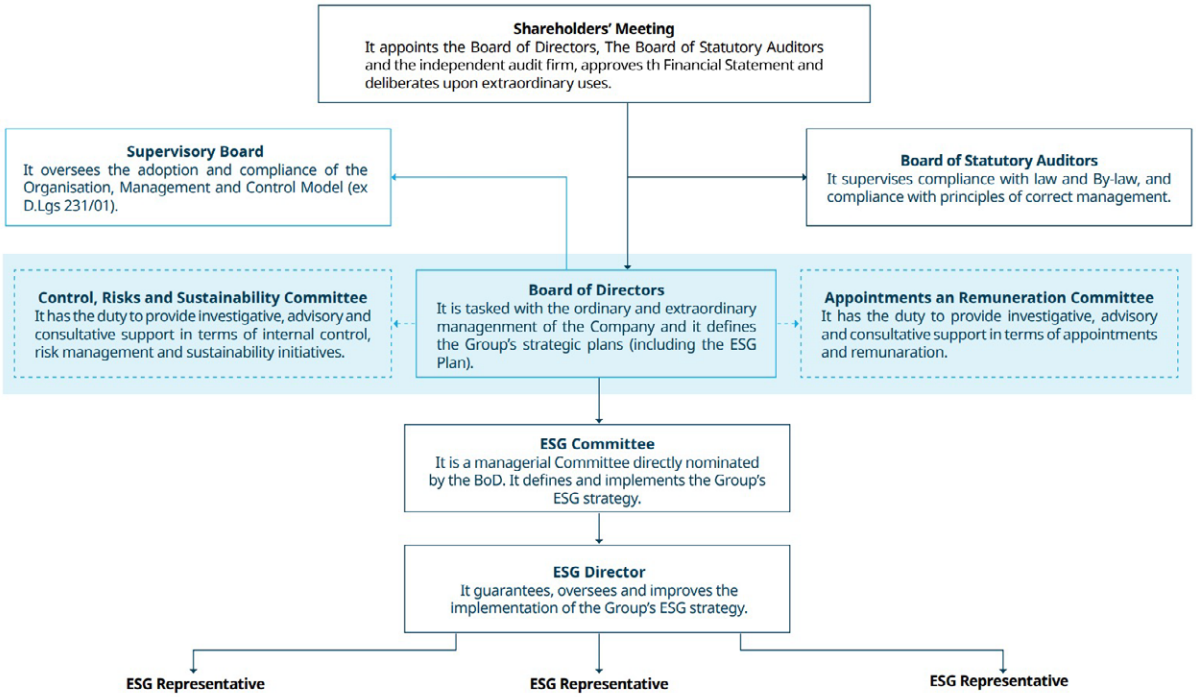
### Our commitment to sustainability is clearly codified in Group governance.

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**<br>• Prescribes internal **actions and commitments** to achieve goals<br>• 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.<br>**S:** own workforce, workers in the value chain, affected communities, and consumers and end-users<br>**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. |

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### 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.

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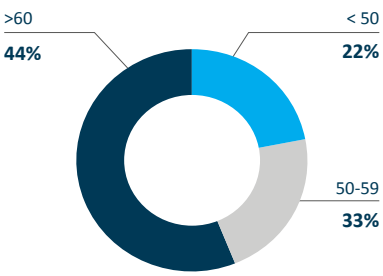
### TABLE 1.4 - COMPOSITION OF THE BOARD

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

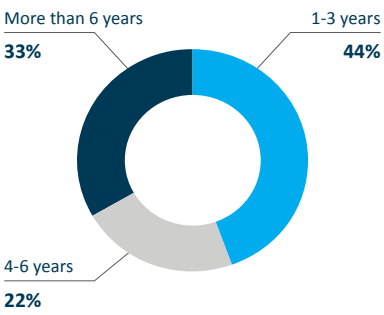
| Name | Office | Role | Age | ESG experience and skills |
|---|---|---|---|---|
| Chiara Mio | Chairperson | Independent, non-executive | >50 | **E-S-G**<br>Member of the **EFRAG Sustainability Reporting TEG**.<br>**Professor** at the Department of Management at **Ca' Foscari University of Venice**.<br>**Director at listed companies** including Banco BPM and OVS.<br>Former Chairperson of the **ESG Reporting Task Force**, Accountancy Europe, Brussels.<br>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**<br>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**.<br>Awarded the **Order of Merit of Labour (*Cavaliere del Lavoro*)** and a speaker at national and international events on sustainability and innovation.<br>WCD's 2023 **Visionary Award for ESG Leadership** (2023)<br>**100 Meaningful Business Leader** (2022) |
| Stefano Giovanni Loro | Director | Executive | >50 | **E-S-G**<br>**President BCF EMEA of Aquafil** since 2017, and **President BCF APAC** since 2021. Circular economy expert<br>Former general manager of several business units at **Radici Group** |
| Franco Rossi | Director | Executive | >50 | **E-S-G**<br>**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**<br>**Lawyer** specialising in Corporate, M&A and corporate restructuring.<br>Former **Linklaters** and **Freshfields Bruckhaus Deringer** |
| Francesco Bonazzi | Director | Non-executive | 30-50 | **G**<br>**Attorney and Director at Aquafil Holding.**<br>Formerly **KPMG Audit** |
| Roberto Siagri | Director, Chairperson of the Appointments and Remuneration Committee | Independent, non-executive | >50 | **G**<br>Expert in **internationalisation** and **corporate governance**.<br>**Founder and CEO of Rotonium Srl** (2022-present), a startup in the field of quantum computers.<br>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**<br>**Expert in corporate crisis and recovery** with a strong **background in corporate management and control.**<br>**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**<br>Expert in **human resource management** and **corporate culture**, with specific focus on **diversity** and **human capital development**.<br>Executive at **UniCredit Italy** - Head of People & Culture (2021-2022) and Chief Administrative Officer (2022-present).<br>Former HR VP at **Sky Italia**, Chief Human Capital Officer of **Montepaschi Group**, HR director of **Vodafone**.<br>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

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## 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.

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## 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.

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## 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:**<br>• EBITDA (weighting 55%)<br>• NFP/EBITDA (weighting 20%)<br>• **ESG (weighting 25%)**<br><br>**Cap:** there is a cap on the payout equal to 125% of the target incentive Clawback clause | **CEO:**<br>• Target: 22% della Retribuzione Fissa<br><br>**Executive Directors:**<br>• Target: 50% of Fixed Remuneration<br><br>**SEs:**<br>• Target: ranging between 40%<br>• and 50% of Fixed Remuneration | **Two sustainability targets (in line with the Sustainability Plan)**<br><br>(weighting 12.5% each)<br><br>**KPI:**<br>• proportion of **ECONYL®-branded** product **revenues** to fibre revenues;<br>• **collection of post-consumer waste** to create new recycled materials |
| **LONG-TERM VARIABLE INCENTIVE (LTI)** | **Instrument:** monetary<br>**Allocation frequency:** annual<br>**Performance period:** three years<br><br>**KPI:**<br>• TSR (weighting 30%)<br>• **ESG (weighting 25%)**<br>• EBITDA (weighting 25%)<br>• NFP/EBITDA (weighting 20%)<br><br>**Deferment:** 50% of the bonus for 1 year<br>**Cap on issuable pay-out:** 125% of the incentive at target<br>**Clawback clause** | **CEO:**<br>• Target: 22% of Fixed Remuneration<br><br>**Executive Directors:**<br>• Target: 50% of Fixed Remuneration<br><br>**SEs:**<br>• If participating in the plan, target: 50% of Fixed Remuneration | Aquafil's ranking on the **ESG risk rating** provided by EcoVadis<br><br>The target considers the degree of improvement achieved in the rating |

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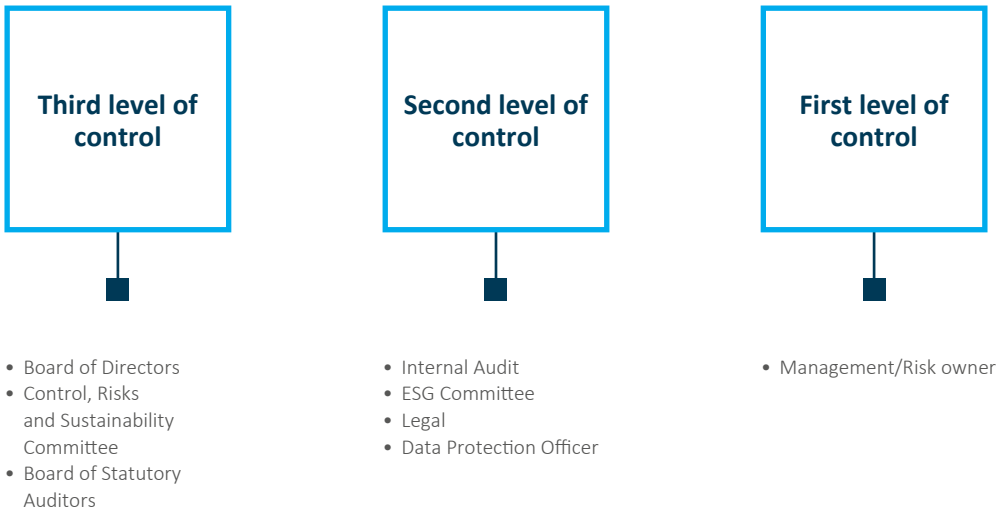


### 1.5.3 Risk management system

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.

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## 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.

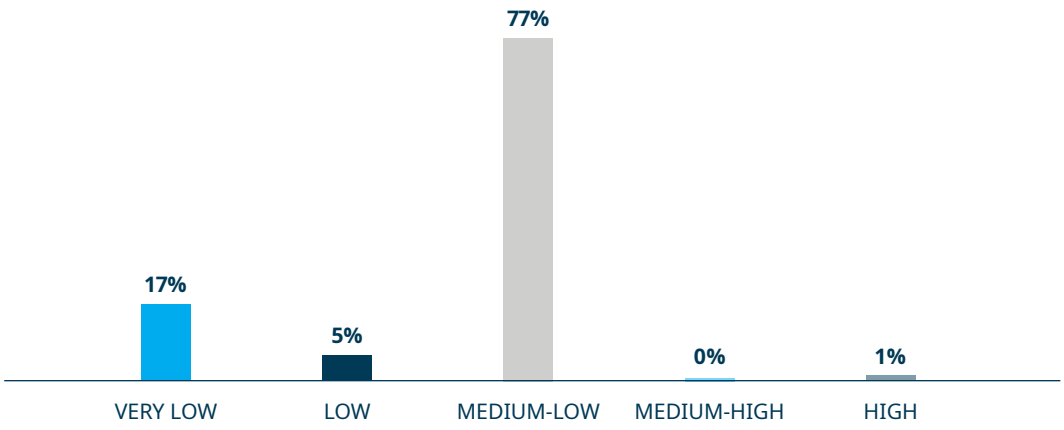
To broaden awareness of the initiative, training was extended to other corporate functions in 2025, primarily involving managers and middle management at Italian sales offices and several colleagues at the Company's Chinese office. In total, 38 people were involved. We plan to further extend training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

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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:<br>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.

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### 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 |

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# 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

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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<br>• 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**:

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.

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**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.

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."

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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.*

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**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 ($CO_2$eq) 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**.

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### 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%**<br>91,542 $tCO_{2eq}$ | **0.3%**<br>3,326 $tCO_{2eq}$<br>(market-based) | **90.7%**<br>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.*

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**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.

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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.

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## 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**<br>• 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.

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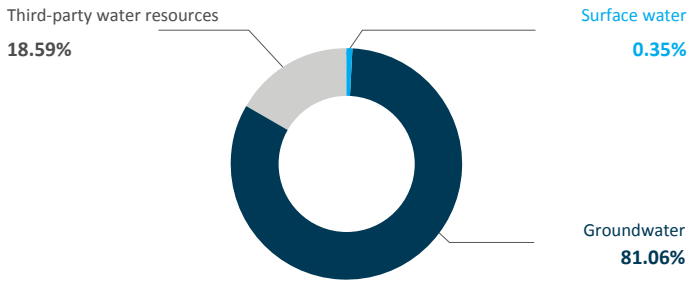


**TABLE 2.9 - GROUP WATER WITHDRAWALS AND CONSUMPTION, BROKEN DOWN BY SOURCE OF SUPPLY; WATER INTENSITY (2024 VS 2025)**

| | 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.

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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 m³**, 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 | m³ | 567,744 | 527,103 |
| Surface water discharges | m³ | 780,154 | 777,481 |
| **Total** | **m³** | **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.

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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;

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.

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- 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).

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**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.

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**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.

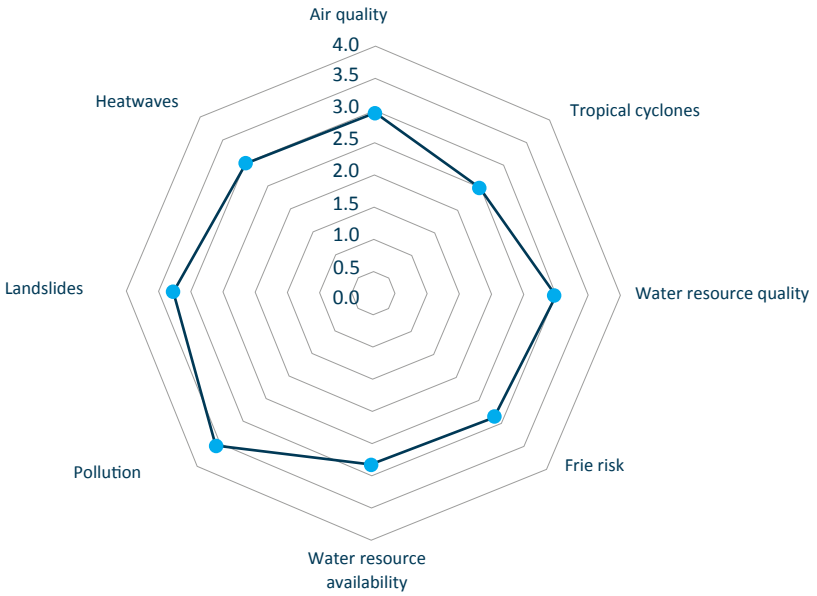
22 Taskforce on Nature-related Financial Disclosures (TNFD), Task Force on Climate-related Financial Disclosures (TCFD), Science Based Targets Network (SBTN), Global Reporting Initiative (GRI).

23 The analysis did not include direct stakeholder involvement

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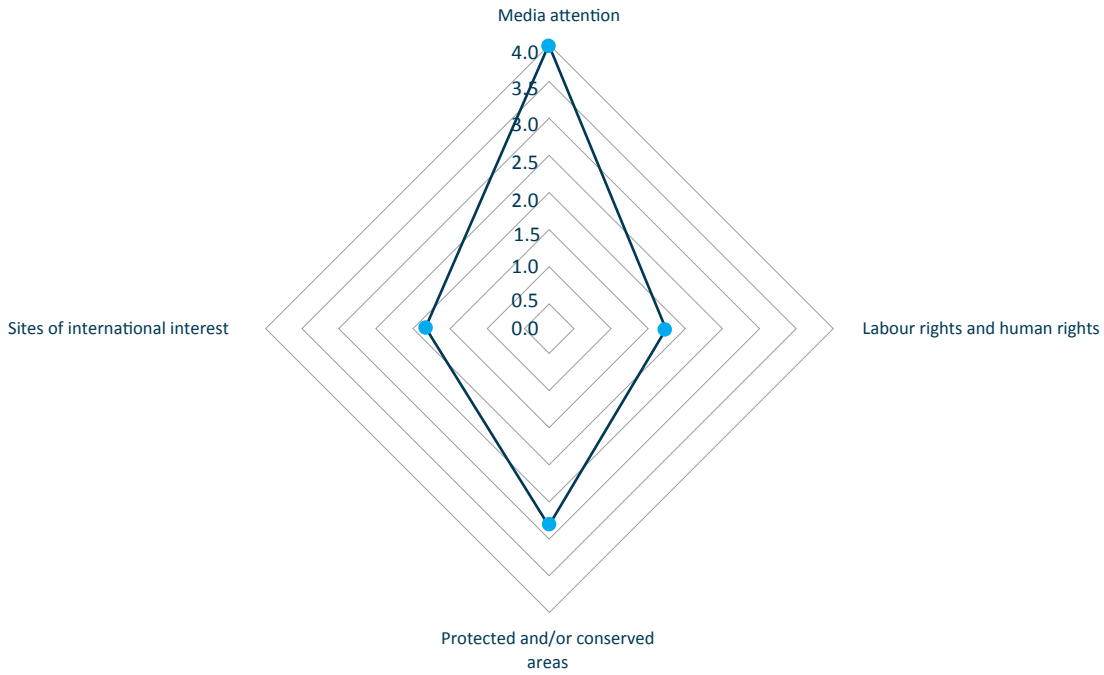


**FIGURE 2.6 – MAIN BIODIVERSITY-RELATED PHYSICAL RISKS AFFECTING AQUAFIL FACILITIES, WITH RELATED RISK SCORE**




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).

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## 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

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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 bro-

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

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adly 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.

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**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% |

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### 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**.

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**FIGURE 2.8 – ECONYL® REGENERATION SYSTEM**




_01 **RESCUE**

The ECONYL® Regeneration System starts with rescuing waste otherwise polluting the Earth, like fishing nets, fabric scraps, carpet flooring and industrial plastic all over the world. That waste is then sorted and cleaned to recover all of the nylon possible.

_02 **REGENERATE**

Through a radical regeneration and purification process, the nylon waste is recycled right back to its original purity. That means ECONYL® regenerated

_03 **REMAKE**

ECONYL® regeneration nylon is processed into yarns and polymers for the fashion and interior industries.

_04 **REIMAGINE**

Fashion brands and carpet producers use ECONYL® regenerated nylon to create brand new products. And that nylon has the potential to be recycled infinitely, without ever losing its quality. The goal is that once all products containing ECONYL® are no longer useful to customers, they can go back into

## 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

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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.

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## 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.

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## 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:<br>• climate change adaptation<br>• climate change mitigation<br>• sustainable use and protection of water and marine resources<br>• pollution prevention and control<br>• protecting Biodiversity<br>• transition to a circular economy | Produce no negative impacts on any other of the six objectives | Meet minimum social and governance standards, including:<br>• workers' human rights<br>• taxation criteria<br>• anti-corruption<br>• 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

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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 |

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**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.

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**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".

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**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).

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## 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).

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# 3 SOCIAL INFORMATION

## 3.1 AQUAFIL PERSONNEL

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

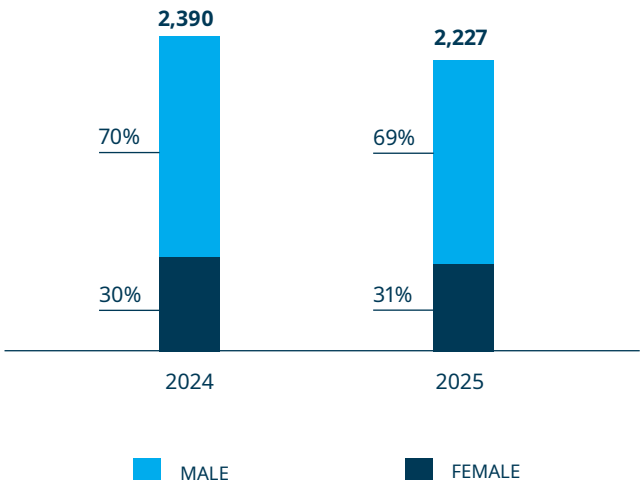
People are the beating heart of Aquafil's strategy: the quality and effectiveness of every piece of work we do depend on the commitment, passion and skills of each individual. Promoting their well-being and supporting their professional and personal growth therefore constitute one of the pillars of "The 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**



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**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:

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- 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.

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| **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<br>• Identifies procedures for breach risk mitigation<br>• 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.*

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## 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**<br>• Identifies the implementation of actions to promote a **plural, equitable and inclusive work environment**<br>• 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<br>**G:** G1 Business conduct |
| Application | **Board of Directors:** guided by the principles of this document when setting business objectives.<br><br>**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.<br><br>**Company executives:** give concrete form to the values and principles contained in the Policy, assuming responsibility both internally and externally.<br><br>**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%.

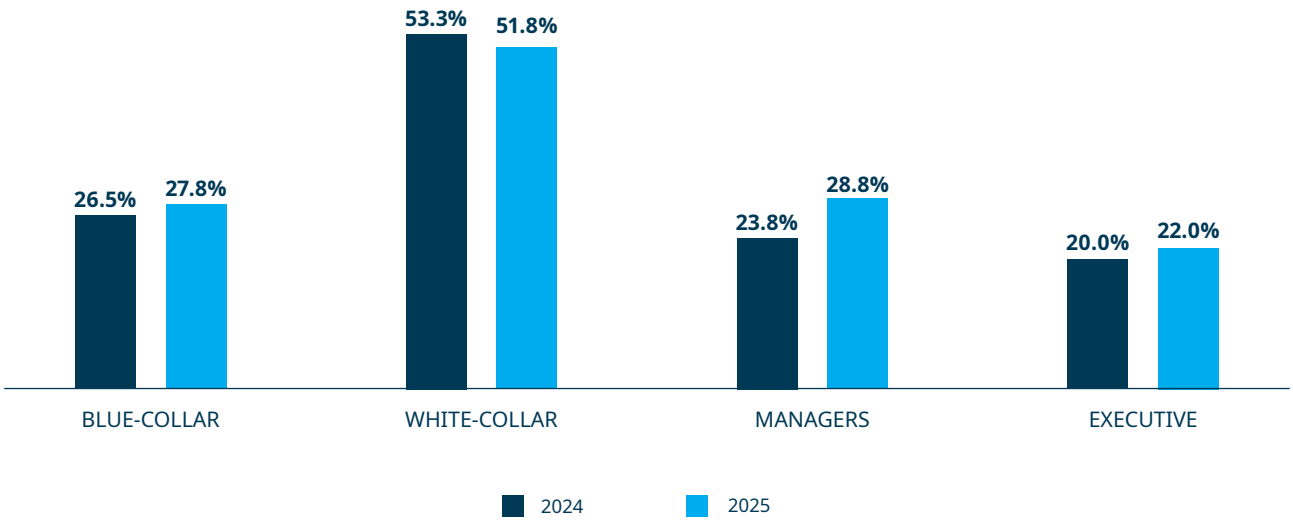
This increase is also seen among executives: in 2025, women made up 22.0% of this category, up from 20.0% in 2024 and 15.8% in 2023. This trend is the result of hiring and promotion policies geared toward more inclusive criteria, and of mentorship and development programs designed to support women's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

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**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

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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%).

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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.

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**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.

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**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.

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

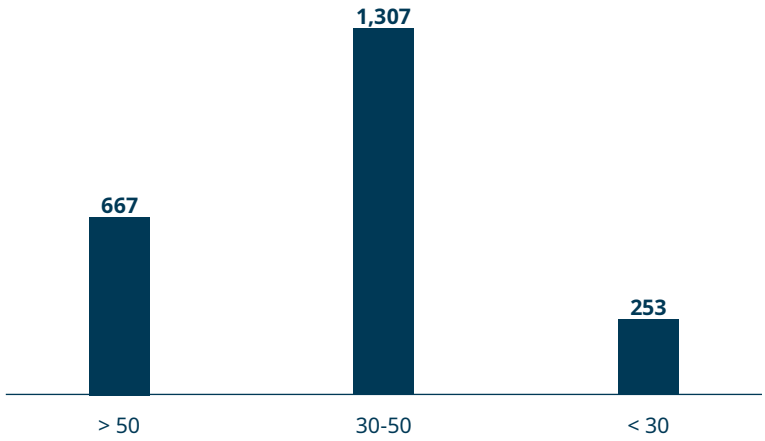



TABLE 3.9 - BREAKDOWN OF STAFF BY AGE, ROLE AND GENDER - HEADCOUNT (2025)

| | <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.

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### 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.

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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

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**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<br>• 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

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**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.

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### 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 betwe-

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en 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/

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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

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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").

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### 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.

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## 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.

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**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.

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### 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

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# 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

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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)**
- **Protection of human rights**
- **Loyalty and integrity in dealing with customers, suppliers and institutions**
- **Health and Safety**
- **Environmental**
- **Conflict of interest**
- **Data protection**
- **Protecting intellectual property**
- **Preservation of cultural heritage and landscape**
- **Use of corporate assets**
- **Accounting and internal controls**
- **Tax compliance**
- **Human resources and employment policies**
- **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**.

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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.

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| **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<br>• Defines the **basic principles** to be observed within the company to prevent and avoid acts of corruption<br>• 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.

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**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<br>• Outlines ways to **protect the reporter** by ensuring **anonymity** and protection against any **retaliation** or discrimination<br>• 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,

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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

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## 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

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**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.

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## 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 |

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## 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.

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# 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

#### BELGIUM

**AQUAFIL BENELUX FRANCE BVBA**
Sales office

#### TURKEY

**AQUAFIL TEKSTIL SANAYI VE TICARET A.S.**
Sales Office

#### GERMANY

**AQUAFIL ENGINEERING GMBH**
Development and design of industrial plant

**AQUAFIL AQUALEUNA GMBH**
Inactive

### SOUTH AMERICA

#### CHILE

**AQUAFIL CILE - SANTIAGO DEL CILE**

**ERS**
Waste collection and preparation for ECONYL®

### ASIA

#### CHINA

**AQUAFIL SYNTHETIC FIBRES AND POLYMERS - JIAXING**

**BCF**
Spinning
Interlacing
Twisting
Heat Setting

#### JAPAN

**AQUAFIL JAPAN**
Ufficio commerciale

#### THAILAND

**AQUAFIL ASIA PACIFIC - RAYONG**

**BCF**
Interlacing
Twisting

**ERS**
Waste collection and preparation for ECONYL®

### AUSTRALIA

#### AUSTRALIA

**AQUAFIL OCEANIA PTY**
Sales office

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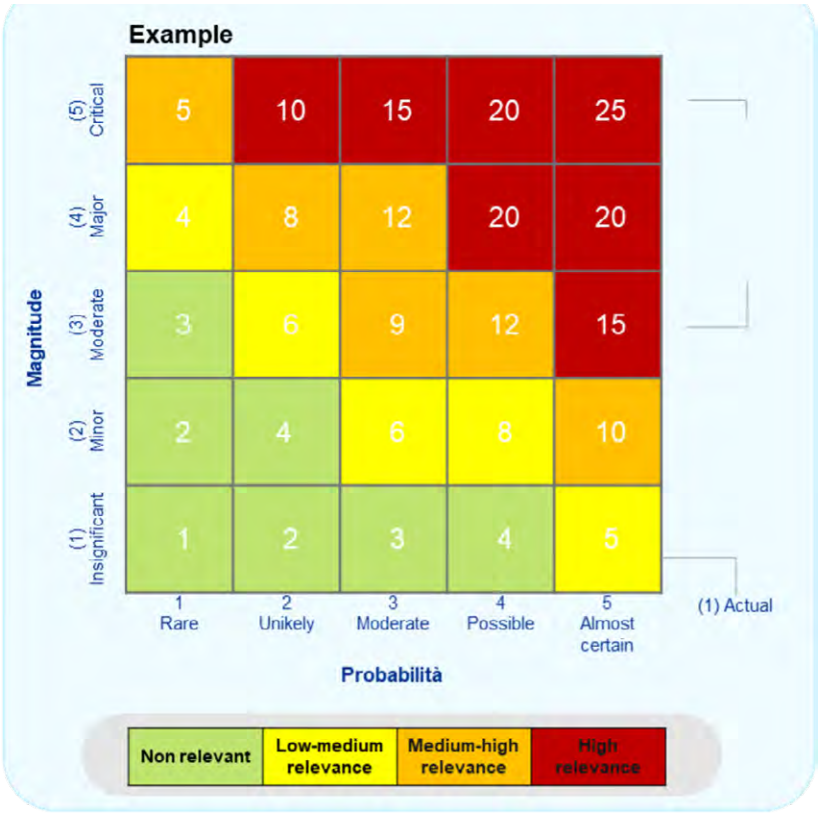
## 5.2 MATERIALITY ASSESSMENT

### 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



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## 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 | - | | | | | | |

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| | 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

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### 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 | - | | | | | | |

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| | Topic | Sub-topic | Sub-sub-topic | 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 | + - | | | | | | |
| | | | 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

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## 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**<br>**Independent Director** in listed companies including **AQUAFIL S.p.A., Banca Generali, Sogefi S.p.A. and Banca Ifis S.p.A.**.<br>**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).<br>**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**<br>**Statutory Auditor** in listed companies including **AQUAFIL S.p.A.** and **Industrie De Nora S.p.A.**<br>**Statutory Auditor in FNMPAY S.p.A.**(2020-2023) and **AQUASER S.r.l.** (2023-2025).<br>**Auditor at ACM - Milan Association of Concurrency Practitioners** (since 2016).<br>**Delegate** to the **CNPADC** for the Milan Order of Chartered Accountants (2020-2024).<br>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**<br>**Partner** at **Studio Pirola Pennuto Zei & Associati** (since 1998), with experience in tax and legal consulting for Italian and multinational Groups.<br>**Statutory Auditor** in listed companies and member of **Boards of Statutory Auditors**.<br>Member of **Supervisory Boards**.<br>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**<br>**Member of the Board of Directors of Carel Industries S.p.A.** (listed company) since 2018.<br>**Chairperson** of the **Control, Risks and Sustainability Committee** and member of the **Remuneration Committee**.<br>**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.<br>**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**<br>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.**<br>**Auditor and Certified Public Accountant**, with extensive experience in **corporate governance, auditing and regulatory compliance**.<br>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**<br>**Partner** at **KPMG** and **head** of the **Legislative Decree No. 231/01, corporate governance and compliance** team.<br>**Chairperson** and **member of Supervisory Boards** in companies including **ENI, Lottomatica, SHELL Group, Aquafil and Alfasigma**.<br>**Lecturer** in master's programmes at **LUISS, Roma Tre and La Sapienza**.<br>**Author** and **speaker** on **anti-corruption, whistleblowing**, and **231 organizational models**.<br>**Member** of the **Confindustria Commission** for **231 Model Guidelines**. |
| Manfredi Ferrari Liccardi Medici | Member of the Supervisory Board | External member | <50 | **S - G**<br>**Senior Lawyer** at **KPMG Tax & Legal** in the **231 Legal** team.<br>**Corporate governance** and **compliance consultant** for listed and multinational companies including **illycaffè S.p.A., Lottomatica Group S.p.A. and Shell Group**.<br>**Trainer** on the **Administrative Liability of Entities (Legislative Decree No. 231/01)** and **Anti-corruption**.<br>**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**<br>Qualified **lawyer** since 2010.<br>**In-house counsel** with responsibility for corporate affairs management at **Kartell, Salvagnini, Solydera**.<br>He has participated in the adoption of the **231 Organisational Model** at private companies, including OTB and Salvagnini.<br>Trainee on the **CUOA Business School Executive Course** in Corporate Governance.<br>**Mentor** at **the University of Padua**.<br>Member of the Aquafil **Whistleblowing Committee**. |

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### 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% |

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## 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 |
|---|---|---|---|---|
| Energy | | High energy consumption in business production activities | I | ⊖ |
| | | High energy needs related to oil extraction activities | IR | ⊖ |
| | | Geopolitical tensions, conflicts, dependence on other countries or natural disasters lead to energy shortages and higher prices | R | ⊖ |
| Climate change adaptation | | Extreme weather events damage production sites, warehouses and company buildings, possibly worsening GHG emissions (physical risk) | R | ⊖ |
| | | Introduction of new environmental regulations such as taxation on $CO_2$ emissions in production plants | R | ⊖ |
| Climate change mitigation | | Emissions generated from the extraction and initial processing of raw materials for the manufacture of Aquafil's products by suppliers | I | ⊖ |
| | | GHG emissions generated by Aquafil production plants, offices and employee mobility (Scope 1 and Scope 2) | I | ⊖ |
| | | GHG emissions generated from distribution and processing of Aquafil products, used by end consumers, and in end of life (Scope 3) | I | ⊖ |
| | | Exceeding the limits imposed by the ETS leads to the purchase of new allowances to offset the generation of direct GHG emissions | R | ⊖ |
| | | 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 $CO_2$eq | IO | ⊕ |

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| Direct or indirect | Time horizon | Actual or potential | Impact materiality | Financial materiality | Policy and procedures | Shares |
|---|---|---|---|---|---|---|
| Direct and downstream | Short term | Actual | ✓ | NA | Environmental Policy | ISO 50001 certification<br>ISO 14001 certification |
| 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) |
| Entire value chain | Medium term | Potential | NA | ✓ | Environmental Policy | Establishment of a co-generation plant for self-generation of steam and electricity |
| Entire value chain | Medium term | Potential | NA | ✓ | Environmental Policy | Conducting a Climate Risk and Vulnerability Assessment |
| Direct | Short term | Potential | NA | ✓ | Environmental Policy | Efficiency measures |
| 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) |
| Direct | Short term | Actual | ✓ | NA | Environmental Policy | Identification of decarbonization levers and establishment of a transition plan in 2027<br>ISO 50001 certification<br>ISO 14001 certification |
| Downstream | Short term | Actual | ✓ | NA | Environmental Policy | Investment in circular supply chain ECONYL®<br>Eco-design |
| Direct | Short term | Potential | NA | ✓ | | Efficiency of co-generation plants |
| Entire value chain | Long term | Potential | ✓ | ✓ | | Collaborations with customers (see section 3.3.3) |

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

| Sub-topic | Sub-sub-topic | IRO name | IRO | Type of impact |
|---|---|---|---|---|
| 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 | ⊖ |
| | | Air pollution caused by the typical activities of fossil-based raw material companies | IR | ⊖ |
| | | Air pollution caused by the production of semi-finished and finished products with Aquafil's yarns and polymers | IR | ⊖ |
| Water pollution | | Water pollution caused by the typical activities of fossil-based raw material companies (spills) | IR | ⊖ |
| | | Exceeding water pollution levels in Aquafil's production plants (chemical spills) | IR | ⊖ |
| | | Water pollution caused by the production of semi-finished and finished products with Aquafil's yarns and polymers | IR | ⊖ |
| 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 | ⊖ |
| | | Soil contamination due to dispersion of organic chemicals (e.g., spills during oil extraction phases) | IR | ⊖ |
| | | Soil contamination due to improper waste management by B2B customers or end-user | IR | ⊖ |
| Substances of concern | | The release of substances of concern during the extraction of raw materials | IR | ⊖ |
| | | The release of substances of concern during the manufacture of products with Aquafil yarns or polymers | IR | ⊖ |
| Substances of very high concern | | The release of substances of very high concern during the extraction of raw materials | IR | ⊖ |
| | | The release of substances of very high concern during the manufacture of products with Aquafil yarns or polymers | IR | ⊖ |
| Microplastics | | Investment in new technologies to reduce and contain the generation of microplastics | O | ⊕ |
| | | Introduction of new legislation in the European Union regarding the ban on emission of microplastics on the market. | R | ⊖ |

### 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 |
|---|---|---|---|---|
| Water | Water withdrawals | High water withdrawal for production activities | I | ⊖ |
| | Water consumption | Water consumption during raw material production phases (e.g. caprolactam) | I | ⊖ |
| | Water consumption | Water consumption during B2B processing of yarns and polymers by Aquafil | I | ⊖ |
| 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 | ⊖ |

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| Direct or indirect | Time horizon | Actual or potential | Impact materiality | Financial materiality | Policy and procedures | Shares |
|---|---|---|---|---|---|---|
| Direct | Short term | Potential | ⊗ | ✓ | Environmental Policy | ISO 50001 certification<br>ISO 14001 certification |
| 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) |
| Downstream | Short term | Potential | ✓ | ⊗ | Environmental policy | |
| Upstream | Short term | Potential | ✓ | ⊗ | Environmental policy | |
| Direct | Short term | Potential | ⊗ | ✓ | Water Policy<br>Environmental Policy | Water monitoring systems by detecting temperature, abnormal values or exceeding critical pollutant thresholds<br>Use of purifiers<br>Laboratory analysis |
| Downstream | Short term | Potential | ✓ | ⊗ | | |
| Direct | Short term | Potential | ⊗ | ✓ | Environmental Policy | Monitoring of waste management using appropriate tracking systems (e.g. Winwaste, disposal company reports) |
| Upstream | Short term | Potential | ✓ | ⊗ | | |
| Downstream | Short term | Potential | ✓ | ⊗ | | |
| Upstream | Medium term | Potential | ✓ | ⊗ | | |
| Downstream | Medium term | Actual | ✓ | ⊗ | | |
| Upstream | Medium term | Actual | ✓ | ⊗ | | |
| Downstream | Medium term | Actual | ✓ | ⊗ | | |
| Direct | Medium term | Potential | NA | ✓ | | Development of a new international standard to uniquely measure microplastics released from the textile sector: ISO 4484-2 |
| Diretto | Medium term | Potential | NA | ✓ | | Development of a new international standard to uniquely measure microplastics released from the textile sector: ISO 4484-2 |

| Direct or indirect | Time horizon | Actual or potential | Impact materiality | Financial materiality | Policy and procedures | Shares |
|---|---|---|---|---|---|---|
| Direct | Short term | Actual | ✓ | NA | Water Policy | Creation of the A.G.W.T. (Aquafil Global Water Team) Team<br>Efficiency activities to reduce consumption, including indoor recirculation systems<br>Monitoring water stress levels in the areas where we operate |
| Upstream | Short term | Actual | ✓ | NA | | |
| Downstream | Short term | Potential | ✓ | NA | | |
| Upstream | Medium term | Potential | ✓ | ⊗ | | |

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### 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 impact drivers of biodiversity loss | Climate change | Biodiversity loss caused by direct GHG emissions (Scope 1, 2) | I | ⊖ |
| | Climate change | Biodiversity loss caused by GHG emissions throughout the upstream value chain (Scope 3) | I | ⊖ |
| | 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 | ⊖ |
| | 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 | ⊕ |
| | 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 | ⊕ |
| 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 | ⊕ |
| | 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 | ⊖ |
| 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 | ⊖ |
| | 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 | ⊖ |
| | Fragmentation and/or subtraction of natural habitat | Infrastructure construction that has resulted in the loss of land area and fragmentation of natural areas | I | ⊖ |
| | 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 | ⊖ |
| | 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 | ⊖ |

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| Direct or indirect | Time horizon | Actual or potential | Impact materiality | Financial materiality | Policy and procedures | Shares |
|---|---|---|---|---|---|---|
| Direct | Medium term | Actual | ✓ | NA | | Biodiversity Impact & Risk Assessment<br>Publication of a Biodiversity Strategic Plan in 2026 |
| Upstream and downstream | Medium term | Actual | ✓ | NA | | Extension of Biodiversity Impact & Risk Assessment to the value chain in 2025 |
| Upstream | Medium term | Actual | ✓ | NA | | |
| Upstream and direct | Medium term | Actual | ✓ | ✓ | | R&D activities to develop plant-derived nylons<br>Investment in circular supply chain ECONYL ® to reduce dependence on fossil-based raw materials (see section 2.5.3) |
| Downstream | Medium term | Actual | ✓ | ✓ | | Investment in circular supply chain ECONYL ® to reduce dependence on fossil-based raw materials (see section 2.5.3)<br>Collaborations with customers in take back programmes and eco-design projects (see section 3.3.3) |
| Upstream and direct | Medium term | Potential | ✓ | ⊗ | | Extension of Biodiversity Impact & Risk Assessment to the value chain in 2025 |
| Upstream | Short term | Actual | ✓ | NA | | |
| Upstream | Medium term | Potential | ✓ | ⊗ | | |
| Upstream | Medium term | Actual | ✓ | NA | | Biodiversity Impact & Risk Assessment<br>Publication of a Biodiversity Strategic Plan in 2026 |
| Direct | Long term | Actual | ✓ | NA | | Extension of Biodiversity Impact & Risk Assessment to the value chain in 2025 |
| Upstream | Medium term | Actual | ✓ | ⊗ | | |
| Entire value chain | Medium term | Actual | ✓ | NA | | Biodiversity Impact & Risk Assessment<br>Extension of Biodiversity Impact & Risk Assessment to the value chain in 2025<br>Publication of a Biodiversity Strategic Plan in 2026 |

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### 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 |
|---|---|---|---|---|
| Resource inflows, including resource use | | Aquafil uses raw materials from fossil sources contributing to their gradual depletion | I | ⊖ |
| Resource outflows related to products and services | | Development and implementation of projects to promote traceability of raw materials and Aquafil product | O | ⊕ |
| | | Increased consumer awareness of plastic materials may lead to increased demand for ECONYL® | O | ⊕ |
| | | Recovery and reuse of packaging (i.e. pallets) through collaboration with customers | O | ⊕ |
| | | Reduce virgin material consumption by setting up reverse logistics systems and partnerships with customers to recover and reuse wooden pallets | IO | ⊕ |
| Waste | | Recover and exploit production waste, leading to a reduction in waste generation and the production of secondary raw material (e.g. Pyrolysis) | IO | ⊕ |
| | | 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 | ⊖ |
| | | Reduction of waste for disposal produced in the value chain through its recovery and reuse as secondary raw material (ECONYL®) | IO | ⊕ |
| | | 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 | ⊕ |
| | | 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 | ⊕ |
| | | Development of new technologies to easily recover PA6 from the waste produced for secondary raw material production | O | ⊕ |
| | | Incorrect handling and management of waste during B2B customer processing and end-user phases | IR | ⊖ |

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| Direct or indirect | Time horizon | Actual or potential | Impact materiality | Financial materiality | Policy and procedures | Shares |
|---|---|---|---|---|---|---|
| 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) |
| Direct | Medium term | Potential | NA | ✓ | | Collaborations with customers in eco-design projects, including R2R (see section 3.3.3) |
| Downstream | Medium term | Potential | NA | ✓ | | Investment in circular supply chain ECONYL® (see section 2.5.3) |
| Direct | Short term | Actual | NA | ✓ | | Pallet recycling activities |
| Direct | Short term | Actual | ✓ | ✓ | | Recycling activities other packaging components |
| Direct | Medium term | Actual | ✓ | ✓ | | Collaborations with customers in eco-design projects, including R2R (see section 3.3.3) |
| Upstream and direct | Medium term | Potential | NA | ✓ | | Monitoring of regulatory developments, and political influence and advocacy activities (see Section 4.6) |
| Direct and downstream | Medium term | Actual | ✓ | ✓ | | Investment in circular supply chain ECONYL® (see section 2.5.3)<br>Collaborations with customers in take back and eco-design projects, including R2R (see section 3.3.3) |
| Direct and downstream | Medium term | Attuale | NA | ✓ | | Investment in circular supply chain ECONYL® (see section 2.5.3)<br>Collaborations with customers in take back and eco-design projects (see section 3.3.3) |
| Direct and downstream | Medium term | Attuale | ✓ | ✓ | | Investment in circular supply chain ECONYL® (see section 2.5.3)<br>Collaborations with customers in take back and eco-design projects, including R2R (see section 3.3.3) |
| Direct | Medium term | Potenziale | NA | ✓ | | R&D activities (see section 1.2.5) |
| Downstream | Medium term | Potenziale | ✓ | ✗ | | |

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### 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 |
|---|---|---|---|---|
| Working conditions | Adequate wages | Offer competitive compensation policies to its employees | IO | ⊕ |
| | | Not aligning salary with employee's workload and responsibilities | R | ⊖ |
| | Work-life balance | Worker stress due to inadequate strategic work planning process and lack of interpersonal relationships in the company | IR | ⊖ |
| | | 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 | ⊕ |
| | Health and safety | Occupational accidents due to direct or indirect contact with live elements | IR | ⊖ |
| | | 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 | ⊖ |
| | | Risk to workers' health and safety from extreme events | IR | ⊖ |
| | | 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 | ⊕ |
| | 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 | ⊕ |
| 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 | ⊖ |
| | 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 | ⊖ |
| | | Loss of key figures | R | ⊖ |
| | | Developing internal skills through training, retraining and refresher programmes, fostering professional growth and attracting talent | IO | ⊕ |
| | 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 | ⊖ |
| | | Concrete support for diversity and inclusion through targeted initiatives such as D&I training and obtaining UNI PdR 125 gender equality certification | IO | ⊕ |
| 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 | ⊖ |
| | | Violation of the right to privacy, loss and dissemination of personal data and information. | R | ⊖ |

### 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 |
|---|---|---|---|---|
| Working conditions | Collective bargaining | Violation of collective bargaining coverage and the right of representation of Aquafil value chain actors | IR | ⊖ |
| | Secure employment | Erroneous, late or failure to prepare contractual arrangements or obligations to workers resulting in violation of their rights | IR | ⊖ |
| | Working time | Inadequate and unbalanced work schedules | IR | ⊖ |
| | Adequate wages | Inadequate wages and remuneration policies in the value chain | IR | ⊖ |
| | Health and safety | Work-related injuries and accidents in the value chain | IR | ⊖ |
| | Health and safety | Injuries and incidents involving third parties (workers from outside companies) in Aquafil's business scope | IR | ⊖ |
| Other work-related rights | Forced or compulsory labour | Incidents of forced labour and forms of modern slavery in the value chain | IR | ⊖ |
| | Child labour | Incidents of child labour in the value chain | IR | ⊖ |

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| Direct or indirect | Time horizon | Actual or potential | Impact materiality | Financial materiality | Policy and procedures | Shares |
|---|---|---|---|---|---|---|
| Direct | Short term | Actual | ✓ | ✓ | Code of Conduct<br>Human Rights Policy<br>Remuneration Policy<br>DE&I Policy | |
| Direct | Short term | Potential | NA | ✓ | | |
| Direct | Short term | Potential | ✓ | ⊗ | | Business climate analysis<br>Remote work |
| Direct | Short term | Actual | ✓ | ✓ | Parental Leave Policy | Business climate analysis<br>Welfare plans<br>Communities of Practice: Digitalisation |
| Direct | Short term | Potential | ✓ | ⊗ | Code of Conduct<br>Health and Safety Procedure<br>Integrated Management System | ISO 45001 certification<br>Health and safety training |
| Direct | Short term | Potential | ✓ | ✓ | | |
| Direct | Short term | Potential | ✓ | ✓ | | |
| Direct | Medium term | Actual | ✓ | ✓ | | Communities of Practice: Digitalisation<br>R&D |
| Direct | Short term | Potential | ✓ | ✓ | | Union meetings<br>Company intranet |
| Direct | Medium term | Potential | ✓ | ⊗ | Code of Conduct<br>DE&I Policy<br>Human Rights Policy | UNI / PdR 125 certification<br>DE&I training |
| Entire value chain | Short term | Potential | ✓ | ✓ | Code of Conduct<br>DE&I Policy<br>Top management succession policy | Do ut Des project<br>Talent management project<br>Aquapedia<br>Onboarding and mentoring process |
| Direct | Short term | Potential | NA | ✓ | | |
| Direct | Short term | Potential | ✓ | ✓ | | |
| Direct | Short term | Potential | ✓ | ✓ | Code of Conduct<br>Human Rights Policy<br>DE&I Policy<br>Whistleblowing Policy | UNI / PdR 125 certification<br>DE&I training |
| Direct | Short term | Potential | ✓ | ⊗ | | |
| Direct | Medium term | Potential | NA | ✓ | Privacy Policy<br>SOD (Segregation of Duties)<br>“Incident Response Plan” procedure | Periodic cybersecurity training |
| Direct | Short term | Potential | NA | ✓ | Code of Conduct<br>Human Rights Policy | Designation of a Data Protection Officer |

| Direct or indirect | Time horizon | Actual or potential | Impact materiality | Financial materiality | Policy and procedures | Shares |
|---|---|---|---|---|---|---|
| Downstream | Short term | Potential | ✓ | ⊗ | Human Rights Policy | SA 8000 certification |
| Downstream | Short term | Potential | ✓ | ⊗ | Reputational analysis of customers | |
| Downstream | Short term | Potential | ✓ | ⊗ | Human Rights Policy | SA 8000 certification |
| Downstream | Short term | Potential | ✓ | ⊗ | Code of Conduct and Human Rights Policy | |
| Upstream and downstream | Medium term | Potential | ✓ | ⊗ | Human Rights Policy | |
| Upstream | Medium term | Potential | ✓ | ✓ | Human Rights Policy, Integrated Management System, ISO 45001 Certification | |
| Downstream | Short term | Potential | ✓ | ⊗ | Code of Conduct, Human Rights Policy, Customer Reputational Control | EcoVadis project, SA 8000 certification |
| Downstream | Short term | Potential | ✓ | ⊗ | Code of Conduct, Human Rights Policy, Customer Reputational Control | EcoVadis project, SA 8000 certification |

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### 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 |
|---|---|---|---|---|
| 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 | ⊕ |

### 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 |
|---|---|---|---|---|
| Product management | | Developing new circular products and services enables entry into new markets and meeting new customer priorities | O | ⊕ |
| | | A change in commodity prices due to interest rates or strategic decisions can lead to a drop in demand from B2B customers | R | ⊖ |
| 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 | ⊖ |
| | | Collaborations and partnerships with customers to create sustainable and circular production and consumption models | IO | ⊕ |

### 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 |
|---|---|---|---|---|
| Corruption and bribery | Incidents | Corruption and bribery, non-compliance with laws, regulations and standards, anti-competitive behaviour, monopolistic practices | IR | ⊖ |
| Protection of whistleblowers | | Failure to protect whistleblowers through appropriate systems and procedures to facilitate information (e.g. whistleblowing) | IR | ⊖ |

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| Direct or indirect | Time horizon | Actual or potential | Impact materiality | Financial materiality | Policy and procedures | Shares |
|---|---|---|---|---|---|---|
| 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. |

| Direct or indirect | Time horizon | Actual or potential | Impact materiality | Financial materiality | Policy and procedures | Shares |
|---|---|---|---|---|---|---|
| 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) |
| Upstream and downstream | Medium term | Potential | NA | ✓ | | Commercial relationships consolidated in the medium or long term |
| Direct and downstream | Medium term | Potential | NA | ✓ | Guidelines for the promotion of ECONYL® products | Team against greenwashing |
| Direct and downstream | Medium term | Actual | ✓ | ✓ | Code of Conduct (see section 4.1)<br>Human Rights Policy (see section 3.1.1)<br>Reputational analysis of customers | Project R2R and Take Back (see section 3.3.3) |

| Direct or indirect | Time horizon | Actual or potential | Impact materiality | Financial materiality | Policy and procedures | Shares |
|---|---|---|---|---|---|---|
| Entire value chain | Medium term | Potential | ✗ | ✓ | 231 Model<br>Code of Conduct<br>Anti-Corruption Policy<br>Whistleblowing system | Business integrity training |
| Entire value chain | Short term | Potential | ✓ | ✗ | Code of Conduct<br>Whistleblowing system | |

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## 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 |
|---|---|---|---|---|
| **HOT AND COLD** | | | | |
| Average temperature | Medium high | High | Medium high | Medium high |
| Extreme heat | Medium high | High | Medium high | Medium high |
| Cold waves | Medium low | Medium high | Medium low | Medium low |
| **RAIN AND DROUGHT** | | | | |
| Average rainfall | Medium high | High | Medium low | Medium high |
| Extreme rainfall and flooding | High | High | Medium low | Medium low |
| Fire risk | Medium high | High | Medium high | Medium low |
| Drought | | High | Medium high | Medium low |
| Aridity | Medium high | High | Medium high | Medium low |
| **WIND** | | | | |
| Average windspeed | Low | Low | Medium low | |
| Tropical cyclones | | | | |
| Windstorms | Medium high | Medium high | High | Low |
| **SNOW AND ICE** | | | | |
| Snow, ice and ice caps | Medium high | Medium low | Medium low | |
| Permafrost | Medium low | Medium low | Medium low | |
| **LANDSLIDES AND AVALANCHES** | | | | |
| Landslides | Medium low | Medium low | Medium low | Low |
| Avalanches | Low | Medium low | Medium low | |
| **COASTS** | | | | |
| Sea level | | Medium low | | |
| Coastal flooding | | | | |
| **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

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| | Georgia | North Carolina | California | Belgium | Germany | China | Thailand |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| | Medium high | Medium high | Medium high | Medium low | High | Medium high | High |
| | Medium high | Medium high | High | Medium low | High | High | High |
| | Medium high | Medium low | Low | Medium low | | Medium low | Medium low |
| | | | | | | | |
| | Medium low | Medium low | Low | Low | | Medium high | Medium low |
| | Medium low | Medium high | Medium low | Medium low | Medium high | Medium high | Medium high |
| | Low | Medium low | High | Low | Medium low | Medium low | Low |
| | Low | Low | Medium low | Low | | Medium low | |
| | Low | Low | Medium low | Low | | Medium low | |
| | | | | | | | |
| | Low | | Low | Low | | Medium low | |
| | Medium low | | | | | Medium high | Medium low |
| | Medium low | Medium high | Low | Low | Medium low | Medium high | Medium low |
| | | | | | | | |
| | Medium high | Medium low | | Medium low | | Medium low | |
| | | | | Medium low | | Low | |
| | | | | | | | |
| | Low | Low | Medium low | Low | | Low | |
| | | Low | Low | Low | | Low | |
| | | | | | | | |
| | | | Medium low | | | High | Medium low |
| | | | Medium low | | | High | Medium low |
| | | | | | | | |
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### 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 | |
|---|---|---|---|---|---|
| **HOT AND COLD** | | | | | |
| Average temperature | High | Very high | High | High | |
| Extreme heat | High | Very high | High | High | |
| Cold waves | Medium low | Medium low | Medium low | Medium low | |
| **RAIN AND DROUGHT** | | | | | |
| Average rainfall | High | Very high | Medium high | High | |
| Extreme rainfall and flooding | Very high | Very high | Medium high | Medium high | |
| Fire risk | High | Very high | High | Medium high | |
| Drought | High | Very high | High | Medium high | |
| Aridity | Very high | Very high | High | Medium high | |
| **WIND** | | | | | |
| Average windspeed | Low | Low | Medium low | | |
| Tropical cyclones | | | | | |
| Windstorms | High | High | Very high | Medium low | |
| **SNOW AND ICE** | | | | | |
| Snow, ice and ice caps | High | Medium low | Medium low | | |
| Permafrost | Medium low | Medium low | Medium low | | |
| **LANDSLIDES AND AVALANCHES** | | | | | |
| Landslides | High | Medium low | Medium low | Low | |
| Avalanches | Medium high | Medium low | Medium low | | |
| **COASTS** | | | | | |
| Sea level | | Medium low | | | |
| Coastal flooding | | | | | |
| **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

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| | Georgia | North Carolina | California | Belgium | Germany | China | Thailand |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| | High | High | High | Medium high | Very high | High | Very high |
| | High | High | Very high | Medium high | Very high | Very high | Very high |
| | High | Medium low | Low | Medium low | | Medium low | Medium low |
| | | | | | | | |
| | Medium low | Medium low | Medium low | Medium low | | Medium high | Medium low |
| | High | High | Medium high | Medium low | High | High | High |
| | Medium low | Medium low | Very high | Medium low | Medium high | Medium high | Medium low |
| | Medium low | Medium low | Medium high | Medium low | | Medium high | |
| | Medium low | Medium low | Medium high | Medium low | | Medium high | |
| | | | | | | | |
| | Low | | Low | Medium low | | Medium low | |
| | Medium high | | | | | High | Medium high |
| | Medium high | High | Medium low | Medium low | Medium high | High | Medium high |
| | | | | | | | |
| | High | Medium low | | Medium low | | Medium low | |
| | | | | Medium low | | Low | |
| | | | | | | | |
| | Medium low | Low | Medium high | Medium low | | Medium low | |
| | | Low | Low | Medium low | | Medium low | |
| | | | | | | | |
| | | | Medium low | | | Very high | Medium low |
| | | | Medium low | | | Very high | Medium low |
| | | | | | | | |
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| | | | | | | | |
| | | | | | | | |

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### 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.

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### 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.

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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 |

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## 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 |

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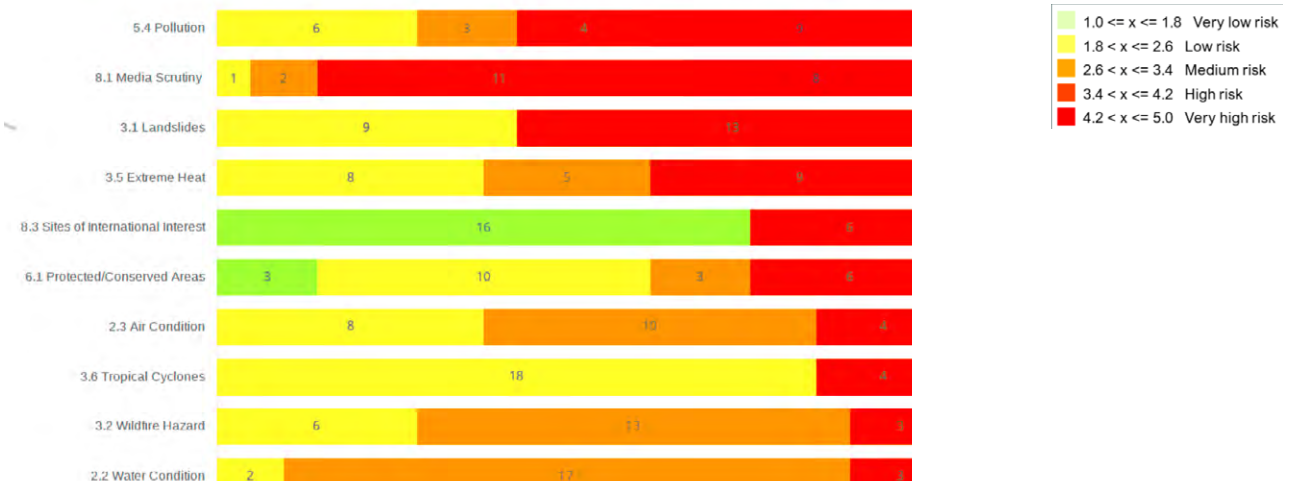
## 5.7.2 Biodiversity Risk Assessment

### TABLE 5.24 - THE 9 MATERIAL SUPPLIERS OF CAPROLACTAM ANALYSED

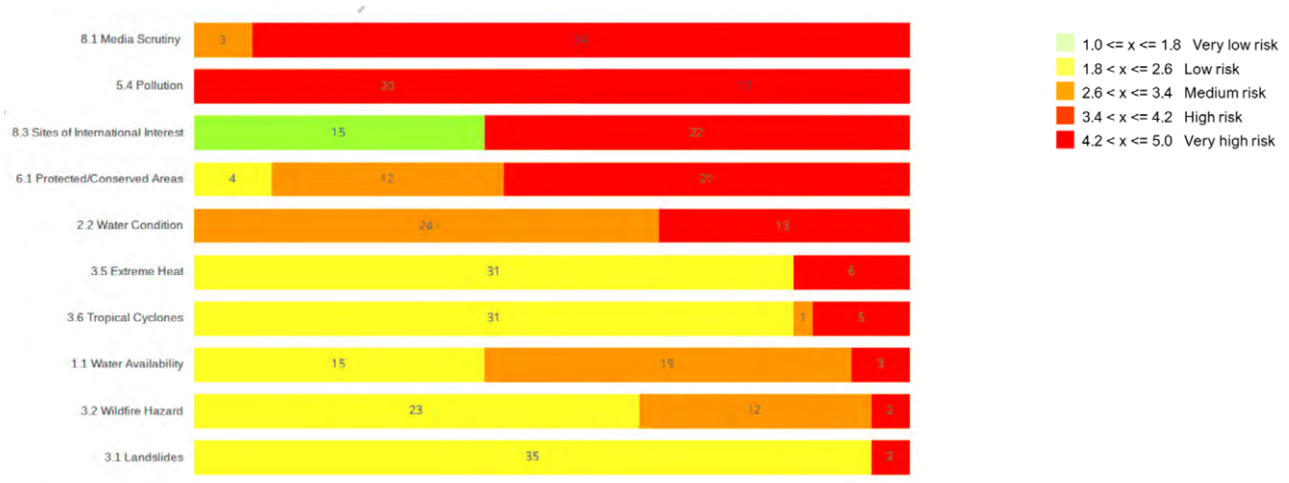
**PERIMETER OF SUPPLY ANALYSIS**

| 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



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## 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.

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## 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 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Climate change mitigation (5) | Climate change adaptation (6) | Water and marine resources (7) | Pollution (8) | Circular economy (9) | Biodiversity and ecosystems (10) |
| | *VIEW 1: Production and sale of polyamide 6 polymer (PA6) in granular form* | | Currency | % | % | % | % | % | % | % |
| | 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% | | | | | |
| | 4.1 Electricity generation using solar photovoltaic technology (AQCRO) | D35.11 | 11,842 | 0.0023% | 100% | | | | | |
| | 2.3 Collection and transport of non-hazardous and hazardous waste | E38.1 | 497,568 | 0.10% | | | | | 100% | |
| | Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1) | | 14,150,375.36 | 2.7% | 96.5% | | | | 3.5% | |
| | 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% | | | | | | |
| | 2.7 Material recovery from non-hazardous waste | E38.3 | 2,125 | 0.0004% | | | | | | |
| | 4.30 High-efficiency cogeneration of heat/cool and electricity from gaseous fossil fuels | D35.30 | 488,179 | 0.094% | | | | | | |
| | Turnover complessivo relativo alle attività ammissibili ma non ecosostenibili (non allineate alla Tassonomia) (A.2) | | 38,332,102 | 7.4% | | | | | | |
| **A.** | **Taxonomy-eligible activities (A.1 + A.2)** | | **52,482,477** | **10.1%** | **96.5%** | | | | **3.5%** | |
| **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%** | | | | | | |

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| | 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 chang mitigation (11) | Climate change adaptation (12) | Water and marine resources (13) | Pollution (14) | Circular economy (15) | Biodiversity and ecosy-stems (16) | | | | | |
| | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | % | E | T |
| | | | | | | | | | | | |
| | Y | Y | Y | Y | Y | Y | Y | 2.6% | 2.07% | | T |
| | Y | Y | Y | Y | Y | Y | Y | 0.0023% | 0.0006% | | T |
| | Y | Y | Y | Y | Y | Y | Y | 0.10% | 0.25% | | N/A |
| | | | | | | | | 2.7% | 2.3% | | |
| | | | | | | | | | | | |
| | | | | | | | | 7.3% | 9.1% | | |
| | | | | | | | | 0.0004% | 0.0004% | | |
| | | | | | | | | 0.094% | 0.004% | | |
| | | | | | | | | 7.4% | 9.1% | | |
| | | | | | | | | **2.7%** | **2.3%** | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

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## 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 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Climate change mitigation (5) | Climate change adaptation (6) | Water and marine resources (7) | Pollution (8) | Circular economy (9) | Biodiversity and ecosystems (10) |
| | *VIEW 1: Production and sale of polyamide 6 polymer (PA6) in granular form* | | Currency | % | % | % | % | % | % | % |
| | 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% | | | | | |
| | 2.3 Collection and transport of non-hazardous and hazardous waste | E38.1 | 74,045 | 0.3% | | | | | 100% | |
| | CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1) | | 1,945,740 | 8.2% | 96.2% | | | | 3.8% | |
| | 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% | | | | | | |
| | 2.7 Material recovery from non-hazardous waste | E38.3 | 295 | 0.001% | | | | | | |
| | CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 1,530,826 | 6,4% | | | | | | |
| **A.** | **Taxonomy-eligible activities (A.1 + A.2)** | | **3,476,566** | **14.6%** | **96.2%** | | | | **3.8%** | |
| **B.** | **Taxonomy-non-eligible activities** | | | | | | | | | |
| | CapEx of Taxonomy-non-eligible activities (B) | | 20,282,605 | 85,4% | | | | | | |
| | **Totale A + B** | | **23,759,171** | **100%** | | | | | | |

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| | 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 chang mitigation (11) | Climate change adaptation (12) | Water and marine resources (13) | Pollution (14) | Circular economy (15) | Biodiversity and ecosy-stems (16) | | | | | |
| | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | % | E | T |
| | | | | | | | | | | | |
| | S | S | S | S | S | S | S | 7.9% | 16.1% | | T |
| | S | S | S | S | S | S | S | 0.3% | 1.6% | | N/A |
| | | | | | | | | 8.2% | 17.7% | | |
| | | | | | | | | | | | |
| | | | | | | | | 6.4% | 7.3% | | |
| | | | | | | | | 0.001% | 0.001% | | |
| | | | | | | | | 6.4% | 7.3% | | |
| | | | | | | | | **8.2%** | **17.7%** | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

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## 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 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Climate change mitigation (5) | Climate change adaptation (6) | Water and marine resources (7) | Pollution (8) | Circular economy (9) | Biodiversity and ecosystems (10) |
| | *VIEW 1: Production and sale of polyamide 6 polymer (PA6) in granular form* | | Currency | % | % | % | % | % | % | % |
| | 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% | | | | | |
| | 2.3 Collection and transport of non-hazardous and hazardous waste | E38.1 | 153,795 | 0.7% | | | | | 100% | |
| | OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1) | | 3,351,926 | 14.5% | 95.4% | | | | 4.6% | |
| | 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% | | | | | | |
| | 2.7 Material recovery from non-hazardous waste | E38.3 | 1,138 | 0.005% | | | | | | |
| | OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 1,379,583 | 6.0% | | | | | | |
| **A.** | **Taxonomy-eligibile activities (A.1 + A.2)** | | **4,731,509** | **20%** | **95.4%** | | | | **4.6%** | |
| **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% |

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| | 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 chang mitigation (11) | Climate change adaptation (12) | Water and marine resources (13) | Pollution (14) | Circular economy (15) | Biodiversity and ecosy-stems (16) | | | | | |
| | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | % | E | T |
| | | | | | | | | | | | |
| | Y | Y | Y | Y | Y | Y | Y | 13.8% | 13% | | T |
| | Y | Y | Y | Y | Y | Y | Y | 0.7% | 0.5% | | N/A |
| | | | | | | | | 14.5% | 13.6% | | |
| | | | | | | | | | | | |
| | | | | | | | | 5.9% | 8% | | |
| | | | | | | | | 0.005% | 0.003% | | |
| | | | | | | | | 6% | 8% | | |
| | | | | | | | | **14.5%** | **13.6%** | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

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## 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 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Climate change mitigation (5) | Climate change adaptation (6) | Water and marine resources (7) | Pollution (8) | Circular economy (9) | Biodiversity and ecosy-stems (10) |
| | *VIEW 2: Total production and sales activities of Aquafil (i.e. yarn)* | | Currency | % | % | % | % | % | % | % |
| | 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% | | | | | |
| | 4.1 Electricity generation using solar photovoltaic technology (AQCRO - AQCINA) | D35.11 | 11,842 | 0.0023% | 100% | | | | | |
| | 2.3 Collection and transport of non-hazardous and hazardous waste | E38.1 | 497,568 | 0.10% | | | | | 100% | |
| | Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1) | | 296,963,498.71 | 57.0% | 100% | | | | 0.2% | |
| | 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% | | | | | | |
| | 2.7 Material recovery from non-hazardous waste | E38.3 | 2,125 | 0.0004% | | | | | | |
| | 4.30 High-efficiency cogeneration of heat/ cool and electricity from gaseous fossil fuels | D35.30 | 488,179 | 0.094% | | | | | | |
| | Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 223,595,371 | 42.9% | | | | | | |
| **A.** | **Taxonomy-eligibile activities (A.1 + A.2)** | | **520,558,869** | **99.9%** | **99.8%** | | | | **0.2%** | |
| **B.** | **Taxonomy-non-eligible activities** | | | | | | | | | |
| | Turnover of Taxonomy-non-eligible activities (B) | | 277,025 | 0.1% | | | | | | |
| | **Total A + B** | | **520,835,894** | **100%** | | | | | | |

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| | 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 chang mitigation (11) | Climate change adaptation (12) | Water and marine resources (13) | Pollution (14) | Circular economy (15) | Biodiversity and ecosy-stems (16) | | | | | |
| | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | % | E | T |
| | | | | | | | | | | | |
| | Y | Y | Y | Y | Y | Y | Y | 56.9% | 50.4% | | T |
| | Y | Y | Y | Y | Y | Y | Y | 0.0023% | 0.0006% | | T |
| | Y | Y | Y | Y | Y | Y | Y | 0.10% | 0.25% | | N/A |
| | | | | | | | | 57% | 50.6% | | |
| | | | | | | | | | | | |
| | | | | | | | | 42.8% | 49.2% | | |
| | | | | | | | | 0.0004% | 0.0004% | | |
| | | | | | | | | 0.094% | 0.004% | | |
| | | | | | | | | 42.9% | 49.2% | | |
| | | | | | | | | **57%** | **50.6%** | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
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## 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 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Climate change mitigation (5) | Climate change adaptation (6) | Water and marine resources (7) | Pollution (8) | Circular economy (9) | Biodiversity and ecosystems (10) |
| | *VIEW 2: Total production and sales activities of Aquafil (i.e. yarn)* | | Currency | % | % | % | % | % | % | % |
| | 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% | | | | | |
| | 2.3 Collection and transport of non-hazardous and hazardous waste | E38.1 | 74,045 | 0.3% | | | | | 100% | |
| | CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1) | | 10,774,796 | 45.4% | 99.3% | | | | 0.7% | |
| | 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% | | | | | | |
| | 2.7 Material recovery from non-hazardous waste | E38.3 | 295 | 0.001% | | | | | | |
| | CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 12,945,502 | 54.5% | | | | | | |
| **A.** | **Taxonomy-eligibile activities (A.1 + A.2)** | | **23,720,298** | **99.8%** | **99.3%** | | | | **0.7%** | |
| **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 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Climate change mitigation (5) | Climate change adaptation (6) | Water and marine resources (7) | Pollution (8) | Circular economy (9) | Biodiversity and ecosystems (10) |
| | *VIEW 2: Total production and sales activities of Aquafil (i.e. yarn)* | | Currency | % | % | % | % | % | % | % |
| | 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% | | | | | |
| | 2.3 Collection and transport of non-hazardous and hazardous waste | E38.1 | 153,795 | 0.7% | | | | | 100% | |
| | OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1) | | 15,725,223 | 67.8% | 99% | | | | 1% | |
| | 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% | | | | | | |
| | 2.7 Material recovery from non-hazardous waste | E38.3 | 1,138 | 0.005% | | | | | | |
| | OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 7,448,690 | 32.1% | | | | | | |
| **A.** | **Taxonomy-eligibile activities (A.1 + A.2)** | | **23,173,913** | **99.96%** | **99%** | | | | **1%** | |
| **B.** | **Taxonomy-non-eligible activities** | | | | | | | | | |
| | OpEx of Taxonomy-non-eligible activities (B) | | 10,371 | 0.04% | | | | | | |
| | **Total A + B** | | **23,184,284** | **100%** | | | | | | |

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| | 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 chang mitigation (11) | Climate change adaptation (12) | Water and marine resources (13) | Pollution (14) | Circular economy (15) | Biodiversity and ecosy-stems (16) | | | | | |
| | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | % | E | T |
| | | | | | | | | | | | |
| | Y | Y | Y | Y | Y | Y | Y | 45.0% | 58.9% | | T |
| | Y | Y | Y | Y | Y | Y | Y | 0.3% | 1.6% | | N/A |
| | | | | | | | | 45.4% | 60.5% | | |
| | | | | | | | | | | | |
| | | | | | | | | 54.5% | 39.3% | | |
| | | | | | | | | 0.001% | 0.001% | | |
| | | | | | | | | 54.5% | 39.3% | | |
| | | | | | | | | **45.4%** | **60.5%** | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

| | 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 chang mitigation (11) | Climate change adaptation (12) | Water and marine resources (13) | Pollution (14) | Circular economy (15) | Biodiversity and ecosy-stems (16) | | | | | |
| | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | Y/N | % | % | E | T |
| | | | | | | | | | | | |
| | Y | Y | Y | Y | Y | Y | Y | 67.2% | 55.4% | | T |
| | Y | Y | Y | Y | Y | Y | Y | 0.7% | 0.5% | | N/A |
| | | | | | | | | 67.8% | 55.9% | | |
| | | | | | | | | | | | |
| | | | | | | | | 32.1% | 43.6% | | |
| | | | | | | | | 0.005% | 0.003% | | |
| | | | | | | | | 32.1% | 43.6% | | |
| | | | | | | | | **67.8%** | **55.9%** | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |

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**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.

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### 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.*

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## 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<br>1.2.4 Our value chains<br>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<br>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<br>5.4 Impacts, risks and opportunities<br>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<br>1.3.5 Aquafil's policies |
| E1-3 | Actions and resources in relation to climate change policies | 2.1 Climate change<br>2.1.2 Energy consumption<br>2.5.3 ECONYL®: the infinite thread, like imagination<br>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<br>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<br>5.4 Impatti rischi e opportunità materiali |
| E2-1 | Politiche relative all'inquinamento | 2.2 Inquinamento<br>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<br>2.3.2 Scarichi idrici |
| E2-5 | Sostanze preoccupanti e sostanze estremamente preoccupanti (phase in) | 3.3.1 Gestione del prodotto, salute e sicurezza<br>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<br>5.4 Impacts, risks and opportunities |
| E3-1 | Policies related to pollution | 2.2 Pollution<br>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<br>2.3.2 Water discharge |

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| 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<br>2.4 Biodiversity<br>2.4.1 Biodiversity Impact Assessment<br>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<br>2.4.2 Biodiversity Risk Assessment<br>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<br>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<br>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<br>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<br>5.4 Impacts, risks and opportunities<br>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<br>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<br>2.5.3 ECONYL®: the infinite thread, like imagination<br>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<br>2.5 Circular economy<br>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<br>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<br>5.4 Impacts, risks and opportunities |
| S1-1 | Policies related to own workforce | 1.3.5 Aquafil's policies<br>3.1.1 Building an equitable and inclusive environment<br>4.1 Code of Conduct |
| S1-2 | Processes for engaging with own workers and workers' representatives about impacts | 1.4 Materiality assessment<br>4.8 Dialogue with stakeholders<br>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)<br>4.4. Whistleblowing system<br>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)<br>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<br>4.1 Code of Conduct<br>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<br>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<br>3.2 Workers in the value chain |

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| 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<br>1.5.3 Risk management system<br>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<br>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<br>5.4 Impacts, risks and opportunities |
| S3-1 | Policies related to affected communities | 1.3.5 Aquafil's policies<br>3.4 Local communities |
| S3-2 | Processes for engaging with affected communities about impacts | 3.4 Local communities<br>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<br>5.4 Impacts, risks and opportunities |
| S4-1 | Policies related to consumers and end-users | 1.3.5 Aquafil's policies<br>3.3 Consumers and end-users |
| S4-2 | Processes for engaging with consumers and end-users about impacts | 3.3 Consumers and end-users<br>4.8 Dialogue with stakeholders<br>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<br>4. Business conduct |
| ESRS 2, IRO-1 | Description of the processes to identify and assess material impacts, risks and opportunities | 1.4 Materiality assessment<br>4. Business conduct |
| G1-1 | Corporate culture and business conduct policies | 4. Business conduct<br>4.1 Code of Conduct<br>4.2 231 Model<br>4.3 Anti-corruption policies<br>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<br>4.4 Whistleblowing system |
| G1-5 | Political influence and lobbying activities | 4.6 Political influence and advocacy |

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## 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<br>Board's gender diversity, paragraph 21(d) | X | | X | | 1.5.1 Main governing bodies |
| ESRS 2 GOV-1<br>Percentage of board members who are independent, paragraph 21(e) | | | X | | 1.5.1 Main governing bodies |
| ESRS 2 GOV-4<br>Statement on due diligence, paragraph 30 | X | | | | 1.5.3 Risk management system |
| ESRS 2 SBM-1<br>Involvement in activities related to fossil fuel activities, paragraph 40(d)(i) | X | X | X | | Not material |
| ESRS 2 SBM-1<br>Involvement in activities related to chemical production, paragraph 40(d)(ii) | X | | X | | Not material |
| ESRS 2 SBM-1<br>Involvement in activities related to controversial weapons, paragraph 40(d)(iii) | X | | X | | Not material |
| ESRS 2 SBM-1<br>Involvement in activities related to cultivation and production of tobacco, paragraph 40(d)(iv) | | | X | | Not material |
| ESRS E1-1<br>Transition plan to reach climate neutrality by 2050, paragraph 14 | | | | X | 2.1 Climate change |
| ESRS E1-1<br>Undertakings excluded from Paris-aligned Benchmarks paragraph 16(g) | | X | X | | Not material |
| ESRS E1-4<br>GHG emission reduction targets, paragraph 34 | X | X | X | | 2.1 Climate change |
| ESRS E1-5<br>Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38 | X | | | | 2.1.2 Energy consumption |
| ESRS E1-5<br>Energy consumption and mix, paragraph 37 | X | | | | 2.1.2 Energy consumption |
| ESRS E1-5<br>Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43 | X | | | | 2.1.2 Energy consumption |
| ESRS E1-6<br>Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44 | X | X | X | | 2.1.3 GHG emissions |
| ESRS E1-6<br>Gross GHG emissions intensity, paragraphs 53 to 55 | X | X | X | | 2.1.3 GHG emissions |
| ESRS E1-7<br>GHG removals and carbon credits, paragraph 56 | | | | X | Not material |
| ESRS E1-9<br>Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66 | | | X | | Phase-in |
| ESRS E1-9<br>Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66(a)<br>ESRS E1-9<br>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<br>Degree of exposure of the portfolio to climate-related opportunities, paragraph 69 | | | X | | Phase-in |
| ESRS E2-4<br>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<br>Water and marine resources, paragraph 9 | X | | | | 2.3 Water resources |
| ESRS E3-1<br>Dedicated policy, paragraph 13 | X | | | | 2.3 Water resources |
| ESRS E3-1<br>Sustainable oceans and seas, paragraph 14 | X | | | | Not material for direct operations |

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| 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<br>Total water recycled and reused, paragraph 28(c) | X | | | | Not available |
| ESRS E3-4<br>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<br>Sustainable land/agriculture practices or policies, paragraph 24(b) | X | | | | Not material |
| ESRS E4-2<br>Sustainable oceans/seas practices or policies, paragraph 24(c) | X | | | | Not material |
| ESRS E4-2<br>Policies to address deforestation, paragraph 24(d) | X | | | | Not material |
| ESRS E5-5<br>Non-recycled waste, paragraph 37(d) | X | | | | 2.5.2 Waste |
| ESRS E5-5<br>Hazardous waste and radioactive waste, paragraph 39 | X | | | | 2.5.2 Waste |
| ESRS 2 – SBM3 – S1<br>Risk of incidents of forced labour, paragraph 14(f) | X | | | | Not material |
| ESRS 2 – SBM3 – S1<br>Risk of incidents of child labour, paragraph 14(g) | X | | | | Not material |
| ESRS S1-1<br>Human rights policy commitments, paragraph 20 | X | | | | 3.1.1 Building an equitable and inclusive environment |
| ESRS S1-1<br>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<br>Processes and measures for preventing trafficking in human beings, paragraph 22 | X | | | | 3.1.1 Building an equitable and inclusive environment |
| ESRS S1-1<br>Workplace accident prevention policy or management system, paragraph 23 | X | | | | 3.1.2 Promoting safety and well-being |
| ESRS S1-3<br>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<br>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<br>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<br>Unadjusted gender pay gap, paragraph 97(a) | X | | X | | 3.1.1 Building an equitable and inclusive environment |
| ESRS S1-16<br>Excessive CEO pay ratio, paragraph 97(b) | X | | | | 3.1.1 Building an equitable and inclusive environment |
| ESRS S1-17<br>Incidents of discrimination, paragraph 103(a) | X | | | | 3.1.1 Building an equitable and inclusive environment |
| ESRS S1-17<br>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<br>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<br>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<br>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<br>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 |

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| Disclosure requirement and related datapoint | SFDR reference (1) | Pillar 3 Reference (2) | Benchmark Regulation Reference (3) | EU Climate Law Reference (4) | Sustainability Statementsection |
|---|---|---|---|---|---|
| ESRS S2-4<br>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<br>Human rights policy commitments, paragraph 16 | X | | | | 3.4 Support for local communities |
| ESRS S3-1<br>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<br>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<br>Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 17 | X | | X | | Not available |
| ESRS S4-4<br>Human rights issues and incidents, paragraph 35 | X | | | | 3.2 Workers in the value chain and 4.4 Whistleblowing system |
| ESRS G1-1<br>United Nations Convention against corruption, paragraph 10(b) | X | | | | 4.3 Anti-corruption policies |
| ESRS G1-1<br>Protection of whistleblowers, paragraph 10(d) | X | | | | 4.4 Whistleblowing system |
| ESRS G1-4<br>Fines for violation of anti-corruption and anti-bribery laws paragraph 24(a) | X | | X | | 4.3 Anti-corruption policies |
| ESRS G1-4<br>Standards of anti-corruption and anti-bribery, paragraph 24(b) | X | | | | 4.3 Anti-corruption policies |

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# REPORT ON THE AUDIT OF THE SUSTAINABILITY STATEMENT

## 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:

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- 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.

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**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.

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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;

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- 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.

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# Consolidated Financial Statements at December 31,2025

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# CONSOLIDATED FINANCIAL STATEMENTS AT DECEMBER 31, 2025

## CONSOLIDATED BALANCE SHEET

| (in Euro thousands) | Note | At December 31, 2025 | At December 31, 2024 |
|---|---|---|---|
| Intangible assets | 7.1 | 12,009 | 15,168 |
| Goodwill | 7.2 | 14,237 | 16,064 |
| Property, plant & equipment | 7.3 | 197,714 | 233,900 |
| Financial assets | 7.4 | 907 | 969 |
| *of which parent companies, related parties, associates* | | *222* | *270* |
| Investments valued at equity | 7.4 | 1,113 | 1,113 |
| Other assets | | 137 | 0 |
| *of which parent companies, related parties* | | *0* | *0* |
| Deferred tax assets | 7.5 | 30,511 | 29,231 |
| **Total non-current assets** | | **256,628** | **296,445** |
| | | | |
| Inventories | 7.6 | 172,754 | 197,535 |
| Trade receivables | 7.7 | 19,973 | 20,370 |
| *of which parent companies, related parties* | | *147* | *97* |
| Financial assets | 7.4 | 2,262 | 980 |
| *of which parent companies, related parties* | | *35* | *2* |
| Tax receivables | 7.8 | 940 | 1,529 |
| Other assets | 7.9 | 7,540 | 8,033 |
| *of which parent companies, related parties* | | *325* | *0* |
| Cash and cash equivalents | 7.10 | 165,548 | 130,366 |
| Assets held-for-sale | | 0 | 0 |
| **Total current assets** | | **369,017** | **358,813** |
| **Total assets** | | **625,645** | **655,258** |
| | | | |
| Share capital | 7.11 | 53,354 | 53,354 |
| Reserves | 7.11 | 82,598 | 121,311 |
| Group net result | 7.11 | (4,694) | (16,313) |
| **Total parent share. equity** | | **131,258** | **158,352** |
| | | | |
| Minority interest shareholders' equity | 7.11 | 0 | 0 |
| Minority interest net profit | 7.11 | 0 | 0 |
| **Total consolidated shareholders' equity** | | **131,258** | **158,352** |
| | | | |
| Employee benefits | 7.12 | 4,262 | 4,627 |
| Financial liabilities | 7.13 | 282,405 | 241,535 |
| *of which parent companies, related parties* | | *1,449* | *3,902* |
| Provisions for risks and charges | 7.14 | 2,529 | 1,611 |
| Deferred tax liabilities | 7.5 | 9,630 | 12,808 |
| Other liabilities | 7.15 | 1,565 | 4,053 |
| *of which parent companies, related parties* | | *0* | *0* |
| **Total non-current liabilities** | | **300,391** | **264,634** |
| | | | |
| Financial liabilities | 7.14 | 94,913 | 103,208 |
| *of which parent companies, related parties* | | *2,102* | *4,146* |
| Current tax payables | 7.9 | 1,083 | 242 |
| Trade payables | 7.16 | 77,443 | 109,178 |
| *of which parent companies, related parties* | | *220* | *396* |
| Other liabilities | 7.15 | 20,557 | 19,644 |
| *of which parent companies, related parties* | | *0* | *0* |
| **Total current liabilities** | | **193,996** | **232,272** |
| **Total shareholders' equity & liabilities** | | **625,645** | **655,258** |

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## CONSOLIDATED INCOME STATEMENT

| (in Euro thousands) | Note | 2025 | *of which non-recurring* | 2024 | *of which non-recurring* |
|---|---|---|---|---|---|
| Revenues | 8.1 | 520,836 | *0* | 542,135 | *0* |
| *of which related parties* | | *12* | | *9* | |
| Other revenues and income | 8.2 | 13,490 | *252* | 8,908 | *42* |
| *of which related parties* | | *352* | | *325* | |
| **Total revenues and other revenues and income** | | **534,326** | ***252*** | **551,043** | ***42*** |
| Cost of raw materials and changes to inventories | 8.3 | (225,068) | *(794)* | (250,433) | *0* |
| *of which related parties* | | *(9)* | | *0* | |
| Service costs and rents, leases and similar costs | 8.4 | (126,783) | *(2,978)* | (122,784) | *(253)* |
| *of which related parties* | | *(697)* | | *(650)* | |
| Labour costs | 8.5 | (122,383) | *(4,119)* | (121,641) | *(1,641)* |
| Other costs and operating charges | 8.6 | (3,254) | *(363)* | (3,290) | *(244)* |
| of which related parties | | (70) | | (70) | |
| *Amortisation, depreciation, and write-downs* | *8.7* | *(49,924)* | | *(54,058)* | |
| Write-down of fixed assets | | (3,543) | | (42) | |
| Provisions and write downs/(releases) | 8.8 | (1,701) | *(752)* | 91 | |
| Increase in internal work capitalised | 8.9 | 4,935 | | 4,435 | |
| **Operating Profit/(loss)** | | **6,605** | ***(8,754)*** | **3,321** | ***(2,096)*** |
| Investment income/charges | | 78 | | 184 | |
| *of which related parties* | | *78* | | *184* | |
| Financial income | 8.10 | 1,748 | | 1,370 | |
| *of which related parties* | | *3* | | *2* | |
| Financial charges | 8.11 | (15,840) | | (21,007) | |
| *of which related parties* | | *(225)* | | *(116)* | |
| Exchange gains/(losses) | 8.12 | 2,460 | | (1,472) | |
| **Profit/(loss) before taxes** | | **(4,949)** | ***(8,754)*** | **(17,604)** | ***(2,096)*** |
| Income taxes | 8.13 | 255 | | 1,291 | |
| **Net Profit/(loss)** | | **(4,694)** | ***(8,754)*** | **(16,313)** | ***(2,096)*** |
| Minority interest net profit | | 0 | | 0 | |
| **Group Net Profit/(loss)** | | **(4,694)** | ***(8,754)*** | **(16,313)** | ***(2,096)*** |
| | | | | | |
| *Basic earnings per share* | *8.15* | *(0.05)* | | *(0.30)* | |
| *Diluted earnings per share* | *8.15* | *(0.05)* | | *(0.30)* | |

## CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

| (in Euro thousands) | Note | 2025 | 2024 |
|---|---|---|---|
| **Profit (loss) for the year** | | **(4,694)** | **(16,313)** |
| Actuarial gains/(losses) | | 185 | (89) |
| Tax effect from actuarial gains and losses | | (29) | 22 |
| **Other income items not to be reversed to income statement in subsequent periods** | | **156** | **(67)** |
| Currency difference from conversion of financial statements in currencies other than the Euro | | (22,556) | 11,235 |
| **Total other components of comprehensive income** | | **(22,400)** | **11,168** |
| **Comprehensive income/(loss)** | **7.12** | **(27,094)** | **(5,145)** |
| Minority interest comprehensive income/(loss) | | 0 | 0 |
| **Group comprehensive income/(loss)** | **7.12** | **(27,094)** | **(5,145)** |

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## CONSOLIDATED CASH FLOW STATEMENT

| (in Euro thousands) | Note | At December 31, 2025 | At December 31, 2024 |
|---|---|---|---|
| **Operating activities** | | | |
| Profit/(loss) for the year | 7.11 | (4.694) | (16.313) |
| *of which related parties:* | | *(555)* | *(318)* |
| Income taxes | 8.13 | (255) | (1.291) |
| Investment income and charges | | (78) | (184) |
| *of which related parties:* | | *(78)* | *(184)* |
| Financial income | 8.10 | (1.748) | (1.371) |
| *of which related parties:* | | *(3)* | *(2)* |
| Financial charges | 8.11 | 15.839 | 21.007 |
| *of which related parties:* | | *225* | *116* |
| Exchange gains/(losses) | 8.12 | (2.461) | 1.472 |
| Asset disposal (gains)/losses | | (51) | (171) |
| Provisions and write-downs | 8.8 | 1.701 | (91) |
| Amortisation, depreciation & write-downs of tangible/intangible assets | 8.7 | 53.467 | 54.100 |
| **Cash flow from operating activities before working capital changes** | | **61.720** | **57.158** |
| | | | |
| Decrease/(Increase) in inventories | 7.6 | 16.743 | (4.304) |
| Decrease/(Increase) in trade receivables | 7.7 | (1.677) | 6.693 |
| *of which related parties:* | | *(50)* | *254* |
| Increase/(Decrease) in trade payables | 7.16 | (29.047) | (8.150) |
| *of which related parties:* | | *(176)* | *(154)* |
| Changes to assets and liabilities | | (791) | (3.810) |
| *of which related parties:* | | *(325)* | *5.852* |
| Post-employment benefits | | (192) | (550) |
| Other provisions | | (171) | (87) |
| Income taxes (Paid)/Reimbursed | | (3,080) | (5,202) |
| Net financial expense | 8.11 | (13,970) | (18,493) |
| **Total operating cash flow** | | **29,535** | **23,255** |
| | | | |
| **Investing activities** | | | |
| Investments in tangible assets | 7.3 | (18,308) | (21,781) |
| Disposal of tangible assets | 7.3 | 560 | 975 |
| Investments in intangible assets | 7.1 | (3,467) | (3,291) |
| Disposal of intangible assets | 7.1 | 7 | (1) |
| Dividends received | | 78 | 184 |
| *of which related parties:* | | *78* | *184* |
| Investments in financial assets | 7.4 | | (112) |
| **Total cash flow from investing activities** | | **(21,130)** | **(24,026)** |
| | | | |
| **Statement of changes in shareholders' equity** | | | |
| Share capital increase | 7.11 | | 38,334 |
| Translation reserve | 7.11 | (4,210) | 3,566 |
| Treasury share purchases | 7.11 | | 0 |
| Other changes in Net Equity | 7.11 | | (89) |
| Distribution dividends | 7.11 | | 0 |
| *of which related parties:* | | | *0* |
| | | | |
| **Financing activities** | | | |
| Drawdown non-current bank loans and borrowings | 7.13 | 104,541 | 29,500 |
| Repayment of bank loans and other non-current loans | 7.13 | (99,280) | (78,001) |
| Bond loan proceeds | 7.13 | 50,000 | |
| Reimbursement of bond loan | 7.13 | (12,278) | (12,866) |
| Derivatives | | | 0 |
| Other financial assets/liabilities | 7.13 | (1,750) | 3,140 |
| *of which related parties:* | | *15* | *(193)* |
| Net change in payables for RoU | 7.13 | (10,246) | (10,109) |
| *of which related parties:* | | *(4,498)* | *(2,785)* |
| **Total cash flow from financing activities** | | **26,777** | **(26,525)** |
| **Total net cash flow in the year** | | **35,182** | **(27,296)** |
| | | | |
| *Opening cash and cash equivalents* | *7.10* | *130,366* | *157,662* |
| *Closing cash and cash equivalents* | *7.10* | *165,548* | *130,366* |

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## STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

| (in Euro thousands) | Share capital | Legal reserve | Translation reserve | Share premium reserve | Listing cost reserve | FTA Reserve |
|---|---|---|---|---|---|---|
| **December 31, 2023** | **49,722** | **2,054** | **(14,605)** | **19,975** | **(3,287)** | **(2,389)** |
| | | | | | | |
| Sale minority interest | | | | | | |
| Other changes | | | | | | |
| Allocation of prior-year result | | | | | | |
| Distribution dividends | | | | | | |
| Share capital increase | 3,632 | | | 36,317 | (1,615) | |
| Profit/(loss) for the year | | | | | | |
| Actuarial gains/(losses) employee benefits | | | | | | |
| Translation difference | | | 11,235 | | | |
| **Comprehensive income** | | | **11,235** | | | |
| **At December 31, 2024** | **53,354** | **2,054** | **(3,370)** | **56,292** | **(4,902)** | **(2,389)** |
| | | | | | | |
| Sale minority interest | | | | | | |
| Other changes | | | | | | |
| Allocation of prior-year result | | 31 | | | | |
| Distribution dividends | | | | | | |
| Share capital increase | | | | | | |
| Profit/(loss) for the year | | | | | | |
| Actuarial gains/(losses) employee benefits | | | | | | |
| Translation difference | | | (22,556) | | | |
| **Comprehensive income** | | | **(22,556)** | | | |
| **At December 31, 2025** | **53,354** | **2,085** | **(25,926)** | **56,292** | **(4,902)** | **(2,389)** |

Please refer to the comments in section 7.11 of the Notes to the Financial Statements.

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| IAS 19 Reserve | Treasury shares | Retained earnings | Net result | Total parent share. equity | Min. interest share. equity | Total consol. equity |
|---|---|---|---|---|---|---|
| **(609)** | **(8,612)** | **108,851** | **(25,849)** | **125,252** | **1** | **125,253** |
| | | | | | | |
| | | | | 0 | | 0 |
| | | (89) | | (89) | | (90) |
| | | (25,849) | 25,849 | 0 | | 0 |
| | | | | 0 | | 0 |
| | | | | 38,334 | | 38,334 |
| | | | (16,313) | (16,313) | | (16,313) |
| (67) | | | | (67) | | (67) |
| | | | | 11,235 | | 11,235 |
| **(67)** | | | **(16,313)** | **(5,145)** | | **(5,145)** |
| **(676)** | **(8,612)** | **82,912** | **(16,313)** | **158,352** | **0** | **158,352** |
| | | | | | | |
| | | | | 0 | | 0 |
| | | | | 0 | | 0 |
| 12 | | (16,356) | 16,313 | 0 | | 0 |
| | | | | 0 | | 0 |
| | | | | 0 | | 0 |
| | | | (4,694) | (4,694) | | (4,694) |
| 156 | | | | 156 | | 156 |
| | | | | (22,556) | | (22,556) |
| **156** | | | **(4,694)** | **(27,094)** | | **(27,094)** |
| **(508)** | **(8,612)** | **66,556** | **(4,694)** | **131,258** | **0** | **131,258** |

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# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

### 1.1 INTRODUCTION

Aquafil SpA, with registered office at Via Linfano, 9 – Arco (TN) – 38062 Italy, ("Aquafil", "Company" or "Parent company" and, together with its subsidiaries, "Group" or "Aquafil Group"), renowned for the production and distribution of fibres and polymers, principally polyamide, is a joint stock company listed on the Italian Stock Exchange, STAR Segment since December 4, 2017, resulting from the business combination through merger by incorporation of Aquafil SpA (pre-merger), founded in 1969 in Arco (TN), into Space3 SpA, as an Italian registered Special Purpose Acquisition Company (SPAC), with efficacy from December 4, 2017. The duration of the Company concludes on December 31, 2100.

The majority shareholder of Aquafil SpA is Aquafin Holding SpA, with registered office in Via Leone XIII No. 14, 20145 Milan, Italy, which however does not exercise management and co-ordination activities. The ultimate Parent Company, which draws up specific consolidated financial statements, is GB&P Srl with registered office in Via Leone XIII No. 14, 20145 Milan, Italy.

The Aquafil Group produces and sells fibres and polymers, principally polyamide 6, on a global scale through the:

i. BCF Product Line (carpet fibres), or synthetic yarns mainly intended for the textile flooring sector and used in "contract" segments (hotels, airports, offices, etc.), residential buildings and the automotive market;
ii. NTF Product Line (clothing fibres), or synthetic yarns mainly intended for the clothing sector (sportswear, classic, technical or specialist apparel);
iii. Polymers Product Line, or plastic raw materials, mainly targeting the engineering plastics sector for subsequent use in the moulding industry.

Group products are also sold on the market under the ECONYL® brand, which offers the Group's products obtained by regenerating industrial waste and end-of-life products.

The Group enjoys a consolidated presence in Europe, the United States, Oceania and Asia.

### 1.2 CONSOLIDATED FINANCIAL STATEMENT PRESENTATION

These consolidated financial statements were prepared for the year ended December 31, 2025 ("**Consolidated Financial statements**") in accordance with EU Regulation 1606/2002 of July 19, 2002 and Article 9 of Legislative Decree No. 38 of February 28, 2005, in compliance with International Financial Reporting Standards, issued by the International Accounting Standards Board and endorsed by the European Union ("**IFRS**").

The Consolidated Financial Statements were approved by the Board of Directors of the company on March 12, 2026 and audited by PricewaterhouseCoopers SpA, statutory auditors of the company.

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# 2. ACCOUNTING POLICIES AND MEASUREMENT CRITERIA

The main accounting policies adopted in the preparation of the Consolidated Financial Statements are reported below. These accounting policies were applied in line with the year 2024 and those applied at December 31, 2025.

## 2.1 BASIS OF PREPARATION

As previously indicated, these consolidated financial statements were prepared in accordance with IFRS, issued by the International Accounting Standards Board and endorsed by the European Union, i.e. all "International Financial Reporting Standards", all "*International Accounting Standards*" ("IAS"), all interpretations of the *International Reporting Interpretations Committee* ("IFRIC"), previously called the *Standards Interpretations Committee* ("SIC") which, at the approval date of the Consolidated Financial Statements, were endorsed by the European Union pursuant to EU Regulation No. 1606/2002 of the European Parliament and European Council of July 19, 2002.

These consolidated financial statements were prepared:

- on the basis of extensive knowledge on the IFRS and taking into account best practice; any further orientations and interpretative updates will be reflected in subsequent years, in accordance with the provisions of the accounting standards;
- under the historical cost convention, except for the measurement of financial assets and liabilities where the obligatory application of the fair value criterion is required;
- on a going-concern basis of the Group, as the directors verified the absence of financial, operating or other indicators which may suggest difficulties with regards to the Group's capacity to meet its obligations in the foreseeable future and in particular in the next 12 months.

## 2.2 FORM AND CONTENT OF THE FINANCIAL STATEMENTS

The Consolidated Financial Statements were prepared in Euro, which corresponds to the principal currency of the economic activities of the entities within the Group. All the amounts included in the present document are presented in thousands of Euro, unless otherwise specified.

The financial statements and the relative classification criteria adopted by the Group, within the options permitted by IAS 1 "Presentation of financial statements" ("IAS 1") are illustrated below:

- the consolidated balance sheet is presented with separation between "current and non-current" assets and liabilities;
- the consolidated income statement was prepared separately from the comprehensive income statement, and was prepared classifying operating costs by expense type;
- the comprehensive income statement which includes, in addition to the result for the period, also the changes to equity relating to income items which, in accordance with International Accounting Standards, are recognised under equity;
- the cash flow statement prepared in accordance with the "indirect method".

The financial statements utilised are those which best represent the result, equity and financial position of the Group.

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## 2.3 CONSOLIDATION SCOPE AND BASIS OF CONSOLIDATION

The Consolidated Financial Statements includes the equity and financial position and results of the subsidiaries and/or associated companies, approved by the respective boards and prepared on the basis of the relative accounting entries and, where applicable, appropriately adjusted in line with international accounting standards IAS/IFRS.

The following table summarises, with reference to the subsidiaries and associated companies, details on company name, registered office, result from draft financial statements prepared for approval, direct and indirect holding, of the company and the consolidation method applied at December 31, 2025:

| Company | Registered office | Share capital in foreign currency | Profit/(loss) for the year in foreign currency | Currency | Group holding | % of | Method of consolidation |
|---|---|---|---|---|---|---|---|
| **Parent company:** | | | | | | | |
| Aquafil S.p.A. | Arco (ITA) | 53,354,161 | (21,951,356) | Euro | | | |
| **Subsidiary companies:** | | | | | | | |
| Aquafil SLO d.o.o. | Ljubjiana (SLO) | 75,135,728 | 2,863,317 | Euro | 100.00% | 100.00% | Line-by-line |
| Aquafil USA Inc. | Cartersville (USA) | 77,100,000 | 12,710,931 | US Dollar | 100.00% | 100.00% | Line-by-line |
| Tessilquattro S.p.A. | Arco (ITA) | 3,380,000 | (2,512,584) | Euro | 100.00% | 100.00% | Line-by-line |
| Aquafil Jiaxing Co. Ltd. | Jiaxing (CHN) | 531,408,631 | 85,024,913 | Chinese Yuan | 100.00% | 100.00% | Line-by-line |
| Aquafil UK Ltd. | Ayrshire (UK) | 3,669,301 | (139,506) | UK Sterling | 100.00% | 100.00% | Line-by-line |
| Aquafil CRO d.o.o. | Oroslavje (HRV) | 9,436,800 | 671,949 | Euro | 100.00% | 100.00% | Line-by-line |
| Aquafil Asia Pacific Co. Ltd. | Rayoung (THA) | 53,965,000 | (3,098,193) | Thai Baht | 99.99% | 99.99% | Line-by-line |
| Aqualeuna G.m.b.H. | Berlin (DEU) | 2,325,000 | (100,204) | Euro | 100.00% | 100.00% | Line-by-line |
| Aquafil Engineering G.m.b.H. | Berlin (DEU) | 255,646 | (1,074,820) | Euro | 100.00% | 100.00% | Line-by-line |
| Aquafil Tekstil Sanayi Ve Ticaret A.S. | Istanbul (TUR) | 1,512,000 | (5,828,311) | Turkish Lira | 99.99% | 99.99% | Line-by-line |
| Aquafil Benelux France B.V.B.A. | Harelbeke (BEL) | 20,000 | (62,551) | Euro | 100.00% | 100.00% | Line-by-line |
| Aquafil Carpet Recycling #1, Inc. | Phoenix (USA) | 250,000 | (10,209,556) | US Dollar | 100.00% | 100.00% | Line-by-line |
| Aquafil Carpet Recycling #2, Inc. | Woodland California (USA) | 250,000 | 222,161 | US Dollar | 100.00% | 100.00% | Line-by-line |
| Aquafil Oceania Ltd. | Melbourne (AUS) | 50,000 | (48,954) | Australian Dollar | 100.00% | 100.00% | Line-by-line |
| Aquafil India Private Ltd. | New Delhi (IND) | 557,860 | (*) | Indian Rupee | 100.00% | 100.00% | Line-by-line |
| Aquafil O'Mara Inc. | North Carolina (USA) | 36,155,327 | (3,356,575) | US Dollar | 100.00% | 100.00% | Line-by-line |
| Aquafil Carpet Collection LLC | Phoenix (USA) | 3,400,000 | (4,824,027) | US Dollar | 100.00% | 100.00% | Line-by-line |
| Aquafil Japan Corp. | Chiyoda (JPN) | 150,000,000 | 41,212,485 | Japanese Yen | 100.00% | 100.00% | Line-by-line |
| Bluloop S.r.l. Benefit Company | Arco (ITA) | 250,000 | (10,149) | Euro | 100.00% | 100.00% | Line-by-line |
| Aquafil Chile S.p.A. | Santiago del Chile (CHL) | 351,576,000 | (59,233,203) | Chilean Peso | 100.00% | 100.00% | Line-by-line |
| **Associated companies:** | | | | | | | |
| Nofir AS | Bodo (NOR) | 667,549 | 9,280,233 | Norwegian Krone | 31.66% | 31.66% | Shareholders' Equity |
| Poly-Service S.a.S. | Lyon (FRA) | 210,000 | (*) | Euro | 45.00% | 45.00% | Shareholders' Equity |
| **Companies under joint control:** | | | | | | | |
| Acca S.p.A. | Santiago del Chile (CHL) | 1,000,000 | 24,425,750 | Chilean Peso | 50.00% | 50.00% | Shareholders' Equity |

*(*) company no longer operative.*

The main criteria adopted by the Group for the definition of the consolidation scope and the relative consolidation principles are illustrated below.

### Subsidiaries

A party controls an entity when it is: i) exposed, or has the right to participate, in the relative variable economic returns and ii) able to exercise its decisional power on the activities relating to the entity in order to influence these returns. The existence of control is verified where events or circumstances indicate an alteration to one of the above-mentioned factors determining control. Subsidiaries are consolidated under the line-by-line method from the date control is acquired and ceases to be consolidated from the date in which control is transferred to third parties. The year-end of the subsidiary companies coincides with that of the Parent Company. The criteria adopted for li-

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ne-by-line consolidation were as follows:

- the assets and liabilities, and the charges and income of the companies are recorded line-by-line, attributing to the minority shareholders, where applicable, the share of net equity and net result for the period pertaining to them; this share is recorded separately in the net equity and in the income statement;
- the gains and losses, with the relative fiscal effect, deriving from operations between fully consolidated companies and not yet realised with third parties, are eliminated, except for losses which are not eliminated where the transaction indicates a reduction in the value of the asset transferred. The effects deriving from reciprocal payables and receivables, costs and revenues, as well as financial income and charges are also eliminated.
- with regard to equity investments acquired subsequent to the acquisition of control (non-controlling interest acquisitions), any difference between the acquisition cost and the corresponding portion of equity acquired is recognised to Group equity; similarly, the effects from the sale of the non-controlling share without loss of control are recognised to equity. Conversely, the sale of a share in investments which results in the loss of control are recognised in the comprehensive income statement:
  i. of any gains/losses calculated as the difference between the payment received and the corresponding share of consolidated net equity sold;
  ii. of the effect of the remeasurement of any residual investment in line with the relative fair value;
  iii. of any values recorded under other items of the comprehensive income statement relating to the investee which is no longer controlled and which must be reversed through the comprehensive income statement, or where the amount should not be reversed through the comprehensive income statement, to the net equity account “Retained earnings”.

The value of any investment maintained, aligned to the relative fair value at the date of loss of control, represents the new initial recognition value of the investment, which also constitutes the value for subsequent measurement in accordance with the measurement criteria applicable.

## Associates and Joint Ventures

Associated companies are companies in which the Group has a significant influence, which is presumed to exist when the percentage held is between 20% and 50% of the voting rights. Associated companies are measured under the equity method and are initially recorded at cost. The equity method is as described below:

- the book value of these investments is aligned to the net equity of the company adjusted, where necessary, to reflect the application of IFRS and includes the recognition of the higher value attributed to the assets and liabilities and to any goodwill, identified on acquisition; in line with a similar process to that previously described for business combinations;
- the profits and losses pertaining to the Group are recognised when the significant influence begins and until the significant influence ceases to exist. In the case where, due to losses, the company valued under this method indicates a negative net equity, the carrying value of the investment is written down and any excess pertaining to the Group, where this latter is committed to comply with legal or implicit obligations of the investee, or in any case to cover the losses, is recorded in a specific provision; the equity changes of the companies valued under the equity method, not recorded through the income statement, are recorded directly in the comprehensive income statement;
- the gains and losses not realised, generated on transactions between the Company/Subsidiaries and investments measured under the equity method are eliminated based on the share pertaining to the Group in the investee, except for losses, when they represent a reduction in value of the underlying asset, and dividends which are fully eliminated.

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When there is objective evidence of an impairment, the recovery is verified comparing the carrying value with the relative recoverable value adopting the criteria indicated in the paragraph "Impairments of tangible and intangible assets". When the reasons for the impairment no longer exist, the investments are revalued within the limits of the write-downs, with effects recognised to the income statement.

The transfer of shareholdings resulting in the loss of joint control or significant influence over the investee company determines the recognition in the comprehensive income statement:

- of any gain/loss calculated as the difference between the amount received and the corresponding fraction of the carrying amount transferred;
- of the effect of the remeasurement of any residual investment in line with the relative fair value;
- of any values recorded under other comprehensive items related to the investee for which reclassification to the comprehensive income statement is envisaged.

The value of any equity investment aligned to its fair value at the date of the loss of joint control or significant influence, represents the new carrying amount and, therefore, the reference value for the subsequent valuation according to the applicable valuation criteria.

Once an equity investment, or a share of this equity, measured under the equity method is classified as held for sale in so far as it meets the criteria for such classification, the equity investment or share of equity, is no longer measured under the equity method.

## Translation of foreign companies' financial statements

The financial statements of subsidiaries are prepared in the primary currency in which they operate. The rules for the translation of financial statements of companies in currencies other than the functional currency of the Euro are as follows:

- the assets and the liabilities were translated using the exchange rate at the balance sheet date;
- the costs and revenues were translated at the average exchange rate for the period;
- the "translation reserve" recorded among comprehensive income and, therefore, directly within shareholders' equity, includes both the currency differences generated from the translation of foreign currency transactions at a different rate from that at the reporting date and those generated from the translation of the opening shareholders' equity at a different rate from that at the reporting date;
- the goodwill, where existing, and the fair value adjustments related to the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the exchange rate at the reporting date.

The exchange rates utilised for the conversion of these financial statements are shown in the table below:

| | Rate at December 31, 2025 | Average rate 2025 | Rate at December 31, 2024 | Average rate 2024 |
|---|---|---|---|---|
| Thai Baht | 37.22 | 37.12 | 35.68 | 38.18 |
| Australian Dollar | 1.76 | 1.75 | 1.68 | 1.64 |
| US Dollar | 1.18 | 1.13 | 1.04 | 1.08 |
| Swiss Franc | 0.93 | 0.94 | 0.94 | 0.95 |
| Turkish Lira | 50.48 | 44.82 | 36.74 | 35.58 |
| Chilean Peso | 1058.13 | 1074.61 | 1033.76 | 1020.70 |
| Indian Rupee | 105.60 | 98.52 | 88.93 | 90.56 |
| UK Sterling | 0.87 | 0.86 | 0.83 | 0.85 |
| Japanese Yen | 184.09 | 169.04 | 163.06 | 163.87 |
| Chinese Yuan | 8.23 | 8.12 | 7.58 | 7.79 |

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### Translation of accounts in foreign currencies

Transactions in currencies other than the Euro are recognised at the exchange rate at the date of the transaction. Assets and liabilities denominated in currencies other than the Euro are subsequently adjusted to the exchange rate at the reporting date. Exchange differences are recognised to the income statement under "Exchange gains and losses".

### Business combinations

Business combinations are recognised in accordance with IFRS 3 (2008). Specifically, business combinations are recognised using the acquisition method, where the purchase cost (consideration transferred) is equal to the fair value, at the acquisition date, of the assets sold and of the liabilities incurred or assumed, as well as any equity instruments issued by the purchaser. The purchase cost includes the fair value of any potential assets and liabilities.

The costs directly attributable to the acquisition are recorded in the income statement. The consideration transferred and allocated recognises the identifiable assets, liabilities and contingent liabilities of the purchase at their fair value at the acquisition date. Any positive difference between the consideration transferred, measured at fair value at the acquisition date, compared to the net value of the identifiable assets and liabilities of the purchase measured at fair value, is recognised as goodwill or, if negative, in the Income statement. Where the business combination was undertaken in several steps, on the acquisition of control the previous holdings are remeasured at fair value and any difference (positive or negative) recorded in the income statement. Any potential consideration is recognised at fair value at the acquisition date. Subsequent changes in the fair value of the potential consideration, classified as an asset or a liability, or as a financial instrument as per IFRS 9, are recorded in the Income statement.

Potential consideration not within the scope of IFRS 9 is measured based on the specific IFRS/IAS standard. Potential consideration which is classified as an equity instrument is not remeasured, and, consequently is recorded under equity.

Where the fair value of the assets, liabilities and contingent liabilities may only be determined provisionally, the business combination is recorded utilising these provisional values. Any adjustments, deriving from the completion of the valuation process, are recorded within 12 months from the acquisition date, restating the comparative figures.

No business combinations were undertaken in the period.

## 2.4 ACCOUNTING PRINCIPLES AND POLICIES

The most significant accounting policies adopted in the preparation of the Consolidated Financial Statements are reported below.

### CLASSIFICATIONS OF CURRENT AND NON-CURRENT ASSETS AND LIABILITIES

The Group classifies an asset as current when:

- it is held for sale or consumption, in the normal operating cycle;
- it is principally held for trading;
- it is expected to be realised within 12 months from the reporting date; or
- it comprises cash or cash equivalents whose use is not restricted or restrictions such as to impede its use for at least 12 months from the reporting date.

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All assets that do not meet the conditions listed above are classified as non-current.

The Group classifies a liability as current when:

- it is expected to be settled within the normal operating cycle;
- it is principally held for trading;
- it must be settled within twelve months of year-end; or
- the entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All the liabilities which do not satisfy the above-mentioned conditions are classified as non-current.

## INTANGIBLE ASSETS

An intangible asset is an asset without physical substance, identifiable, controlled by the Group and capable of generating future economic benefits. The requisite of identifiability is normally met when an intangible asset is:

- attributable to a legal or contractual right; or
- separable, that is, it can be sold, transferred, leased or exchanged independently.

Control over an intangible asset consists of the right to take advantage of future economic benefits arising from the asset and the possibility of limiting its access to others.

Intangible assets are initially recognised at purchase and/or production cost, including the costs of bringing the asset to its current use. All other subsequent costs are expensed in the income statement in the year incurred.

Research expenses are recorded as costs when incurred.

An intangible asset, generated during a project's development phase, which complies with the definition of development on the basis of IAS 38, is recognised as an asset if:

- the cost can be measured reliably;
- the product/process is technically feasible;
- it is likely that the company will obtain the future economic benefits that are attributable to the asset developed, and
- where the company intends to complete the project's development and has sufficient resources to do so.

The following main intangible assets can be identified within the Group:

## INTANGIBLE ASSETS WITH FINITE USEFUL LIVES

Intangible assets with definite useful lives are recognised as cost, as previously described, net of accumulated amortisation and any impairment.

Amortisation begins when the asset is available for use and is recognised on a straight-line basis in relation to the residual possibility of use and thus over the estimated useful life of the asset; for the amount to be amortised and its recoverability the criteria to be utilised is that outlined, respectively, in the paragraphs "Property, plant and equipment" and "Impairment of property, plant and equipment and intangible assets" below.

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The estimated useful life for the Group of the various categories of intangible assets is as follows:

| | Estimated useful life |
|---|---|
| Concessions, licences & trademarks | 10 years |
| Development costs | 5 years |
| Industrial patents & intellectual property rights | 10 years |
| Other intangible assets | Contract duration |

The Group also recognises under intangible assets in progress development costs incurred for the research of specific new products and raw materials, whose commercial production or use has not yet commenced.

These costs are capitalised only when all of the following conditions set out in IAS 38 are met:

- the technical feasibility of developing new products and raw materials which will then be available for sale or use respectively;
- the Group's willingness to complete development, its ability to reliably assess the costs necessary for development and therefore the availability of sufficient technical and financial resources to execute it;
- the forecast likely future economic benefits that new products and new raw materials will be able to generate through sale and use for commercial purposes, in order to at least ensure the full recovery of costs incurred.

Once the development project is completed and the related finished product begins to be sold or the raw material used, these costs will begin to be amortised over the foreseeable period over which they will generate economic benefits.

## PROPERTY, PLANT & EQUIPMENT

Property, plant and equipment are measured at purchase or production cost, net of accumulated depreciation and any impairments. The purchase or production cost includes charges directly incurred for bringing the asset to their condition for use, as well as dismantling and removal charges which will be incurred consequent of contractual obligations, which require the asset to be returned to its original condition. The financial charges directly attributable to the acquisition, incorporation or production of property, plant and equipment whose realisation requires timeframes above one year, are capitalised and depreciated based on the useful life of the asset to which they refer.

The expenses incurred for the maintenance and repairs of an ordinary nature are charged to the income statement when they are incurred. The capitalisation of costs relative to the expansion, modernisation or improvement of the structural elements whether owned or leased, is solely made within the limits established to be separately classified as assets or part of an asset. The assets recorded in relation to leasehold improvements are amortised based on the duration of the rental contract, or on the basis of the specific useful life of the asset, if lower.

Depreciation is charged on a straight-line basis, which depreciates the asset over its economic/technical useful life. Applying the principle of the component approach, when the asset to be depreciated is composed of separately identifiable elements whose useful life differs significantly from the other parts of the asset, the depreciation is calculated separately for each part of the asset.

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The estimated useful life of the main categories of property, plant and equipment is as follows:

| | Estimated useful life |
|---|---|
| Buildings and light constructions | 10 - 17 - 33 - 40 years |
| General plant and machinery | 7 - 8 - 10 - 13 years |
| Industrial and commercial equipment | 2 - 4 - 8 years |
| Other assets | 4 - 5 - 8 years |
| Right-of-Use | Contract duration |

Land, including that adjacent to production facilities, is not depreciated. The useful life of property, plant and equipment is reviewed and updated, where necessary, at least at the end of each year.

A tangible fixed asset is eliminated from the financial statements when the asset is sold or when no expected economic benefits exist from its use or disposal. Any gains or losses (calculated as the difference between net income from sales and the net book value of the asset sold) are recognised in the income statement in the year of disposal.

Public grants related to fixed assets, if received, are accounted for using the deferral method, as they contribute to the income statement over the useful life of the relative asset.

## LEASED ASSETS

International Accounting Standard IFRS 16 identifies the principles for the recognition, measurement and presentation in the financial statements of leasing contracts, as well as enhancing the relative disclosure requirements.

Specifically, IFRS 16 defines leasing as a contract which assigns to the client (lessee) the right-of-use of an asset for a set period of time in exchange for consideration, without distinguishing finance leases from operating leases such as rental and hire.

The definition of a contractual agreement as a lease transaction (or containing a lease transaction) is based on the substance of the agreement and requires an assessment of whether fulfilment of the agreement depends on the use of one or more specific assets and if the agreement transfers the right to use them.

Companies that operate as lessee therefore recognise in their financial statements, at the effective date of the lease, an asset representing the right to use of the asset (defined as the "Right-of-Use") and a liability, attributable to the obligation to make the payments provided for in the contract. The lessee should subsequently recognise the interest concerning the lease liability separate from the depreciation of the right-of-use assets. IFRS 16 also requires lessees to restate the amounts of the lease liability on the occurrence of certain events (e.g. a change to the duration of the lease, a change to the value of the future payments due to a change in an index or rate utilised to determine these payments). In general, the restatement of the amount of the lease liability implies an adjustment also to the right-of-use asset.

Differing from that required for lessees, for the purposes of the preparation of the financial statements of lessors (the lessor), the new International Accounting Standard maintains the distinction between operating and finance leases as per IAS 17.

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## IMPAIRMENT OF INTANGIBLE AND TANGIBLE ASSETS

### Intangible and tangible assets with definite useful life

A verification is carried out at each reporting date to establish whether there are indicators that tangible and intangible assets may have suffered an impairment. To this end, both internal and external sources of information are considered. With regard to the former (internal sources), obsolescence or the asset's physical deterioration and any significant changes in the asset's use and the asset's economic performance in comparison to projections are taken into consideration. As regards external sources, the trend in the assets' market prices, any technological, market or regulatory discontinuities, the trend in market rate interest rates or the cost of capital used to evaluate investments are considered.

Where these indicators exist, an estimate of the recoverable value of the above-mentioned assets is made, recording any write-down compared to the relative book value in the income statement. The recoverable value of an asset is the higher between the fair value, less costs to sell, and its value, determined discounting the estimated future cash flows for this asset, including, where significant and reasonably determinable, those deriving from the sale at the end of the relative useful life, net of any transaction costs. In defining the value in use, the expected future cash flows are discounted utilising a pre-tax rate that reflects the current market assessment of the time value of money, and the specific risks of the asset. For an asset that does not generate independent cash flows, the recoverable value is determined in relation to the cash generating unit to which the asset belongs.

A loss in value is recognised in the income statement when the carrying value of the asset, or of the relative CGU to which it is allocated, is higher than its recoverable value. The loss in value of CGU`s are firstly attributed to the reduction in the carrying value of any goodwill allocated and, thereafter, to a reduction of other assets, in proportion to their carrying value and in the limit of the relative recoverable value. When the reasons for the write-down no longer exist, the book value of the asset is restated through the income statement, up to the value at which the asset would be recorded if no write-down had taken place and amortisation or depreciation had been recorded.

### Impairment test

The impairment test assesses whether there exist any indications that an asset may have incurred a reduction in value. For goodwill and any other indefinite useful life intangible assets an assessment should be made at least annually that their recoverable value is at least equal to the book value and, when considered necessary, or rather in the presence of trigger events (IAS 36 paragraph 9), the impairment test must be undertaken more frequently. The goodwill arising from the business combinations (in previous years) was therefore subject to a recoverability test as per IAS 36 as indicated also in note 7.2 "Goodwill" below. In particular, it is noted that the recoverable value of a non-current asset is based on the estimates and on the assumptions utilised for the determination of the cash flows and of the discount rate applied. Where it is considered that the book value of a non-current asset has incurred a loss in value, the asset is written-down up to the relative recoverable value, estimated with reference to its utilisation and any future disposal, based on the most recent business plans.

In assessing the recoverable value of property, plant and equipment, of investment property, of intangible assets and of goodwill, the Group generally applies the criterion of the value in use.

The value in use is the present value of the expected future cash flows to be derived from an asset. In defining the value in use, the expected future cash flows are discounted utilising a pre-tax rate that reflects the current market assessment of the time value of money, and the specific risks of the asset.

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The estimated future cash flows utilised to determine the value in use is based on the most recent business plans, approved by management and containing forecasts for volumes, revenues, operating costs and investments. These forecasts cover the period of the next two years; consequently, the cash flows relating to the subsequent years are determined on the basis of a growth rate which does not exceed the average growth rate for the sector and the country.

Where the book value of an asset is higher that its recoverable value a loss in value is recognised which is recorded in the income statement.

The loss in value of a cash generating unit are firstly attributed to the reduction in the carrying value of any goodwill allocated and, thereafter, to a reduction of other assets, in proportion to their carrying value. Considering that the production processes of the various companies of the Aquafil Group are closely interrelated and interdependent, as the significant level of intercompany transactions demonstrates, thereby enabling ongoing synergies and the sharing of capabilities and know-how, we have always defined a single CGU for the entire Group, given that there is no production unit or commercial area that could be seen as broadly autonomous from the rest. In fact, the Group operates under a unified strategy that arranges the various production sites into one overarching production process.

When the reasons for the write-down no longer exist, the carrying value of the asset is restated through the income statement, up to the value at which the asset would be recorded if no write-down had taken place and amortisation or depreciation had been recorded.

The original value of the goodwill is not restated even when in subsequent years the reasons for the reduction in value no longer exist.

## SECURITIES OTHER THAN EQUITY INVESTMENTS

Any securities other than equity investments, included under "Financial assets", are held in portfolio until maturity. They are recognised at acquisition cost (with reference to the "trading date") including transaction costs.

## LOANS, RECEIVABLES AND FINANCIAL ASSETS HELD-TO-MATURITY

The financial assets are measured based on IFRS 9.

The Group assesses at each reporting date whether a financial asset or a group of financial assets have incurred a loss in value.

## IMPAIRMENT OF FINANCIAL ASSETS

At each reporting date, all financial assets are analysed in order to verify whether they have suffered a loss in value. An impairment loss is recognised if, and only if, this evidence exists as a result of one or more events that have an impact on the asset's expected future cash flows, occurring after its initial recognition.

In the valuation account is also taken of future economic conditions.

For financial assets accounted for through the amortised cost criterion, when a loss in value has been identified, its

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value is measured as the difference between the asset's carrying amount and the present value of expected future cash flows, discounted on the basis of the original effective interest rate. This value is recognised in the income statement under the item "Provisions and write-downs". When, in subsequent periods, the reasons for the write-down no longer exist, the value of the financial assets are restated up to the value deriving from the application of the amortised cost criterion.

## INVENTORIES

Inventories are recorded at the lower of purchase or production cost and realisable value represented by the amount that the Group expects to obtain from their sale in the normal course of operations of the assets, net of accessory costs. The cost of raw material inventories is calculated using the weighted average cost method. The value of finished or semi-finished product inventories includes direct or indirect processing costs. To determine the weighted average cost of production or processing, the Group considers the weighted average cost of the raw material and the direct and indirect production costs, generally taken as a percentage of direct costs.

The value of inventories was recorded net of any impairment provisions.

## TRADE AND OTHER RECEIVABLES (CURRENT AND NON-CURRENT)

Trade receivables and other current and non-current receivable are considered financial instruments, principally relating to customer receivables, non-derivative, not listed on an active market, from which fixed or determinable payments are expected. Trade receivables and other receivables are classified in the consolidated balance sheet under current assets, except for amounts due beyond 12 months from the reporting date, which are classified as non-current. These financial assets are recorded in the balance sheet when the Group becomes part of the related contracts and are derecognised when the right to receive the cash flow is transferred together with all the risks and benefits associated with the asset sold.

Trade and other current and non-current receivables are initially recorded at their fair value, and subsequently with the amortised cost method using the effective interest rate, reduced for any impairment.

Impairments on receivables are recognised in the income statement when there is objective evidence that the Group will not be able to recover the credit on the basis of contractual conditions.

The write-down amount is measured as the difference between the asset's carrying amount and the present value of expected future cash flows.

The value of receivables is shown net of the corresponding doubtful debt provision.

## CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash, on-demand deposits and financial assets with an original maturity of three months or less, readily convertible into cash and subject to an insignificant risk of changes in value. The items included in cash and cash equivalents are measured at fair value and the relative changes are recorded in the consolidated income statement.

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## EMPLOYEE BENEFITS

For the defined benefit plans, which include post-employment benefit provisions due to employees pursuant to Article 2120 of the Italian Civil Code, the amount to be paid to employees is quantifiable only after the termination of the employment service period, and is related to one or more factors such as age, years of service and remuneration. Therefore, the relative charge is recorded in the income statement based on actuarial calculations. The liability recorded in the accounts for defined benefit plans corresponds to the present value of the obligation at the reporting date. The obligations for the defined benefit plans are determined annually by an independent actuary utilising the projected unit credit method. The present value of the defined benefit plan is determined discounting the future cash flows at an interest rate equal to the obligations (high-quality corporate) issued in Euro and takes into account the duration of the relative pension plan. The actuarial gains and losses deriving from these adjustments and the changes in the actuarial assumptions are recognised in the comprehensive income statement.

From January 1, 2007, the Finance Act and relative decrees enacted introduced important amendments in relation to post-employment benefits, among which was the choice given to the employee to determine where the benefit matured in the period is invested. In particular, the new post-employment benefits can be utilised by the employee for their own chosen pension scheme or they may choose to leave the amount in the company; in this case, when the company has more than 50 employees, those matured from 2007 are paid into INPS. In the case of allocation to external pension funds, the company is only liable to pay a defined contribution to the selected fund and as from that date, the newly matured portion are in the nature of defined contribution plans and are therefore not subject to actuarial valuation.

## TRADE AND OTHER PAYABLES (CURRENT AND NON-CURRENT)

Financial liabilities (with the exclusion of derivative financial instruments) relate to trade and other payables and are initially recorded at fair value, net of directly allocated accessory costs. After initial recognition, they are measured at amortised cost, recording any differences between cost and repayment amount in the income statement over the duration of the liability, in accordance with the effective interest rate method. When there is a change in the expected cash flows, the value of the liabilities is recalculated to reflect this change, based on the new present value of the expected cash flows and on the effective internal rate initially determined.

## DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES

Financial assets (or, where applicable, part of a financial asset or part of a group of similar financial assets) are derecognised from the financial statements when:

- the right to receive the financial flows of the asset terminate;
- the Group retains the contractual right to receive the cash flows from the asset, but assumes a contractual obligation to pay the cash flows fully and without delay to a third party;
- the Group has transferred its right to receive the cash flows from the asset and (a) has transferred substantially all of the risks and rewards of ownership of the financial asset or (b) has not transferred or retained substantially all of the risks and rewards of the asset, but has transferred control over same.

A financial liability is derecognised from the financial statements when the underlying liability is settled, cancelled or fulfilled.

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## DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are only used by the Aquafil Group for the hedging of financial risks related to interest rate fluctuations on bank debt.

A derivative is a financial instrument or other contract:

- whose value changes in response to changes in an underlying defined parameter such as the interest rate, the price of a security or commodity, foreign currency exchange rate, the index of prices or rates, credit rating or another variable;
- that requires a zero initial net investment, or lower than what would be required for contracts with a similar response to changes in market conditions;
- which is settled at a future date.

The Group's financial derivative instruments are undertaken to hedge against the interest rate risk. In accordance with IAS 39, which remains applicable optionally with respect to IFRS 9 in the case of the hedging of interest rate exposure, derivative financial instruments are accounted for in accordance with the procedures established for hedge accounting only when:

- the hedging instrument is formally designated and documented at the start of hedging;
- the hedge is expected to be highly effective;
- such efficacy can be reliably measured;
- the hedge is highly effective during the various accounting periods for which it is designated.

It should be noted that the derivative instruments currently in place (IRS - Interest Rate Swaps and IRC – Interest Rate Collar), although subscribed for hedging purposes with regard to changes in interest rates, have been treated, for accounting purposes and consistently with the past, as non-hedging instruments (and therefore the relative fair value is recognised in the income statement), as it is very complex to prepare the mandatory hedging relationship.

## MEASUREMENT OF THE FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value measurement of the financial instruments is undertaken applying IFRS 13 "Fair value measurement" (IFRS 13). Fair value concerns the price that will be received for the sale of an asset or which will be paid for the transfer of a liability in an ordinary transaction settled between market operators, at the measurement date. Fair value measurement is based on the assumption that the sale of the asset or transfer of the liability is undertaken on the principal market, or rather the market in which the largest volume and levels of transaction take place for the asset or liability. In the absence of a principal market, it is assumed that the transaction takes place on the most advantageous market to which the Group has access, or rather the market which would maximise the results of the sales transaction of the asset or minimise the amount to be paid for the transfer of the liability.

The fair value of an asset or of a liability is determined considering the assumptions which the market participants would use to define the price of the asset or of the liability, under the presumption that they act in accordance with their best economic interests. Market participants are independent knowledgeable acquirers or sellers able to enter into a transaction for the asset or the liability and motivated but not obliged or coerced into making the transaction.

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In the fair value measurement, the Group takes into account the specific characteristics of the asset or the liability, in particular, for the non-financial assets, the capacity of a market operator to generate economic benefits utilising the asset to its maximum and best use or by selling to another market operator that would utilise the asset to its maximum or best use. The fair value measurement of assets and liabilities utilises appropriate techniques for the circumstances and for which sufficient data is available, maximising the use of observable inputs.

IFRS 13 identifies the following fair value hierarchy which reflect the importance of the inputs used in the relative measurement:

- Level 1 Quoted Price (active market): data used in valuations are represented by prices quoted on markets in which identical assets and liabilities are traded with those being valued;
- Level 2 Use of Observable Market Parameters (for example, for derivatives, the exchange rates recorded by the Bank of Italy, market interest rate curves, volatility provided by qualified providers, credit spreads calculated on the basis of CDS', etc.) other than level 1 quoted prices;
- Level 3 Use of Non-Observable Market Parameters (internal assumptions, for example, financial flows, risk-adjusted spreads, etc.).

## WARRANTS

The company has issued warrants, that is, financial instruments that give the holder the right to purchase (call warrants) a determined quantity of ordinary shares (underlying) at a predefined price (strike-price) within a set deadline. The warrants issued were of two types: "Market warrants," which were also listed and were fully cancelled in FY2022 due to expiration of the term, and unlisted "Sponsor warrants" which remain outstanding.

These financial instruments can have different terms and characteristics and, on the basis of these, can be alternatively considered as: (i) a financial liability that must therefore be measured at fair value at the time of issue and any subsequent variation recorded directly in the income statement, or as (ii) an equity instrument and therefore classified in a specific equity reserve from which they will be released only at the time they are exercised or on their maturity as indicated by IAS 32.

Warrants issued by the company have the characteristics to be considered as equity instruments since both instruments contain a pre-set execution value (defined as the "fixed for fixed criteria").

Specifically for the Sponsor warrants, an exchange between equity instruments and cash at an already pre-determined value is provided in case of execution. Information on these instruments is available in the paragraph on shareholders' equity.

## PROVISION FOR RISKS AND CHARGES

Provisions for risks and charges relate to costs and charges of a defined nature and of certain or probable existence whose amount or date of occurrence are uncertain at the reporting date. Accruals to provisions are recorded when:

- the existence of a present obligation, legal or implicit, deriving from a past event is probable;
- it is probable that compliance with the obligation will result in a charge;
- the amount of the obligation can be estimated reliably.

Provisions are recorded at the value representing the best estimate of the amount that the entity would reasonably pay to discharge the obligation or to transfer it to a third party at the reporting date. When the financial effect of

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the passing of time is significant and the payment dates of the obligations can be reliably estimated, the provision is determined by discounting the expected cash flows taking into account the risks associated with the obligation; the increase of the provision due to the passing of time is recorded in the income statement in the account "Financial charges".

The provisions are periodically updated to reflect the changes in the estimate of the costs, of the time period and of the discounting rate; the revision of estimates is recorded in the same income statement accounts in which the provision was recorded.

## REVENUES AND COSTS

Revenues from the sale of goods and services as well as the purchase costs of goods and services are recognised on the transfer of control of the relative goods or completion of the service.

Revenues are shown net of discounts, allowances and returns; they are recorded at fair value to the extent in which it is possible to reliably determine such value and the likelihood that the relative economic benefits will be enjoyed. Revenues are recognised in accordance with IFRS 15 and therefore as per the following 5 steps:

1. identification of the contract with the customer. The standard contains specific provisions to assess whether two or more contracts should be combined and to identify the accounting implications of any contractual amendments;
2. identification of the contractual obligations contained in the contract;
3. calculation of the transaction price, which should be made taking into consideration, among others, the following elements: any amounts paid on behalf of third parties, which must be excluded from the consideration, variable price components (such as performance bonuses, penalties, discounts, reimbursements, incentives, etc...) and any financial component, present where the payment terms granted to the customer contain a significant extension period;
4. allocation of the transaction price to the contractual obligations, on the basis of the stand-alone sales price of each good or service; separately;
5. recognition of the revenue, when (or if) each contractual obligation is satisfied through the transfer of the goods or service, which occurs when the customer obtains the control and therefore has the capacity to decide upon and/or control its use and substantially obtain all the benefits. Control may be transferred at a specific point in time or over time.

The analysis undertaken indicated that the obligations arising for the Group companies to its clients mainly concern the production and supply of finished products according to the terms and conditions requested, and in particular:

- payment deadlines are on average between 45 and 60 days, in line with generally applied market averages. "Cash discounts" are contractually granted in the case of early settlement and were recognised as a direct reduction in revenues. No payment deferments are granted which could be considered as qualifying as a loan;
- the finished product is sold without the granting of warranty periods and/or without return and/or suspension of ownership clauses. Any returns and reimbursements are agreed among the parties on a case by case basis following critical analysis of the reasons which may have resulted in any non-compliance issues.

It is therefore considered that:

i. the moment of transfer of control to clients of their products coincides with the transfer of the associated

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risks and benefits, as contractually defined by the delivery terms applied and which are in line with those generally accepted within the sector;

ii. the consideration does not include any financial component, with the exception of the cash discounts which are recognised as a reduction in revenues, while the component of the transport service and insurance (applicable only with specific delivery terms) is however completed in the same period as the transfer of control of the goods and therefore accrues to the same period;

iii. no contractual obligations are in place which suspend the transfer of control of the goods and therefore only the returns/reimbursements that may be agreed (concerning the goods sold in the year) may be recognised as a reduction of the relative revenues.

Costs incurred by the company however are recognized on an accrual basis.

## FINANCIAL INCOME AND CHARGES

Financial income and charges are recognized in the income statement in the period in which they are earned or incurred according to IFRS 9.

## DIVIDENDS

Dividends received are recognised when (i) shareholders become entitled to receive the payment, which coincides with the date of the investee company's shareholders' meeting approving distribution, (ii) it is probable that the economic benefits associated with the dividend will flow to the entity and (iii) the amount of the dividend can be measured reliably.

The distribution of dividends to Aquafil SpA's shareholders is represented as a movement of shareholders' equity and recorded as a liability in the financial year in which this distribution is approved by the Shareholders' Meeting.

## INCOME TAXES

Current taxes are determined on the basis of estimated taxable income, in compliance with tax regulations applicable to Group companies and are recorded in the consolidated income statement under the item "Income taxes for the year", with the exception of those relating to items directly debited or credited to a shareholders' equity reserve; in such cases, the relative tax effect is directly recognised in the respective shareholders' equity reserves. The consolidated comprehensive income statement shows the amount of income taxes for each item included in the "other components of the consolidated comprehensive income statement".

Deferred tax assets and liabilities are calculated in accordance with the balance sheet liability method. Deferred taxes are calculated on temporary differences between the values recorded in the consolidated financial statements and the corresponding values recognised for tax purposes. The deferred tax assets, including those relating to any tax losses carried forward, are recognised only for those amounts for which it is probable there will be future assessable income to recover the amounts. Tax assets and liabilities are offset, separately for current taxes and for deferred taxes, when the income tax is applied by the same fiscal authority, there is a legal right of compensation and the payment of the net balance is expected. Deferred tax assets and liabilities are calculated utilising the tax rates which are expected to be applied in the years when the temporary differences will be realised or settled, taking into account current tax regulations or substantially in force at the reporting date. Other taxes not related to income, such as indirect taxes and duties are included under "Other operating costs and charges".

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From the year 2018, the Parent Company was included in the tax consolidation regime with the holding company Aquafin Holding SpA. This was interrupted in 2017 due to its merger by incorporation into Space 3 SpA. The tax consolidation regime is also confirmed for the year 2025.

Therefore, the consolidated financial statements take account of the effects of the transfer of tax positions arising from the "tax consolidation" and specifically recognise the consequent credit/debit relationships towards the tax consolidating company. Aquafil S.p.A. for fiscal year 2023 altered the method for allocating fiscal losses resulting from tax consolidation in the event of the suspension or non-renewal of tax consolidation in accordance with Article 124(4) of the Income Tax Law. Specifically, as part of the renewal for the three-year period 2024-2026, it was indicated in line OP6, col. 3, code "4" (Change in the criterion used for any allocation of residual losses) and in column 7, code "3" (Allocation to companies that produced losses in a different manner from the previous). Therefore, this change results in the allocation of losses to Aquafil S.p.A. with the consequent reclassification of Euro 5.4 million from "Other assets" to "Deferred tax assets" in the parent company Aquafil S.p.A.'s financial statements.

In addition, in relation to the Parent Company, it should be noted that Article 12 of Legislative Decree No. 142 of 29/11/2018 defined the concept of "non-financial holding companies" ("Industrial Holdings"), for which, "the prevalent exercise of acquiring investments in parties other than financial intermediaries exists when, based on the figures of the last approved year-end financial statements, the total amount of investments in these parties and other equity elements undertaken between them, considered as a whole, is higher than 50 per cent of the total assets on the balance sheet", with effect from the year 2018.

Due to this amendment by Legislative Decree 142/2018, therefore, as of the year 2018, previously excluded companies fall under "industrial holdings" and particularly those which have holdings but whose financial income predominantly comprises revenues from industrial activity.

The Parent Company which qualifies as an "Industrial Holding" must calculate the Irap taxable base in accordance with Article 6, paragraph 9 of the Irap Decree, that is, by adding to the normally determinable taxable base, 100% of the interest income and other financial income and subtracting 96% of the interest expense and similar charges; in addition, the increased rate envisaged for banks and other financial institutions must be applied to the value of production relevant for IRAP purposes. It should be noted that also for 2025, the IRAP rate for the industrial holding companies in the province of Trento, applicable to non-financial holding companies and similar entities pursuant to paragraph 9 of Article 6 of Legislative Decree No. 446/97 is 4.65%, and the benefits normally granted to industrial companies are not applied.

## ASSETS AND LIABILITIES AVAILABLE FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets and current assets and non-current assets of discontinued operations are classified as held-for-sale where their book value will principally be recovered through sale. This condition exists when the sale is highly probable and the asset or discontinued operation is available for an immediate sale in its current conditions. Non-current assets held-for-sale, current assets and non-current assets of discontinued operations and the liabilities directly related to them are recorded separately to company assets and liabilities in the balance sheet. Any non-current assets held-for-sale are not depreciated and are valued at the lower of the subscription value and their fair value, less selling costs.

Any difference between the book value and the Fair Value less selling costs is recorded in the income statement as a write-down; any subsequent recoveries in value are recognised for the amount of the write-downs previously recorded, including those recognised before the definition of the asset as held-for-sale.

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Non-current assets and current and non-current assets of disposal groups classified as held-for-sale constitute discontinued operations if, alternatively:

- they represent a significant autonomous branch of activity or a significant geographical area of activity; or
- is part of a disposal programme of an important independent activity or geographical area of activity;
- are a subsidiary acquired exclusively for the purpose of sale.

The results of *discontinued operations*, as well as any capital gain/loss realised following disposal, are shown separately in the income statement under a specific account, net of the related tax effects; the income statement values of discontinued operations are also presented for the comparative years.

If there is a plan to sell a subsidiary that results in the loss of control, all the assets and liabilities of that subsidiary are classified as held-for-sale.

It should be noted that at December 31, 2025, the Aquafil Group had only assets held-for-sale consisting of machinery and equipment and had no *discontinued operations*.

## EARNINGS PER SHARE

**a. Basic earnings per share**

The basic earnings per share is calculated by dividing the result of the Group by the weighted average number of ordinary shares outstanding during the year, excluding treasury shares.

**b. Diluted earnings per share**

The diluted earnings per share is calculated by dividing the result of the Group by the weighted average number of ordinary shares outstanding during the year, excluding treasury shares. In order to calculate the diluted earnings per share, the average weighted number of shares outstanding is adjusted assuming the exercise of all the rights which have potential dilution effect, while the result of the Group is adjusted to take into account the effects, net of income taxes, of the exercise of these rights.

## USE OF ACCOUNTING ESTIMATES

The preparation of the financial statements requires the directors to apply accounting principles and methods that, in some circumstances, are founded on difficult and subjective valuations and estimates, based on historical experience and assumptions which are from time to time considered reasonable and realistic under the relative circumstances. The application of these estimates and assumptions impact upon the amounts reported in the financial statements, the balance sheet, the income statement, the comprehensive income statement, the cash flow statement, the statement of changes to shareholders' equity and the notes to the accounts. The final outcome of the accounts in the financial statements which use the above-mentioned estimates and assumptions may differ, even significantly from those reported in the financial statements due to the uncertainty which characterises the assumptions and the conditions upon which the estimates are based.

Numerous items in the financial statements are subject to estimates and while not all of these accounts are individually significant, they are significant on an overall basis. The accounting policies which require greater subjectivity by the directors in the preparation of the estimates and for which a change in the underlying conditions or the assumptions may have a significant impact on the financial results of the Group are briefly described below.

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## IMPAIRMENTS

The tangible and intangible assets with definite useful lives and goodwill are verified to ascertain if there has been a loss in value, which is recorded by means of a write-down, when it is considered there will be difficulties in the recovery of the relative net book value through use. The verification of such difficulties requires the directors to make valuations based on the information available within the Group and on the market, as well as from historical experience. In addition, when it is determined that there may be a potential reduction in value, the Group determines this through using the most appropriate technical valuation methods available. The correct identification of the indicators of a potential reduction in value of tangible and intangible assets, as well as the estimates for their determination depends on factors which may vary over time, impacting upon the valuations and estimates made by the directors. Specifically, the Directors utilise:

External information sources:

- observable indications have emerged that the value of the asset has declined significantly more during the period than would be expected as a result of the passage of time or normal use;
- Significant changes adversely affecting the entity have occurred, or will occur in the near future, in the technological, market, economic, or legal environment in which the entity operates or in the market on which the business is focused;
- Market interest rates or other market rates of return on investments have increased during the period, and such increases could affect the discount rate used to calculate an asset's value in use and materially reduce its recoverable amount;
- The carrying amount of the entity's net assets is higher than its market capitalisation.

Internal information sources:

- Indications of the obsolescence or physical damage to an asset have emerged;
- During the period, significant changes with an adverse effect on the entity have occurred, or are expected to occur in the near future, in relation to the extent or manner in which an asset is used or expected to be used. Such changes include the inactivity of the asset, plans to discontinue or restructure the business to which the asset belongs, plans to dispose of an asset before the previously planned date, and reassessment of the useful life of an asset as finite rather than indefinite;
- Internal reports indicate that the economic performance of an asset is, or will be, weaker than expected.

## AMORTISATION & DEPRECIATION

The cost of property, plant and equipment and intangible assets is depreciated or amortised on a straight-line basis over the estimated useful life of the asset. The useful life of these assets is determined by the directors when the assets are purchased. This is based on the historical experience for similar assets, market conditions and considerations relating to future events which could have an impact on the useful life, such as changes in technology. Therefore, the effective useful life may differ from the estimated useful life.

## INVENTORIES

Inventories of products which are obsolescence or slow moving are periodically subject to valuation tests and written down when the recoverable value is lower than the carrying amount. The write-downs are made based on assumptions and estimates of the directors deriving from experience and historic results and compared with market values.

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### DOUBTFUL DEBT PROVISION

the recoverability of receivables is valued taking account of the non-payment risk, of aging of receivables and of the losses recorded in the past on similar receivables.

### PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges are recorded to cover known or likely losses or liabilities, the timing and extent of which are not known with certainty at the reporting date.

They are recorded only where a present obligation exists (legal or implicit) for a future payment resulting from past events and it is probable that the obligation will be settled. This amount represents the best estimate of the costs required to settle the obligation. The rate used in the determination of the present value of the liability reflects the current market values and the specific risk associated to each liability.

If the financial effect of the period is significant and the payment dates of the obligations can be reliably estimated, the provisions are valued at the present value of the expected payment, utilising a rate which reflects market conditions, the change in the cost of money in the period and the specific risk related to the obligation.

The increase in the value of the provision from changes in the cost of money in the period is recognised as a financial charges.

Possible risks that may result in a liability are disclosed in the notes on potential liabilities without any provision.

### DEFERRED TAX ASSETS

Deferred tax assets are recognized with respect to deductible temporary differences between the values of assets and liabilities expressed in the financial statements compared to the corresponding tax value and tax losses that can be carried forward, to the extent that the existence of adequate future taxable profit is likely, with respect to which these losses may be used. A discretionary assessment is required of the directors to determine the amount of deferred tax assets that can be accounted for, which depends on the estimate of probable timing and the amount of future taxable profits.

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## 2.5 ACCOUNTING STANDARDS NOT YET APPLICABLE

The new documents issued by the IASB and endorsed by the EU to be mandatorily adopted from financial statements beginning January 1, 2025 are indicated below.

### Document endorsed by the EU at November 30, 2025

| Document title | Issue date | Date of entry into force | Date of endorsement | Regulation (EC) and publication date | Notes and references to this checklist |
|---|---|---|---|---|---|
| Lack of Exchangeability (Amendments to IAS 21) | August 2023 | January 1, 2025 | November 12, 2024 | (EC) 2024/2862 November 13, 2024 | See points 38, 325-327 |

New IFRS accounting standards or amendments to IFRS accounting standards applicable to financial statements for fiscal years beginning after January 1, 2025.

### PART A - EU-endorsed documents as of November 30, 2025

| Document title | Date of issue | Entry into force | Endorsement date | Regulation (EC) and publication date | Notes and references to this checklist |
|---|---|---|---|---|---|
| Changes to the classification and evaluation of the financial instruments (Amendments to IFRS 9 and IFRS 7) | May 2024 | January 1, 2026 | May 27, 2025 | (EC) 2025/1047 May 28, 2025 | See points 540-545 |
| Electricity-dependent power-related contracts (Amendments to IFRS 9 and IFRS 7) | December 2024 | January 1, 2026 | June 30, 2025 | (EC) 2025/1266 July 1, 2025 | See points 546-549 |
| Annual cycle of improvements to IFRS accounting standards – Volume 11 (Amendments to IFRS 1, IFRS 7, IFRS 9, to IFRS 10 and IAS 7) | July 2024 | January 1, 2026 | July 9, 2025 | (EC) 2025/1311 July 10, 2025 | See points 550-554 |

### PART B - Documents not yet approved by the EU as of November 30, 2025

It should be noted that these documents will be applicable only after EU endorsement.

| Document title | Issue date by the IASB | Date of entry into force of the IASB document | Scheduled date for endorsement by the EU |
|---|---|---|---|
| **New IFRS accounting standards** | | | |
| IFRS 14 Regulatory Deferral Accounts | January 2014 | January 1, 2016 | Postponed pending the new accounting standard on "rate-regulated activities". |
| IFRS 18 Presentation and disclosure in financial statements | April 2024 | January 1, 2027 | Q1 2026 |
| IFRS 19 Subsidiaries without public accountability: disclosures | May 2024 | January 1, 2027 | TBD |
| **Amendments to IFRS accounting standards** | | | |
| Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) | September 2014 | Deferred until the completion of the IASB project on the equity method | Endorsement process postponed pending the conclusion of the IASB project on the equity method |
| Amendments to IFRS 19 Subsidiaries without public accountability: disclosure | August 2025 | January 1, 2027 | TBD |
| Amendments to IAS 21 Translation to a Hyperinflationary Presentation Currency | November 2025 | January 1, 2027 | TBD |

With reference to the new standard IFRS 18 (Presentation and Disclosures in Financial Statements), the Group has initiated analysis activities to evaluate its potential effects on the presentation of the financial position, the economic result, and the related supplementary disclosure. As of the closing date of these financial statements, given the preliminary state of the analyses, a reliable estimate of future quantitative impacts is not possible, although changes in the classification of income statement items and the aggregation of information are expected.

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# 3. FINANCIAL RISK MANAGEMENT

The principal business risks identified, monitored and, as illustrated below, actively managed by the Group are as follows:

- market risk, deriving from fluctuations in exchange rates between the Euro and the other currencies in which the Group operates, the interest rate and raw material prices;
- Counterparty default risk;
- liquidity risk, deriving from insufficient financial resources to meet financial commitments.
- inflation rate.

The Group's objective is to maintain a balanced management of its financial exposure over time to ensure a liability structure that is in equilibrium with the composition of assets and capable of ensuring the necessary operational flexibility through the use of liquidity generated by current operating activities and recourse to bank financing.

The ability to generate liquidity from ordinary operations and debt capacity allow the Group to adequately meet its operational requirements, the financing of operating working capital and investment capital, and to meet its financial obligations.
The Group's financial policy and management of the relative financial risks are guided and monitored at central level. In particular, the central finance function is tasked with evaluating and approving forecast financial needs, monitoring the trend and, where necessary, implementing suitable corrective actions.

The following section provides qualitative and quantitative information on the impact of these risks on the Group.

## 3.1 MARKET RISK

### 3.1.1 Currency risk

Exposure to the risk of exchange rate variations arises from the Group's commercial activities which are also carried out in currencies other than the Euro. Revenues and costs denominated in foreign currencies may be influenced by exchange rate fluctuations with an impact on trade margins (economic risk), just as trade and financial payables and receivables denominated in foreign currency may be affected by the conversion rates used, with an effect on the economic result (transaction risk). Finally, exchange rate fluctuations also reflect on the consolidated results and shareholders' equity since the financial statements of certain Group companies are drawn up in currencies other than the Euro and are subsequently converted (translation risk).
The principal exchange rates the Group is exposed to are:

- EUR/USD, in relation to transactions carried out in US Dollars;
- EUR/CNY, in relation to transactions carried out in Chinese renminbi mainly on the Asian market.

The Group does not generally adopt specific policies to hedge exchange rate fluctuations, with the exception of contracts occasionally entered into due to the contingent requirements of its commercial activities. It should be noted that there is periodic massive offsetting between the values of purchase components in foreign currencies, mainly US dollars, and the values of sales in the same currency, which significantly mitigates the Group's currency risk. Many Group companies are however exposed to a contained level of exchange rate risk stemming from operations as, in the individual countries, a portion of cash flows, sales and also costs are denominated in the same accounting currency of the country (natural hedging).

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### 3.1.2 Analysis of sensitivity of exchange rate risk

For the purposes of an exchange rate sensitivity analysis, balance sheet items as at December 31, 2025 (financial assets and liabilities) denominated in a currency other than the functional currency of each Group company were identified. In assessing the potential effects arising from changes in exchange rates, inter-company payables and receivables in currencies other than the account currency were also taken into consideration.

Two scenarios were considered for the purposes of the analysis which respectively reflect a 10% appreciation and depreciation of the nominal exchange rate between the currency in which the balance sheet item is denominated and the accounting currency.

The table below highlights the results of the analysis at December 31, 2025:

| (in Euro thousands) | Consolidated financial statements | Exposition to currency risk (aggregated) | +10% Gains/(Losses) | -10% Gains/(Losses) |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Cash and cash equivalents | 165,548 | 37,488 | (3,749) | 3,749 |
| Trade receivables (net of credit notes) | 19,973 | 1,550 | 155 | (155) |
| Tax effect | | | 863 | (863) |
| **Total financial assets** | | | **(2,731)** | **2,731** |
| | | | | |
| **Financial liabilities** | | | | |
| Trade payables | (77,443) | (7,318) | 732 | (732) |
| Tax effect | | | (176) | 176 |
| **Total financial liabilities** | | | **556** | **(556)** |
| | | | | |
| **Total** | | | **(2,175)** | **2,175** |

*Note: the plus sign indicates a higher profit and an increase in shareholders' equity; the minus sign indicates a lower profit and a decrease in shareholders' equity.*

For comparability with the previous year, a similar analysis at December 31, 2024 is presented below:

| (in Euro thousands) | Consolidated financial statements | Exposition to currency risk (aggregated) | +10% Gains/(Losses) | -10% Gains/(Losses) |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Cash and cash equivalents | 130,366 | 22,736 | (2,263) | 2,263 |
| Trade receivables (net of credit notes) | 20,370 | 2,070 | (207) | 207 |
| Tax effect | | | 593 | (593) |
| **Total financial assets** | | | **(1,877)** | **1,877** |
| | | | | |
| **Financial liabilities** | | | | |
| Trade payables | (109,178) | (6,453) | 645 | (645) |
| Tax effect | | | (155) | 155 |
| **Total financial liabilities** | | | **490** | **(490)** |
| | | | | |
| **Total** | | | **(1,387)** | **1,387** |

It should also be noted that, for the purposes of consolidated reporting, the Company recognises currency differences generated by the year-end translation of the financial statements of foreign subsidiaries prepared in a currency other than the Euro among comprehensive income and, therefore, directly within the shareholders' equity "translation reserve".

There is a risk related to exchange rate fluctuations, particularly in foreign subsidiaries such as in the U.S. and China, which may impact consolidated equity. In 2025 specifically, this translation had a negative effect of Euro 22,556 thousand as shown in the statement of changes in shareholders' equity and in the consolidated comprehensive income statement.

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### 3.1.3 Raw material price risk

The Group's production costs are influenced by the price trends of the main raw materials used. The price of these materials varies depending on a wide range of factors, to a large extent uncontrollable by the Group and difficult to predict.

Specifically, the Group implements a strategy to offset the price volatility risk of the main production factors used through contractual hedging which limits changes to the prices of raw materials, energy sources and partly, selling prices.

### 3.1.4 Interest rate risk

The Group uses external debt funding and places available liquidity in market instruments. Changes in the interest rates impact on the cost and return of the various forms of loans and uses, with an effect therefore on the consolidated financial charges. The Group policy seeks to limit interest rate fluctuation risk through undertaking fixed or variable rate medium/long-term loans linked to hedging derivatives; hedging is carried out through the trading of derivative instruments (e.g. IRS - Interest Rate Swaps and IRC – Interest Rate Collar), utilised only for hedging purposes and not for speculative purposes. These contracts, although subscribed for hedging purposes relating to the financial exposure of the Group, were not treated as hedges for accounting purposes, given the technical complexity of the accounting demonstration of the hedging relationship and the relative effectiveness, and therefore with end-of-period Mark to Market (MTM) adjustment effects recognised directly in the consolidated income statement.

The following tables summarise the main information concerning hedging derivatives on interest rates as at December 31, 2025 (held exclusively by the Parent Company):

| (in Euro thousands) | Contract opening date | Contract maturity date | Notional value at signing date in foreign currency | Notional currency | Fair value at December 31, 2024 |
|---|---|---|---|---|---|
| IRS Intesa San Paolo | 28/12/2021 | 31/12/2027 | 30,000 | Euro | 319 |
| IRS Monte dei Paschi di Siena | 30/09/2023 | 30/09/2026 | 20,000 | Euro | (161) |
| IRC BNL | 05/07/2023 | 05/07/2028 | 10,000 | Euro | (69) |
| **Total** | | | **60,000** | | **89** |

For comparability with the previous year, a similar analysis at December 31, 2024 is presented below:

| (in Euro thousands) | Contract opening date | Contract maturity date | Notional value at signing date in foreign currency | Notional currency | Fair value at December 31, 2024 |
|---|---|---|---|---|---|
| IRS Banca Popolare Milano | 20/06/2018 | 30/06/2025 | 25,000 | Euro | 18 |
| IRS Banca Popolare Milano | 06/06/2019 | 30/06/2025 | 15,000 | Euro | 14 |
| IRC BNL | 05/07/2023 | 05/07/2028 | 10,000 | Euro | (119) |
| IRS Credit Agricole | 09/08/2019 | 28/12/2025 | 10,000 | Euro | 35 |
| IRS Intesa San Paolo | 28/12/2021 | 31/12/2027 | 30,000 | Euro | 670 |
| IRS Monte dei Paschi | 30/09/2023 | 30/09/2026 | 20,000 | Euro | (409) |
| **Total** | | | **110,000** | | **210** |

### 3.1.5 Sensitivity analysis related to interest rate risk

With reference to interest rate risk, a sensitivity analysis was carried out to determine the effect on the consolidated income statement and consolidated shareholders' equity resulting from a hypothetical positive and negative change of 100 bps in interest rates compared to those actually recorded in each period.

The analysis was carried out mainly regarding short and medium/long-term financial liabilities.

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With reference to cash and cash equivalents, reference was made to the average funds held and the average rate of return for the period. For short and medium/long-term financial liabilities, the impact was calculated on an actual basis. Financial payables at a fixed rate and those hedged through derivative instruments were not included in this analysis.

The table below highlights the results of the analysis at December 31, 2025:

| (in Euro thousands) | Impact on Net Profit | | Impact on Net Equity | |
|---|---|---|---|---|
| Change | + 100 bps | - 100 bps | + 100 bps | - 100 bps |
| FY 2025 | (1,430) | 1,430 | (1,430) | 1,430 |

*Note: the plus sign indicates a higher profit and an increase in shareholders' equity; the minus sign indicates a lower profit and a decrease in shareholders' equity.*

For comparability with the previous year, a similar analysis at December 31, 2024 is presented below:

| (in Euro thousands) | Impact on Net Profit | | Impact on Net Equity | |
|---|---|---|---|---|
| Change | + 100 bps | - 100 bps | + 100 bps | - 100 bps |
| FY 2024 | (1,365) | 1,365 | (1,365) | 1,365 |

## 3.2 CREDIT RISK

The Group's exposure to credit risk relates to the possibility of insolvency (default) and/or in the deterioration of the credit rating of a counterparty and is managed through adequate valuation instruments of all counterparties by a dedicated department, utilising the appropriate instruments to carry out constant monitoring, on a daily basis, of the behaviour and credit rating of clients. The Group hedges its credit risk through insurance policies on the client exposure, undertaken with primary debt insurance companies. External companies providing corporate information are utilised both to initially evaluate the reliability and for on-going monitoring of the economic and financial situation of clients.

The top 10 clients on the total Group trade receivables at December 31, 2025 was 48.6% (42.4% at December 31, 2024).

The following table provides a breakdown of trade receivables at December 31, 2025, grouped by due date and net of the doubtful debt provision:

| (in Euro thousands) | December 31, 25 | Not yet due | Overdue within 30 days | Overdue between 31 and 90 days | Overdue between 91 and 120 days | Overdue beyond 120 days |
|---|---|---|---|---|---|---|
| Guaranteed trade receivables (a) | 14,402 | 11,506 | 2,799 | 46 | 0 | 51 |
| Non-guaranteed trade receivables (b) | 5,779 | 3,623 | 482 | 89 | 22 | 1,563 |
| Non-guaranteed trade receivables impaired (c) | 292 | 1 | 1 | 0 | 0 | 290 |
| **Trade receiv. before doubtful debt prov. [(a)+(b)+(c)]** | **20,473** | **15,130** | **3,282** | **135** | **22** | **1,904** |
| Doubtful debt provision | (500) | | | | | (500) |
| **Trade receivables** | **19,973** | **15,130** | **3,282** | **135** | **22** | **1,404** |

## 3.3 LIQUIDITY RISK

Liquidity risk relates to the risk of the Group being unable to meet its payment obligations due to the inability to source new funds or liquidate assets on the market. This results in a negative impact on economic performance if it is obliged to incur additional costs to meet its commitments or insolvency.

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The liquidity risk to which the Group is exposed relates to the inability to source sufficient funding for operations, in addition to industrial and commercial operations. The principal factors which determine the liquidity situation of the Group are, on the one hand, the resources generated and absorbed by the operating and investment activities and on the other the maturity dates and the renewal of the payable or liquidity of the financial commitments and also market conditions.

The Group can avail of on-demand liquidity of Euro 165 million at December 31, 2025, and has a significant availability of credit lines granted by a number of leading Italian and international banks. The directors consider that the funds and credit lines currently available, in addition to those that will be generated from operating and financial activities, will permit the satisfaction of its requirements deriving from investment activities, working capital management and the repayment of debt in accordance with their maturities.

The total Group bank credit lines at year-end amount to Euro 37.7 million, completely unutilised.

The table below shows an analysis of amounts due, based on contractual repayment obligations relating to the convertible bond, leasing contracts, trade payables and other liabilities as at December 31, 2025:

| (in Euro thousands) | December 31, 2025 | Within 1 year | Between 1 and 5 years | Beyond 5 years |
|---|---|---|---|---|
| Bond loan | 95,503 | 13,932 | 31,571 | 50,000 |
| Other current and non-current financial liabilities | 281,815 | 80,981 | 194,192 | 6,642 |
| Trade payables | 77,443 | 77,443 | 0 | 0 |
| Other current and non-current liabilities | 22,122 | 20,557 | 1,565 | 0 |
| **Total** | **476,883** | **192,913** | **227,328** | **56,642** |

All the amounts in the table above refer to the nominal amounts not discounted, stated with regards to the residual contractual maturities, both in terms of the capital and interest portions. The Group expects to meet these commitments by liquidating financial assets and through cash flows that will be generated by operations. In this risk analysis, we confirm the conclusions of that commented upon in more detail in the Directors' Report regarding the conflict between Russia and Ukraine and the conflict between Israel, Palestine and Iran i.e. that that this situation does not have direct impacts on the company, as currently not having (i) any investment in any the countries involved, nor (ii) financial instruments or liquidity in the currencies of the countries involved.

Regarding Supplier Finance Agreements, please refer to the comments in paragraph 7.16 below.

As mentioned previously, the impact on the business thus far does not give rise to specific risks in terms of the Group's ability to meet its future commitments (including compliance with the "covenants" set out in certain loan agreements at June 30, 2026 and December 31, 2026) and/or which may impact the Group's ability to continue as a going concern.

## 3.4 INFLATION RISK

The Group, based on its current cost structure and target markets, is not significantly exposed to inflationary risk. The impact on operating costs, selling prices and overall profitability was not significant during the year, and no material effects related to inflationary dynamics in the markets in which the Group operates are expected at present.

However, the Group monitors the evolution of the macroeconomic environment and reserves the right to take

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management or contractual measures, if necessary, to contain any future impacts resulting from significant changes in the inflation rate.

## 3.5 CLIMATE CHANGE RISKS

In its Sustainability Statement, Aquafil assigned significant consideration to addressing climate issues. These issues were addressed within the materiality analysis (Section 1.4 “Materiality Analysis” and Appendix, Table 5.6) and were further explored in the appropriate chapter (Section 2.1 “Climate Change”).

Aquafil recognises the urgency of a transition to a low-emission economy. Therefore, starting in 2023 the company conducted a Climate Risk and Vulnerability Assessment (CRVA) to assess the exposure and vulnerability to physical climate risks of the European plant. In 2025, the analysis activities were completed, having covered 100% of the Group’s production plant.

Through the CRVA, it was possible to identify the most significant physical risks stemming from climate change to our operations and to assess the resilience of our strategy and business model. This analysis, complementary to the double materiality analysis, has provided a more detailed picture of climate threats, enabling Aquafil to develop an adaptation plan which includes mitigation and adaptation strategies to protect its operations and value chain. As part of the dual materiality analysis, carried out consistently with the aforementioned CRVA, Aquafil identified a number of impacts, risks and opportunities related to climate change and the three related sub-topics proposed by the CSRD (Energy, Climate Change Mitigation, Climate Change Adaptation), all of which were therefore found to be material. In particular, Aquafil, as an energy-intensive company, has identified a number of impacts, risks and dependencies related to the high energy requirements for its production activities, as well as positive impacts and opportunities. Through the opportunities offered by the circular economy, the company forms strategic connections with its stakeholders and works to develop new value chains with reduced carbon footprints in an industry as heavily dependent on oil as the chemical-textile sector.

Finally, also on the climate change mitigation front, Aquafil has been monitoring its Scope 3 emissions since 2023, and an Inventory Management Plan was put in place in 2024 to standardise the calculation of emissions according to the GHG Protocol. All the aforementioned actions, combined with the introduction in 2025 of a physical risk adaptation plan and a procedure for their monitoring at Group level, have enabled the company to carry out the preparatory work for the drawing up of a climate transition plan, 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.

Based on the above, taking into consideration:

- the current and prospective exposure to climate risks;
- 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 need to be reflected in these financial statements in relation to potential impairment of assets or the need to recognise specific provisions for risks and charges.

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# 4. MANAGEMENT OF CAPITAL

The Group's capital management is aimed at ensuring a solid credit rating and adequate levels of capital indicators to support investment plans, in accordance with contractual obligations entered into with lenders.

The Group acquires the necessary capital to finance the needs for business development and operations; financing sources are divided into a balanced mix of risk capital and debt capital to ensure a balanced financial structure and the minimisation of the total cost of capital, for the consequent benefit of all stakeholders.

The remuneration of risk capital is monitored on the basis of the market trend and business performance, once all other obligations have been met, including the debt service; therefore, in order to ensure an adequate remuneration of capital, the safeguarding of business continuity and business development, the Group constantly monitors the development of the debt level in relation to shareholders' equity, business performance and forecasts of expected cash flows in the short and medium/long-term.

# 5. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The tables below illustrate the breakdown of financial assets and liabilities of the Group required by IFRS 7, as per the categories identified by IFRS 9, at December 31, 2025:

| (in Euro thousands) | Financial assets and liabilities measured at fair value through P&L | Loans and receivables | Financial liabilities at amortised cost | Total |
|---|---|---|---|---|
| Non-current financial assets | 1,301 | 719 | 0 | 2,020 |
| Current financial assets | 319 | 1,943 | | 2,262 |
| Trade receivables | | 19,973 | | 19,973 |
| Current tax assets | | 940 | | 940 |
| Other current & non-current assets | | 7,677 | | 7,677 |
| Cash and cash equivalents | 165,548 | 0 | | 165,548 |
| **Total financial assets** | **167,168** | **31,251** | **0** | **198,420** |
| | | | | |
| Non-current financial liabilities | 0 | 0 | 282,405 | 282,405 |
| Current financial liabilities | 230 | | 94,683 | 94,913 |
| Trade payables | 0 | 0 | 77,443 | 77,443 |
| Other current and non-current liabilities | 0 | 0 | 22,122 | 22,122 |
| **Total financial liabilities** | **230** | **0** | **476,654** | **476,884** |

It should be noted that the carrying amounts above are in line with their respective fair values.

## 5.1 MEASUREMENT OF THE FAIR VALUE

In relation to financial instruments measured at fair value, the table below reports information on the method chosen to measure the fair value. The methods applied are broken down into the following levels, based on the information available, as follows:

- level 1: fair value determined with reference to listed prices (not adjusted), on active markets for identical financial instruments;
- level 2: fair value determined with valuation techniques with reference to observable variables on active markets;
- Level 3: fair value determined with valuation techniques with reference to non-observable variables on markets;

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The fair value calculation is determined in accordance with the methods classified in Level 2 and the general criterion utilised for this calculation is the present value of the expected future cash flows of the instrument subject to measurement - a method commonly applied in financial practice. There were no transfers between hierarchical levels of the fair value in the periods considered.

The table below summarises the assets and liabilities measured at fair value at December 31, 2025, on the basis of the level which reflects the inputs utilised in the determination of the fair value.

| (in Euro thousands) | December 31, 2025 | December 2024 |
|---|---|---|
| Derivative financial instruments – Liabilities | (230) | (527) |
| Derivative financial instrument assets current portion | 319 | 738 |
| **Total** | **89** | **210** |

## 6. DISCLOSURE BY OPERATING SEGMENT

IFRS 8 defines an "Operating segment" as a component (i) involving business activities generating revenues and costs, (ii) whose operating results are reviewed periodically at the highest decision-making level and (iii) for which separate financial data is available.

The operating segments of the company are identified on the basis of the information analysed by the Board of Directors, which constitutes the highest decision-making level for strategic decisions, the allocation of resources and the analysis of results.

More specifically, as per IFRS 8 and given that Group operations are entirely interconnected, financial performance figures, which are reviewed periodically by the Board of Directors, refer to the Group as a whole.

In fact, the Group structure identifies a strategic and singular vision of the business and this representation is consistent with the manner in which management takes its decisions, allocates resources and defines the communication strategy. Dividing the business into separate divisions is therefore currently viewed as detrimental to its economic interests. Therefore, the information required by IFRS 8 corresponds to that presented in the consolidated income statement.

For revenues by geographic area, please refer to the comments in the management report. There is a single customer that accounts for more than 10% of turnover.

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# 7. NOTES TO THE CONSOLIDATED BALANCE SHEET

## 7.1 INTANGIBLE ASSETS

The breakdown in the account and changes in the period were as follows:

| (in Euro thousands) | Development costs | Patents & property rights | Trademarks, concessions and licenses | Other intangible assets | Intangible assets in progress | Non Contractual Customer relationships | Total |
|---|---|---|---|---|---|---|---|
| **December 31, 2023** | **5,208** | **0** | **326** | **9,205** | **2,019** | **2,322** | **19,080** |
| *Historical cost* | *10,340* | *5,212* | *5,687* | *30,783* | *2,019* | *6,547* | ***60,588*** |
| *Acc. amort.* | *(5,132)* | *(5,212)* | *(5,361)* | *(21,578)* | | *(4,224)* | ***(41,508)*** |
| Reclassifications | 0 | 0 | 22 | 1,699 | (1,701) | 0 | **20** |
| Increases | 1,586 | 0 | 44 | 781 | 815 | 64 | **3,291** |
| Decreases | (42) | | 0 | | | | **(42)** |
| Amortisation | (2,295) | | (92) | (3,867) | | (1,006) | **(7,260)** |
| Exchange diff. - Historic Cost | 0 | 0 | 1 | 15 | 1 | 256 | **272** |
| Exchange diff. - Acc. Amort. | 0 | 0 | (1) | (7) | 0 | (185) | **(193)** |
| **December 31, 2024** | **4,457** | **0** | **301** | **7,825** | **1,133** | **1,452** | **15,168** |
| *Historic cost* | *11,772* | *5,212* | *5,727* | *33,806* | *1,133* | *6,867* | ***64,517*** |
| *Acc. amort.* | *(7,315)* | *(5,212)* | *(5,426)* | *(25,981)* | | *(5,415)* | ***(49,349)*** |
| Reclassifications | 0 | 0 | 24 | 1,565 | (833) | 0 | **756** |
| Increases | 1,715 | 0 | 27 | 372 | 1,353 | 0 | **3,467** |
| Decreases | (1) | | 0 | | (7) | | **(8)** |
| Amortisation | (2,302) | | (77) | (3,918) | | (950) | **(7,246)** |
| Write-downs | | | | | | | **0** |
| Exchange diff. - Historic Cost | 0 | 0 | 0 | (29) | (2) | (571) | **(603)** |
| Exchange diff. - Acc. Amort. | 0 | 0 | 0 | 15 | 0 | 459 | **474** |
| **December 31, 2025** | **3,869** | **0** | **275** | **5,830** | **1,645** | **390** | **12,009** |
| *Historic cost* | *13,485* | *5,212* | *5,775* | *35,714* | *1,645* | *6,296* | ***68,126*** |
| *Acc. deprec.* | *(9,616)* | *(5,212)* | *(5,499)* | *(29,884)* | | *(5,906)* | ***(56,117)*** |

- "Other intangible assets" mainly includes the costs of development projects incurred by the Parent Company for the digitization of processes. It is recalled that the bio-caprolactam production process was started in 2022 on a pilot basis, generating annual amortisation of Euro 1,821 over a five-year period. This project ("Effective") was coordinated by Aquafil and funded by the Bio-Based Industries Joint Undertaking (BBI JU) as part of the European Horizon 2020 research programme and focused on the production of bio-caprolactum.

The increases in the year overall amounting to Euro 3.5 million, mainly related to:

- for Euro 1.7 million new product development costs (IAS38);
- for Euro 1.4 million costs incurred for the implementation and upgrading of the Aquafil Group's digitization processes.

## 7.2 GOODWILL

Goodwill was Euro 14,237 thousand at December 31, 2025. This figure includes the goodwill recognised on the Aquafil O'Mara business combination in 2019 and the goodwill on the acquisition in 2020 of Aquafil Carpet Recycling, now Aquafil Carpet Collection LLC.

It should also be noted that the goodwill related to Aquafil O'Mara and Aquafil Carpet Collection LLC, having been recognised by the direct subsidiary Aquafil USA, was negatively affected by the translation from Dollars to Euro as part of the consolidation process.

This value represents the excess between the consideration transferred, measured at fair value at the acquisi-

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tion date, as subsequently updated, compared to the net value of the identifiable assets and liabilities of the purchase measured at fair value.

After initial recognition the goodwill is not amortised but subject to an annual impairment test as described in the previous paragraph "Impairment test - verification of recoverability".

In accordance with the provisions of IAS 36 the Group therefore undertook a specific impairment test in order to verify the recoverability of the goodwill recognised, in line with the impairment procedure "AQFL Group - Impairment procedure" approved by the Board of Directors.

The impairment test was carried out determining the value in use with the discounted cash flow method (DCF) utilising the post-tax discount rate.

- The cash flows used to apply the DCF are those included in the business plan approved by the Board of Directors on March 12, 2026;
- The applied growth rate (g) is 2.10% (in line with the previous year) which is equal to the average growth rate expected worldwide from 2026, as indicated by leading financial market players and a W.A.C.C. of 9.10%, as specifically communicated by financial market players in the market.

The discounting of the cash flows was carried out on the basis of a weighted average cost of capital which reflects the current market assessment of the cost of money. The identified value is 9.10%, compared with 10.35% applied in 2024.

A sensitivity analysis was also carried out in order to determine the change to the value assigned to the base assumptions which, after having considered any amendments as a result of this change on the other variables utilised, renders the recoverable value equal to its carrying amount.

This analysis indicated that only significant deviations in the achievement of the Group's business objectives, interest rates and perpetual growth rates would reduce the recoverable value to a level close to the book value, so it is not necessary, as required by IAS 36, to report in this note the effects of a sensitivity simulation.

For the evaluation of basic assumptions:

- Past dynamics with regard to the cost, revenue, and cash flow elements were taken into account in order to determine the estimates that later contributed to the Business Plan, and
- External sources were also used in order to determine the appropriate values of the G rates and the WACC.

From the impairment test carried out therefore no adjustments are required to the value of the goodwill. Regarding the description of the single CGU, please refer to the previous section "Recoverability (Impairment test)".

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## 7.3 PROPERTY, PLANT & EQUIPMENT

The breakdown in the account and changes in the period were as follows:

| (in Euro thousands) | Land & buildings | Plant & equipment | Industrial & commercial equipment | Other assets | Assets in progress | Investment property | Total before Right-of-Use | Right-of-Use | Total |
|---|---|---|---|---|---|---|---|---|---|
| **December 31, 2023** | **51,551** | **137,789** | **750** | **1,829** | **26,928** | **321** | **219,168** | **26,670** | **245,838** |
| *Historical cost* | *129,596* | *554,187* | *11,121* | *7,379* | *26,928* | *793* | *730,005* | *46,044* | ***776,048*** |
| *Acc. deprec.* | *(78,045)* | *(416,398)* | *(10,371)* | *(5,549)* | | *(472)* | *(510,836)* | *(19,375)* | ***(530,211)*** |
| Reclassifications | 734 | 10,610 | 89 | 698 | (12,150) | 0 | (20) | | **(20)** |
| Increase | 2,299 | 8,640 | 38 | 479 | 10,326 | 0 | 21,781 | 9,268 | **31,049** |
| Decreases | | (715) | 0 | (24) | (65) | 0 | (806) | (277) | **(1,081)** |
| Depreciation | (2,754) | (33,164) | (255) | (650) | | (12) | (36,835) | (9,981) | **(46,815)** |
| Exchange diff. - Historic Cost | 665 | 10,401 | 12 | 343 | 182 | 0 | 11,603 | 1,852 | **13,455** |
| Exchange diff. - Acc. Deprec. | (215) | (7,382) | (11) | (228) | 0 | 0 | (7,837) | (688) | **(8,525)** |
| **December 31, 2024** | **52,279** | **126,180** | **623** | **2,447** | **25,220** | **309** | **207,058** | **26,842** | **233,900** |
| *Historic cost* | *133,293* | *576,186* | *11,259* | *9,273* | *25,220* | *793* | *756,025* | *46,086* | ***802,111*** |
| *Acc. deprec.* | *(81,014)* | *(450,007)* | *(10,636)* | *(6,826)* | | *(484)* | *(548,967)* | *(19,244)* | ***(568,211)*** |
| Reclassifications | 695 | 15,643 | 37 | 90 | (17,221) | 0 | (756) | | **(756)** |
| Increases | 349 | 9,980 | 137 | 162 | 7,679 | 0 | 18,308 | 2,714 | **21,022** |
| Decreases | | (127) | 0 | (353) | (29) | | (509) | (1,553) | **(2,061)** |
| Depreciation | (1,824) | (30,338) | (279) | (703) | | (12) | (33,156) | (9,522) | **(42,678)** |
| Write-downs | | (2,871) | | | (670) | | (3,542) | | **(3,542)** |
| Exchange diff. - Historic Cost | (1,463) | (20,879) | (8) | (720) | (524) | | (23,595) | (2,194) | **(25,789)** |
| Exchange diff. - Acc. Deprec. | 448 | 15,401 | 8 | 493 | 0 | 0 | 16,349 | 1,267 | **17,616** |
| **December 31, 2025** | **50,483** | **112,988** | **518** | **1,416** | **14,456** | **297** | **180,158** | **17,555** | ***197,714*** |
| *Historic cost* | *132,882* | *573,821* | *11,407* | *8,328* | *14,456* | *793* | *741,687* | *35,492* | ***777,180*** |
| *Acc. deprec.* | *(82,399)* | *(460,833)* | *(10,889)* | *(6,912)* | | *(496)* | *(561,529)* | *(17,937)* | ***(579,466)*** |

The increases in the year, excluding the effect of changes in "Right-of-use", amounted to Euro 18.3 million and mainly refer to:

- for Euro 5.3 million, the increase of industrial efficiency at Group plant;
- for Euro 1.8 million to activities to improve industrial and energy efficiency in the production of ECONYL® caprolactam and its raw materials, in addition to the development of circularity-focused technologies;
- for Euro 9 million to expand existing production capacity;
- for Euro 2.2 million, the technological improvement and upgrading of the existing plants and equipment.

All assets in progress concern industrial investments that are either incomplete or not fully operational, but for which full operability is certain and currently envisaged in the Group's strategic plans.

The recoverability of both intangible assets and property, plant and equipment has been assessed by way of impairment testing as described in the paragraph "Goodwill" above, and no issues concerning their recoverability have been identified.

Regarding the recoverability of both tangible and intangible assets, although they do not present impairment indicators, they were nonetheless found to be recoverable as part of the impairment test mentioned in the previous "Goodwill" paragraph. No issues regarding recoverability were identified. Investment property is measured at cost.

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The table below, in accordance with IFRS 16, presents the right-of-use of the non-current asset subject to the leasing contract. In particular this refers to buildings, equipment and transport and motor vehicles as illustrated in the table below:

| (in Euro thousands) | Right-of-use buildings | Right-of-use equipment and transport vehicles | Right-of-use motor vehicles | Right-of-use other | Right-of-use Plant and Machinery | Total |
|---|---|---|---|---|---|---|
| **December 31, 2023** | **12,003** | **3,314** | **1,069** | **217** | **10,067** | **26,670** |
| *Historical cost* | *26,208* | *7,536* | *1,917* | *317* | *10,067* | ***46,044*** |
| *Acc. deprec.* | *(14,206)* | *(4,222)* | *(848)* | *(99)* | | ***(19,375)*** |
| Reclassifications | 0 | 528 | 0 | 0 | (528) | **0** |
| Increase | 7,318 | 1,489 | 460 | 0 | 0 | **9,268** |
| Decreases | (242) | (4) | (22) | (10) | | **(277)** |
| Depreciation | (6,298) | (1,686) | (485) | (60) | (1,451) | **(9,981)** |
| Exchange diff. - Historic Cost | 973 | 230 | 42 | 15 | 591 | **1,852** |
| Exchange diff. - Acc. Deprec. | (555) | (103) | (25) | (4) | | **(688)** |
| **December 31, 2024** | **13,198** | **3,768** | **1,039** | **158** | **8,679** | **26,843** |
| *Historic cost* | *27,062* | *8,037* | *2,094* | *215* | *8,679* | ***46,086*** |
| *Acc. deprec.* | *(13,864)* | *(4,269)* | *(1,055)* | *(57)* | | ***(19,244)*** |
| Reclassifications | *0* | 0 | 0 | 0 | 0 | **0** |
| Increases | 625 | 1,678 | 245 | 167 | | **2,714** |
| Decreases | (1,399) | (140) | (14) | | | **(1,553)** |
| Depreciation | (6,349) | (1,634) | (491) | (57) | (992) | **(9,522)** |
| Exchange diff. - Historic Cost | (1,624) | (462) | (79) | (28) | | **(2,194)** |
| Exchange diff. - Acc. Deprec. | 983 | 225 | 50 | 9 | | **1,267** |
| **December 31, 2025** | **5,434** | **3,436** | **751** | **248** | **7,687** | **17,555** |
| *Historic cost* | *16,572* | *8,020* | *1,869* | *353* | *8,679* | ***35,492*** |
| *Acc. deprec.* | *(11,138)* | *(4,584)* | *(1,118)* | *(105)* | *(992)* | ***(17,937)*** |

The increases for the year, in the amount of Euro 2.7 million, mainly refer to renewals of contracts for the industrial rental of forklifts at Aquafil S.p.A. and Tessilquattro S.p.A. and renewals of leases for industrial buildings for logistics and industrial use at Aquafil S.p.A., AquaflilSLO and Aquafil USA.

At December 31, 2025, the Group had no significant contracts for the purchase of material goods.

## 7.4 CURRENT AND NON-CURRENT FINANCIAL ASSETS AND INVESTMENTS VALUED AT EQUITY

The breakdown of the account is shown below (including current and non-current):

| (in Euro thousands) | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Investments valued at equity | 1,113 | 1,113 |
| Escrow bank deposits | 1,950 | 284 |
| Investments in other companies | 187 | 187 |
| Derivative financial instruments - Current | 319 | 738 |
| Current and non-current financial assets | 455 | 468 |
| Other current and non-current securities | 257 | 270 |
| Other securities | 1 | 0 |
| **Total** | **4,282** | **3,062** |
| *of which current* | *2,262* | *980* |
| *of which non-current* | *2,020* | *2,081* |

"Investments valued at equity", in the amount of Euro 1,113 thousand, concern the following investments in associates or joint ventures:

i. Nofir AS, a Norwegian company based in Mørkved, Bodø, Norway, a European leader in the collection and treatment of end-of-life netting for fishing and aquaculture, of which a 31.6% stake was acquired on October 10, 2021, for Euro 1,018 thousand; the company has roughly Euro 4.3 million in assets, mainly in the form of cash and cash equivalents, trade receivables, and inventories and shareholders' equity of Euro 2.6 million;

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ii. investment in Acca S.p.A. for Euro 0.5 thousand. The company is a joint venture between Aquafil Chile S.p.A. and its equal partner Atando Cabos Chile S.p.A., is based in Santiago (Chile), and has share capital of CLP 1 million and negative shareholders' equity of Euro 200 thousand. For more information, please see paragraph 5 of the Directors' Report;

iii. investment in Poly-Service SAS for Euro 94.5 thousand. Based in Lyon (France), the company was incorporated on August 7, 2023 and has share capital of Euro 10 thousand, in which Aquafil S.p.A. holds a 45% stake and Politecnici S.r.l. holds a 55% stake. On January 10, 2024, the shareholders of Poly-Service, in an extraordinary session, approved an increase in share capital in the amount of Euro 200 thousand, by creating 200 thousand new shares with a par value of Euro 1 each. The shares were subscribed in their entirety by Politecnici, for up to 110,000 shares, and by Aquafil S.p.A. for up to 90,000 shares. The subscriptions have been fully paid in, and the final completion of the capital increase for Euro 200 thousand increased the capital from Euro 10 thousand to Euro 210 thousand. On January 18, 2024, Aquafil S.p.A. paid in Euro 90 thousand related to its share of the investment.

"Escrow bank deposits", amounting to Euro 1.9 million, are held by the group companies Aquafil Jiaxing Co Ltd and Aquafil USA Inc. These are short-term, interest-bearing deposits.

"Investments in other companies" relates to minor holdings.

"Derivative financial instruments" includes the positive fair value of derivative instruments outstanding at December 31, 2025, which, although entered into to hedge changes in borrowing rates, have been treated for accounting purposes, consistently with the past, as non-hedging instruments.

Consequently, the fair value at December 31, 2025 (Euro 319 thousand), has been classified to current "Financial assets", and the movement of Euro 0.1 million has been recognised to the income statement.

"Financial receivables from related parties" relate to:

- For Euro 79 thousand, guarantee deposits paid by Tessilquattro SpA and Aquafil SpA to Aquaspace SpA over a multi-year leasing contract for the industrial and logistical use property located in Via del Garda 40 - Rovereto.
- For Euro 80 thousand the loan between the parent company and the associate Poly-Service S.a.s.;
- For Euro 99 thousand the loan granted by Aquafil Chile to the company Acca.

## 7.5 DEFERRED TAX ASSETS AND LIABILITIES

The breakdown of the items "Deferred tax assets" and "Deferred tax liabilities" is shown below:

| (in Euro thousands) | December 2025 | December 2024 |
|---|---|---|
| Deferred tax assets | 30,511 | 29,231 |
| Deferred tax liabilities | (9,630) | (12,808) |
| **Total** | **20,881** | **16,423** |

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The relative movement is comprised of:

| (in Euro thousands) | January 1, 2025 | Reclassifications | Provisions/ (Releases) to NE | Provisions/ (Releases) to IS | Translation reserve | December 31, 2025 |
|---|---|---|---|---|---|---|
| **Deferred tax assets** | | | | | | |
| Provision for risks and charges | 135 | 0 | 0 | 0 | 0 | 135 |
| Doubtful debt provision | 95 | 0 | 0 | 8 | (3) | 100 |
| Employee Benefits (IAS 19) | 1,254 | 0 | (29) | (146) | (29) | 1,050 |
| Intangible and tangible fixed assets | 1,943 | 0 | 0 | (494) | (32) | 1,416 |
| Tax losses | 16,730 | (667) | 0 | 191 | (86) | 16,167 |
| Inventories | 1,113 | (24) | 0 | 400 | (22) | 1,467 |
| Other | 7,961 | (132) | 0 | 2,530 | (185) | 10,174 |
| **Total deferred tax assets** | **29,231** | **(823)** | **(29)** | **2,489** | **(357)** | **30,511** |
| | | | | | | |
| **Deferred tax liabilities** | | | | | | |
| Intangible and tangible fixed assets | 12,483 | 53 | 0 | (2,799) | (947) | 8,791 |
| Other | 324 | (24) | 0 | 499 | 39 | 839 |
| **Total deferred tax liabilities** | **12,808** | **29** | **0** | **(2,300)** | **(907)** | **9,630** |
| | | | | | | |
| **Total net deferred tax assets** | **16,423** | **(852)** | **(29)** | **4,789** | **550** | **20,880** |

The allocation for deferred tax assets mainly concerns the fiscal losses of Aquafil SpA and AquafilSLO. In relation to this, it should be noted that, for the tax return for Aquafil S.p.A. for fiscal year 2023, the method for allocating fiscal losses resulting from tax consolidation was changed. This change therefore results in the allocation of losses to Aquafil S.p.A. for the three-year period 2024-2026, instead of the previous transfer of losses to the tax consolidating company Aquafin Holding S.p.A.

The "other" items are mainly deferred tax assets related to non-deductible interest of the parent company.

Reclassifications are mainly attributable to the change in the method of allocating tax losses shown above with transfer of tax loss credits and surplus gross profit to the parent company.

The "Deferred tax liabilities" mainly refers to the tax effect calculated on the temporary differences between book and tax depreciation of some companies of the Group.

Management conducted a special recoverability analysis with regard to the recognised deferred tax assets balance.

This assessment stems mainly from:

- the estimated operating results projected in the business plan approved by the Board allocated to the Group companies, and
- the projections of operating results for a reasonable horizon beyond the business plan.

In view of that stated above, the Directors consider that the balance of deferred tax assets recorded in the financial statements is fully recoverable.

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## 7.6 INVENTORIES

The changes in the account were as follows:

| (in Euro thousands) | December 2025 | December 2024 |
|---|---|---|
| Inventories of raw materials, supplies and consumables | 72,774 | 78,178 |
| Finished products and goods | 99,981 | 119,355 |
| Advances | 0 | 1 |
| **Total** | **172,754** | **197,535** |

Inventories are recorded net of the obsolescence provision amounting to Euro 0.9 million and relates to slow-moving stock.

The change in inventories is mainly attributable to the reduction in the cost of raw materials, as outlined in the Directors' Report.

Inventories are measured at the lower of cost and net realisable value. There are no restrictions on inventories.

## 7.7 TRADE RECEIVABLES

The changes in the account were as follows:

| (in Euro thousands) | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Trade receivables | 20,326 | 20,755 |
| Parent, associates and other related parties | 147 | 97 |
| Doubtful debt provision | (500) | (482) |
| **Total** | **19,973** | **20,370** |

The following table shows the movement of the doubtful debt provision:

| (in Euro thousands) | December 31, 2025 | December 31, 2024 |
|---|---|---|
| **January 1** | **(482)** | **(595)** |
| *Exch. diff.* | *12* | *(8)* |
| Provisions | (31) | |
| Utilisations | 1 | 39 |
| Release | | 81 |
| **December 31** | **(500)** | **(482)** |

Reference should be made to the previous paragraph 3.2 for details on the credit risk management policy. There are no concentrations of receivables among specific customers and/or specific geographic areas.

## 7.8 CURRENT TAX RECEIVABLES AND PAYABLES

Current tax receivables of Euro 0.9 million mainly refer to payments on account paid by the companies Aquafil USA Inc. for Euro 0.7 million and Aquafil Carpet Recycling #1 Inc. for Euro 0.2 million.

Current tax liabilities, which amount to Euro 1.1 million, mainly refer to amounts owed by Aquafil Jiaxing Co. Ltd. for Euro 0.7 million and AquafilSLO for Euro 0.3 million.

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## 7.9 OTHER CURRENT ASSETS

The changes in the account were as follows:

| (in Euro thousands) | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Tax receivables | 2,562 | 2,330 |
| Tax receivables from parent | 325 | 0 |
| Other receivables | 1,281 | 1,432 |
| Prepayments and accrued income | 1,929 | 3,305 |
| Supplier advances | 988 | 491 |
| Pension and social security institutions | 208 | 215 |
| Employee receivables | 245 | 260 |
| **Total** | **7,540** | **8,033** |

This amounted to Euro 7.5 million and presented a decrease of Euro 0.5 million compared to the previous year ended December 31, 2024 (Euro 8.0 million). The account comprises:

- "tax receivables" mainly refer for Euro 1.1 million to receivables for Value Added Tax (VAT) and for Euro 1.5 million to tax credits related to reliefs granted to the Parent Company for research and development projects and Industria 4.0 investments;
- "tax receivables from parent": in relation to this, it should be noted that, for the tax return of the Parent Company Aquafil S.p.A. for fiscal year 2023, the method was changed for allocating tax losses deriving from the tax consolidation, resulting in the 2024-2026 three-year period in the allocation of losses to the company Aquafil S.p.A.. The breakdown of the account at December 31 is as follows:
  1. definition of the amounts due as a result of the audits carried out on the 2018 to 2021 fiscal years, which led to higher IRES due of Euro 480 thousand, mainly offset by the release of credits for taxes paid overseas of Euro 74 thousand, resulting in a total payable to the parent company Aquafin Holding S.p.A. of Euro 406 thousand;
  2. alignment of the CNM (Consolidated) returns for tax years 2023 and 2024, in which Aquafil S.p.A.'s tax losses totalling Euro 702 thousand were utilised;
- "other receivables", amounting to Euro 1.3 million, mainly related to:
  1. a security deposit paid by Aquafil Jiaxing Co. Ltd;
  2. a provincial grant, L.P. no. 6/2023, paid to the group company Tessilquattro S.p.A.; the Energy Release 2.0 receivable held by the parent company;
- prepayments and accrued income in the amount of Euro 1.9 million, Euro 0.4 million of which insurance premiums; Euro 0.6 million information and communication technology consultancy fees, Euro 0.2 million for the purchase of maintenance materials and Euro 0.3 million for other prepayments and accrued income.

## 7.10 CASH AND CASH EQUIVALENTS

The account is comprised of:

| (in Euro thousands) | December 2025 | December 2024 |
|---|---|---|
| Cash and equivalents | 13 | 14 |
| Bank and postal deposits | 165,535 | 130,352 |
| **Total** | **165,548** | **130,366** |

Liquidity at year-end on the current accounts of the various operating companies of the Group, increased from Euro 130.4 million to Euro 165.5 million.

The item relates to the current account balances of the different Group companies.

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The breakdown of cash and cash equivalents in thousands of Euro of foreign currencies is illustrated in the table below:

| (in Euro thousands) | | December 31, 2025 |
|---|---|---|
| AUD | Australian Dollar | 165 |
| INR | Indian Rupee | 5 |
| CLP | Chilean Peso | 8 |
| CNY | Chinese Yuan | 8,983 |
| EUR | Euro | 107,274 |
| GBP | UK Sterling | 21 |
| JPY | Japanese Yen | 3,470 |
| THB | Thai Baht | 60 |
| TRL | Turkish Lira | 37 |
| USD | US Dollar | 45,525 |
| **Total** | | **165,548** |

For further details on cash and cash equivalents, reference should be made to the consolidated cash flow statement.

In 2025 we report:

- new medium-term, unsecured loans underwritten by Aquafil S.p.A. AquafilSlo and Aquafil Jiaxing for a total of Euro 104.5 million. Borrowings are detailed in paragraph 7.14;
- on September 24, 2025 Aquafil S.p.A. issued a new Bond Loan, for a total amount of Euro 50 million;
- repayments of loans and bond instalments totalling Euro 110.9 million by the Parent Company Aquafil SpA.

There were no restrictions on liquidity.

## 7.11 SHAREHOLDERS' EQUITY

### Share capital increase

Following the execution of the capital increase in 2024, for 30,269,432 new ordinary shares and 6,048,008 new class B shares with a total value of Euro 39,949,184.00, the Company's new subscribed and paid-up capital amounts to Euro 53,354,161.28 and consists of 73,172,206 ordinary shares and 14,364,028 class B shares.

### Share Capital

At December 31, 2025, the Company authorised share capital amounted to Euro 54,154 thousand, whose subscribed and paid-up capital amounts to Euro 53,354 thousand, while the unsubscribed and unpaid portion relates to Euro 800 thousand of the capital increase in service of Aquafil Sponsor Warrants. On October 10, 2024, the Extraordinary Shareholders' Meeting of Aquafil granted, to the extent of that presently considered, to the Board of Directors a power, pursuant to Article 2443 of the Civil Code, to increase the Company's paid-in share capital, on a divisible and/or indivisible basis, on one or more occasions, including in several tranches, with a duration until December 31, 2025, for a maximum amount of Euro 40,000,000. This power was not exercised within the established deadline by the Board of Directors. The amount indicated at the Companies Registry shall be regularised following a resolution of the Extraordinary Shareholders' Meeting acknowledging that the power has not been exercised, removing this provision from the By-Laws.

The subscribed and paid-in share capital is divided into 87,536,234 shares without nominal value divided into:

- 73,172,206 ordinary shares, identified by the ISIN Code IT0005241192;
- 14,364,028 special Class B shares, identified by the ISIN Code IT0005285330 which, in compliance with any legal limits, assign 3 exercisable voting rights pursuant to Art. 127-sexies of Legislative Decree No. 58/1998 in shareholders' meetings of the company and which may be converted into ordinary shares under specific conditions and

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circumstances as regulated by the By-Laws, at the rate of one ordinary share for each Class B share.

The breakdown of Aquafil SpA's subscribed and paid-up share capital at December 31, 2025 is shown below:

| Type of shares | No. shares | % of Share Capital | Listing |
|---|---|---|---|
| Ordinary | 73,172,206 | 83.59% | MTA, STAR Segment |
| Class B | 14,364,028 | 16.41% | Non-listed |
| Class C | | | |
| **Total** | **87,536,234** | **100.00%** | |

On the basis of communications sent to the National Commission for Companies and the Stock Exchange (CONSOB), and received by the Company pursuant to Article 120 of Legislative Decree No. 58 of February 24, 1998, as well as any effects of the conversion of Market Warrants, holders of a significant shareholding as at December 31, 2025 - i.e. considering Aquafil SpA's qualification as an SME pursuant to Article 1 (w-quater). 1 of the CFA, of a shareholding of greater than 5% of Aquafil SpA share capital with voting rights;

| The declarant or subject at the top of the equity chain | Direct shareholder | Type of shares | No. shares | No. of voting |
|---|---|---|---|---|
| GB&P S.r.l. | Aquafin Holding S.p.A. | Ordinary | 37,230,857 | 37,230,857 |
| | | Class B | 14,364,028 | 43,092,084 |
| | | **Total** | **51,594,885** | **80,322,941** |
| | | **Holding** | **58.94%** | **69.09%** |

## Warrant

The following were initially issued on listing:

i. 7,499,984 Aquafil Market Warrants, listed and identified by the ISIN Code IT0005241200, which incorporate the right to the allocation of Aquafil SpA ordinary shares and are exercisable under the conditions set out in the relative regulation approved by the Space3 extraordinary shareholders' meeting by resolution of December 23, 2016. Pursuant to the Aquafil SpA Market Warrant Regulation (ISIN IT0005241200), December 4, 2022 was the deadline for the exercise of the Aquafil Warrants financial instruments, as 60 (sixty) months had elapsed since the date of admission to listing of Aquafil's ordinary shares (ISIN IT0005241192);

ii. 800,000 Aquafil Sponsor Warrants, identified by the ISIN Code IT0005241754, non-listed and exercisable within ten years from the date of December 4, 2017, payable at the unit exercise price of Euro 13.00 (on achieving a "Strike Price" of Euro 13.00), in response to the allocation of an ordinary Aquafil share for each Sponsor Warrant exercised.

On December 4, 2022, the exercise deadline for the Aquafil Market Warrants financial instruments concluded, and therefore as of December 31, 2022, 2,014,322 Aquafil Market Warrants have been converted with the allotment of 498,716 Conversion Shares. As of December 31, 2025, therefore, no other Market Warrants are outstanding, while it is noted that no Aquafil Sponsor Warrants have been converted.

## Legal reserve

The legal reserve at December 31, 2025 was Euro 2.1 million.

## Translation reserve

The translation reserve, negative at December 31, 2024 for Euro 3.4 million, was a negative Euro 25.9 million at December 31, 2025, due to the negative effect of Euro 22.6 million in the year, and includes all the differences arising from the translation into Euro of the subsidiaries' financial statements included in the consolidation scope expressed in foreign currency.

This is the effect of statement translation, so it had no impact on profits for the year but, in line with international

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accounting standards, is recognised on the consolidated comprehensive income statement as reserves to be carried forward.

### Share premium reserve

The account at December 31, 2025 amounts to Euro 56.3 million. The amount of Euro 20 million stems from the merger between Aquafil SpA and Space 3 SpA of December 4, 2017, while Euro 36.3 million relates to the share capital increase carried out in 2024 by the Parent Company Aquafil S.p.A..

### Listing costs / Share capital increase reserve

The item amounts to Euro 4.9 million at December 31, 2025 as a decrease in shareholders' equity and relates to the costs incurred in 2017 for the listing, in addition to that incurred for the share capital increase of 2024.

### "First Time Adoption" Reserve (FTA)

The item amounts to Euro 2.4 million at December 31, 2025 as a reduction of shareholders' equity and represents the conversion effects from Italian GAAP to IFRS.

### IAS 19 reserve

At December 31, 2025, it was equal to a Euro 0.5 million reduction in shareholders' equity and includes the actuarial effects at that date of severance indemnities and all the other benefits for employees of Group companies.

### Negative reserve for treasury shares in portfolio

The negative reserve for treasury shares in portfolio totalled Euro 8.6 million at December 31, 2025.

As reported in the 2021 Integrated Report, it is recalled that on October 20, 2021, Aquafil SpA announced that the Company's Shareholders authorised the purchase of treasury shares in accordance with Article 2357 of the Italian Civil Code. The authorisation by Shareholders had a duration of 18 months from the date of the authorising resolution. The operation was aimed at enabling the Company to purchase and/or make use of the Company's ordinary shares for: (i) making investments and limiting anomalous changes in share prices so as to promote regular trading outside of normal fluctuations tied to market trends, while, in any event, observing applicable laws and regulations; and (ii) establishing a securities reserve for future uses in accordance with the strategies that the Company intends to pursue as payment in corporate transactions with other parties or other extraordinary uses. The Shareholders authorised the purchase, in one or more tranches, of ordinary shares up to a maximum number which, taking account of the ordinary shares which may be held in portfolio by the company and by its subsidiary, does not total more than 3% of share capital.

On December 31, 2025, Aquafil held 1,278,450 treasury shares, equal to 1.46% of the share capital.

### Retained earnings

At December 31, 2025, the account amounts to Euro 66.6 million and represents the results generated by the Aquafil Group in previous years (including pre-merger with Space3 S.p.A.), net of the distribution of dividends.

### Dividends

In 2025, no dividends were distributed or approved.

### Minority interests shareholders' equity

As illustrated in paragraph 2.3 "Consolidation scope" and consolidation criteria, the minority interests shareholders' equity substantially reduced to zero.

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## 7.12 EMPLOYEE BENEFITS

The account is comprised of:

| (in Euro thousands) | |
|---|---|
| **December 31, 2024** | **4,627** |
| Financial charges | 141 |
| Provisions | 12 |
| Advances and settlements | (335) |
| Actuarial losses/(gains) | (184) |
| **December 31, 2025** | **4,262** |

For completeness the table below shows the changes in the previous year:

| (in Euro thousands) | |
|---|---|
| **December 31, 2023** | **5,104** |
| Financial charges | 144 |
| Provisions | 39 |
| Advances and settlements | (748) |
| Actuarial losses/(gains) | 89 |
| **December 31, 2024** | **4,627** |

The post-employment benefits provision includes the effects of discounting as required by the IAS 19 accounting standard. The following is a breakdown of the main economic and demographic assumptions used for actuarial valuations:

| | December 31, 2025 |
|---|---|
| **Financial assumptions** | |
| Discount rate | 3.09% |
| Inflation rate | 2.00% |
| Annual increase in post-employment benefits | 3.00% |
| | |
| **Demographic assumptions** | |
| Death | The RG48 mortality tables published by the General State Controller |
| Disability | INPS tables by age and gender |
| Retirement | 100% on satisfying AGO requirements |
| | |
| **Annual frequency of Turnover and leaving indemnity** | |
| Frequency advances | 4.50% |
| Frequency turnover | 2.50% |

The average duration of the financial obligation varies by geographical area and ranges from a maximum of 16 years (AquafilSlo) to a minimum of 5 (Tessilquattro).

For comparability with the previous year a breakdown of the main economic and demographic assumptions used for actuarial valuations at December 31, 2024 is shown below:

| | December 31, 2024 |
|---|---|
| **Financial assumptions** | |
| Discount rate | 2.93% |
| Inflation rate | 2.00% |
| Annual increase in post-employment benefits | 3.00% |
| | |
| **Demographic assumptions** | |
| Death | The RG48 mortality tables published by the General State Controller |
| Disability | INPS tables by age and gender |
| Retirement | 100% on satisfying AGO requirements |
| | |
| **Annual frequency of Turnover and leaving indemnity** | |
| Frequency advances | 4.50% |
| Frequency turnover | 2.50% |

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## 7.13 CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

The account is comprised of:

| (in Euro thousands) | December 2025 | *of which current portion* | December 2024 | *of which current portion* |
|---|---|---|---|---|
| Medium/long term bank loans | 259,847 | *71,730* | 253,363 | *75,712* |
| Accrued interest and accessory charges on medium/long-term bank loans | 61 | *61* | (7) | *(7)* |
| **Total medium/long-term bank loans** | **259,908** | ***71,791*** | **253,357** | ***75,706*** |
| | | | | |
| Bond loans | 94,429 | *12,857* | 57,338 | *12,857* |
| Accrued interest and charges on bonds | 1,075 | *1,075* | 444 | *444* |
| **Total bond loan** | **95,504** | ***13,932*** | **57,782** | ***13,301*** |
| | | | | |
| Leasing and RoU financial payables * | 18,921 | *6,204* | 28,991 | *9,589* |
| Payables to other lenders | 0 | *0* | 2 | *2* |
| Derivative instrument liabilities | 230 | *230* | 527 | *527* |
| Other lenders and banks – short term | 2,755 | *2,755* | 4,082 | *4,082* |
| | | | | |
| **Total** | **377,319** | ***94,913*** | **344,742** | ***103,208*** |

### Medium/long term bank loans

This item refers to payables relating to financing agreements obtained from credit institutions.

These agreements stipulate the payment of interest at a fixed or variable rate, typically linked to the Euribor rate for the period plus a spread.

During 2025, loans were repaid on schedule and new medium/long term loans totalling Euro 104.5 million were entered into with leading banking institutions.

The funds raised were used to maintain liquidity.

With reference to the loans granted, there are no mortgages or guarantees registered on company assets.

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| (in Euro thousands) | Original amount | Granting date | Maturity date | Repayment plan | Rate applied | At December 31, 2025 | *of which current portion* |
|---|---|---|---|---|---|---|---|
| **Medium/long term bank loans - fixed rate** | | | | | | | |
| Cassa Centrale Banca (former Casse Rurali Trentine) (*) | 11,000 | 2022 | 2029 | Quarterly from 31/12/2023 | Fixed rate from 01/04/2026 Euribor 3 months + spread | 6,587 | *1,968* |
| Cassa Depositi e Prestiti (*) | 20,000 | 2020 | 2027 | Half-yearly from 20/06/2023 | Fixed rate from 01/04/2026 Euribor 3 months + spread | 8,000 | *4,000* |
| ING Belgie NV | 49 | 2023 | 2026 | Monthly | Fixed rate | 16 | *16* |
| Industrial&Commercial bank Chinai-Loan | 2,508 | 2024 | | | | 2,508 | *0* |
| **Total Medium/long term bank loans - fixed rate** | | | | | | **17,112** | ***5,984*** |
| | | | | | | | |
| **Medium/long term bank loans - variable rate** | | | | | | | |
| Cassa Centrale Banca – Credito Cooperativo del Nord Est (ex Casse rurali trentine) (*) | 15,000 | 2019 | 2026 | quarterly from 30/09/2021 | Euribor 3 months + spread | 1,565 | *1,565* |
| Deutsche Bank (*) | 20,000 | 2022 | 2028 | quarterly from 01/10/2023 | Euribor 3 months + spread | 10,000 | *4,000* |
| Sparkasse - Cassa Risparmio di Bolzano (*) | 10,000 | 2022 | 2028 | quarterly from 31/12/2024 | Euribor 3 months + spread | 6,969 | *2,486* |
| Sparkasse - Cassa Risparmio di Bolzano (*) | 10,000 | 2024 | 2030 | quarterly from 30/09/2026 | Euribor 3 months + spread | 10,000 | *1,250* |
| Sparkasse - Cassa Risparmio di Bolzano (*) | 7,000 | 2025 | 2030 | quarterly from 31/12/2026 | Euribor 3 months + spread | 7,000 | *409* |
| Banca Intesa (*)(**) | 30,000 | 2021 | 2027 | half-yearly from 30/06/2023 | Euribor 6 months + spread | 12,000 | *6,000* |
| Banca Intesa (*) | 5,000 | 2025 | 2030 | half-yearly from 31/03/2027 | Euribor 6 months + spread | 5,000 | *0* |
| Banca Intesa (*) | 25,000 | 2025 | 2030 | quarterly from 31/3/2027 | Euribor 3 months + spread | 25,000 | *0* |
| Banca di Verona | 5,000 | 2022 | 2027 | quarterly from 27/10/2024 | Euribor 6 months + spread | 2,991 | *1,687* |
| Banca di Verona | 5,000 | 2023 | 2028 | quarterly from 04/07/2024 | Euribor 6 months + spread | 3,224 | *1,257* |
| Banca di Verona + Iccrea Banca (*) | 10,000 | 2025 | 2030 | quarterly from 31/03/2026 | Euribor 3 months + spread | 10,000 | *1,875* |
| Banca Popolare di Milano (*) | 15,000 | 2023 | 2028 | quarterly from 30/09/2023 | Euribor 3 months + spread | 7,902 | *3,085* |
| Banca Popolare di Milano (*) | 20,000 | 2025 | 2030 | quarterly from 31/12/2025 | Euribor 3 months + spread | 19,000 | *4,000* |
| Banca Nazionale del Lavoro (*) | 20,000 | 2022 | 2027 | quarterly from 08/12/2023 | Euribor 3 months + spread | 8,750 | *5,000* |
| Banca Nazionale del Lavoro (*) (***) | 10,000 | 2023 | 2028 | quarterly from 05/10/2024 | Euribor 3 months + spread | 6,875 | *2,500* |
| Crédit Agricole (former Banca Popolare Friuladria) (*) | 10,000 | 2023 | 2029 | half-yearly from 30/09/2024 | Euribor 6 months + spread | 7,524 | *1,787* |
| Crédit Agricole (*) | 10,000 | 2025 | 2030 | quarterly from 31/03/2026 | Euribor 3 months + spread | 10,000 | *2,222* |
| Monte dei paschi (**) | 20,000 | 2023 | 2028 | quarterly from 30/09/2025 | Euribor 3 months + spread | 16,667 | *6,667* |
| Crediti Emiliano | 5,000 | 2022 | 2027 | quarterly from 16/9/2023 | Euribor 3 months + spread | 2,337 | *1,151* |
| Banca Popolare di Sondrio | 10,000 | 2024 | 2029 | quarterly from 31/03/2026 | Euribor 3 months + spread | 10,000 | *3,333* |
| MCC - Banca del Mezzogiorno (*) | 15,000 | 2023 | 2028 | quarterly from 30/06/2025 | Euribor 3 months + spread | 11,426 | *4,944* |
| Cassa Depositi e Prestiti (*) | 20,000 | 2022 | 2027 | half-yearly from 30/06/2024 | Euribor 6 months + spread | 10,000 | *5,000* |
| Mediocredito Trentino Alto Adige (*) | 4,500 | 2024 | 2029 | quarterly from 31/03/2026 | Euribor 3 months + spread | 4,500 | *1,125* |
| Volksbank | 5,000 | 2023 | 2028 | quarterly from 31/03/2025 | Euribor 3 months + spread | 3,821 | *1,228* |
| Volksbank | 5,000 | 2024 | 2029 | quarterly from 31/12/2025 | Euribor 3 months + spread | 4,688 | *1,250* |
| Banca Etica | 5,000 | 2025 | 2032 | quarterly from 27/08/2027 | Euribor 3 months + spread | 5,000 | *0* |
| Banca CF Plus (*) | 10,000 | 2025 | 2031 | quarterly from 31/3/2027 | Euribor 3 months + spread | 10,000 | *0* |
| OTP Banka DD | 10,000 | 2025 | 2032 | quarterly from 30/01/2026 | Euribor 3 months + spread | 10,000 | *1,429* |
| Credito Valtellinese | 5,000 | 2020 | 2026 | quarterly from 30/09/2021 | Euribor 3 months + spread | 496 | *496* |
| | | | | | | | |
| **Total Medium/long term bank loans - variable rate** | | | | | | **242,736** | ***65,746*** |
| Accrued interest on medium/long term bank loans | | | | | | 61 | *61* |
| | | | | | | | |
| **Medium/long term bank loans - fixed and variable rate** | | | | | | **259,908** | ***71,791*** |

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

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

*** *Loan to which an interest rate collar contract is coupled, as a result of which the interest combines a long position in an interest rate cap and a short position in an interest rate floor. At the end of each reporting period, if the difference between the variable interest rate and the cap rate is positive, the cap seller pays the buyer that difference; if, however, the variable rate is lower than the floor rate, the floor seller must pay the difference between the two rates. If the variable rate reaches values between the cap rate and the cap floor, no payment is made.*

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Certain loan agreements provide for compliance with financial and equity covenants, as summarised below:

| Loan | Period | Parameter | Reference | Limit |
|---|---|---|---|---|
| Crédit Agricole | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| Banca Intesa San Paolo | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| Sparkasse - Cassa di risparmio di Bolzano | annually | Net financial debt / Net Equity | Group | < 2.50 |
| | annually | Net financial debt / EBITDA | | < 3.75 |
| Banca Nazionale del Lavoro | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| Banca Popolare di Milano | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| Crédit Agricole | annually | Net financial debt / Net Equity | Group | < 2.50 |
| | annually | Net financial debt / EBITDA | | < 4 |
| Deutsche Bank | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| Monte dei Paschi di Siena | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| Casse Centrale Banca C.R. Trentine | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| MCC/Banca del Mezzogiorno | annually | Net financial debt / Net Equity | Group | < 2.50 |
| | annually | Net financial debt / EBITDA | | < 3.75 |
| CDP - Cassa Depositi e Prestiti | half-yearly | Net Financial Debt / Shareholders' Equity | Group | ≤ 2.50 |
| | half-yearly | Net financial debt / EBITDA | | ≤ 3.75 |
| Banca di Verona + Iccrea Banca | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| Banca Etica | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| Banca CF Plus | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| OTP Banka DD | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |

For the bank loans with financial covenants, at December 31, 2025 all had been complied with. It is also expected, based on the data emerging from the business plan, and the best estimates available to date, that they will be complied with as of June 30, 2026, for contracts with a six-month calculation reference date, and as of December 31, 2026.

With reference to the loans granted, there are no mortgages or guarantees registered on company assets.

## Bond loans

The company had issued three fixed-rate bond loans for an original total value of Euro 140 million. At December 31, 2025 the balance amounted to Euro 94.3 million, increasing on the previous year by approx. Euro 37 million due to the combined effect of: i) Euro 12.9 million related to the repayment of instalments in 2025 and ii) Euro 50 million related to the issuance of a new bond on September 24, 2025. The outstanding bonds have the following features:

- a first bond loan "A", initially issued on June 23, 2015 and subscribed by companies belonging to the US Group Prudential Financial Inc., with a value equal to Euro 50 million, to be repaid in 7 equal instalments of Euro 7.1 million, of which final maturity on September 20, 2028, with residual debt at December 31, 2025 of Euro 21.4 million; the loan is subject to a fixed interest rate of 3.70% with the application of a "margin ratchet" which provides for a gradual increase in the rate up to a maximum of 1% on the fluctuation of the NFP/EBITDA ratio of the Group. The NFP/EBITDA ratio at December 31, 2022, resulted in a rate increase from 3.70% to 4.20% for the following six-month period (from March to September 2023). Due to the NFP/EBITDA ratio at June 30, 2023, the interest rate increased from 4.20% to 4.70%, which remains valid until March 2024. Due to the NFP/EBITDA ratio at December 31,

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2023, the interest rate increased from 4.70% to 5.70%, remaining valid until September 2024. Due to the NFP/EBITDA ratio at June 30, 2024, the interest rate decreased from 5.70% to 5.20%, which remains valid until March 2025. Due to the NFP/EBITDA ratio at December 31, 2024, the interest rate decreased from 5.20% to 4.70%, remaining valid until September 2025. The NFP/EBITDA ratio at June 30, 2025 again confirmed the rate for the next six months (September 2025 to March 2026) at 4.70%;

- a second bond "B" was issued on May 24, 2019, to finance the business combination of Aquafil O'Mara Inc., and subscribed by companies belonging to the US Group Prudential Financial Inc. for a total of Euro 40 million; the terms provide for repayment in 7 annual instalments from May 24, 2023, the remaining balance of which was Euro 22.9 million at December 31, 2025; the fixed interest rate is equal to 1.87%, with the application of the same margin ratchet condition as for bond "A". Due to the NFP/EBITDA ratio at June 30, 2022, application of the interest rate of 1.87% is confirmed until May 2023, increasing due to the ratio at December 31, 2022, to 2.37% for the period May-November 2023. Due to the NFP/EBITDA ratio at June 30, 2023, the interest rate changed to 2.87% until May 2024. Due to the NFP/EBITDA ratio at December 31, 2023, the interest rate changed to 3.87% until November 2024. Due to the NFP/EBITDA ratio at June 30, 2024, the interest rate changed to 3.37% until May 2025. Due to the NFP/EBITDA ratio at December 31, 2024, the interest rate decreased from 3.37% to 2.87%, which remained valid until November 2025. The NFP/EBITDA ratio at June 30, 2025 again confirmed the rate for the next six months (November 2025 to May 2026) at 2.87%;
- a third bond loan "C" was issued on September 24, 2025, in order to support the Company to acquire the relative funding on competitive terms and to maintain a balanced financial structure. The proceeds from the issue will be used to support the natural development of company operations. The private placement of the loan, totalling Euro 50 million, was fully subscribed by institutional investors Life Insurance Company, Prudential Legacy Insurance Company of New Jersey, and The Prudential Insurance Company of America, and is to be repaid in five equal annual instalments beginning September 24, 2031, each of Euro 10 million, with the last due September 24, 2035. The outstanding debt as of December 31, 2025 is Euro 50 million, and the fixed interest rate is 6.05% without the application of any "margin ratchet" as in previous issues.

The following table summarises the main characteristics of the aforementioned bond loans:

| Bond loan | Total Nominal Value | Issue date | Maturity date | Capital portion repayment plan | Interest rate applied |
|---|---|---|---|---|---|
| Bond loan A | 50,000,000 | 23/06/2015 | 20/09/2028 | 7 annual instalments from 20/09/2022 | 4.70% |
| Bond loan B | 40,000,000 | 24/05/2019 | 24/05/2029 | 7 annual instalments from 24/05/2023 | 2.87% |
| Bond loan C | 50,000,000 | 24/09/2025 | 24/09/2035 | 5 annual instalments from 24/09/2031 | 6.05% |

Bond loans envisage compliance with the following financial covenants, as contractually defined, to be calculated on the basis of the Group's consolidated financial statements:

## Prestito obbligazionario A – B

| Financial parameters | Parameter | Covenant limit |
|---|---|---|
| Interest Coverage Ratio | EBITDA / Net financial charges | > 4 |
| Leverage Ratio (*) | Net financial debt / EBITDA | < 3.75 |
| Net Debt Ratio | Net Debt / Net Equity | Minimum Net Equity threshold levels |

*(*) This indicator must be calculated with reference to the 12-month period which terminates on December 31 and June 30 for all years applicable.*

Non-compliance with just one of the above financial parameters, where not resolved within the contractual deadlines provided, would constitute a circumstance for the bond loan's compulsory early repayment.

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The terms and conditions of the above bond loans also envisage, as is customary for financial transactions of this type, a structured series of commitments to be borne by the Company and Group companies ("Affirmative Covenants") and a series of limitations on the possibility of carrying out certain transactions, if not in compliance with certain financial parameters or specific exceptions provided for by the agreement with the bondholders ("Negative Covenants"). Specifically, there are in fact certain limitations on the assumption of financial debt, on carrying out certain investments and on acts of disposal of corporate assets. To ensure the timely and correct fulfilment of obligations arising on account of the Parent Company from the issue of securities, the companies Aquafil Usa Inc. and Aquafil SLO doo have issued joint corporate guarantees in favour of underwriters.

### Lease liability

Financial payables for leasing total Euro 18.9 million, decreasing by approximately Euro 10.1 million compared to the year ended December 31, 2024. The decrease stems from the payment of the portion pertaining to the year as well as the termination of some leasing contracts within the reorganisation process of the carpet collection and recycling activities managed by the Aquafil Carpet Collection companies.

## 7.14 PROVISIONS FOR RISKS AND CHARGES

The account is comprised of:

| (in Euro thousands) | December 2025 | December 2024 |
|---|---|---|
| Other provisions for risks and charges | 1,573 | 565 |
| Agents' supplementary indemnity provision | 885 | 965 |
| Guarantee fund on client engineering orders | 70 | 80 |
| **Total** | **2,529** | **1,611** |

The balance at December 31, 2025 of Euro 2.5 million increased by Euro 1 million on December 31, 2024. The provision includes Euro 0.9 million related to the dismantling of production facilities as part of the reorganization process of the carpet collection and recycling activities managed by Aquafil Carpet Collection and Aquafil Carpet Recycling #1, as well as Euro 0.8 million related to a provision for future charges for AquafilSlo, related to potential costs associated with management of the production plant.

## 7.15 OTHER CURRENT AND NON-CURRENT LIABILITIES

The account is comprised of:

| (in Euro thousands) | December 31, 2025 | *of which current portion* | December 31, 2024 | *of which current portion* |
|---|---|---|---|---|
| Employee payables | 12,491 | *12,491* | 11,492 | *11,492* |
| Social security payables | 3,385 | *3,385* | 3,387 | *3,387* |
| Tax payables | 2,073 | *2,073* | 1,950 | *1,950* |
| Other payables | 523 | *521* | 795 | *649* |
| Accrued liabilities and deferred income | 3,651 | *2,087* | 6,074 | *2,167* |
| **Total** | **22,122** | ***20,557*** | **23,697** | ***19,644*** |

"Employee payables" refers to sums due by Group companies to their employees at the end of the year and amounts to Euro 12.5 million. Compared to the balance at December 31, 2024 (amounting to Euro 11.5 million), this item increased slightly due to bonuses payable to employees.

"Social security payables" mainly includes the amount owed at year-end by the Group companies to social security institutions and amounts to Euro 3.4 million, in line with December 31, 2024.

"Tax payables", in the amount of Euro 2.1 million, are essentially in line with the previous year.

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"Accrued liabilities and deferred income" mainly comprise:

- the commercial contract with the US group Interface, involving a worldwide collaboration for supply and product development. In particular, Aquafil SpA undertook an obligation until 2026 to guarantee Interface conditions of supply, against which the client, in addition to committing to annual minimum volumes, paid to Aquafil SpA USD 24 million in advance. At December 31, 2025, this deferred revenue (recognised to deferred income) amounts to Euro 0.6 million;
- the deferral of the portion of the contribution obtained from the European Union for the "Effective" research project. the originally recognized deferral of Euro 3.3 million came to Euro 0.5 million at December 31, 2025. It should be noted that from 2019 onwards, costs relating to the "Effective" project have been capitalised under intangible assets in progress for the portion eligible under IAS 38. Therefore, the residual contribution concerning the capitalised portion is recognised to the income statement from 2022, for a period of 5 years, as the asset has been capitalised and is depreciated over that timeframe;
- Deferral of the industry 4.0 tax credit obtained due to the investment related to the new three production lines installed at the Rovereto plant in the Engineering Plastics segment for Tessilquattro amounting to Euro 1.3 million for 2025;
- Other deferred income of Euro 1.3 million recognised by the companies of the Group to ensure proper matching with service costs.

## 7.16 TRADE PAYABLES

The account is comprised of:

| (in Euro thousands) | December 2025 | December 2024 |
|---|---|---|
| Trade payables | 76,875 | 108,247 |
| Payables to parent, associates and other related parties | 220 | 396 |
| Payments on account | 348 | 534 |
| **Total** | **77,443** | **109,178** |

Trade payables amount to Euro 77.4 million, decreasing Euro 31.7 million from December 31, 2024 (Euro 109 million), due essentially to the decrease in the cost of raw materials and of services, as detailed in both the Directors' Report and the explanatory notes. It should be noted that as of December 31, 2025, approximately Euro 7.3 million had been sold by the Parent Company in confirming mode, fully collected from suppliers at the reporting date at conditions in line with the market. These transactions take the form of Supplier Finance Agreements and are in accordance with the requirements of IFRS 9 and are confirmed as payables of a commercial nature. The payment terms in these agreements do not differ significantly from normal commercial terms (between 10 and 25 days in advance of the natural due date).

At December 31, 2025 there were no commercial payables falling due over five years.

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# 8. NOTES TO THE CONSOLIDATED INCOME STATEMENT

## 8.1 REVENUES

With regard to the requirements of IFRS 15, it is confirmed that:

- there are no recognised impairment losses (in accordance with IFRS 9) on any receivables or contract assets arising from an entity's contracts with customers;
- there are no particular revenues from contracts with customers that require separate disclosure;
- there are no revenues from contracts with customers that are affected by significantly different economic factors and need to be disaggregated by nature, amount, timing, or uncertainty of revenues and cash flows;
- there are no contract assets and contract liabilities related to revenues.

The breakdown of revenues is however shown below:

| | 2025 | | 2024 | | Change | |
|---|---|---|---|---|---|---|
| | in Euro millions | % | in Euro millions | % | in Euro millions | % |
| EMEA | 271.6 | 52% | 288.4 | 53% | (16.8) | (5.8)% |
| North America | 164.8 | 32% | 157.4 | 29% | 7.4 | 4.7% |
| Asia and Oceania | 82.5 | 16% | 93.6 | 17% | (11.1) | (11.9)% |
| Rest of the world | 1.9 | 0% | 2.7 | 0% | (0.8) | (29.3)% |
| **Total** | **520.8** | **100%** | **542.1** | **100%** | **(21.3)** | **(3.9)%** |

Revenues include the value of the sale of goods of the three Group product lines described above, that is, the BCF Product Line (carpet fibres), the NTF Product Line (clothing fibres) and the Polymers Product Line and Engineering Plastic.

Revenues by Product Line are detailed in the Directors' Report, which reports that the decrease in revenues came in the EMEA region (decrease of Euro 16.8 million, down 5.8% on 2024) and in Asia and Oceania (decrease of Euro 11.1 million, down 11.9% on 2024).

As better outlined in the Directors' Report, the decrease in revenues is **mainly attributable to the adjustment of sales prices to the lower cost of raw materials**.

"Revenues" include, in accordance with IFRS 15, "cash discounts" as a direct reduction, amounting to Euro 2.6 million at December 31, 2025, in line with Euro 2.9 million at December 31, 2024.

## 8.2 OTHER REVENUES AND INCOME

"Other revenues and income" amount to Euro 13.5 million and refers mainly to:

- Euro 4.4 million grants received for the U.S. activities for the recovery of end-of-life carpets;
- Euro 2.5 million from reimbursements received by the U.S. companies to support personnel costs;
- Euro 1.1 million in rental income mainly from Aquafil Carpet Recycling 2;
- Euro 1.1 million for tax credits of the Parent Company Aquafil Spa, of which Euro 557 thousand related to Energy Release 2.0, Euro 520 thousand related to Industry 4.0, the purchase of capital goods, superbonus receivables and the contribution recognised by the EU for the "Cisuflo" project;
- Euro 0.8 million regarding prior year income at AquafilSLO related to a trade payable;
- Euro 0.5 million regarding the portion in the year of the grant recognised by the EU for the "Effective" research project;
- Euro 3.1 million in "other revenues" related to ordinary accruals in order to ensure the correct accrual of revenues.

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## 8.3 RAW MATERIAL COSTS

The account includes raw materials and consumables costs, in addition to changes in inventories.

The account is comprised of:

| (in Euro thousands) | December 2025 | December 2024 |
|---|---|---|
| Raw materials and semi-finished goods | 192,941 | 221,351 |
| Ancillaries and consumables | 26,240 | 25,337 |
| Other purchases and finished products | 5,887 | 3,745 |
| **Total** | **225,068** | **250,433** |

Raw materials, ancillaries and consumables amount to Euro 225.1 million, decreasing Euro 25.3 million (10.1%) on the previous year (Euro 250.4 million).

They accounted for 43.2% of revenues in 2025 (46.2% for the previous year). This decrease is principally due to the reduction in the cost of these raw materials, as outlined in the Directors' Report.

## 8.4 SERVICE COSTS AND RENT, LEASE AND SIMILAR COSTS

The account is comprised of:

| (in Euro thousands) | December 2025 | December 2024 |
|---|---|---|
| Transport, shipping & customs | 18,123 | 20,309 |
| Electricity, propulsive energy, water and gas | 53,491 | 49,876 |
| Maintenance | 9,319 | 9,241 |
| Services for personnel | 4,812 | 5,447 |
| Technical, ICT, commercial, legal & tax consultancy | 12,122 | 11,311 |
| Insurance | 3,466 | 3,692 |
| Marketing and advertising | 3,188 | 3,137 |
| Cleaning, security and waste disposal | 4,155 | 3,481 |
| Warehousing and external storage | 4,562 | 4,493 |
| External processing | 7,404 | 6,151 |
| Other sales expenses | 320 | 282 |
| Statutory auditors fees | 180 | 179 |
| Other service costs | 3,711 | 2,974 |
| Rentals and hire | 1,930 | 2,212 |
| **Total** | **126,783** | **122,784** |

Service costs amount to Euro 126.8 million, increasing Euro 4.0 million on 2024 (Euro 122.8 million). The increase is mainly attributable to in utility costs and costs related to outsourcing.

## 8.5 LABOUR COSTS

These costs are broken down as follows:

| (in Euro thousands) | December 2025 | December 2024 |
|---|---|---|
| Wages and salaries | 94,411 | 95,880 |
| Social security contributions | 19,660 | 20,711 |
| Post-employment benefits | 1,706 | 1,677 |
| Other non-recurring costs | 4,119 | 1,643 |
| Director fees | 2,488 | 1,730 |
| **Total** | **122,383** | **121,641** |

Labour costs amount to Euro 122.4 million, increasing Euro 0.7 million on 2024.

"Other non-recurring costs" mainly concern the leaving incentives incurred by the Parent Company Aquafil SpA for

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Euro 0.8 million, by AquafilSLO doo for Euro 1.1 million and by the US subsidiary Aquafil Carpet Recycling# 1 and Aquafil Carpet Collection LLC for Euro 1.5 million.

The number of employees, broken down by category, is as follows:

| | December 31, 2025 | December 31, 2024 | Average 2025 | Average 2024 |
|---|---|---|---|---|
| Managers | 40 | 40 | 42 | 40 |
| Middle managers | 161 | 166 | 166 | 172 |
| White-collar | 342 | 377 | 364 | 385 |
| Blue-collar | 1,783 | 1,906 | 1,860 | 1,931 |
| **Totale** | **2,326** | **2,489** | **2,432** | **2,528** |

## 8.6 OTHER OPERATING COSTS AND CHARGES

These costs are broken down as follows:

| (in Euro thousands) | December 2025 | December 2024 |
|---|---|---|
| Taxes, duties & sanctions | 2,577 | 2,768 |
| Losses on asset sales | 80 | 26 |
| Other operating charges | 597 | 496 |
| **Total** | **3,254** | **3,290** |

"Other operating costs and charges" amount to Euro 3.3 million, in line with the amount in 2024. The account mainly comprises "Taxes, duties and sanctions" for Euro 2.6 million, which mainly concern local property taxes and for Euro 0.6 million "Other operating charges".

## 8.7 AMORTISATION, DEPRECIATION AND WRITE-DOWNS

The account is comprised of:

| (in Euro thousands) | December 2025 | December 2024 |
|---|---|---|
| Amortisation | 7,246 | 7,260 |
| Depreciation | 33,156 | 36,836 |
| RoU (Right-of-Use) depreciation | 9,522 | 9,963 |
| Write-down of intangible assets | 1 | 42 |
| Write-down - other tangible assets | 3,542 | 0 |
| **Total** | **53,467** | **54,101** |

Amortisation and depreciation totalled Euro 49.9 million, decreasing Euro 5.1 million on 2024. The decrease is due to the straight-line amortisation and depreciation in the year.

Write-downs for the year amounted to Euro 3.5 million and related to: i) a write-down of approximately USD 3.3 million for Aquafil Carpet Recycling # 1, as previously described in the Directors' Report, in application of the international accounting standard that calls for presentation of the value of assets at the lower of carrying amount and fair value; and ii) a write-down of Euro 0.6 million by the Parent Company for the disposal of assets no longer in use.

## 8.8 PROVISIONS & WRITE-DOWNS/(RELEASES)

The account is comprised of:

| (in Euro thousands) | December 2025 | December 2024 |
|---|---|---|
| Doubtful debt provision | (98) | (81) |
| Agents' supplementary indemnity provision | (43) | |
| Provisions for risks and charges | (1,559) | (10) |
| **Total** | **(1,701)** | **(91)** |

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The item provisions and write-downs presents a negative balance of Euro 1.7 million.

The increase in 2025 concerns the allocation to the provision for risks by Aquafil Carpet Recycling # 1 as a result of the process of reorganising the collection and recycling of carpets, as previously described in the Directors' Report, as well as the allocation of Euro 0.8 million related to a provision for future charges by AquafilSlo related to potential costs associated with management of the production plant.

## 8.9 INCREASES IN FIXED ASSETS FOR INTERNAL WORK

This item, amounting to Euro 4.9 million for the year ended December 31, 2025 (Euro 4.4 million as of December 31, 2024), refers mainly to capitalisations made during the year for Euro 1.7 million related to new product development costs (IAS 38) and for the remainder to the capitalisation of costs mainly related to increasing the production capacity of the Group's plant and to increasing the industrial and energy efficiency of the production of ECONYL® caprolactam.

## 8.10 FINANCIAL INCOME

The account is comprised of:

| (in Euro thousands) | December 2025 | December 2024 |
|---|---|---|
| Other interest | 40 | 28 |
| CC Interest | 1,708 | 1,342 |
| **Total** | **1,748** | **1,370** |

"Financial income" amounts to Euro 1.7 million and presented an increase of Euro 0.4 million compared to the previous year ended December 31, 2024.

## 8.11 FINANCIAL CHARGES

The account is comprised of:

| (in Euro thousands) | December 2025 | December 2024 |
|---|---|---|
| Interest on bank loans and borrowings | 8,988 | 12,393 |
| Interest on bonds | 2,803 | 2,893 |
| Interest exp. on current accounts | 764 | 717 |
| Write-down of derivative financial instruments | 121 | 1,144 |
| Other financial and interest expense | 3,162 | 3,860 |
| **Total** | **15,838** | **21,007** |

"Financial charges" amount to Euro 15.8 million and presented a decrease of Euro 5.2 million compared to the previous year ended December 31, 2024, due mainly to the decrease in market rates. The "Write-downs of derivatives and financial instruments" was Euro 0.1 million, with the charge substantially due to the decrease in the fair value (MTM valuation) of the derivatives, due to the movement in the interest rate curve.

As previously illustrated, "hedge accounting" was not applied to these derivatives as, although entered into for hedging purposes, they have been considered for accounting purposes and consistently with the past, as non-hedging instruments (and therefore the relative fair value is recognised in the income statement).

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## 8.12 EXCHANGE GAINS AND LOSSES

The breakdown of the account is as follows:

| (in Euro thousands) | 2025 | 2024 |
|---|---|---|
| Total exchange gains | 15,212 | 6,128 |
| Total exchange losses | (12,752) | (7,601) |
| **Total exchange differences** | **2,460** | **(1,472)** |

A net gain of Euro 2.5 million is reported for 2025, as the net balance between exchange gains and losses.

## 8.13 INCOME TAXES

The breakdown of the account is as follows:

| (in Euro thousands) | 2025 | 2024 |
|---|---|---|
| Current and prior-year taxes | 4,534 | 3,098 |
| Deferred tax income/charges | (4,789) | (4,389) |
| **Total** | **(255)** | **(1,291)** |

The total of current and deferred taxes at December 31, 2025 amounted to Euro 0.3 million, as a result of positive deferred taxes in the amount of Euro 4.9 million, which were partially offset by current taxes in the amount of Euro 4.6 million.

The table below shows a reconciliation of the theoretical tax charge for the Group and the actual tax charge:

| (in Euro thousands) | 2025 | Theoretical rate | 2024 | Theoretical rate |
|---|---|---|---|---|
| **Profit/(loss) before taxes** | **(4,949)** | | **(17,604)** | |
| | | | | |
| Tax calculated on applicable rate | 1,188 | 24% | 4,225 | 24% |
| Total current income taxes | (4,620) | | (3,098) | |
| Total deferred taxes | 4,875 | | 4,389 | |
| **Total effective taxes** | **255** | | **1,291** | |
| | | | | |
| **Change tax rate** | **933** | | **2,934** | |
| Changes permanent increases | 3,562 | | 597 | |
| Changes permanent decreases | (574) | | (4,461) | |
| Non-accrual of deferred tax assets | (15) | | 1,644 | |
| Prior year taxes | 943 | | (191) | |
| Other taxes | (818) | | 1,442 | |
| Effect of delta tax rate in different jurisdictions | (4,031) | | (1,965) | |

The difference between the theoretical and actual tax rate for the Group (24%) is mainly due to the change in permanent increases and decreases and to the difference in tax rates in the various regions compared to the parent company. It should be noted that, based on estimates made at that time, the Group did not fall within the scope of application of the rules of Pillar 2, the goal of which is to ensure that large multinationals pay income taxes of at least 15%. The unused tax losses for which no tax assets have been allocated amounts to Euro 6.2 million.

## 8.14 NON-RECURRING ITEMS

The Group identifies non-recurring items as income components (positive and/or negative) resulting from events or transactions whose occurrence is non-recurring or from those transactions or facts that do not repeat frequently in the usual course of business.

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The account is comprised of:

| (in Euro thousands) | 2025 | 2024 |
|---|---|---|
| Non-recurring charges | 369 | 244 |
| Expansion costs Aquafil Group | 182 | 189 |
| Reorganisation of AQCC and AQR1 carpet collection and recycling activities | 4,696 | 0 |
| Restructuring and other personnel costs | 2,581 | 1,641 |
| Extraordinary administrative and legal consultancy | 941 | 64 |
| **Total non-recurring costs** | **8,769** | **2,138** |
| Extraordinary income | (15) | (42) |
| **Total non-recurring revenues** | **(15)** | **(42)** |
| **Non-operating income and charges** | **8,754** | **2,097** |

The amount related to the item "non-recurring charges" is mainly due to the quantification of the economic damage incurred due to an electricity blackout.

The item "Expansion costs Aquafil Group" refers to costs incurred by the group in order to assess new business opportunities.

The item "Reorganisation of AQCC and AQR1 carpet collection and recycling activities" refers to the reorganisation costs of the U.S. plants of the subsidiaries Aquafil Carpet Collection and Aquafil Carpet Recycling 1#, as better detailed in the Directors' Report under the section "Significant events during the year."

The item "Restructuring and other personnel costs" mainly refers to costs incurred by certain group companies within the scope of reorganisation efforts.

The item "Extraordinary administrative and legal consultancy" refers to extraordinary fiscal consultancy costs incurred in 2025.

The percentage of the non-recurring items of the result, of cash flows, of the equity position, and of the net debt, are reported below.

| (in Euro thousands) | | *of which non-recurring* | Percentage |
|---|---|---|---|
| Net Profit | (4,694) | *(8,754)* | 186.5% |
| Net cash flow in the year | 35,182 | *(6,636)* | (18.9)% (*) |
| Total assets | 625,645 | *(2,118)* | (0.3)% (**) |
| Net financial debt | (209,510) | *(6,636)* | 3.2% (*) |

*(*) This amount concerns the non-recurring items paid in the year.*

*(**) amount of non-recurring income statement items yet to be paid at year-end.*

## 8.15 EARNINGS PER SHARE

The breakdown of the account is as follows:

| (in Euro thousands) | 2025 | 2024 |
|---|---|---|
| Profit attributable to the owners of the Parent | (4,694) | (16,313) |
| Number of shares | 87,536 | 53,890 |
| **Earnings/(loss) per share (in Euro)** | **(0.05)** | **(0.30)** |
| **Earnings/(loss) per share – diluted (in Euro)** | **(0.05)** | **(0.30)** |

We point out that diluted earnings per share is equal to the above-mentioned earnings per share as there are no stock option plans.

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# 9. NET FINANCIAL DEBT

Below is the breakdown of the net financial debt at December 31, 2025 and December 31, 2024, determined in accordance with the ESMA Guidelines (32-382-1128):

| **NET FINANCIAL DEBT** (in Euro thousands) | **At December 31, 2025** | **At December 31, 2024** |
|---|---|---|
| A. Cash | 165,548 | 130,366 |
| B. Cash and cash equivalents | | |
| C. Other current financial assets | 2,262 | 980 |
| **D. Liquidity (A) + (B) + (C)** | **167,810** | **131,346** |
| E. Current financial debt (including debt instruments but excluding the current portion of non-current financial debt) | (2,755) | (4,082) |
| F. Current portion of non-current financial debt | (92,158) | (99,125) |
| **G. Current financial debt (E + F)** | **(94,913)** | **(103,208)** |
| **H. Net current financial debt (G - D)** | **72,897** | **28,138** |
| I. Non-current financial debt (excluding current portion and debt instruments) | (200,835) | (197,199) |
| J. Debt instruments | (81,572) | (44,481) |
| K. Trade payables and other non-current payables | | |
| **L. Non-current debt (I+J+K)** | **(282,407)** | **(241,681)** |
| **M. Total financial debt (H+L)** | **(209,510)** | **(213,542)** |

The net financial reconciliation between the beginning and end of the period are presented below. The effects indicated include the currency effects.

| (in Euro thousands) | | *current portion* | *non-current portion* |
|---|---|---|---|
| **Net Debt at December 31, 2024** | **(213,542)** | ***28,138*** | ***(241,680)*** |
| Net cash flow in the year | 35,182 | *35,182* | *0* |
| Change in liquidity subject to restrictions | 1,701 | *1,701* | *0* |
| New bank loans and borrowings | (154,541) | *(9,934)* | *(144,607)* |
| Repayment / reclass. bank loans and borrowings | 109,873 | *13,217* | *96,656* |
| Leasing New Funding | (2,714) | *(905)* | *(1,809)* |
| Repayment / Reclass. lease liability | 13,182 | *4,291* | *8,891* |
| Change in fair value derivatives | (121) | *(121)* | *0* |
| Other changes | 1,471 | *1,327* | *144* |
| **Net Debt at December 31, 2025** | **(209,510)** | ***72,897*** | ***(282,407)*** |

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## 10. RELATED PARTY TRANSACTIONS

Transactions and balances with related parties are illustrated in the tables below. The companies indicated are considered related parties as directly or indirectly related to the majority shareholder of the Aquafil Group. Transactions with related parties were undertaken in line with market conditions.

Payables and receivables of the Group with related parties are illustrated in the table below:

| (in Euro thousands) | Parent companies | Subsidiaries | Associates | Related parties | Total | Total book value | % on total account items |
|---|---|---|---|---|---|---|---|
| **Non-current financial assets** | | | | | | | |
| December 31, 2025 | | | 1,256 | 79 | **1,335** | 2,020 | 66.1% |
| December 31, 2024 | | | 1,304 | 79 | **1,383** | 2,082 | 66.4% |
| **Trade receivables** | | | | | | | |
| December 31, 2025 | | | 81 | 66 | **147** | 19,974 | 0.7% |
| December 31, 2024 | | | 35 | 62 | **97** | 20,370 | 0.5% |
| **Other current assets** | | | | | | | |
| December 31, 2025 | | 325 | | | **325** | 7,540 | 4.3% |
| December 31, 2024 | | | | | **0** | 8,033 | 0.0% |
| **Non-current financial liabilities** | | | | | | | |
| December 31, 2025 | | | | (1,449) | **(1,449)** | (282,405) | 0.5% |
| December 31, 2024 | | | | (3,902) | **(3,902)** | (241,535) | 1.6% |
| **Current financial liabilities** | | | | | | | |
| December 31, 2025 | | | | (2,102) | **(2,102)** | (94,913) | 2.2% |
| December 31, 2024 | | | | (4,146) | **(4,146)** | (103,208) | 4.0% |
| **Trade payables** | | | | | | | |
| December 31, 2025 | | | | (220) | **(220)** | (77,443) | 0.3% |
| December 31, 2024 | | | | (396) | **(396)** | (109,178) | 0.4% |

"Non-current financial assets" with associates and Group companies amount to Euro 1,335 thousand and concern mainly the equity measurement of investments held by the parent company in the associated companies Nofir AS and Poly-Service SAS, as well as the investment held by Aquafil Cile S.p.A. in the joint venture Acca S.p.A.

"Trade receivables" from associates mainly refers to the receivable of Aquafil Cile from Acca SpA, whereas the trade receivables from related parties concern the receivables of Aquafil SpA and Tessilquattro SpA from Aquaspace SpA.

"Other current assets" amounted to Euro 325 thousand and refer to the transfer of the tax credit for the tax consolidation from Aquafil S.p.A. to the parent company Aquafin Holding S.p.A.

"Non-current financial liabilities" amount to Euro 1,449 thousand and concern long-term financial payables for the lease agreement related to the Rovereto plant to the company Aquaspace S.p.A. by the Parent Company for Euro 957 thousand and by the subsidiary Tessilquattro S.p.A. for Euro 492 thousand.

"Current financial liabilities" amount to Euro 2,102 thousand and concern: the short-term portion of the lease agreement related to the Rovereto plant payable to Aquaspace S.p.A. by Aquafil S.p.A. for Euro 319 thousand and by Tessilquattro S.p.A. for Euro 506 thousand; Euro 576 thousand for the short-term portion of the lease agreement related to the Slovenian plant payable to Aquasava d.o.o. by AquafilSLO; and Euro 699 thousand for the short-term portion of the lease agreement related to the US plant payable to Aquafin USA Inc. by Aquafil USA Inc.

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"Trade payables" amount to Euro 220 thousand and mainly concern Euro 155 thousand in trade payables of the Parent Company Aquafil S.p.A. and the subsidiary Tessilquattro S.p.A. to Aquaspace S.p.A. and Euro 62 thousand in trade payables of AquafilSLO to the company Aquasava.

The transactions of the Group with related parties are illustrated in the table below:

| (in Euro thousands) | Parent companies | Associates | Related parties | Total | Book value | % on total account items |
|---|---|---|---|---|---|---|
| **Revenues** | | | | | | |
| FY 2025 | 250 | 60 | 54 | **364** | 534,326 | 0.1% |
| FY 2024 | 251 | 33 | 51 | **335** | 551,043 | 0.1% |
| **Service costs and rent, lease and similar costs** | | | | | | |
| FY 2025 | | | (697) | **(697)** | (126,783) | 0.5% |
| FY 2024 | | | (651) | **(651)** | (122,784) | 0.5% |
| **Other operating costs and charges** | | | | | | |
| FY 2025 | | | (70) | **(70)** | (3,254) | 2.1% |
| FY 2024 | | | (70) | **(70)** | (3,290) | 2.1% |
| **Financial income/(charges)** | | | | | | |
| FY 2025 | | 3 | | **3** | 1,748 | 0.2% |
| FY 2024 | | 2 | | **2** | 1,370 | 0.1% |
| **Investment income/(charges)** | | | | | | |
| FY 2025 | | 78 | | **78** | 78 | 100.0% |
| FY 2024 | | 184 | | **184** | 184 | 100.0% |
| **Financial charges** | | | | | | |
| FY 2025 | | | (225) | **(225)** | (15,839) | 1.4% |
| FY 2024 | | | (116) | **(116)** | (21,007) | 0.6% |

"Revenues from parent companies" total Euro 250 thousand and concern the administrative consultancy revenues of Aquafil S.p.A. received from Aquafin Holding S.p.A. Other related-party revenues amount to Euro 54 thousand and are mainly related to revenues of the parent company in relation to Aquaspace S.p.A. for administrative consultancy by Tessilquattro S.p.A.

"Service costs and rent, lease and similar costs" are mainly due to costs incurred by Aquafil S.p.A. and Tessilquattro S.p.A. in relation to Aquaspace S.p.A. for waste-disposal services, technical consultancy and building leasing.

"Other operating costs and charges" amount to Euro 70 thousand and concern costs related to the payment of taxes regarding the rebilling of local property taxes of Aquaspace S.p.A. to Aquafil S.p.A. and Tessilquattro S.p.A.

"Investment income" amounts to Euro 78 thousand and concerns dividends received from Nofir AS in 2025. "Financial charges" from associated companies amount to Euro 225 thousand and mainly concern the charges related to lease agreements between Aquaspace S.p.A. and Tessilquattro S.p.A. and Aquafil S.p.A. (Euro 69 thousand), between Aquafin USA Inc. and Aquafil USA Inc. (Euro 95 thousand), and between AquafilSlo and Aquasava (Euro 61 thousand).
The following table summarises cash flows with related parties of the Group and their percentage out of the cash flow indicated in the cash flow statement:

| (in Euro thousands) | Total cash flow statement account | *of which related parties* | % on total account items |
|---|---|---|---|
| Profit/(loss) for the year | (4,694) | *(556)* | 12% |
| Financial charges | 15,839 | *225* | 1% |
| Increase/(Decrease) in trade payables | (29,047) | *(176)* | 1% |
| Decrease/(Increase) in trade receivables | (1,677) | *(50)* | 3% |
| Changes to assets and liabilities | (790) | *(325)* | 41% |
| Net changes in current and non-current financial assets and liabilities (including IFRS 16) | (11,996) | *(4,482)* | 37% |

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Section 10.1 below sets out the related party compensation in relation to the remuneration of the Company's Directors, Statutory Auditors and Senior Executives.

## 10.1. REMUNERATION OF SENIOR MANAGEMENT

The remuneration and benefits in favour of members of the Board of Directors and Senior Executives and the compensations due to the members of the Board of Statutory Auditors are presented below.

| **Director and Statutory Auditor fees (in Euro thousands)** | **2025 (In Euro thousands)** |
|---|---|
| Short-term benefits | 2.705 |
| Other long-term benefits | 25 |
| **Total** | **2.729** |

| **Senior Executive fees (in Euro thousands)** | **2025 (In Euro thousands)** |
|---|---|
| Short-term benefits | 1.818 |
| Other long-term benefits | 69 |
| **Total** | **1.887** |

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# 11. OTHER INFORMATION

## 11.1 COMMITMENTS AND RISKS

### Other commitments

At December 31, 2025, the parent company Aquafil SpA provided sureties in favour of credit institutions in the interest of subsidiaries, companies subject to the control of the parent company and third parties for a total of Euro 20.6 million.

### Contingent liabilities

Provided below is a list of fiscal positions and disputed defined and pending as at the balance sheet date that concern the Parent Company, Aquafil SpA. We are not aware of the existence of further disputes or proceedings that are likely to have significant repercussions on the Group's economic and financial situation. Tax audit Aqualeuna G.m.b.H.

i. ***Verifica Fiscale Aqualeuna G.m.b.H.***

2013 – 2015 and 2016 – 2017 Periods

The company Aqualeuna G.m.b.H. was involved in a tax audit by the competent German federal tax office in Leuna concerning inter-company transactions. On July 15, 2021, the company was notified by the German tax administration's audits unit in Halle of the conclusion of the tax audits for fiscal years 2013-2017. The upward adjustment to Aqualeuna's assessable income concerned:

a. for the period 2013-2015, not subject to international cooperation with the Italian administration, for Euro 735 thousand, offset by the equal utilisation of the company's prior year losses;
b. for the period 2016, subject to joint audit by the two administrations, upward adjustment for Aqualeuna of Euro 1.4 million, with corresponding equal adjustment to the benefit of Aquafil in Italy, for which during the first half of 2022 the corresponding adjustment was made official by the Trento Provincial Office. In fact, on July 26, 2022, the Office recognised the amount of Euro 410 thousand upon closure of the reimbursement file and therefore without impact on the consolidated results;
c. for the 2017 period, not subject to joint audit by the two administrations, upward adjustment for Aqualeuna of Euro 3.7 million and the submission of a request to recognise a decrease in IRES and IRAP assessable income, filed by Aquafil on January 21, 2022. Given the use of past losses of Aqualeuna, the increased taxes for the company for 2013-2017 came to Euro 207 thousand. Aquafil, on January 21, 2022, forwarded to the International Dispute Resolution and Prevention Office of the Large Taxpayers Central Directorate in Rome of the Tax Agency a special Application pursuant to Article 31-quater, paragraph 1, letter c) of Presidential Decree September 29, 1973, No. 600 for the unilateral recognition for IRES and IRAP purposes of the downward adjustment of income against the upward adjustment amounting to Euro 3,733 thousand made in Germany for the stated tax period; the initiation of the procedures provided for in Arbitration Convention No. 90/436/EEC of July 23, 1990, on the elimination of double taxation in the case of adjustments to profits of associated companies. On December 22, 2022, the aforementioned International Dispute Resolution and Prevention Office notified the Company that the mutual agreement procedure pursuant to Article 6 of Arbitration Convention No. 90/436/EEC resulted in an agreement being reached between the competent Italian and German Authorities on the basis of which it was agreed to confirm the adjustments made by the German tax authorities in the amount of Euro 3,733 thousand and to recognise Aquafil the same amount as a corresponding adjustment by the Italian tax authorities.

The German competent authority sent a similar notice to Aqualeuna.

Both companies have sent acceptance of the agreement in relation to the year 2017 to their respective

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competent authorities.

Similarly to 2016, on February 15, 2023 the Company submitted, pursuant to Article 3, paragraph 1, of Law No. 99 of March 22, 1993, a refund application for IRES and IRAP purposes to the Provincial Directorate of Trento for Euro 997 thousand (Euro 896 thousand for IRES, Euro 101 thousand for IRAP) and thus awaits the refund authorisation measure.

2018 - 2019 Period
For tax years 2018 and 2019, not the subject of the aforementioned audits and during which Aqualeuna recognised further tax losses, the German tax administration began another audit in September 2021, requesting that the Italian tax administration launch a joint audit similar to the one conducted for 2016.

On May 31, 2023, Aqualeuna received a report dated May 15, 2023, from the German tax authority (Finanzamt Merseburg) notifying of the conclusion of the audit of fiscal years 2018 and 2019 (which began on October 5, 2021, and was completed on May 2, 2023).

This audit (not subject to international cooperation between the German and Italian tax authorities) identified the following issues resulting in an increase in taxable income for Aqualeuna: i) Euro 2,363 thousand for fiscal year 2018; and ii) Euro 4,429 thousand related to 2019. For these tax periods, total recoveries therefore result in for German tax purposes for Aqualeuna the reabsorption of the tax losses and positive taxable income for the excess of Euro 282 thousand for 2018 and of Euro 81 thousand for 2019.

For the stated tax periods, Aqualeuna filed an appeal with the tax authorities (Finanzamt Merseburg) against the assessments on June 26, 2023, requesting their suspension in order to allow for the introduction and conclusion of amicable procedures with the relevant Italian authorities.

As was done for fiscal year 2017 and in reference to the aforementioned tax periods, on October 4, 2023, Aquafil initiated a specific mutual cooperation procedure (on both the Italian and the German side) in accordance with Article 3 of Italian Law Decree no. 49 of June 10, 2020, and with Article 4 et seq. of the German law of December 10, 2019, concerning the settlement of disputes regarding double-taxation accords within the European Union, both of which transpose Council Directive (EU) 2017/1852 of October 10, 2017, on the settlement of tax disputes within the European Union.
It is therefore reasonably certain that, upon the outcome of these procedures, the competent authorities of the two States will take pursuant to Directive 2017/1852 a decision by mutual agreement (guaranteed outcome) aimed at eliminating the double taxation that might arise at Group level. The upward adjustment in taxable income imposed in Germany by Aqualeuna (as agreed upon by the two tax authorities) can thus be neutralized (as per point a) of Article 31-quater of DPR 600/1973) by a corresponding opposing adjustment granted to Aquafil by the Italian Tax Agency. Aquafil S.p.A. therefore recognised in 2023 a positive tax effect that neutralised the tax charge already recognised in the subsidiary Aqualeuna.

Compared with the situation at December 31, 2024, no new facts have emerged as of December 31, 2025 that would change the opinion expressed therein.

More specifically, and with reference to the dispute concerning the tax periods 2018 and 2019 (subject of the specific mutual agreement procedures beginning simultaneously with the two competent authorities on October 4, 2023 and declared admissible on March 18, 2024 in Italy and on August 29, 2024 in Germany), it is considered reasonably certain that the ongoing procedures (also based on the additional information

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sent to both competent authorities on March 20, 2024) will result in the two Tax Authorities taking a decision by mutual agreement (guaranteed outcome) to eliminate the economic double taxation at the Group level.

On February 5, 2026, the agreement reached between the Italian and German administrations regarding the MAP 2018 and 2019 was notified by registered email (PEC).

The Italian and German competent authorities in this case agreed, with reference to the transactions with the German company, to restate the adjustments made by the German tax authorities, relating to the 2018 and 2019 tax periods, as summarised below:

| Tax periods | Greater adjusted assessable amount of the German administration | Greater assessable amount restated in the meeting between the Italian and the German administrations - corresponding adjustment recognised by the Italian administration |
|---|---|---|
| 2018 | 2,363,006 | 1,753,763 |
| 2019 | 4,429,000 | 4,054,496 |

Therefore, having regard to Article 19, paragraph 5 of Legislative Decree No. 49 of 2020, in order to enable the implementation of the decision adopted by the competent authorities, the Company will announce, within a period of sixty days, its willingness to accept the aforementioned decision.

In view of that outlined, it is considered that there are no additional contingent liabilities on the part of Aquafil S.p.A. and the Aquafil Group to be covered by an allocation to a risk provision.

ii. ***Suspension of VAT refund – 2019 fiscal year***

On June 22, 2020, the Company filed for a VAT refund in the amount of Euro 488 thousand by way of the 2020 tax return (for 2019 income). The reason given was the lower excess credit not transferable for the payment of group VAT (as per Articles 30 and 73 of Italian Presidential Decree 633/1972). On June 17, 2022, the Tax Office, after lengthy investigative and documentary verification activities, notified the Company of the recognition of the 2019 annual VAT credit requested for reimbursement in the amount of Euro 488 thousand, and also in June settled the entire amount, including interest, as required by law. Regarding this reimbursement, see the information in the following section.

iii. ***Invitation 5-ter of Legislative Decree No. 218/1997 – VAT for 2017***

On November 20, 2023, the Trento Office notified Aquafil S.p.A. of an invitation to appear issued, pursuant to Article 5-ter of Legislative Decree No. 218/1997 for the establishment of a case regarding the adjustment of the 2018 VAT filing (for FY 2017) regarding deducted VAT for a total of Euro 790 thousand.

Regarding the VAT in dispute, as previously reported, in June 2020, the Company had requested a refund for a portion of this credit, amounting to Euro 488 thousand. In relation to this, the Office, after reviewing the documentation provided by the Company during the refund process, initially suspended the execution of the refund (Decision of November 6, 2020) and subsequently ordered the recognition of the refund with the settlement of the entire amount (Decision of June 17, 2022).

Based on this act, which contests the VAT payable of Space3 S.p.A. (a company that incorporated Aquafil during the tax period of 2017 as part of the listing operation), a payment totalling Euro 658,399 is demanded, of which: VAT: Euro 301 thousand (which does not take account of the refunded VAT), sanctions: Euro 296 thousand (equal

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to 1/3 of the legal total) and interest of Euro 60 thousand (calculated through November 30, 2023).

On December 6, 2023, the Company therefore filed an appeal with the Office, during which it emerged that the act (mistakenly) does not call for recovery of the VAT credit refunded in 2022 for Euro 488 thousand.

On March 22, 2024, the Trento Office served the Company an assessment notice containing a VAT tax claim of Euro 790 thousand (amount considering the VAT reimbursed in 2022), penalties of Euro 296 thousand and interest of Euro 94 thousand (calculated to 21/03/2024).

Believing the objections contained in the Notice to be entirely illegitimate and unfounded, the Company filed a prompt appeal with the First Instance Court of Trento, also requesting the suspension of the effects of the act pursuant to Article 47, Paragraph 1 of Legislative Decree 546 of 1992.

On September 16, 2024, the Company also filed an explanatory brief in response to the Office's counterclaims, highlighting the Court of Cassation judgment No. 22608 of August 9, 2024, issued after the appeal was filed, which expressly established the legitimacy of VAT deduction for transaction costs incurred by a special purpose vehicle (SPV or NewCo) in the context of a merger leveraged buy out (MLBO).

The First Instance Court of Trento rejected the suspension request on September 30, 2024.

On January 20, 2025, the appeal hearing was held, during which the court invited the parties to reach a settlement agreement on the dispute, adjourning the hearing date to March 10, 2025.

At the hearing on March 10, 2025, the judge, at the request of the parties, ordered a postponement to May 12, 2025 to allow the parties a reasonable amount of time to consider the terms of a possible settlement.

In this regard, it should be noted that the Office has indicated its willingness to settle the case in conciliation, accepting the subordinate demand contained in the appeal and disapplying the entire fine of Euro 888,711.
However, the conciliatory solution proposed by the Office was not acceptable to the Company.

A hearing was held on May 12, 2025, following which the Court, sitting in Council Chamber, announced that it had accepted the appeal brought by the Company and on June 13 the ruling was issued.

Following the filing of the judgment favourable to the Company, the Office shall repay the amount collected in the meantime by way of fractional collection through the ADeR (Tax Agency).

It is noted that on August 12, 2025 the Company received, through the Tax Agency, repayment of the amount settled in the meantime by way of fractional collection for a total of Euro 143 thousand, including statutory interest.

On January 13, 2026, the Provincial Directorate of Trento notified the Company of its appeal against Judgment No. 215/2/25 issued by the Court of First Instance of Trento, in relation to which the Company filed its counter-arguments on February 6, 2026.

In the absence of a change in the interpretative outlook by the Central Directorate of the Tax Agency on the issue of the VAT deductibility of SPVs in the context of MLBO transactions, and also in light of the recent

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case law, it is considered likely that a favourable outcome for the Company may only be achieved at the Court of Cassation.

At present, therefore, any quantification of contingent liabilities is considered premature.

iv. ***Initiation of audit for direct taxes on 2016, 2017, 2018 and 2019 tax years***

On May 11, 2022, the Trento Tax Agency notified the Company of four notices of the initiation of an audit on the 2016, 2017, 2018 and 2019 tax years, with reference to the transfer prices charged by Aquafil to overseas subsidiaries for IT services, in addition to the interest rates applied on loan agreements, in full continuity with the audit on FY 2015, settled with the agreement signed on May 5, 2022.

As regards the audits for the 2016 and 2017 tax periods, the proceedings should be considered concluded following the signing of the assessment by consent agreements with the Trento Office, which took place on November 22, 2022 and September 4, 2023, respectively.

Regarding the 2021 tax period, later extended to the years 2018, 2019 and 2020, the audit was entrusted to the "Guardia di Finanza" of Trento within the scope of the general verification initiated on September 7, 2023. This concluded with the notification, on December 11, 2023, of a tax audit report (PVC) with issued amounting to Euro 2,877 thousand, as follows:

i. transfer pricing issue for the alleged failure to rebill ICT costs to foreign subsidiaries, totalling Euro 2,189 thousand;
ii. transfer pricing issue for failure to invoice interest income to foreign subsidiaries, totalling Euro 667 thousand;
iii. costs and deductions improperly deducted totalling Euro 21 thousand.

On February 24, 2025, the Company, while reaffirming the legitimacy of its conduct, and solely in order to avoid a long and fatiguing litigation, settled in accordance with the Schedules of Deed for IRES and IRAP purposes for the year 2018, paying on the same date the total amount of Euro 57,374.74, of which Euro 47,822.00 for IRAP tax, Euro 9,468.95 for IRAP interest and Euro 83.33 for IRES penalties.

The higher IRES and IRAP taxable amounts agreed in the settlement are substantially in line with what was estimated for the purpose of setting aside the relevant provision in the financial statements. Specifically, there is a lower IRES and IRAP (excluding interest) charge of Euro 1,189 and Euro 515, respectively.

It is also noted that the settlement agreement did not result in any IRES payment as the Agency recognised the use of the ACE surplus available in the 2018 tax year.

In relation to the 2019 and 2020 fiscal years, the IRAP Schedules of Deeds were notified on March 12, 2025, and on March 17, 2025 the IRES Schedules of Deeds, which present the same findings as those reported in the PVC.

On October 24, 2025, the IRES and IRAP Schedules of Deeds for the year 2019 were finalised by signing a settlement deed, paying on the same date a total amount of Euro 4,133.38, including Euro 3,343.95 for IRAP tax, Euro 622.77 for IRAP interest, Euro 83.33 for IRAP penalties and Euro 83.33 for IRES penalties.

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On December 9, 2025, the IRES and IRAP Schedules of Deeds for the year 2020 were finalised by signing a settlement deed, paying on the same date a total amount of Euro 166.66, including Euro 83.33 for IRAP penalties and Euro 83.33 for IRES penalties.

For the year 2021, the IRAP Schedules of Deeds were notified on 02/05/2025. In this regard, the Company filed an agreed settlement application on 13/05/2025, which was finalised with the signing of the settlement deed on December 9, 2025.

With reference to IRES 2021, the same finding was however settled by a voluntary correction, agreeing with the Agency to send the supplementary tax return for the year 2021, sent on December 9, 2025.

At the conclusion of the 2021 assessment proceedings, a total amount of Euro 9,898.73 was paid on the same date, including Euro 8,795.30 for IRAP tax, Euro 1,061.76 for IRAP interest and Euro 41.67 for IRES penalties.

The settlement of IRES and IRAP findings for the years 2018-2021 resulted in a higher tax charge for the Company than the amount allocated to the risks provision in the 2023 financial statements, totalling Euro 55 thousand.

## 11.2 SIGNIFICANT EVENTS AFTER DECEMBER 31, 2025

i. On February 5, 2026, the Parent Company Aquafil S.p.a received by registered email (PEC) the outcome of the agreement reached between the Italian and German administrations regarding the MAP 2018 and 2019. Following the outcome of the meeting held in Bonn, the Italian and German competent authorities in this case agreed, with reference to the transactions with the German company, to confirm and restate the adjustments made by the German tax authorities, relating to the 2018 and 2019 tax periods. These were settled in advance by the parent company;
ii. On February 13, 2026, the loan of the parent company from Cassa Centrale Banca with a remaining balance of Euro 1.6 million was paid off in advance;
iii. On February 16, 2026, the loan agreed with Crédit Agricole by the subsidiary Tessilquattro S.p.A. was settled in advance for Euro 500 thousand, and the guarantee provided by Aquafil S.p.A. to the former was simultaneously closed for an amount of Euro 5 million.

## 11.3 DISCLOSURE AS PER ARTICLE 1, PARAGRAPH 125, OF LAW NO. 124 OF AUGUST 4, 2017

With regards to that required by Article 1, paragraph 125 of Law 124/17, the Company recorded the following in 2025:

i. Euro 99 thousand relating to the sale of the external electricity distribution network produced by the photovoltaic plants;
ii. Euro 29 thousand relating to training grants;
iii. Euro 45 thousand related to the tax credit accrued on the research and development expenses incurred in 2023 and determined as per Article 1, paragraph 35 of Law No. 190 of December 23, 2014;
iv. Euro 466 thousand related to the grant recognised by the EU for the “Effective” research project (portion in the year of the grant);
v. Euro 22 thousand for the tax credit on the purchase of capital goods;
vi. Euro 122 thousand for the contribution recognised by the EU for the “Cisuflo” project (portion in the year of the grant);

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vii. Euro 114 thousand relating to the transfer of the "superbonus" tax credit;
viii. Euro 263 thousand related to the Industry 4.0 tax credit;
ix. Euro 557 thousand for the tax credit related to Energy Release 2.0

## Attachment 1 - Disclosure pursuant to Article 149 of the Consob Issuer's Regulation

The following table, drawn up pursuant to Article 149-duodecies of the Consob Issuers' Regulation, highlights the fees charged in the year 2025 for auditing and non-auditing services rendered by this appointed independent audit firm and by the companies in its network.

| Company providing the service | Recipient of service | Type of services | Fees 2025 |
|---|---|---|---|
| PwC SpA | Aquafil SpA | Audit separate financial statements | 151.230 |
| | | Audit consolidated financial statements | 47.878 |
| | | ESEF accounts audit | 10.500 |
| PwC SpA | Italian subsidiary companies | Audit separate financial statements and Group Reporting Package | 29.650 |
| PwC (1) | Foreign subsidiaries | Audit separate financial statements and Group Reporting Package | 83.423 |
| PwC SpA | Aquafil SpA | Limited Audit of the 2024 consolidated half-year report | 34.464 |
| PwC SpA | Italian subsidiary companies | Limited Audit 2024 half-year Group Reporting Package | 12.771 |
| PwC (1) | Foreign subsidiaries | Limited Audit 2024 half-year Group Reporting Package | 34.097 |
| **Total Audit services provided in 2025 to the Aquafil Group by Worldwide Audit firm** | | | **404.013** |
| | | | |
| PwC SpA | Aquafil SpA | Limited Audit of Consolidated Non-Financial Report 2024 | 111.700 |
| PwC SpA | Aquafil SpA | Audit of the statement of the 2023 R&D costs for the purposes of the tax credit Law 145/18 | 4.900 |
| PwC (1) | Foreign subsidiaries | Other assistance services allowed | 10.000 |
| **Total other audit services provided in 2025 to Aquafil Group by Audit Firm** | | | **121,137** |
| PwC SpA | Aquafil SpA | Critical examination of the data included in the Prospectus for the capital increase | * 90,000 |
| **Total other non-audit services provided in 2025 to Aquafil S.p.A. by Audit Firm** | | | **126.600** |

(1) Other companies belonging to the same networking of PwC SpA.

Arco, March 12, 2026

The Chairperson of the Board of Directors
Ms. Chiara Mio

The Executive Officer
Mr. Andrea Pugnali

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# STATEMENT OF THE PRINCIPAL FINANCIAL OFFICER AND THE DELEGATED BODIES

AQUAFIL
synthetic fibres and polymers

Aquafil S.p.A.
Via Linfano 9 - Arco (TN) - Italy
P.I.: 09652170961

STATEMENT OF THE PRINCIPAL FINANCIAL OFFICER AND THE DELEGATED BODIES (art. 154-bis, comma 5) ABOUT THE CONSOLIDATED YEAR END FINANCIAL STATEMENTS OF AQUAFIL GROUP CLOSED ON 31/12/2025 IN ACCORDANCE WITH ART 81-TER OF CONSOB REGULATION N. 11971 OF 14 MAY 1999 ANO ANY SUBSEQUENT AMENDEMENTS AND ADDITIONS

1. The **undersigned** Giulio Bonazzi, Managing Director, and Barbara Dalla Piazza, Executive in Charge of Aquafil SpA, certify, based on art. 154-bis, commas 3-4, and Legislative Decree 58/98:

   - the adequacy in relation to the firm characteristics and
   - the effective implementation

   of the administrative - accountability procedures aimed at preparing the consolidated financial statements as of December 31st, 2025.

2. No relevant issues arose.

3. It is also certified that the consolidated financial statements as of December 31st, 2025:

   a) are drafted based on the International Financial Reporting Standards (I.F.R.S.), recognized in the European Community in accordance with Regulation (EC) n. 1606/2002 of the European Parliament and of the Council of 19 July 2002;

   b) match with the results of the accountability books and registrations;

   c) are appropriate to give a truthful and correct representation of the statement of the assets, liabilities, and capital of the Company and of the group of companies included in the consolidation process.

Arco, March 12th, 2025

Managing Director

Giulio Bonazzi

Excutive in Charge

Andrea Pugnali

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# BOARD OF STATUTORY AUDITOR'S REPORT

**AQUAFIL S.p.A.**
Via Linfano, 9 - Arco (TN)
Fiscal Code and Trento Company's Registration Office 09652170961

**BOARD OF STATUTORY AUDITORS' REPORT**
**TO THE SHAREHOLDERS' MEETING OF AQUAFIL S.p.A.**
**IN ACCORDANCE WITH ARTICLE 153 OF LEGISLATIVE DECREE 58/1998 AND ARTICLE 2429 OF THE CIVIL CODE**
**FISCAL YEAR ENDING DECEMBER 31, 2025**

Dear Shareholders,

This Report was drawn up by the Board of Statutory Auditors of **Aquafil** S.p.A. (hereafter also the "**Company**"), appointed by the Shareholders' Meeting of April 23, 2024 for the three-year period, until the approval of the 2026 Annual Accounts and comprising the Chairperson of the Board of Statutory Auditors Stefano Poggi Longostrevi and the Statutory Auditors Bettina Solimando and Beatrice Bompieri (in addition to 2 alternate auditors).

Pursuant to Article 153, paragraph 1 of Legislative Decree No. 58 of February 24, 1998 (hereinafter, the "**CFA**"), the Board of Statutory Auditors is reporting on the supervisory and control activities provided for by applicable legislation, with particular regard to the provisions of the Civil Code, Arts. 148 et seq. of the CFA, Legislative Decree No. 39 of 2010 as amended by Legislative Decree No. 135 of July 17, 2016 and Legislative Decree No. 254/2016. Instructions contained in the CONSOB communications concerning corporate controls and the activity of the Board of Statutory Auditors, indications contained in the Corporate Governance Code of listed companies, as well as the "Standards of conduct for the boards of statutory auditors of publicly listed companies" issued by the National Council of Accountants and Accounting Professionals are also taken into consideration.

This Board of Statutory Auditors' Report is being provided to the shareholders of Aquafil S.p.A. in view of the Shareholders' Meeting called for April 28, 2026, to approve the Annual Financial Statements and presentation of the Consolidated Financial Statements as at December 31, 2025.

It is issued by the Board of Statutory Auditors according to the terms of Article 154-*ter* of Legislative Decree No. 58 of February 24, 1998 and taking account of the Markets Regulation of Borsa Italiana (Article 2.2.3, paragraph 3, letter a) for STAR listed companies.

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Activities carried out by the Board of Statutory Auditors in 2025 and up to the date of this report are presented below, also with reference to the requirements of Consob Communication No. DEM/1025564 of April 6, 2001 and subsequent amendments.

## 1. Significant economic, financial and equity transactions.

The following are the significant economic, financial and equity transactions and events that occurred in financial year 2025.

During the year, maturing instalments of mortgages and loans were settled in accordance with the relevant repayment schedules for a total of Euro 110.3 million, while the Aquafil Group

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entered into new mortgages or unsecured loans with leading banks for a total of Euro 104.5 million, and a new non-convertible bond for Euro 50 million was issued.

It should also be noted that during 2025, a number of loans totalling Euro 21.2 million were repaid in advance by the parent company Aquafil S.p.A..
For the bank loans with covenants, at December 31, 2025, all had been complied with. It is also expected, based on the data emerging from the business plan, and the best estimates available to date, that they will be complied with as of June 30, 2026, for contracts with a six-month calculation reference date, and as of December 31, 2026.

The Net Financial Position improved in the year, whose NFP/EBITDA ratio went from x 3.42 in 2024 to x 2.89 in 2025.

The Aquafil Group has begun to reorganise the carpet collection and recycling activities currently managed by Aquafil Carpet Collection (ACC) and Aquafil Carpet Recycling #1 (ACR1).

The carpet collection activities are managed by ACC at four locations - three in Southern California and one in Phoenix - while the recycling activities are managed by ACR1 in Phoenix.

Since these activities contribute negatively to the operating result, as well as to Ebitda, mainly due to the depression of virgin raw material prices and the gradual decline in the percentage of Nylon 6 carpets available on the market, in favour of Polyester carpets, a reorganisation process has begun that will involve the reallocation of the five sites described above to a single facility located in California, near Anaheim, which will incorporate both the collection and recycling of post-consumer carpets. The expected benefits include reducing personnel costs and improving operating efficiency by eliminating the need to pack and unpack carpets between locations, reducing logistics costs, in addition to obtaining higher subsidies as a direct result of concentrating operations in the State of California.

This transaction resulted in the recording of non-recurring charges totalling USD 5.4 million, as further described in the Directors' Report, as well as an impairment of USD 3.3 million for machinery and production lines whose reuse is not yet certain.

For the other significant events in the year, reference should be made to the Directors' Report.

The Board of Statutory Auditors received information from Directors with due periodicity on the activities and significant economic, financial and equity transactions carried out by the Company and its subsidiaries. The Directors have reported these transactions in the Directors' Report, to which reference should be made, also as regards the nature of the transactions and their economic effects.

The Board of Statutory Auditors acquired adequate information on these transactions which has made it reasonably possible to believe that these transactions were compliant with the law, the By-Laws and the principles of correct administration and are not imprudent, risky or inconsistent with the resolutions passed by the shareholders' meeting or, in any case, such as to compromise the integrity of corporate assets.

The Directors' Report provided information on the Outlook, indicating that FY 2026 will focus on rationalizing costs, consolidating margins and increasing volumes in key businesses. The main financial management goal will be to continue to pursue deleveraging and cash flow optimisation.

With regard to the conflicts between Russia and Ukraine and in the Middle East, the Directors confirm that these situations have had no direct impact on the Company, although they

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continue to produce negative effects on the world economy; with reference to the new Middle East conflict that began on February 28, 2026, the Directors do not note any immediate critical impact on business continuity although they continue to constantly monitor the evolution of the situation and the related elements of uncertainty that could impact business operations in particular due to the volatility of energy and raw material costs, as well as the possible instability of supply chains.

**2. Third party, intragroup or related party atypical and/or unusual transactions.**

The Board of Statutory Auditors has not come across or received instructions from the Board of Directors, the Independent Audit Firm or the Internal Audit Manager concerning the existence of atypical and/or unusual transactions undertaken with third parties, related parties or intragroup, as defined by the CONSOB Communication DEM/6064293 of July 28, 2006.

In the notes to the financial statements, the Directors have given an account of ordinary transactions carried out during the year with Group companies and related parties, to which reference is made, also as regards the nature of the transactions and their economic effects.

Their examination revealed no critical issues with regard to adequacy, congruity and compliance with the company's interests.

The Board of Statutory Auditors has verified the effective implementation and the practical functioning of the procedure for transactions with related parties adopted by the company, including periodic information from the Board of Directors in the event such transactions are carried out.

In this regard, we highlight that the Board of Directors on May 13, 2021 approved the RPT Policy, with effect from July 1, 2021, having received the favourable opinion of the Control, Risks and Sustainability Committee acting in its function of Related Party Transactions Committee, in order to take account of the provisions of Consob motion No. 21624 of December 10, 2020. This policy, which may be found on the Company's website, provides (among other matters) for exemptions – under certain conditions – for resolutions concerning the remuneration of directors and senior executives.

Transactions involving Directors' interests or with other related parties were subject to the transparency procedures envisaged by applicable legislation. In this regard, it should be noted that during 2025, new related party transactions regarding leases of real estate used for the business of Aquafil SLO Aquafil USA were formalised by the Company, subject to the favourable opinion of the Control, Risks and Sustainability Committee acting as the Related Party Transactions Committee.

**3. Observations and proposals on the findings and requests for disclosure contained in the independent audit firm's report.**

The independent audit firm PricewaterhouseCoopers S.p.A. on March 31, 2026 issued its reports as per Article 14 of Legislative Decree 39/2010 and Article 10 of Regulation EC 537/2014, in which the independent audit firm declared in its judgment that:

- *the separate and consolidated financial statements as at December 31, 2025 provide a true and fair view of the equity and financial situation of the company and of the Group, of the*

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*result for the year and of the cash flows for the year ending at that date, in compliance with IFRS issued by the International Financial Reporting Standards Board, adopted by the European Union, in addition to the implementation provisions of Article 9 of Legislative Decree 38/2005;*

- *the directors' report and certain specific information contained in the corporate governance and ownership structure report indicated in Article 123-bis, paragraph 4 of Legislative Decree 58/1998, are consistent with the separate and consolidated financial statements of the Company and of the Group at December 31, 2025 and are drawn up in accordance with law;*
- *with regards to the statement as per Article 14, paragraph 2, letter e-ter) of Legislative Decree No. 39/2010, issued on the basis of its knowledge and understanding of the company and the relative overview acquired during the audit activities, we do not have any matters to report;*

The auditors' report of PricewaterhouseCoopers S.p.A. on the financial statements at December 31, 2025, does not contain any "Request for information".

The independent audit firm PricewaterhouseCoopers S.p.A. on March 31, 2026, in addition issued its additional report on the Internal Control and Audit Committee, as per Article 11 of Regulation EC 537/2014.

On the compliance of the consolidated financial statements with the provisions of the Delegated Regulation (EU) 2019/815 of the European Union on the obligation to use the single electronic reporting format (ESEF - European Single Electronic Format) approved by ESMA, the Independent Audit Firm has certified that the format of the consolidated financial statements included in the annual financial report has been prepared in XHTML format and has been "marked", in all significant aspects, in accordance with the Delegated Regulation.

Similarly, the independent audit firm certified that the financial statements were prepared in XHTML format in accordance with the provisions of the Delegated Regulation.

**4. Statements pursuant to Article 2408 of the Civil Code and submission of petitions. Initiatives taken by the Board of Statutory Auditors and related outcomes.**

No statements or matters reported were received from shareholders during the year 2025. No petitions were submitted to the Board of Statutory Auditors during the year 2025.

In this regard, we highlight that the company has adopted a "whistleblowing" procedure, providing for the setting up of appropriate disclosure channels to ensure the receipt, analysis and handling of reports, regarding internal control, corporate disclosure, administrative responsibility of the company, fraud or other matters, sent by employees, members of the corporate boards or third parties and also confidentially or anonymously. With regard to the Whistleblowing Policy, the procedure was adapted to the regulations set forth in Legislative Decree No. 24/2023 implementing EU Directive 2019/1937. The reporting platform also has the features required by the current regulations.

**5. Conferment of appointments to the independent audit firm and associated costs.**

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The Board of Statutory Auditors was provided with evidence of the following fees accruing to the independent audit firm PricewaterhouseCoopers S.p.A. and the companies belonging to its network for services in 2025 (amounts in Euro):

| Company providing the service | Recipient of service | Type of services | Fees relating to FY 2025 |
|---|---|---|---|
| PwC SpA | Aquafil SpA | Audit separate financial statements | 151,230 |
| | | Audit consolidated financial statements | 47,878 |
| | | ESEF financial statement audit | 10,500 |
| PwC SpA | Italian subsidiary companies | Audit separate financial statements and Group Reporting Package | 29,650 |
| PwC (1) | Foreign subsidiaries | Audit separate financial statements and Group Reporting Package | 83,423 |
| PwC SpA | Aquafil SpA | Limited Audit of the 2025 consolidated half-year report | 33,464 |
| PwC SpA | Italian subsidiary companies | Limited Audit 2025 half-year Group Reporting Package | 12,771 |
| PwC (1) | Foreign subsidiaries | Limited Audit 2025 half-year Group Reporting Package | 34,097 |
| **Total Audit services provided in 2025 to the Aquafil Group by Worldwide Audit firm** | | | **404,013** |
| PwC SpA | Aquafil SpA | Limited audit of the 2024 Sustainability Statement | 111,700 |
| PwC SpA | Aquafil SpA | Audit of the statement of the 2024 R&D costs for the purposes of the credit | 4,900 |
| PwC (1) | Foreign subsidiaries | Other permitted support services | 10,000 |
| **Total other audit services provided in 2025 to Aquafil Group by Audit Firm** | | | **126,600** |

(1) Other companies belonging to the same PwC network

Pursuant to the provisions of Article 6, paragraph 2; letter a) of EU Regulation 537/2014, PricewaterhouseCoopers S.p.A. has provided the Board of Statutory Auditors with a statement that, up to this date, it is has taken account of the activities performed, has maintained its position of independence and objectivity in respect of the Company and of the Aquafil Group, and has provided timely communication of non-audit services to the company by PricewaterhouseCoopers. S.p.A. and/or entities in its network.

The conferment of the above-mentioned appointments for non-audit services was approved by the Board of Statutory Auditors in advance, taking account of the declarations of independence issued by PricewaterhouseCoopers S.p.A. on these appointments.

Lastly, the Board of Statutory Auditors acknowledges the Transparency Report prepared by the independent audit firm and published on its website in accordance with Article 18 of Legislative Decree 39/2010.

**6. Supervision of compliance with the law and By-Laws and main opinions issued by the Board of Statutory Auditors according to the applicable regulation.**

During FY2025, the Board of Statutory Auditors monitored compliance with the law and By-Laws. The Board of Statutory Auditors in addition:

- verified the correct application of the criteria and procedures adopted by the Board of Directors to assess the independence of the Independent Directors, at the Board of Statutory Auditors' meeting of March 18, 2025;

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- examined and positively assessed, together with the Control, Risks & Sustainability Committee, the 2025 Audit Plan drawn up by the Internal Audit Manager and approved by the Board of Directors in the meeting of March 18, 2025;
- examined and positively assessed the Remuneration Policy for the year 2025 as per the proposal approved by the Appointments and Remuneration Committee, as well as the Remuneration Report's text approved by the Board of Directors in the meeting of March 18, 2025, and verified that this contains the information required by Article 123-ter of the CFA and Article 84-quater of Consob Regulation 11971/1999, while also taking account of the changes made in application of Consob Resolution No. 21623 of December 10, 2020;
- examined and positively assessed the Corporate Governance and Ownership Structure Report approved by the Board of Directors in the meeting of March 18, 2025, and verified that this contains the information required by Article 123-bis of the CFA and Article 84-quater of Consob Regulation No. 11971/1999;
- reviewed the ESG Policy and the Human Rights Policy, approved by the Board of Directors at its meeting on July 10, 2025, documents published on the Company's website along with other Policies approved by the internal ESG Committee as part of the implementation of the Group's sustainability strategy.

During 2025, the Board of Statutory Auditors provided the following opinions:

- expressed a favourable opinion on February 20, 2025 regarding the appointment, as Executive Officer for Financial Reporting pursuant to Law 262/05 and Article 154-bis CFA, effective March 1, 2025, of Barbara dalla Piazza, who replaced Roberto Bobbio who left the Company as of the same date;
- expressed a favourable opinion on February 20, 2025 regarding the appointment, as Executive Officer for Sustainability Reporting, pursuant to EU Directive 2022/2464, again effective March 1, 2025, of Stefano Giovanni Loro, Executive Director and BCF Chairperson;
- on May 15, 2025, favourable opinion - as per Article 2389, paragraph 3 of the Civil Code - on the following items of remuneration of the senior directors, as proposed by the Appointments and Remuneration Committee:

  targets and objectives of the variable component of the 2025 annual remuneration (Short Term Incentive) and the LTI system for the three-year period 2025-2027 (Long Term Incentive) of the Chief Executive Officer, consistent with the Remuneration Policy (Section I), approved by the Shareholders' Meeting on April 28, 2025, which provides for the determination of the variable remuneration system for the Chief Executive Officer, consisting of short-term (STI) and long term (LTI) MBO.
- on August 28, 2025 favourable opinion regarding the appointment, as Executive Officer for Financial Reporting pursuant to Law 262/05 and Article 154-*bis* CFA, of Mr. Andrea Pugnali, new CFO of the Aquafil Group.

In 2026 and until the date of this report, the Board of Statutory Auditors:

- verified the correct application of the criteria and procedures adopted by the Board of Directors to assess the independence of the Independent Directors, at the Board of Statutory Auditors' meeting of March 12, 2026, also based on the "Regulations on the

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quantitative and qualitative criteria for assessing the independence of directors and statutory auditors" of the Company;

- examined and positively assessed, together with the Control, Risks & Sustainability Committee, the 2026 Audit Plan drawn up by the Internal Audit Manager and approved by the Board of Directors in the meeting of March 12, 2026;
- examined and positively assessed the Remuneration Policy for the year 2026 as per the proposal approved by the Appointments and Remuneration Committee, as well as the Remuneration Report's text approved by the Board of Directors in the meeting of March 12, 2026 and verified that this contains the information required by Article 123-ter of the CFA and Article 84-quater of Consob Regulation 11971/1999;
- examined and positively assessed the Corporate Governance and Ownership Structure Report approved by the Board of Directors in the meeting of March 12, 2026, and verified that this contains the information required by Article 123-bis of the CFA and Article 84-quater of Consob Regulation No. 11971/1999.

Following the supervisory activities carried out in the year and outlined above, which did not indicate any omissions or reportable events, the Board of Statutory Auditors does not indicate any observations to be reported to the Shareholders' Meeting in accordance with Article 153 of the CFA.

**7. Attendance of the meetings of the corporate bodies**

In 2025, the Board of Statutory Auditors attended - with the presence of all its members - all 6 sessions of the Board of Directors' meetings of Aquafil, with almost total in-person presence at the company's offices in Arco (TN) for the meetings scheduled in the annual corporate calendar, during which it was informed of activities performed and significant transactions made by the Company and its subsidiaries. In this context, the Board has received the periodic disclosure on powers conferred from the Chief Executive Officer Mr. Bonazzi.

The Board of Statutory Auditors in 2025 held 18 meetings (including meetings of the Board alone and those together with the Control, Risks & Sustainability Committee), during which frequent exchanges of information with the independent audit firm also took place to ensure that no transactions occurred that were imprudent, risky, with a potential conflict of interest, in breach of the law or the By-Laws or shareholders' meeting resolutions or such as to compromise the integrity of the company's assets.

The Board of Statutory Auditors has paid special attention and commitment to the fact that the scheduled meetings of the Board of Statutory Auditors are in-person at the company's offices in Arco (TN). The Board of Statutory Auditors oversight activities were mainly carried out "in-person" at the Company's offices, and only partly "remotely", through the acquisition of data and information in electronic format and meetings in video conference. Given the Company's reliability and timeliness in ensuring meetings could be properly held and information could be exchanged adequately, the Board of Statutory Auditors believes that partially working remotely in this way did not diminish or otherwise compromise the reliability of the information received or the efficacy of the work conducted.

With regards to the meetings of the internal Board Committees, the Board of Statutory Auditors attended in 2025, with full attendance at the meetings both by its Chairperson and

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both of the other members of the Board of Statutory Auditors, 8 meetings of the Control, Risks and Sustainability Committee, 7 meetings of the Appointments and Remuneration Committee and 1 Control, Risks and Sustainability Committee meetings, acting as the Related Party Transactions Committee , acquiring knowledge on the work carried out by these Committees during the year.

All the members of the Board of Statutory Auditors also attended the Shareholders' Meeting of April 28, 2025.

The Board of Statutory Auditors in 2026 has thus far held 8 meetings (between meetings of the Board alone and together with the Control, Risks & Sustainability Committee). The Board of Statutory Auditors also attended in 2026 (with all members present, with the exception of one Committee meeting in which one member was justifiably absent) 1 Board of Directors meeting, 2 Control, Risks & Sustainability Committee meetings and 4 meetings of the Appointments and Remuneration Committee.

**8. Observations on compliance with the principles of correct administration.**

Following its supervisory activities, the Board of Statutory Auditors has no observations to make concerning compliance with the principles of correct administration and has confirmed that directors of Aquafil S.p.A. are aware of the risk involved and the effects of transactions made.

In particular, the Board of Statutory Auditors verified that the operating choices were adopted in the interest of the Company, compatible with the resources and capital available and adequately supported by disclosure, documentation, analysis and verification processes, also making recourse, where considered necessary, to consultation with the Committees and outside consultants.

**9. Observations on the suitability of the organisational structure.**

The Board of Statutory Auditors has continuously received information on the Company's organizational structure and the changes which took place in 2025 - including the appointment effective August 28, 2025 of the new Executive in charge of Financial Reporting, Mr. Andrea Pugnali, CFO of the Aquafil Group - and in 2026 to-date, including the appointment of the new Internal Audit Manager on March 12, 2026.

The Board of Statutory Auditors also held meetings with the Chief Executive Officer and with the heads of some key corporate staff functions (human resources, administration finance and control, legal and corporate, Information Technology, Investor Relator).

As for the structure of the Internal Audit, given that the 2025 Audit Plan was carried out and completed on schedule, the Head of Internal Audit is adequately supported by external consultants who have made a significant contribution in terms of days of activity, albeit mainly operational.

As of 2026, the Company has decided on a comprehensive reorganization of the Internal Audit function through outsourcing, involving the Control, Risk and Sustainability Committee and the Board of Statutory Auditors with the task of support in the selection process of the new Internal Audit Manager, as part of the monitoring of the adequacy of this function. In this regard, the Board of Directors in its meeting of March 12, 2026 appointed Crowe Bompani

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Advisory S.r.l. as Internal Audit Manager for a three-year term, a person with adequate professionalism, independence and organizational requirements.

With regards to the strategically important subsidiaries, as identified by the Board of Directors with motion of February 14, 2020 and with regards to the provisions of Article 15 of the Consob Markets Regulation (motion No. 20249 of December 28, 2017), concerning significant subsidiaries set up and governed according to the laws of non-European Union member States, the Board of Statutory Auditors indicates that the Aquafil Group companies applying this provision are included among the entities for the purposes of Internal Control on Financial disclosure, with regards to which no significant deficiencies are reported.

In light of what has been confirmed, the Board of Statutory Auditors considers that the company's organisational structure, procedures, competences and responsibilities are suitable for the size of the company and the type of activity performed.

**10. Suitability of the Internal Control and Risks Management System.**

The Board of Statutory Auditors has monitored the suitability of Aquafil S.p.A.'s Internal Control and Risks Management System through:

a. the gathering of information, including during meetings of the Control, Risks & Sustainability Committee, as well as through frequent meetings with the Internal Audit Manager and with the managers of other functions, activities performed, mapping of risks related to activities in progress, audit plans and the internal control system's implementation projects, with the acquisition of associated documentation;

b. regular participation in the work of the Control, Risks & Sustainability Committee set up in accordance with the Corporate Governance Code for listed companies and, where considered appropriate for the matters covered, the joint collaboration of such with the Committee;

c. the review of the Annual Report of the Control, Risks & Sustainability Committee issued on March 6, 2026;

d. the review of the Internal Audit Manager reports, concerning the checks on the various company areas established by the 2025 Audit Plan, in addition to the follow-ups of the Audit Plan of the preceding year;

e. the gathering of information on the overall risk assessment updated in 2024 by the Internal Audit function with the support of an external advisory firm, as presented to the Control, Risks & Sustainability Committee;

f. the review of the Internal Audit Manager's annual report together with the Internal Audit Manager's positive assessment of the suitability of the company's internal control and risk management system with respect to the company's characteristics and risk profile assumed.

In this regard, the Board of Statutory Auditors agreed with the favourable assessment of the Control, Risks & Sustainability Committee on: (i) the suitability, efficacy and effective functioning of the company's internal control and risk management system with respect to its characteristics and risk profile assumed; and (ii) the company's organisational, administrative and accounting structure with particular reference to the internal control and risk management system.

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The Board of Statutory Auditors in addition:

- verified that the Company has an Organisation, Management and Control Model that is compliant with the principles contained in Legislative Decree 231/01 and the guidelines drawn up by Trade Associations, noting that the Company has planned an update in 2026 also to take into account the new predicate offenses;
- reviewed the periodic reports at June 30 and December 31, 2025 of the Supervisory Board as per Legislative Decree 231/2001, which summarised the activities carried out during the year, and periodically met with its members, noting that the Supervisory Board in collegial form comprises two external members (one of which holds the position of Chairperson) and an internal member;
- met with the Executive Director in charge of the Internal Control and Risk Management System;
- met the representatives of the Board of Statutory Auditors of the only Italian subsidiary that is part of the Aquafil Group;
- obtained information from the corporate boards (without Board of Statutory Auditors) of the main overseas subsidiaries, as per Article 151, paragraphs 1 and 2 of Legislative Decree 58/1998.

In conclusion, in the process of performing the above activities, the Board of Statutory Auditors:

a) did not find any critical situations or facts suggesting that Aquafil S.p.A.'s internal control and risk management system is inadequate;

b) took note of the information provided by the Chair of the Supervisory Board and of the above-mentioned reports concluding that there were no reprehensible facts or violations of the Model in the year 2025;

c) took note of the positive assessment delivered by the Board of Directors on the suitability and effective functioning of the Internal Control and Risk Management System for the financial year 2025.

**11. Suitability of the administrative and accounting system and its reliability.**

The Board of Statutory Auditors, for all aspects falling within its competence, supervised the administrative and accounting system's suitability and its reliability in correctly representing accounting data and activities performed under the coordination of the Executive Officer for Financial Reporting, for the purposes of the requirements referred to in Law 262/2005 "Provisions for the protection of savings and the regulation of financial markets" and subsequent amendments and additions through:

a) the acquisition of information from the Executive Officer for Financial Reporting and managers of other business functions, including during meetings of the Board of Statutory Auditors and participation in the work of the Control, Risks & Sustainability Committee;

b) the acquisition of information on procedures adopted and instructions issued by Aquafil S.p.A. to subsidiaries for the purposes of preparation of the Group's Annual Financial Report at December 12, 2025;

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c) the review of the report drawn up by the Executive Officer on Financial Reporting on the suitability of administrative and accounting procedures as per Law 262/2005 and on the outcome of the related tests performed;

d) the meetings with the Independent Audit Firm and the results of the work it performed.

The Board of Statutory Auditors also noted that the impairment test applied by the company in preparing the financial statements at December 31, 2025 was that approved by the Board of Directors on February 15, 2019, following the favourable opinion issued by the Control and Risks Committee, a procedure which was applied for the preceding financial statements. The Board of Statutory Auditors observed the results of the impairment tests carried out by management, as a result of which indicators of impairment were identified and resulting in the write-down, in the separate financial statements at December 31, 2025, of the investment held in the subsidiary Aqualeuna Gmbh by Euro 9,002 thousand and the investment held in the subsidiary Tessilquattro S.p.A. by Euro 6,017 thousand.

While performing the above activities, the Board of Statutory Auditors did not find any critical situations or facts suggesting that Aquafil S.p.A.'s administrative and accounting system for the year 2025 was inadequate and/or unreliable.

**12. Suitability of instructions imparted to subsidiaries.**

The Company regulates, by means of special procedures, the information flows from it to its subsidiaries and those from its subsidiaries, relating in particular to major transactions.

The Board of Statutory Auditors considers the instructions imparted by the Company to its subsidiaries pursuant to Art. 114, paragraph 2 of the CFA suitable to fulfil the communication requirements envisaged by law.

**13. Any relevant aspects relating to meetings with the auditors.**

The Board of Directors met periodically with the independent audit firm to:

a) exchange information on the audits performed by the latter, pursuant to Legislative Decree 39/2010 and Article 150, paragraph 3 of the CFA, on the company's accounting records and on the correct recording of accounting data in the accounting records. No critical issues or anomalies emerged from these meetings;

b) for the acquisition of information on the planning of activities of the independent audit firm concerning the audit on the Annual Financial Report at 31.12.2025, in addition to the separate financial statements of Aquafil S.p.A. and the consolidated financial statements of the Aquafil Group;

c) for the review and assessment of the compilation process, including the evaluation of the correct application of accounting principles and their homogeneity, and the Aquafil Group's Annual Financial Report as at 31.12.2025, and the consistency of the consolidated financial statements with the electronic presentation format (ESEF),together with the results of the audit activities and evaluation of these documents.

The Board of Statutory Auditors held various meetings with the independent audit firm, with 7 meetings in 2025 (of which 5 jointly with the CRSC) and 3 in 2026 (of which 1 jointly with the CRSC) as of the date of this report, reviewing both the methodological aspects and the

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outcomes of the control activities on the Annual financial report, as well as the significant issues concerning the double materiality analysis and the content of the Consolidated Sustainability Statement.

In addition to what is reported in paragraph 3, the Board of Statutory Auditors also:

a) received the independent audit firm's report, pursuant to Art. 11, paragraph 2 of EU Regulation No. 537/2014, also highlighting the fundamental issues that emerged during the audit and any significant shortcomings detected in the internal control system on the financial reporting process, in which no significant shortcomings were found;

b) noted the statement concerning the independence of PricewaterhouseCoopers S.p.A., as per Article 6 of Regulation (EC) No. 537/2014, annexed to the additional report, which does not indicate any situations which may compromise its independence;

c) discussed with the independent audit firm, pursuant to the provisions of Art. 6, paragraph 2(b) of EU Regulation No. 537/2014, the risks associated with the firm's independence and the measures adopted by it to limit these risks.

In particular, the Board of Statutory Auditors, with regards to the activities of the independent audit firm, noted that the methodologies and planning for the audit work, the audit approach utilised for the various significant areas of the financial statements and regarding corporate risks and the planned response by the auditor with the profiles, structures and risk, of the company and of the Group in addition to the verification activities carried out on the structure and content of the Consolidated non-financial statement.

## 14.Compliance with Corporate Governance Code for listed companies

The company complies with the Corporate Governance Code for listed companies (the "Code"). The Board of Statutory Auditors acknowledges that it has monitored the Company's implementation of the Code, as better described in the Corporate Governance and Ownership Structure Report, approved by the Board of Directors on March 12, 2026.

With regards to new Code, the company:

- has adopted an investor dialogue management policy;
- expressly established in the Regulations of the Board of Directors and the Committees, an advance deadline (3 days) for the sending of the pre-meeting information and documentation;
- approved the methods of self-assessment of Board of Directors members in accordance with the proposal of the Appointments and Remuneration Committee, consistent with the provisions of the Corporate Governance Code.

The following Committees are established within the Board of Directors as appointed on April 27, 2023 for the three-year period 2023-2025:

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

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

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The Board of Directors on May 11, 2023 also approved the setting up of a specific internal ESG Management Committee.

The Board of Statutory Auditors therefore oversaw, as per Article 149, paragraph 1(c-bis) of the CFA, the practical implementation methods of the corporate governance rules envisaged by the Code, with particular regard to:

- the correct application of criteria and assessment procedures adopted by the Board of Directors to assess the independence of its members;
- the procedures with which the Internal Committees to the Board of Directors are composed, in particular with reference to directors' independence requirements;
- the manner by which the self-assessment activities of the Board of Directors and its Internal Committee, carried out in early 2026 with the support of an external advisor, were undertaken;
- the Corporate Governance structure of the company, examining in addition the Annual Corporate Governance and Ownership Structure Report.

In 2025, the Statutory Auditors regularly received information on each sector in which the Issuer undertakes its activities, in order to fully understand the underlying business operations and the relative developments during the year.

Induction for Directors and Statutory Auditors also continued in 2025, with specific in-depth meetings on the different business sectors in which the Company operates. For the year 2026, the Board of Statutory Auditors expressed the suggestion that specific Induction sessions for Directors and Statutory Auditors on foreign subsidiaries (business and risks in individual countries) be held after the renewal of the Board of Directors.

The Board of Statutory Auditors oversaw the activities carried out by the Control, Risks & Sustainability Committee (also acting as the Related Party Transactions Committee) and the Appointments and Remuneration Committee, through the attendance of the Chairperson of the Board of Statutory Auditors and at least one other member at all meetings of these Committees.

The Board of Statutory Auditors also noted that the recommendations of the Corporate Governance Code contained in the letter of December 18, 2025 were brought to the attention of the Appointments and Remuneration Committee, the Control, Risks and Sustainability Committee and the Board of Directors for the undertaking of the appropriate decisions in this regard.

****

In addition to the above, the Board of Statutory Auditors:

- on March 6, 2026, concluded the self-assessment of the Board, confirming the consistency of its composition with the applicable legal provisions, in addition to its adequacy in terms of diversity of age and professional experience of its members for its functioning and compliance with the provisions regarding the accumulation of statutory auditor positions. The self-assessment of the Board of Statutory Auditors was disclosed to the Board of Directors on March 12, 2026, which communicated such to the Market in the press release issued on the same date and in the Annual Corporate Governance and Ownership Structure Report for 2025;
- within the self-assessment process of the Board,, it positively verified the compliance of

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independence criteria for each of its members, as required by the Code. The results of the self-assessment checks of the Board are reported in the Corporate Governance and Ownership Structure Annual Report drawn up for the year 2025.

**16. Consolidated Sustainability Statement**

The Board of Statutory Auditors supervised compliance with the provisions of Legislative Decree No. 125/2024 ("Decree") within the scope of the powers attributed to it by law regarding the preparation of the Sustainability Statement prepared by the Company.
In fact, Aquafil, as a Public Interest Entity (PIE) with employee, balance sheet and net revenue limits above the thresholds established in Article 3 of the Decree, is required to publish the consolidated sustainability statement in line with the provisions of the Decree.

The Board of Statutory Auditors noted that the Company, in its capacity as Parent Company, prepared the Sustainability Statement in compliance with EU Directive No. 2022/2464 (Corporate Sustainability Reporting Directive or "CSRD") implemented in Italy by Legislative Decree No. 125/2024 by applying for the second year the reporting standards adopted by the European Commission by means of Delegated Regulation (EU) No. 2023/2772 (European Sustainability Reporting Standards "ESRS") as described in the "Methodological Note" section of the Sustainability Statement.

Following the publication of Delegated Regulation (EU) 2025/1416 ("Quick Fix") in the Official Journal on November 10, 2025, Aquafil made use of the transitional provisions and did not report on disclosure requirements introduced progressively ("phased-in").

The Sustainability Statement has been 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. 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. During its supervisory activities, the Board of Statutory Auditors acquired knowledge from the functions in charge of the sustainability reporting process and verified the existence of (i) an adequate organisational structure in charge of sustainability reporting in terms of human resources and information systems and, (ii) directives, procedures and operating practices adopted by the company for the purpose of ensuring that consolidated sustainability reporting is timely, complete and reliable. To this end, the Board of Statutory Auditors interacted with the corporate functions in charge of overseeing ESG issues, the Control, Risks and Sustainability Committee, and the Internal Audit function, as well as met periodically with the independent audit firm responsible for issuing the Sustainability Statement attestation.

Particular attention has been paid to the analysis of the so-called "double materiality" required by CSRD and, therefore, in compliance with the provisions set forth in Legislative Decree No. 125/2024, the Board has ascertained that the Sustainability Reporting allows for an understanding of the Group's impact on sustainability issues (an "inside-out" perspective), as well as the information necessary for understanding how sustainability issues affect the Group's performance, results and situation (an "outside-in" perspective).
The Board of Statutory Auditors acquired information on the activities planned and carried out by the Executive in charge of the Sustainability Reporting.

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The Board of Directors highlights that, in the Sustainability Statement, the company indicated specific targets in terms of environmental sustainability, social and governance topics, to be achieved over the coming years, with an update on that achieved in each area in 2025.

Through the regular exchange of information with the independent audit firm, the Board of Statutory Auditors discussed the audit activities it carried out on the Sustainability Statement and received confirmation that there were no critical issues to report.

The Board of Statutory Auditors also verified the Board of Directors' approval on March 12, 2026 of the aforementioned Consolidated Sustainability Statement.
On March 31, 2026, the independent audit firm PWC issued its report on a limited audit of the Aquafil Group's consolidated sustainability statement (hereinafter also "Sustainability Statement Report"), certifying that the Sustainability Statement complies with the reporting standards adopted by the European Commission pursuant to Directive 2013/34/EU (European Sustainability Reporting Standards, hereinafter also "ESRS"), as well as compliance with the disclosure requirements of Article 8 of Regulation (EU) No. 852 of June 18, 2020 (hereinafter also "Taxonomy Regulation").

In its Sustainability Statement Report, the independent auditor represented that, based on their work, no evidence has come to the attention of the independent audit firm to suggest that:

- the Aquafil Group's Consolidated Sustainability Statement for the year ending December 31, 2025 was not prepared in all significant aspects in accordance with ESRS reporting standards;
- the information contained in section "2.6 Alignment with European Taxonomy" of the consolidated sustainability statement has not been prepared in all significant aspects in accordance with Article 8 of the Taxonomy Regulations.

**17. Final evaluations on the supervisory activity performed and proposed to the Shareholders' Meeting**

Having regard to the above and having:

- monitored the observance of the law and the By-Laws, compliance with the principles of correct administration and, in particular, the suitability of the organisational, administrative and accounting structure adopted by the company and its practical functioning;
- monitored compliance with disclosure obligations on insider information;
- monitored the functioning and effectiveness of the internal control system and the administrative and accounting system, in order to assess their adequacy in meeting corporate needs and their reliability for representing accounting data;
- monitored compliance with legal provisions concerning the formation and preparation of the company's Annual Financial Statements and the Group's Consolidated Financial Statements and the Directors' Report for the financial year 2025 (which also contains information on significant events occurring after December 31, 2025), including by means of direct audits and information gathered by the independent audit firm;
- monitored that, in compliance with Regulation (EC) No. 1606/2002 and Legislative Decree No. 38/2005, Aquafil S.p.A.'s financial statements at December 31, 2025, and the Group consolidated financial statement were drawn up in accordance with IAS/IFRS international accounting standards approved by the European Commission and supplemented by the

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related interpretations issued by the International Accounting Standard Board (IASB);

- verified that the Company has made the necessary arrangements for the purpose of preparing the annual and consolidated financial statements in electronic format (using XHTML technologies), in accordance with the requirements of the current ESEF Regulations;
- overseen observance of the preparation and presentation to the Shareholders of the separate and consolidated financial reports and acknowledged that the Company has established that the Shareholders' Meeting of April 28, 2026 may also take place by way of designated agent in accordance with Article 135-undecies of the CFA;
- supervised compliance with the provisions set forth in Legislative Decree No. 254/2016 and Consob Regulation No. 20267/2018, regarding the Consolidated Sustainability Statement (CSRD) that is presented within the Directors' Report, as the Company has prepared the Integrated Financial Statements that include the Annual Financial Report and sustainability information;
- took note of the proposed allocation of the net profit for the year, to be submitted to the Shareholders' Meeting.

Therefore, the Board of Statutory Auditors declares that, during its supervisory activity, as described above, no reprehensible facts, omissions or irregularities emerged that would require a statement to be made to the competent bodies.

In consideration of the above, the Board of Statutory Auditors of Aquafil S.p.A requests you to approve the financial statements at December 31, 2025, as presented by the Board of Directors together with the Directors' Report and the allocation proposal for the year's result.

Milan - Verona, March 31, 2026

**The Board of Statutory Auditors**

Mr. Stefano Poggi Longostrevi – Chairperson

Ms. Bettina Solimando – Statutory Auditor

Ms. Beatrice Bompieri - Statutory Auditor

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# REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENT

## Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of

Aquafil SpA

### Report on the audit of the consolidated financial statements

#### Opinion

We have audited the consolidated financial statements of Aquafil Group (the "Group"), which comprise the consolidated balance sheet as of 31 December 2025, the consolidated income statement, consolidated comprehensive income statement, statement of changes in consolidated shareholders' equity, consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the

PricewaterhouseCoopers SpA

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audit of the consolidated financial statements" section of this report. We are independent of the company Aquafil SpA (the "Company") pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matters | Auditing procedures performed in response to key audit matters |
|---|---|
| **Revenue recognition**<br>Paragraph 2.4 "Accounting Standards" note "Revenue and Costs" and Note 8.1 "Revenues"<br>At 31 December 2025, revenues of the Aquafil Group amounted to Euro 520.836 thousand, mainly due to the sale of finished products. These revenues are recognized in the financial statements when control of the goods produced is transferred to the customer and only if all criteria under IFRS 15 ("Revenue from contracts with customers") are met.<br>As part of our audit procedures on the consolidated financial statements, the correct recognition of revenues was considered as a key area, since it represents the most significant Profit and Loss item and an incorrect recognition of them would cause a considerable alteration of the result for the year. | The audit approach preliminarily consisted in understanding and assessing the internal control system and the procedures set by the Parent Company for the recognition of revenues from sale.<br>The audit approach then provided to perform a sample of tests on relevant controls, put in place by the Group companies, with particular reference to the existence of such revenues and their recognition in the correct accrual period.<br>Taking into account the understanding, assessment and validation of the internal controls mentioned above, validity tests were planned and performed on the relevant financial statement item. In particular, we verified, in relation to a sample of transactions deemed representative in the context of the Group, the existence and accuracy of revenues recognized in the financial statements, by examining the information included in the available documentation as supporting evidence.<br>Finally, we verified the completeness and |

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accuracy of the disclosure in the notes to the financial statements.

**Responsibilities of the directors and the board of statutory auditors for the consolidated financial statements**

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate Aquafi SpA or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

**Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. 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 economic decisions of users taken on the basis of the consolidated financial statements.

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As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.

- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

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We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

**Additional disclosures required by article 10 of Regulation (EU) 537/2014**

On 30 January 2018, the shareholders of Aquafil SpA in general meeting engaged us to perform the statutory audit of the Company's and the consolidated financial statements for the years ending 31 December 2017 to 31 December 2025.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

## Report on compliance with other laws and regulations

**Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019**

The directors of Aquafil SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of

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a single electronic reporting format (ESEF - European Single Electronic Format) (the "Commission Delegated Regulation") to the consolidated financial statements as of 31 December 2025, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the consolidated financial statements as of 31 December 2025 have been prepared in XHTML format and have been marked up, in all significant respects, in compliance with the provisions of the Commission Delegated Regulation.

**Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998**

The directors of Aquafil SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of Aquafil group as of 31 December 2025, including their consistency with the relevant consolidated financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the consolidated financial statements;
- express an opinion on the compliance with the law of the report on operations, excluding the section on the consolidated sustainability reporting, and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;
- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

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In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the consolidated financial statements of Aquafil group as of 31 December 2025.

Moreover, in our opinion, the report on operations, excluding the section on the consolidated sustainability reporting, and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Our opinion on compliance with the law does not extend to the section of the report on operations relating to the consolidated sustainability reporting. The conclusions on the compliance of that section with the rules governing its preparation and on compliance with the disclosure requirements established by article 8 of Regulation (EU) 852/2020 are expressed by ourselves in the report prepared in accordance with article 14-bis of Legislative Decree 39/2010.

Treviso, 31 March 2026

PricewaterhouseCoopers SpA

Giorgio Simonelli

(Partner)

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

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# Statutory Financial Statements at December 31, 2025

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# STATUTORY FINANCIAL STATEMENTS AT DECEMBER 31, 2025

## BALANCE SHEET AND FINANCIAL POSITION

| (in Euro) | Note | At December 31, 2025 | At December 31, 2024 |
|---|---|---|---|
| Intangible assets | 7.1 | 6,589,172 | 8,147,246 |
| Property, plant & equipment | 7.2 | 32,731,527 | 32,024,454 |
| Financial assets | 7.3 | 342,942,612 | 354,493,787 |
| *of which related parties* | | *23,705,358* | *20,219,476* |
| Other assets | 7.4 | 137,076 | |
| Deferred tax assets | 7.5 | 20,313,224 | 18,099,112 |
| **Total non-current assets** | | **402,713,612** | **412,764,599** |
| Inventories | 7.6 | 47,421,772 | 51,731,693 |
| Trade receivables | 7.7 | 49,292,563 | 68,010,729 |
| *of which related parties* | | *50,289,498* | *68,073,585* |
| Financial assets | 7.3 | 4,230,172 | 17,654,005 |
| *of which related parties* | | *3,911,037* | *16,916,130* |
| Tax receivables | 7.8 | | 0 |
| Other assets | 7.9 | 4,282,904 | 4,158,832 |
| *of which related parties* | | *324,788* | *0* |
| Cash and cash equivalents | 7.10 | 118,633,983 | 81,708,891 |
| Assets held-for-sale | 7.11 | 114,880 | 802,609 |
| **Total current assets** | | **223,976,274** | **224,066,758** |
| **Total assets** | | **626,689,885** | **636,831,357** |
| Share capital | 7.12 | 53,354,161 | 53,354,161 |
| Reserves | 7.12 | 88,057,097 | 87,418,167 |
| Profit/(loss) for the year | 7.12 | (21,951,356) | 625,607 |
| **Total shareholders' equity** | | **119,459,902** | **141,397,936** |
| Employee benefits | 7.13 | 1,144,628 | 1,230,424 |
| Financial liabilities | 7.14 | 291,795,316 | 268,174,497 |
| *of which related parties* | | *32,569,261* | *45,836,331* |
| Provisions for risks and charges | 7.15 | 794,455 | 1,356,565 |
| Deferred tax liabilities | 7.5 | 1 | 12,620 |
| Other liabilities | 7.16 | 317,953 | 1,998,392 |
| **Total non-current liabilities** | | **294,052,352** | **272,772,497** |
| Financial liabilities | 7.14 | 96,382,236 | 94,920,816 |
| *of which related parties* | | *9,411,964* | *1,945,300* |
| Current tax payables | 7.18 | | |
| Trade payables | 7.17 | 102,822,556 | 115,683,313 |
| *of which related parties* | | *64,659,751* | *61,171,769* |
| Other liabilities | 7.16 | 13,972,839 | 12,056,795 |
| *of which related parties* | | *3,138,277* | *2,405,103* |
| **Total current liabilities** | | **213,177,631** | **222,660,924** |
| **Total shareholders' equity & liabilities** | | **626,689,885** | **636,831,357** |

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## INCOME STATEMENT

| (in Euro) | Note | At December 31, 2025 | *of which non-recurring* | At December 31, 2024 | *of which non-recurring* |
|---|---|---|---|---|---|
| Revenues | 8.1 | 481,523,456 | | 530,513,896 | |
| *of which related parties* | | *204,281,880* | | *232,541,580* | |
| Other revenues and income | 8.2 | 8,541,907 | *0* | 7,717,165 | *0* |
| *of which related parties* | | *6,556,479* | | *6,896,169* | |
| **Total revenues and other revenues and income** | | **490,065,363** | ***0*** | **538,231,060** | ***0*** |
| Cost of raw materials and changes to inventories | 8.3 | (400,170,213) | *(218,968)* | (448,087,655) | *0* |
| *of which related parties* | | *(311,644,887)* | | *(333,817,571)* | |
| Service costs and rents, leases and similar costs | 8.4 | (44,935,028) | *(1,122,935)* | (43,323,902) | *(237,254)* |
| *of which related parties* | | *(819,372)* | | *(1,017,324)* | |
| Labour costs | 8.5 | (36,720,062) | *(801,410)* | (35,184,829) | *(558,132)* |
| *of which related parties* | | *94,772* | | *94,772* | |
| Other costs and operating charges | 8.6 | (493,977) | (140,475) | (542,718) | (184,102) |
| *of which related parties* | | *(26,000)* | | *(26,000)* | |
| Depreciation and amortisation | 8.7 | (9,480,676) | | (9,873,543) | |
| Write-down of fixed assets | 8.8 | (649,474) | | | |
| (Provisions and write downs)/releases | | (138,960) | | (41,591) | |
| Increase in internal work capitalised | 8.9 | 1,559,633 | | 1,866,849 | |
| **Operating Profit/(loss)** | | **(963,394)** | **(2,283,788)** | **3,043,671** | **(979,488)** |
| Investment income/charges | 8.10 | (12,707,231) | | 15,937,348 | |
| *of which related parties* | | *(12,707,020)* | | *15,937,137* | |
| Financial income | 8.11 | 1,957,353 | | 2,059,881 | |
| *of which related parties* | | *1,121,361* | | *1,655,992* | |
| Financial charges | 8.12 | (15,811,504) | | (20,856,040) | |
| *of which related parties* | | *(1,957,778)* | | *(1,809,860)* | |
| Exchange gains/(losses) | 8.13 | 3,396,485 | | (2,321,663) | |
| **Profit/(loss) before taxes** | | **(24,128,080)** | **(2,283,788)** | **(2,136,803)** | **(979,488)** |
| Income taxes | 8.14 | 2,176,724 | 0 | 2,762,411 | |
| **Net Profit/(loss)** | | **(21,951,356)** | **(2,283,788)** | **625,607** | **(979,488)** |

## COMPREHENSIVE INCOME STATEMENT

| (in Euro) | Note | December 2025 | December 31, 2024 |
|---|---|---|---|
| **Profit/(loss) for the year** | | **(21,951,356)** | **625,607** |
| Actuarial gains/(losses) | | 17,529 | 7,995 |
| Tax effect from actuarial gains and losses | | (4,207) | (1,919) |
| **Other income items not to be reversed to income statement in subsequent periods** | | **13,322** | **6,077** |
| Currency difference from conversion of financial statements in currencies other than the Euro | | 0 | 0 |
| Other income items to be reversed to income statement in subsequent periods | | 0 | 0 |
| **Total comprehensive income** | **7.12** | **(21,938,034)** | **631,684** |

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## CASH FLOW STATEMENT

| (in Euro) | Note | At December 31, 2025 | At December 31, 2024 |
|---|---|---|---|
| **Operating activities** | | | |
| Profit/(loss) for the year | | (21,951,356) | 625,607 |
| Income taxes | 8,14 | (2,176,724) | (2,762,411) |
| Investment income and charges | 8,10 | 12,707,021 | (15,937,348) |
| *of which related parties:* | | *12,707,021* | *(15,937,137)* |
| Financial income | 8,11 | (1,957,353) | (2,059,881) |
| *of which related parties:* | | *(1,121,361)* | *(1,655,992)* |
| Financial charges | 8,12 | 15,811,504 | 20,856,040 |
| *of which related parties:* | | *1,957,778* | *1,809,860* |
| Exchange gains/(losses) | 8,13 | (3,396,485) | 2,321,663 |
| Asset disposal (gains)/losses | | (19,655) | (247,745) |
| (Provisions & write-downs)/ releases | 8,8 | 138,960 | 41,591 |
| Amortisation, depreciation and write-downs of tangible and intangible assets | 8,7 | 10,130,150 | 9,873,543 |
| **Cash flow from operating activities before working capital changes** | | **9,286,061** | **12,711,060** |
| | | | |
| Decrease/(Increase) in inventories | 7,6 | 4,309,922 | 5,119,450 |
| Increase/(decrease) in trade payables | 7,17 | (11,796,736) | (12,591,350) |
| *of which related parties:* | | *3,487,792* | *(1,057,760)* |
| Decrease/(Increase) in trade receivables | 7,7 | 17,116,404 | 11,384,183 |
| *of which related parties:* | | *17,784,087* | *8,558,379* |
| Changes to assets and liabilities | | (74,698) | (7,121,850) |
| *of which related parties:* | | *408,386* | *4,313,252* |
| Employee benefits | | (72,473) | (343,402) |
| Assets held-for-sale | | 687,728 | (100,066) |
| Utilisation of provisions | | (545,057) | |
| | | | |
| **Change in working capital** | | **9,625,091** | **(3,653,034)** |
| | | | |
| **Income taxes paid** | | **(59,962)** | **(2,813,824)** |
| | | | |
| **Net paid financial charges** | | **(13,732,767)** | **(17,652,432)** |
| | | | |
| **Total operating cash flow generated / (absorbed) (A)** | | **5,118,424** | **(11,408,230)** |
| | | | |
| **Investing activities** | | | |
| Investments in tangible assets | 7,2 | (7,207,066) | (4,620,319) |
| Disposal of tangible assets | 7,2 | 411,143 | 3,249,413 |
| Reclassifications to intangible assets | 7,2 | (8,400) | |
| Investments in intangible assets | 7,1 | (1,770,907) | (1,477,467) |
| Disposal of intangible assets | 7,1 | 19,400 | |
| Investments in financial assets | | 0 | (313,098) |
| Disposal of financial assets | 7,3 | | |
| Dividends received | | 2,312,153 | 15,937,348 |
| **Cash flow generated by investing activities (B)** | | **(6,243,677)** | **12,775,876** |
| | | | |
| **Equity movements** | | | |
| Acquisition of treasury shares | | | |
| Other changes in Net Equity | | 0 | 38,334,208 |
| **Financing activities** | | | |
| Drawdown non-current bank loans and borrowings | | 92,000,000 | 29,500,000 |
| Repayment non-current bank loans and borrowings | | (98,429,498) | (89,928,030) |
| Bond loan proceeds | | 50,000,000 | |
| Reimbursement of bond loan | | (12,278,315) | |
| Net changes in current and non-current financial assets and liabilities ROU | | (1,215,403) | (1,010,317) |
| *of which related parties:* | | *(173,763)* | *(139,006)* |
| Net changes in current and non-current financial assets and liabilities | | 7,973,561 | 30,699,810 |
| *of which related parties:* | | *3,545,042* | *30,686,695* |
| Distribution of dividends | 7,12 | | |
| *of which related parties:* | | | |
| **Cash flow from generated/(absorbed) by financing activities (C)** | | **38,050,345** | **7,595,671** |
| **Net cash flow in the year (A)+(B)+(C)** | | **36,925,092** | **8,963,317** |
| | | | |
| Opening cash and cash equivalents | 7,10 | 81,708,891 | 72,745,574 |
| Closing cash and cash equivalents | 7,10 | 118,633,983 | 81,708,891 |

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## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

| (in Euro) | Share capital | Legal reserve | Translation reserve | Share premium reserve | Negative reserve for treasury shares in portfolio | Non-distributable reserve for listing costs |
|---|---|---|---|---|---|---|
| **Al 1° gennaio 2024** | 49,722,417 | 2,053,359 | 0 | 19,975,348 | (8,612,054) | (3,287,529) |
| Share capital increase | 3,631,744 | | | 36,317,440 | | |
| Other changes | | | | | | (1,614,976) |
| Allocation of prior-year result | | | | | | |
| Distribution dividends | | | | | | |
| Acquisition of treasury shares | | | | | | |
| Profit/(loss) for the year | | | | | | |
| Actuarial gains/(losses) employee benefits | | | | | | |
| **Comprehensive income** | **3,631,744** | **0** | **0** | **36,317,440** | | **(1,614,976)** |
| **December 31, 2024** | **53,354,161** | **2,053,359** | **0** | **56,292,788** | **(8,612,054)** | **(4,902,504)** |
| Share capital increase | | | | | | |
| Other changes | | | | | | |
| Allocation of prior-year result | | 31,280 | | | | |
| Distribution dividends | | | | | | |
| Acquisition of treasury shares | | | | | | |
| Profit/(loss) for the year | | | | | | |
| Actuarial gains/(losses) employee benefits | | | | | | |
| **Comprehensive income** | **0** | **31,280** | **0** | **0** | | **0** |
| **December 31, 2025** | **53.354.161** | **2,084,639** | **0** | **56,292,788** | **(8,612,054)** | **(4,902,504)** |

Please refer to the comments in Section 7.12 of the Notes to the Financial Statements.

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| FTA Reserve | IAS 19 Reserve | Other reserves | Retained earnings | Total reserves | Profit/(loss) for the year | Total Shareholders' Equity |
|---|---|---|---|---|---|---|
| (2,156,097) | (198,021) | 50,575,624 | 0 | 58,350,631 | (5,641,004) | 102,432,043 |
| | | | | 36,317,440 | | 39,949,184 |
| | | | | (1,614,976) | | (1,614,976) |
| | | (5,641,004) | | (5,641,004) | 5,641,004 | 0 |
| | | | | 0 | | 0 |
| | | | | 0 | | 0 |
| | | | | | 625,607 | 625,607 |
| | 6,077 | | | 6,077 | | 6,077 |
| **0** | **6,077** | **0** | **0** | **6,077** | **625,607** | **631,684** |
| **(2,156,097)** | **(191,944)** | **44,934,620** | **0** | **87,418,167** | **625,607** | **141,397,936** |
| | | | | 0 | | 0 |
| | | | | 0 | | 0 |
| | | 594,327 | | 625,607 | (625,607) | 0 |
| | | | | 0 | | 0 |
| | | | | 0 | | 0 |
| | | | | 0 | (21,951,356) | (21,951,356) |
| | 13,322 | | | 13,322 | | 13,322 |
| **0** | **13,322** | **0** | **0** | **13,322** | **(21,951,356)** | **(21,938,034)** |
| **(2,156,097)** | **(178,622)** | **45,528,947** | **0** | **88,057,097** | **(21,951,356)** | **119,459,902** |

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# NOTES TO THE FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

### 1.1 INTRODUCTION

Aquafil S.p.A. ("Aquafil", "Company" or "Parent company" and, together with its subsidiaries, "Group" or "Aquafil Group") is a joint stock company listed on the Italian Stock Exchange, Euronext STAR Segment since December 4, 2017, resulting from the business combination through merger by incorporation of Aquafil S.p.A. (pre-merger), founded in 1969 in Arco (TN) and renowned for the production and distribution of fibres and polymers, principally polyamide, into Space 3 S.p.A., as an Italian registered Special Purpose Acquisition Company (SPAC), with efficacy from December 4, 2017.

The majority shareholder of Aquafil S.p.A. is Aquafin Holding S.p.A., with registered office in Via Leone XIII No. 14, 20145 Milan, Italy, which however does not exercise management and co-ordination activities. The ultimate parent company, which draws up specific consolidated financial statements, is GB&P S.r.l. with registered office in Via Leone XIII No. 14, 20145 Milan, Italy.

Aquafil produces and sells fibres and polymers, principally polyamide 6, on a global scale through the:

i. BCF Product Line (carpet fibres), or synthetic yarns mainly intended for the textile flooring sector and used in "contract" segments (hotels, airports, offices, etc.), residential buildings and the automotive market;
ii. NTF Product Line (clothing fibres), or synthetic yarns mainly intended for the clothing sector (sportswear, classic, technical or specialist apparel);
iii. Polymers Product Line, or plastic raw materials, mainly targeting the engineering plastics sector for subsequent use in the moulding industry.

The Company's products are also sold on the market under the ECONYL® brand, which offers the Company's products obtained by regenerating industrial waste and end-of-life products.

The Company enjoys a consolidated presence in Europe, the United States and Asia.

### 1.2 FINANCIAL STATEMENT PRESENTATION

These financial statements were prepared for the year ended December 31, 2025 in accordance with EU Regulation 1606/2002 of July 19, 2002 and Article 9 of Legislative Decree No. 38 of February 28, 2005, in compliance with International Financial Reporting Standards, issued by the International Accounting Standards Board and endorsed by the European Union ("IFRS").

The Financial Statements were approved by the Board of Directors of the company on March 12, 2026, and audited by PricewaterhouseCoopers S.p.A., independent auditors of the company.

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## 1.3 NON-FINANCIAL REPORT

Aquafil S.p.A., as an Entity of Significant Public Interest ("EIPR") and the parent company of the Aquafil Group, prepares and presents, from financial year 2017, the "Sustainability Statement", as per Article 5 "Placement of the report and communication" as per Legislative Decree 254/2016 concerning the communication of non-financial and diversity disclosure by certain large enterprises and groups. Therefore, Aquafil, as per Article 6 exemptions and special cases, is not subject to the obligation to prepare an individual non-financial report relating to only the separate financial statements.

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# 2. ACCOUNTING POLICIES AND MEASUREMENT CRITERIA

The main accounting policies adopted in the preparation of the Separate Financial Statements are reported below. These accounting policies were applied in line with the year 2024 presented for comparative purposes and those applied at December 31, 2025.

## 2.1 BASIS OF PREPARATION

As previously indicated, these financial statements were prepared in accordance with IFRS, i.e. all "International Financial Reporting Standards", all "International Accounting Standards" ("IAS"), all interpretations of the International Reporting Interpretations Committee ("IFRIC"), previously called the Standards Interpretations Committee ("SIC") which, at the approval date of the Financial Statements, were endorsed by the European Union pursuant to EU Regulation No. 1606/2002 of the European Parliament and European Council of July 19, 2002.

These financial statements were prepared:

- on the basis of extensive knowledge on the IFRS and taking into account best practice; any further orientations and interpretative updates will be reflected in subsequent years, in accordance with the provisions of the accounting standards;
- on a going-concern basis of the company, as the directors verified the absence of financial, operating or other indicators which may suggest difficulties with regards to the company's capacity to meet its obligations in the foreseeable future and in particular in the next 12 months.
- under the historical cost convention, except for the measurement of financial assets and liabilities where the obligatory application of the fair value criterion is required.

## 2.2 FORM AND CONTENT OF THE FINANCIAL STATEMENTS

The financial statements of Aquafil S.p.A. have been prepared in euro. The financial statements and the relative classification criteria adopted by the company, within the options permitted by IAS 1 "Presentation of financial statements" ("IAS 1") are illustrated below:

- the *balance sheet* is presented with separation between "current and non-current" assets and liabilities;
- the *income statement* was prepared separately from the comprehensive income statement, and was prepared classifying operating costs by expense type;
- the *comprehensive income statement* which includes, in addition to the result for the period, also the changes to equity relating to income items which, in accordance with International Accounting Standards, are recognised under equity;
- the *cash flow statement* prepared in accordance with the "indirect method".

The financial statements utilised are those which best represent the result, equity and financial position of the company.

It should be noted that classifications have been made for certain financial statements items that are different from the previous year. In order to ensure fair representation, the corresponding items in the comparative financial statements have also been reclassified.

These mainly concern:

- for the income statement, the intercompany transactions that were reclassified from revenue to "other revenue".

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- for the cash flow statement, the reclassification of dividends received from operating activities to investing activities.

| Description | 2025 | 2024 - reclassified | 2024 |
|---|---|---|---|
| Revenues | (481,756,217) | (529,778,990) | (530,513,896) |
| *of which related parties* | *(204,281,880)* | *(232,541,580)* | *(232,541,580)* |
| Other revenues and income | (8,541,907) | (8,314,167) | (7,717,165) |
| *of which related parties* | *(6,566,479)* | *(6,797,801)* | *(6,896,169)* |
| Service costs and rent, lease and similar costs | 44,935,028 | 43,226,690 | 43,323,902 |
| *of which related parties* | *819,372* | *1,017,324* | *1,017,324* |
| Labour costs | 36,720,062 | 35,144,138 | 35,184,829 |
| *of which related parties* | *(94,772)* | *(94,772)* | *(94,772)* |
| **Total** | **(408,643,034)** | **(459,722,330)** | **(459,722,330)** |

## Subsidiaries

A party controls an entity when it is: (i) exposed, or has the right to participate, in the relative variable economic returns and (ii) able to exercise its decisional power on the activities relating to the entity in order to influence these returns. The existence of control is verified where events or circumstances indicate an alteration to one of the above-mentioned factors determining control. The year-end of the subsidiary companies coincides with that of Aquafil S.p.A..

## Associated Companies

Associated companies are companies in which the Company has a significant influence, which is presumed to exist when the percentage held is between 20% and 50% of the voting rights.

## Business combinations

The company did not undertake in the year any business combinations as defined by IFRS 3.

## Impairment test

The impairment test assesses whether there exist any indications that an asset may have incurred a reduction in value. For indefinite useful life intangible assets an assessment should be made at least annually that their recoverable value is at least equal to the book value and, when considered necessary, or rather in the presence of trigger events (IAS 36 paragraph 9), the impairment test must be undertaken more frequently.

In assessing the recoverable value of its property, plant and equipment, investment property and intangible assets, the Group generally applies the criterion of the value in use, where required, i.e. the presence of trigger events.

The value in use is the present value of the expected future cash flows to be derived from an asset. In defining the value in use, the expected future cash flows are discounted utilising a pre-tax rate that reflects the current market assessment of the time value of money, and the specific risks of the asset.

The estimated future cash flows utilised to determine the value in use is based on the most recent business plans, approved by management and containing forecasts for volumes, revenues, operating costs and investments.

These forecasts cover the period of the next three years; consequently, the cash flows relating to the subsequent years are determined on the basis of a growth rate which does not exceed the average growth rate for the sector and the country.

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Where the book value of an asset is higher that its recoverable value a loss in value is recognised which is recorded in the income statement under "Amortisation, depreciation and write-downs".

When the reasons for the write-down no longer exist, the carrying value of the asset is restated through the income statement, in the account "Amortisation, depreciation & write-downs", up to the value at which the asset would be recorded if no write-down had taken place and amortisation or depreciation had been recorded.

### Translation of accounts in foreign currencies

Transactions in currencies other than the Euro are recognised at the exchange rate at the date of the transaction.

Assets and liabilities denominated in currencies other than the euro are subsequently adjusted to the exchange rate at the reporting date. Exchange differences are recognised to the income statement under "Exchange gains and losses".

Non-monetary assets and liabilities denominated in currencies other than the euro are recorded at historical cost, utilising the exchange rate on the initial recording of the transaction.

The primary exchange rates adopted for the translation of the monetary assets and liabilities in foreign currencies with the euro are shown in the table below:

| | Rate at December 31, 2025 | Average rate 2025 | Rate at December 31, 2024 | Average rate 2024 |
|---|---|---|---|---|
| US Dollar | 1.18 | 1.13 | 1.04 | 1.08 |
| Chinese Yuan | 8.23 | 8.12 | 7.58 | 7.79 |
| Turkish Lira | 50.48 | 44.82 | 36.74 | 35.58 |
| Baht | 37.22 | 37.12 | 35.68 | 38.18 |
| UK Sterling | 0.87 | 0.86 | 0.83 | 0.85 |
| Australian Dollar | 1.76 | 1.75 | 1.68 | 1.64 |
| Japanese Yen | 184.09 | 169.04 | 163.06 | 163.87 |
| Chilean Peso | 1058.13 | 1074.60 | 1033.76 | 1020.70 |
| Swiss Franc | 0.93 | 0.94 | 0.94 | 0.95 |

## 2.3 ACCOUNTING STANDARDS

The most significant accounting policies adopted in the preparation of the Financial Statements are reported below.

### CLASSIFICATIONS OF CURRENT AND NON-CURRENT ASSETS AND LIABILITIES

The company classifies an asset as current when:

- it is held for sale or consumption, in the normal operating cycle;
- it is principally held for trading;
- it is expected to be realised within 12 months from the reporting date; or
- it comprises cash or cash equivalents whose use is not restricted or restrictions such as to impede its use for at least 12 months from the reporting date.

All assets that do not meet the conditions listed above are classified as non-current.

The Company classifies a liability as current when:

- it is expected to be settled within the normal operating cycle;

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- it is principally held for trading;
- it must be settled within twelve months of year-end; or
- the entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All the liabilities which do not satisfy the above-mentioned conditions are classified as non-current.

## INTANGIBLE ASSETS

An intangible asset is an asset without physical substance, identifiable and capable of generating future economic benefits. The requisite of identifiability is normally met when an intangible asset is:

- attributable to a legal or contractual right; or
- separable, that is, it can be sold, transferred, leased or exchanged independently.

Control over an intangible asset consists of the right to take advantage of future economic benefits arising from the asset and the possibility of limiting its access to others.

Intangible assets are initially recognised at purchase and/or production cost, including the costs of bringing the asset to its current use. All other subsequent costs are expensed in the income statement in the year incurred. Research expenses are recorded as costs when incurred.

An intangible asset, generated during a project's development phase, which complies with the definition of development on the basis of IAS 38, is recognised as an asset if:

- the cost can be measured reliably;
- the product/process is technically feasible;
- it is likely that the company will obtain the future economic benefits that are attributable to the asset developed, and
- where the company intends to complete the project's development and has sufficient resources to do so.

## INTANGIBLE ASSETS WITH FINITE USEFUL LIVES

Intangible assets with definite useful lives are recognised as cost, as previously described, net of accumulated amortisation and any impairment.

Amortisation begins when the asset is available for use and is recognised on a straight-line basis in relation to the residual possibility of use and thus over the estimated useful life of the asset; for the amount to be amortised and its recoverability the criteria to be utilised is that outlined, respectively, in the paragraphs "Property, plant and equipment" and "Impairment of property, plant and equipment and intangible assets".

The estimated useful life of the various categories of intangible assets is as follows:

| | Estimated useful life |
|---|---|
| Concessions, licences & trademarks | 10 years |
| Development costs | 5 years |
| Industrial patents & intellectual property rights | 10 years |
| Other intangible assets | Contract duration |

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## PROPERTY, PLANT & EQUIPMENT

Property, plant and equipment are measured at purchase or production cost, net of accumulated depreciation and any impairments. The purchase or production cost includes charges directly incurred for bringing the asset to their condition for use, as well as dismantling and removal charges which will be incurred consequent of contractual obligations, which require the asset to be returned to its original condition. The financial charges directly attributable to the acquisition, incorporation or production of property, plant and equipment whose realisation requires timeframes above one year, are capitalised and depreciated based on the useful life of the asset to which they refer.

The expenses incurred for the maintenance and repairs of an ordinary nature are charged to the income statement when they are incurred. The capitalisation of costs relative to the expansion, modernisation or improvement of the structural elements whether owned or leased, is solely made within the limits established to be separately classified as assets or part of an asset. The assets recorded in relation to leasehold improvements are amortised based on the duration of the rental contract, or on the basis of the specific useful life of the asset, if lower.

Depreciation is charged on a straight-line basis, which depreciates the asset over its economic/technical useful life. Applying the principle of the component approach, when the asset to be depreciated is composed of separately identifiable elements whose useful life differs significantly from the other parts of the asset, the depreciation is calculated separately for each part of the asset.

The estimated useful life of the main categories of property, plant and equipment is as follows:

| | **Estimated useful life** |
|---|---|
| Buildings and light constructions | 10 - 17 - 33 years |
| General plant and machinery | 7 - 8 - 10 - 13 years |
| Industrial and commercial equipment | 2 - 4 - 8 years |
| Other assets | 4 - 5 - 8 years |
| Right-of-Use | Contract duration |

Land, including that adjacent to production facilities, is not depreciated. The useful life of property, plant and equipment is reviewed and updated, where necessary, at least at the end of each year.

A tangible fixed asset is eliminated from the financial statements when the asset is sold or when no expected economic benefits exist from its use or disposal. Any gains or losses (calculated as the difference between net income from sales and the net book value of the asset sold) are recognised in the income statement in the year of disposal.

Public grants related to fixed assets, if received, are accounted for using the deferral method, as they contribute to the income statement over the useful life of the relative asset.

## LEASED ASSETS

International Accounting Standard IFRS 16 identifies the principles for the recognition, measurement and presentation in the financial statements of leasing contracts, as well as enhancing the relative disclosure requirements.

Specifically, IFRS 16 defines leasing as a contract which assigns to the client (lessee) the right-of-use of an asset

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for a set period of time in exchange for consideration, without distinguishing finance leases from operating leases such as rental and hire.

The definition of a contractual agreement as a lease transaction (or containing a lease transaction) is based on the substance of the agreement and requires an assessment of whether fulfilment of the agreement depends on the use of one or more specific assets and if the agreement transfers the right to use them.

Companies that operate as lessee therefore recognise in their financial statements, at the effective date of the lease, an asset representing the right to use of the asset (defined as the "Right-of-Use") and a liability, attributable to the obligation to make the payments provided for in the contract. The lessee should subsequently recognise the interest concerning the lease liability separate from the depreciation of the right-of-use assets. IFRS 16 also requires lessees to restate the amounts of the lease liability on the occurrence of certain events (e.g. a change to the duration of the lease, a change to the value of the future payments due to a change in an index or rate utilised to determine these payments). In general, the restatement of the amount of the lease liability implies an adjustment also to the right-of-use asset.

Differing from that required for lessees, for the purposes of the preparation of the financial statements of lessors (the lessor), the new International Accounting Standard maintains the distinction between operating and finance leases as per IAS 17.

## IMPAIRMENT OF INTANGIBLE AND TANGIBLE ASSETS

### Intangible and tangible assets with definite useful life

A verification is carried out at each reporting date to establish whether there are indicators that tangible and intangible assets may have suffered an impairment. To this end, both internal and external sources of information are considered. With regard to the former (internal sources), obsolescence or the asset's physical deterioration and any significant changes in the asset's use and the asset's economic performance in comparison to projections are taken into consideration. As regards external sources, the trend in the assets' market prices, any technological, market or regulatory discontinuities, the trend in market rate interest rates or the cost of capital used to evaluate investments are considered.

Where these indicators exist, an estimate of the recoverable value of the above-mentioned assets is made, recording any write-down compared to the relative book value in the income statement. The recoverable value of an asset is the higher between the fair value, less costs to sell, and its value in use, determined discounting the estimated future cash flows for this asset, including, where significant and reasonably determinable, those deriving from the sale at the end of the relative useful life, net of any transaction costs. In defining the value in use, the expected future cash flows are discounted utilising a pre-tax rate that reflects the current market assessment of the time value of money, and the specific risks of the asset. For an asset that does not generate independent cash flows, the recoverable value is determined in relation to the cash-generating unit to which the asset belongs.

A loss in value is recognised in the income statement when the carrying value of the asset, or of the relative CGU to which it is allocated, is higher than its recoverable value. The loss in value of CGU`s are firstly attributed to the reduction in the carrying value of any goodwill allocated and, thereafter, to a reduction of other assets, in proportion to their carrying value and in the limit of the relative recoverable value. When the reasons for the write-down no longer exist, the book value of the asset is restated through the income statement, up to the value at which the asset would be recorded if no write-down had taken place and amortisation or depreciation had been recorded.

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## EQUITY INVESTMENTS

### In subsidiaries

Investments in subsidiaries are recorded at acquisition or subscription cost.

Where there is an indication of a loss in value, the recoverability of the recognition value is verified through a comparison between the carrying amount and the higher between the value in use, determined discounting the future cash flows of the investment and, where possible, the hypothetical sales value determined based on recent transactions or market multiples.

The share of the loss exceeding the carrying amount is recorded in a specific provision for the amount that the company considers there exists legal or implied obligations to cover the losses or in any case within the limits of the book net equity. Where there is a subsequent improvement in the performance of the investee subject to the write-down such as to consider the reasons for the impairment no longer existing, the investments are revalued within the limits of the write-downs recognised in previous years. The dividends from subsidiaries are recorded in the income statement in the year in which they are approved.

### In associates

Associated companies are companies in which the Company has a significant influence, which is presumed to exist when the percentage held is between 20% and 50% of the voting rights. Associated companies are measured under the equity method and are initially recorded at cost. The equity method is as described below:

- the book value of these investments is aligned to the net equity of the company adjusted, where necessary, to reflect the application of IFRS and includes the recognition of the higher value attributed to the assets and liabilities and to any goodwill, identified on acquisition; in line with a similar process to that previously described for business combinations;
- the profits and losses pertaining to the Company are recognised when the significant influence begins and until the significant influence ceases to exist. In the case where, due to losses, the company valued under this method indicates a negative net equity, the carrying value of the investment is written down and any excess pertaining to the Company, where this latter is committed to comply with legal or implicit obligations of the investee, or in any case to cover the losses, is recorded in a specific provision; the equity changes of the companies valued under the equity method, not recorded through the income statement, are recorded directly in the comprehensive income statement;
- the gains and losses not realised, generated on transactions between the Company/Subsidiaries and investments measured under the equity method are eliminated based on the share pertaining to the investee, except for losses, when they represent a reduction in value of the underlying asset, and dividends which are fully eliminated.

When there is objective evidence of an impairment, the recovery is verified comparing the carrying value with the relative recoverable value adopting the criteria indicated in the paragraph “Impairments of tangible and intangible assets”. When the reasons for the impairment no longer exist, the investments are revalued within the limits of the write-downs, with effects recognised to the income statement.

The transfer of shareholdings resulting in the loss of joint control or significant influence over the investee company determines the recognition in the comprehensive income statement:

- of any gain/loss calculated as the difference between the amount received and the corresponding fraction of the carrying amount transferred;
- of the effect of the remeasurement of any residual investment in line with the relative fair value;

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- of any values recorded under other comprehensive items related to the investee for which reclassification to the comprehensive income statement is envisaged.

The value of any equity investment aligned to its fair value at the date of the loss of joint control or significant influence, represents the new carrying amount and, therefore, the reference value for the subsequent valuation according to the applicable valuation criteria.

Once an equity investment, or a share of this equity, measured under the equity method is classified as held for sale in so far as it meets the criteria for such classification, the equity investment or share of equity, is no longer measured under the equity method.

## SECURITIES OTHER THAN EQUITY INVESTMENTS

Securities other than equity investments, included under "Financial assets", are held in portfolio until maturity. They are recognised at acquisition cost (with reference to the "trading date") including transaction costs.

## LOANS, RECEIVABLES AND FINANCIAL ASSETS HELD-TO-MATURITY

The financial assets are measured based on IFRS 9.

Company assesses at each reporting date whether a financial asset or a group of financial assets have incurred a loss in value.

## IMPAIRMENTS OF FINANCIAL ASSETS

At the reporting date, all the financial assets, other than those measured at fair value through the comprehensive income statement, are analysed in order to verify whether there is evidence of a loss in value. An impairment loss is recognised if, and only if, this evidence exists as a result of one or more events that have an impact on the asset's expected future cash flows, occurring after its initial recognition.

In the valuation account is also taken of future economic conditions.

For financial assets accounted for through the amortised cost criterion, when a loss in value has been identified, its value is measured as the difference between the asset's carrying amount and the present value of expected future cash flows, discounted on the basis of the original effective interest rate. This value is recognised in the income statement under the item "Provisions and write-downs". When, in subsequent periods, the reasons for the write-down no longer exist, the value of the financial assets are restated up to the value deriving from the application of the amortised cost criterion.

## INVENTORIES

Inventories are recorded at the lower of purchase or production cost and realisable value represented by the amount that the Company expects to obtain from their sale in the normal course of operations of the assets, net of accessory costs. The cost of inventories is calculated using the weighted average cost method. The value of finished or semi-finished product inventories includes direct and indirect processing costs. To determine the weighted average cost of production or processing, the Company considers the weighted average cost of the

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raw material and the direct and indirect production costs, generally taken as a percentage of direct costs.

The value of inventories was recorded net of any impairment provisions.

### TRADE AND OTHER RECEIVABLES (CURRENT AND NON-CURRENT)

Trade receivables and other current and non-current receivable are considered financial instruments, principally relating to customer receivables, non-derivative, not listed on an active market, from which fixed or determinable payments are expected. Trade receivables and other receivables are classified in the balance sheet under current assets, except for amounts due beyond 12 months from the reporting date, which are classified as non-current. These financial assets are recorded in the balance sheet when the company becomes part of the related contracts and are derecognised when the right to receive the cash flow is transferred together with all the risks and benefits associated with the asset sold.

Trade and other current and non-current receivables are initially recorded at their fair value, and subsequently with the amortised cost method using the effective interest rate, reduced for any impairment.

Impairments on receivables are recognised in the income statement when there is objective evidence that the Company will not be able to recover the credit on the basis of contractual conditions.

The write-down amount is measured as the difference between the asset's carrying amount and the present value of expected future cash flows.

The value of receivables is shown in the balance sheet net of the corresponding doubtful debt provision.

### CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash, on-demand deposits and financial assets with an original maturity of three months or less, readily convertible into cash and subject to an insignificant risk of changes in value. The items included in cash and cash equivalents are measured at fair value and the relative changes are recorded in the income statement.

### EMPLOYEE BENEFITS

For the defined benefit plans, which include post-employment benefit provisions due to employees pursuant to Article 2120 of the Italian Civil Code, the amount to be paid to employees is quantifiable only after the termination of the employment service period, and is related to one or more factors such as age, years of service and remuneration. Therefore, the relative charge is recorded in the income statement based on actuarial calculations. The liability recorded in the accounts for defined benefit plans corresponds to the present value of the obligation at the reporting date. The obligations for the defined benefit plans are determined annually by an independent actuary utilising the projected unit credit method. The present value of the defined benefit plan is determined discounting the future cash flows at an interest rate equal to the obligations (high-quality corporate) issued in euro and takes into account the duration of the relative pension plan. The actuarial gains and losses deriving from these adjustments and the changes in the actuarial assumptions are recognised in the comprehensive income statement.
From January 1, 2007, the Finance Act and relative decrees enacted introduced important amendments in relation to post-employment benefits, among which was the choice given to the employee to determine where the bene-

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fit matured in the period is invested. In particular, the new post-employment benefits can be utilised by the employee for their own chosen pension scheme or they may choose to leave the amount in the company. In the case of allocation to external pension funds, the Company is only liable to pay a defined contribution to the selected fund and as from that date, the newly matured portion are in the nature of defined contribution plans and are therefore not subject to actuarial valuation.

### TRADE AND OTHER PAYABLES (CURRENT AND NON-CURRENT)

Financial liabilities (with the exclusion of derivative financial instruments) relate to trade and other payables and are initially recorded at fair value, net of directly allocated accessory costs. After initial recognition, they are measured at amortised cost, recording any differences between cost and repayment amount in the income statement over the duration of the liability, in accordance with the effective interest rate method. When there is a change in the expected cash flows, the value of the liabilities is recalculated to reflect this change, based on the new present value of the expected cash flows and on the effective internal rate initially determined.

### ELIMINATION OF FINANCIAL ASSETS AND LIABILITIES

Financial assets (or, where applicable, part of a financial asset or part of a group of similar financial assets) are derecognised from the financial statements when:

- the right to receive the financial cash flows of the asset terminate;
- the company retains the contractual right to receive the cash flows from the asset, but assumes a contractual obligation to pay the cash flows fully and without delay to a third party;
- the company has transferred its right to receive cash flows from the asset and (a) has transferred substantially all of the risks and rewards of ownership of the financial asset or (b) has not transferred or retained substantially all of the risks and rewards of the asset, but has transferred control over same.

A financial liability is derecognised from the financial statements when the underlying liability is settled, cancelled or fulfilled.

### DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments are only used by Aquafil for the hedging of financial risks related to interest rate fluctuations on bank debt.

A derivative is a financial instrument or other contract:

- whose value changes in response to changes in an underlying defined parameter such as the interest rate, the price of a security or commodity, foreign currency exchange rate, the index of prices or rates, credit rating or another variable;
- that requires a zero initial net investment, or lower than what would be required for contracts with a similar response to changes in market conditions;
- which is settled at a future date.

The financial instruments are undertaken to hedge against the interest rate risk. In accordance with IAS 39, which remains applicable optionally with respect to IFRS 9 in the case of the hedging of interest rate exposure, derivative financial instruments are accounted for in accordance with the procedures established for hedge accounting only when:

- the hedging instrument is formally designated and documented at the start of hedging;

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- the hedge is expected to be highly effective;
- such efficacy can be reliably measured;
- the hedge is highly effective during the various accounting periods for which it is designated.

It should be noted that the derivative instruments currently in place (IRS - Interest Rate Swaps), although subscribed for hedging purposes with regard to changes in interest rates, have been treated, for accounting purposes and consistently with the past, as non-hedging instruments (and therefore the relative fair value is recognised in the income statement), as it is very complex to prepare the mandatory hedging relationship.

## MEASUREMENT OF THE FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value measurement of the financial instruments is undertaken applying IFRS 13 "Fair value measurement" (IFRS 13). Fair value concerns the price that will be received for the sale of an asset or which will be paid for the transfer of a liability in an ordinary transaction settled between market operators, at the measurement date.

Fair value measurement is based on the assumption that the sale of the asset or transfer of the liability is undertaken on the principal market, or rather the market in which the largest volume and levels of transaction take place for the asset or liability. In the absence of a principal market, it is assumed that the transaction takes place on the most advantageous market to which the company has access, or rather the market which would maximise the results of the sales transaction of the asset or minimise the amount to be paid for the transfer of the liability.

The fair value of an asset or of a liability is determined considering the assumptions which the market participants would use to define the price of the asset or of the liability, under the presumption that they act in accordance with their best economic interests. Market participants are independent knowledgeable acquirers or sellers able to enter into a transaction for the asset or the liability and motivated but not obliged or coerced into making the transaction.

In the fair value measurement, the company takes into account the specific characteristics of the asset or the liability, in particular, for the non-financial assets, the capacity of a market operator to generate economic benefits utilising the asset to its maximum and best use or by selling to another market operator that would utilise the asset to its maximum or best use. The fair value measurement of assets and liabilities utilises appropriate techniques for the circumstances and for which sufficient data is available, maximising the use of observable inputs.

IFRS 13 identifies the following fair value hierarchy which reflect the importance of the inputs used in the relative measurement:

- level 1 Quoted Price (active market): data used in valuations are represented by prices quoted on markets in which identical assets and liabilities are traded with those being valued;
- level 2 Use of Observable Market Parameters (for example, for derivatives, the exchange rates recorded by the Bank of Italy, market interest rate curves, volatility provided by qualified providers, credit spreads calculated on the basis of CDS', etc.) other than level 1 quoted prices;
- level 3 Use of Non-Observable Market Parameters (internal assumptions, for example, financial flows, risk-adjusted spreads, etc.).

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## WARRANT

The company has issued warrants, that is, financial instruments that give the holder the right to purchase (call warrants) a determined quantity of ordinary shares (underlying) at a predefined price (strike-price) within a set deadline. Two types of warrants are issued: "Market Warrants" which were also listed, and non-listed "Sponsor Warrants". Listed "Market warrants" were cancelled in 2022 as having expired.

These financial instruments can have different terms and characteristics and, on the basis of these, can be alternatively considered as: (i) a financial liability that must therefore be measured at fair value at the time of issue and any subsequent variation recorded directly in the income statement, or as (ii) an equity instrument and therefore classified in a specific equity reserve from which they will be released only at the time they are exercised or on their maturity as indicated by IAS 32.

Warrants issued by the company have the characteristics to be considered as equity instruments since both instruments contain a pre-set execution value (defined as the "fixed for fixed criteria").

Specifically for the Sponsor warrants, an exchange between equity instruments and cash at an already pre-determined value is provided in case of execution. Information on these instruments is available in the paragraph on shareholders' equity.

## PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges relate to costs and charges of a defined nature and of certain or probable existence whose amount or date of occurrence are uncertain at the reporting date. Accruals to provisions are recorded when:

- the existence of a present obligation, legal or implicit, deriving from a past event is probable;
- it is probable that compliance with the obligation will result in a charge;
- the amount of the obligation can be estimated reliably.

Provisions are recorded at the value representing the best estimate of the amount that the entity would reasonably pay to discharge the obligation or to transfer it to a third party at the reporting date. When the financial effect of the passing of time is significant and the payment dates of the obligations can be reliably estimated, the provision is determined by discounting the expected cash flows taking into account the risks associated with the obligation; the increase of the provision due to the passing of time is recorded in the income statement in the account "Financial charges".

The provisions are periodically updated to reflect the changes in the estimate of the costs, of the time period and of the discounting rate; the revision of estimates is recorded in the same income statement accounts in which the provision was recorded.

## REVENUE AND COSTS

Revenues from the sale of goods and services as well as the purchase costs of goods and services are recognised on the transfer of control of the relative goods or completion of the service.

Revenues are shown net of discounts, allowances and returns; they are recorded at fair value to the extent in which it is possible to reliably determine such value and the likelihood that the relative economic benefits will be enjoyed.

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Revenues are recognised in accordance with IFRS 15 and therefore as per the following 5 steps:

1. identification of the contract with the customer. The standard contains specific provisions to assess whether two or more contracts should be combined and to identify the accounting implications of any contractual amendments;
2. identification of the contractual obligations contained in the contract;
3. calculation of the transaction price, which should be made taking into consideration, among others, the following elements: any amounts paid on behalf of third parties, which must be excluded from the consideration, variable price components (such as performance bonuses, penalties, discounts, reimbursements, incentives, etc...) and any financial component, present where the payment terms granted to the customer contain a significant extension period;
4. allocation of the transaction price to the contractual obligations, on the basis of the stand-alone sales price of each good or service; separately;
5. recognition of the revenue, when (or if) each contractual obligation is satisfied through the transfer of the goods or service, which occurs when the customer obtains the control and therefore has the capacity to decide upon and/or control its use and substantially obtain all the benefits. Control may be transferred at a specific point in time or over time.

The analysis undertaken indicated that the obligations arising for the Parent Company to its clients mainly concern the production and supply of finished products according to the terms and conditions requested, and in particular:

- payment deadlines are on average between in line with generally applied market averages. "Cash discounts" are contractually granted in the case of early settlement and were recognised as a direct reduction in revenues. No payment deferments are granted which could be considered as qualifying as a loan;
- the finished product is sold without the granting of warranty periods and/or without return and/or suspension of ownership clauses. Any returns and reimbursements are agreed among the parties on a case by case basis following critical analysis of the reasons which may have resulted in any non-compliance issues.

It is therefore considered that:

i. the moment of transfer of control to clients of their products coincides with the transfer of the associated risks and benefits, as contractually defined by the delivery terms applied and which are in line with those generally accepted within the sector;
ii. the consideration does not include any financial component, with the exception of the cash discounts which are recognised as a reduction in revenues, while the component of the transport service and insurance (applicable only with specific delivery terms) is however completed in the same period as the transfer of control of the goods and therefore accrues to the same period;
iii. no contractual obligations are in place which suspend the transfer of control of the goods and therefore only the returns/reimbursements that may be agreed (concerning the goods sold in the year) may be recognised as a reduction of the relative revenues.

## FINANCIAL INCOME AND CHARGES

Financial income and charges are recognised in the income statement in the period in which they are earned or incurred according to IFRS 9.

## DIVIDENDS

Dividends received are recognised when (i) shareholders become entitled to receive the payment, which coin-

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cides with the date of the investee company's shareholders' meeting approving distribution, (ii) it is probable that the economic benefits associated with the dividend will flow to the entity and (iii) the amount of the dividend can be measured reliably.

The distribution of dividends to Aquafil S.p.A.'s shareholders is represented as a movement of shareholders' equity and recorded as a liability in the financial year in which this distribution is approved by the Shareholders' Meeting.

## INCOME TAXES

Current taxes are determined on the basis of estimated taxable income, in compliance with tax regulations applicable to companies and are recorded in the income statement under the item "Income taxes for the year", with the exception of those relating to items directly debited or credited to a shareholders' equity reserve; in such cases, the relative tax effect is directly recognised in the respective shareholders' equity reserves. The income statement shows the amount of income taxes for each item included in the "other components of the consolidated comprehensive income statement".

Deferred tax assets and liabilities are calculated in accordance with the balance sheet liability method. Deferred taxes are calculated on temporary differences between the values recorded in the financial statements and the corresponding values recognised for tax purposes. The deferred tax assets, including those relating to any tax losses carried forward, are recognised only for those amounts for which it is probable there will be future assessable income to recover the amounts. Tax assets and liabilities are offset, separately for current taxes and for deferred taxes, when the income tax is applied by the same fiscal authority, there is a legal right of compensation and the payment of the net balance is expected. Deferred tax assets and liabilities are calculated utilising the tax rates which are expected to be applied in the years when the temporary differences will be realised or settled, taking into account current tax regulations or substantially in force at the reporting date. Other taxes not related to income, such as indirect taxes and duties are included under "Other operating costs and charges".

From the year 2018 Aquafil S.p.A. was included in the tax consolidation regime with the parent company Aquafin Holding S.p.A., which was interrupted in 2017 due to the merger by incorporation of Aquafil S.p.A. into Space 3 S.p.A. The tax consolidation regime is also confirmed for the year 2025. Aquafil S.p.A. for fiscal year 2023 altered the method for allocating fiscal losses resulting from tax consolidation in the event of the suspension or non-renewal of tax consolidation in accordance with Article 124(4) of the Income Tax Law. Specifically, as part of the renewal for the three-year period 2024-2026, it was indicated in line OP6, col. 3, code "4" (Change in the criterion used for any allocation of residual losses) and in column 7, code "3" (Allocation to companies that produced losses in a different manner from the previous). This change therefore involves the allocation of losses to Aquafil S.p.A. and the consequent reclassification of the deferred tax assets now recognised by the company.

In addition, it should be noted that Article 12 of Legislative Decree No. 142 of 29/11/2018 defined the concept of "non-financial holding companies" ("Industrial Holdings"), for which, "the prevalent exercise of acquiring investments in parties other than financial intermediaries exists when, based on the figures of the last approved year-end financial statements, the total amount of investments in these parties and other equity elements undertaken between them, considered as a whole, is higher than 50 per cent of the total assets on the balance sheet", with effect from the year 2018.

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Due to this amendment by Legislative Decree 142/2018, therefore, as of the year 2018, previously excluded companies fall under "Industrial Holding" and particularly those which have holdings but whose financial income predominantly comprises revenues from industrial activity.

The company which qualifies as an "Industrial Holding" must calculate the Irap taxable base in accordance with Article 6, paragraph 9 of the Irap Decree, that is, by adding to the normally determinable taxable base, 100% of the interest income and other financial income and subtracting 96% of the interest expense and similar charges; in addition, the increased rate envisaged for banks and other financial institutions must be applied to the value of production relevant for IRAP purposes. It should be noted that also for 2025, the IRAP rate for the industrial holding companies in the province of Trento, applicable to non-financial holding companies and similar entities pursuant to paragraph 9 of Article 6 of Legislative Decree No. 446/97 is 4.65%, and the benefits normally granted to industrial companies are not applied.

## ASSETS AND LIABILITIES AVAILABLE FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets and current assets and non-current assets of discontinued operations are classified as held-for-sale where their book value will principally be recovered through sale. This condition exists when the sale is highly probable and the asset or discontinued operation is available for an immediate sale in its current conditions. Non-current assets held-for-sale, current assets and non-current assets of discontinued operations and the liabilities directly related to them are recorded separately to company assets and liabilities in the balance sheet. Non-current assets held-for-sale are not depreciated and are valued at the lower of the subscription value and their fair value, less selling costs.

Any difference between the book value and the Fair Value less selling costs is recorded in the income statement as a write-down; any subsequent recoveries in value are recognised for the amount of the write-downs previously recorded, including those recognised before the definition of the asset as held-for-sale.

Non-current assets and current and non-current assets of disposal groups classified as held-for-sale constitute discontinued operations if, alternatively:

- they represent a significant autonomous branch of activity or a significant geographical area of activity; or
- is part of a disposal programme of an important independent activity or geographical area of activity;
- are a subsidiary acquired exclusively for the purpose of sale.

The results of discontinued operations, as well as any capital gain/loss realised following disposal, are shown separately in the income statement under a specific account, net of the related tax effects; the income statement values of discontinued operations are also presented for the comparative years.

It should be noted that at December 31, 2025, Aquafil had only assets held-for-sale consisting of machinery and equipment and had no discontinued operations.

## USE OF ACCOUNTING ESTIMATES

The preparation of the financial statements requires the directors to apply accounting principles and methods that, in some circumstances, are founded on difficult and subjective valuations and estimates, based on historical experience and assumptions which are from time to time considered reasonable and realistic under the relative circumstances. The application of these estimates and assumptions impact upon the amounts reported in the financial statements, the balance sheet, the income statement, the comprehensive income statement,

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the cash flow statement, the statement of changes to shareholders' equity and the notes to the accounts. The final outcome of the accounts in the financial statements which use the above-mentioned estimates and assumptions may differ, even significantly from those reported in the financial statements due to the uncertainty which characterises the assumptions and the conditions upon which the estimates are based.

Numerous items in the financial statements are subject to estimates and while not all of these accounts are individually significant, they are significant on an overall basis.

The accounting policies which require greater subjectivity by the directors in the preparation of the estimates and for which a change in the underlying conditions or the assumptions may have a significant impact on the financial results of the Company are briefly described below.

## IMPAIRMENTS

The tangible and intangible assets with definite useful lives are verified to ascertain if there has been a loss in value, which is recorded by means of a write-down, when it is considered there will be difficulties in the recovery of the relative net book value through use. The verification of such difficulties requires the directors to make valuations based on the information available within the company and on the market, as well as from historical experience. In addition, when it is determined that there may be a potential reduction in value, the company determines this through using the most appropriate technical valuation methods available. The correct identification of the indicators of a potential reduction in value of tangible and intangible assets, as well as the estimates for their determination depends on factors which may vary over time, impacting upon the valuations and estimates made by the directors.

Specifically, the Directors utilise:

External information sources:

- observable indications have emerged that the value of the asset has declined significantly more during the period than would be expected as a result of the passage of time or normal use;
- Significant changes adversely affecting the entity have occurred, or will occur in the near future, in the technological, market, economic, or legal environment in which the entity operates or in the market on which the business is focused;
- Market interest rates or other market rates of return on investments have increased during the period, and such increases could affect the discount rate used to calculate an asset's value in use and materially reduce its recoverable amount;
- The carrying amount of the entity's net assets is higher than its market capitalisation.

Internal information sources:

- Indications of the obsolescence or physical damage to an asset have emerged;
- During the period, significant changes with an adverse effect on the entity have occurred, or are expected to occur in the near future, in relation to the extent or manner in which an asset is used or expected to be used. Such changes include the inactivity of the asset, plans to discontinue or restructure the business to which the asset belongs, plans to dispose of an asset before the previously planned date, and reassessment of the useful life of an asset as finite rather than indefinite.

Internal reports indicate that the economic performance of an asset is, or will be, weaker than expected.

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## AMORTISATION & DEPRECIATION

The cost of property, plant and equipment and intangible assets is depreciated or amortised on a straight-line basis over the estimated useful life of the asset. The useful life of these assets is determined by the directors when the assets are purchased. This is based on the historical experience for similar assets, market conditions and considerations relating to future events which could have an impact on the useful life, such as changes in technology. Therefore, the effective useful life may differ from the estimated useful life.

## INVENTORIES

Inventories of products which are obsolescence or slow moving are periodically subject to valuation tests and written down when the recoverable value is lower than the carrying amount. The write-downs are made based on assumptions and estimates of management deriving from experience and historic results and compared with market values.

## DOUBTFUL DEBT PROVISION

the recoverability of receivables is valued taking account of the non-payment risk, of aging of receivables and of the losses recorded in the past on similar receivables.

## PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges are recorded to cover known or likely losses or liabilities, the timing and extent of which are not known with certainty at the reporting date.

They are recorded only where a present obligation exists (legal or implicit) for a future payment resulting from past events and it is probable that the obligation will be settled. This amount represents the best estimate of the costs required to settle the obligation. The rate used in the determination of the present value of the liability reflects the current market values and the specific risk associated to each liability.

If the financial effect of the period is significant and the payment dates of the obligations can be reliably estimated, the provisions are valued at the present value of the expected payment, utilising a rate which reflects market conditions, the change in the cost of money in the period and the specific risk related to the obligation. The increase in the value of the provision from changes in the cost of money in the period is recognised as a financial charges.

Possible risks that may result in a liability are disclosed in the notes on potential liabilities without any provision.

## DEFERRED TAX ASSETS

Deferred tax assets are recognized with respect to deductible temporary differences between the values of assets and liabilities expressed in the financial statements compared to the corresponding tax value and tax losses that can be carried forward, to the extent that the existence of adequate future taxable profit is likely, with respect to which these losses may be used. A discretionary assessment is required of the directors to determine the amount of deferred tax assets that can be accounted for, which depends on the estimate of probable timing and the amount of future taxable profits.

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## 2.4 ACCOUNTING STANDARDS NOT YET APPLICABLE

The new documents issued by the IASB and endorsed by the EU to be mandatorily adopted from financial statements beginning January 1, 2025 are indicated below.

| Document title | Issue date | Date of entry into force | Date of endorsement | Regulation (EC) and publication date | Notes and references to this checklist |
|---|---|---|---|---|---|
| Lack of Exchangeability (Amendments to IAS 21) | August 2023 | January 1, 2025 | November 12, 2024 | (EC) 2024/2862 November 13, 2024 | See points 38, 325-327 |

New IFRS accounting standards or amendments to IFRS accounting standards applicable to financial statements for fiscal years beginning after January 1, 2025.

### PART A - EU-endorsed documents as of November 30, 2025

| Document title | Date of issue | Entry into force | Endorsement date | Regulation (EC) and publication date | Notes and references to this checklist |
|---|---|---|---|---|---|
| Changes to the classification and evaluation of the financial instruments (Amendments to IFRS 9 and IFRS 7) | May 2024 | January 1, 2026 | May 27, 2025 | (EC) 2025/104728 May 28, 2025 | See points 540-545 |
| Electricity-dependent power-related contracts (Amendments to IFRS 9 and IFRS 7) | December 2024 | January 1, 2026 | June 30, 2025 | (EC) 2025/1266 July 1, 2025 | See points 546-549 |
| Annual cycle of improvements to IFRS accounting standards – Volume 11 (Amendments to IFRS 1, IFRS 7, IFRS 9, to IFRS 10 and IAS 7) | July 2024 | January 1, 2026 | July 9, 2025 | (EC) 2025/1311 July 10, 2025 | See points 550-554 |

### PART B - Documents not yet approved by the EU as of November 30, 2025

It should be noted that these documents will be applicable only after EU endorsement.

| Document title | Issue date by the IASB | Date of entry into force of the IASB document | Scheduled date for endorsement by the EU |
|---|---|---|---|
| **New IFRS accounting standards** | | | |
| IFRS 14 Regulatory Deferral Accounts | January 2014 | January 1, 2016 | Postponed pending the new accounting standard on "rate-regulated activities". |
| IFRS 18 Presentation and disclosure in financial statements | April 2024 | January 1, 2027 | Q1 2026 |
| IFRS 19 Subsidiaries without public accountability: disclosures | May 2024 | January 1, 2027 | TBD |
| **Amendments to IFRS accounting standards** | | | |
| Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) | September 2014 | Deferred until the completion of the IASB project on the equity method | Endorsement process postponed pending the conclusion of the IASB project on the equity method |
| Amendments to IFRS 19 Subsidiaries without public accountability: disclosure | August 2025 | January 1, 2027 | TBD |
| Amendments to IAS 21 Translation to a Hyperinflationary Presentation Currency | November 2025 | January 1, 2027 | TBD |

With reference to the new accounting standard IFRS 18 (*Presentation and Disclosures in Financial Statements*), the Company has commenced its analysis to assess the potential effects on the presentation of the financial position, the financial performance, and the related supplementary disclosures.

As of the closing date of these financial statements, given the preliminary stage of the analysis, a reliable estimate of the future quantitative impacts is not yet available, although changes are primarily expected in the classification of income statement items and in the aggregation of information.

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# 3. FINANCIAL RISK MANAGEMENT

The principal business risks identified, monitored and, as illustrated below, actively managed by the Company are as follows:

- market risk, deriving from fluctuations in exchange rates between the euro and the other currencies in which the Company operates, the interest rate and raw material prices;
- credit risk, deriving from the possibility of default by a counterparty;
- liquidity risk, deriving from insufficient financial resources to meet financial commitments.

The Company's objective is to maintain a balanced management of its financial exposure over time to ensure a liability structure that is in equilibrium with the composition of assets and capable of ensuring the necessary operational flexibility through the use of liquidity generated by current operating activities and recourse to bank financing.

The ability to generate liquidity from ordinary operations and debt capacity allow the Company to adequately meet its operational requirements, the financing of operating working capital and investment capital, and to meet its financial obligations.

The Company's financial policy and management of the relative financial risks are guided and monitored at central level. In particular, the central finance function is tasked with evaluating and approving forecast financial needs, monitoring the trend and, where necessary, implementing suitable corrective actions.

The following section provides qualitative and quantitative information on the impact of these risks on the company.

## 3.1 MARKET RISK

### Exchange rate risk

Exposure to the risk of exchange rate variations arises from the Company's commercial activities which are also carried out in currencies other than the euro. Revenues and costs denominated in foreign currencies may be influenced by exchange rate fluctuations with an impact on trade margins (economic risk), just as trade and financial payables and receivables denominated in foreign currency may be affected by the conversion rates used, with an effect on the economic result (transaction risk).

The principal exchange rates the Company is exposed to are:

- EUR/USD, in relation to transactions carried out in US Dollars;
- EUR/GBP, in relation to transactions carried out in UK sterling.

The Company does not adopt specific policies to hedge exchange rate fluctuations, with the exception of contracts occasionally entered into due to the contingent requirements of its commercial activities. It should be noted that there is periodic massive offsetting between the values of purchase components in foreign currencies, mainly US dollars, and the values of sales in the same currency, which significantly mitigates the currency risk. The company is however exposed to a contained level of exchange rate risk stemming from operations as a portion of cash flows, sales and also purchases are denominated in the same currency (natural hedging).

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## Analysis of sensitivity of exchange rate risk

For the purposes of an exchange rate sensitivity analysis, balance sheet items as at December 31, 2025 (financial assets and liabilities), denominated in a currency other than the functional currency of the Company were identified. In assessing the potential effects arising from changes in exchange rates, inter-company payables and receivables in currencies other than the account currency were also taken into consideration.

Two scenarios were considered for the purposes of the analysis which respectively reflect a 10% appreciation and depreciation of the nominal exchange rate between the currency in which the balance sheet item is denominated and the accounting currency.

The table below highlights the results of the analysis at December 31, 2025:

| (Euro thousands) | Book value | Exposition to currency risk | +10% Gains/(Losses) | -10% Gains/(Losses) |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Cash and cash equivalents | 118,634 | 29,707 | (2,971) | 2,971 |
| Trade receivables (net credit notes) | 49,293 | 5,346 | (535) | 535 |
| *of which related parties* | *50,289* | *7,879* | *(788)* | *788* |
| Tax effect | | | 841 | (841) |
| **Total financial assets** | | | **(2,664)** | **2,664** |
| | | | | |
| **Financial liabilities** | | | | |
| Trade payables | (102,823) | (10,807) | 1,081 | (1,081) |
| *of which related parties* | *(64,660)* | *(6,492)* | *649* | *(649)* |
| Tax effect | | | (259) | 259 |
| **Total financial liabilities** | | | **821** | **(821)** |
| | | | | |
| **Total** | | | **(1,843)** | **1,843** |

The table below highlights the results of the analysis at December 31, 2024:

| (Euro thousands) | Book value | Exposition to currency risk | +10% Gains/(Losses) | -10% Gains/(Losses) |
|---|---|---|---|---|
| **Financial assets** | | | | |
| Cash and cash equivalents | 81,709 | 14,907 | (1,491) | 1,491 |
| Trade receivables (net credit notes) | 68,011 | 12,526 | (1,253) | 1,253 |
| *of which related parties* | *68,074* | *12,128* | *(1,481)* | *1,481* |
| Tax effect | | | 658 | (658) |
| **Total financial assets** | | | **(2,085)** | **2,085** |
| | | | | |
| **Financial liabilities** | | | | |
| Trade payables | (115,683) | (12,140) | 1,214 | (1,214) |
| *of which related parties* | *(61,172)* | *(7,558)* | *756* | *(756)* |
| Tax effect | | | (291) | 291 |
| **Total financial liabilities** | | | **923** | **(923)** |
| | | | | |
| **Total** | | | **(1,162)** | **1,162** |

Note: the plus sign indicates a higher profit and an increase in shareholders' equity; the minus sign indicates a lower profit and a decrease in shareholders' equity.

## Interest rate risk

The Company uses external funding and utilises on-demand liquidity from market instruments. Changes in the

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interest rates impact on the cost and return of the various forms of loans and uses, with an effect therefore on the financial charges. The Company policy seeks to limit interest rate fluctuation risk through undertaking fixed or variable rate medium/long-term loans; hedging is carried out through the trading of derivative instruments (e.g. IRS - Interest Rate Swaps; IRC - Interest Rate Collar), utilised only for hedging purposes and not for speculative purposes. These contracts, although subscribed for hedging purposes relating to the financial exposure of the Company, were not treated as hedges for accounting purposes, given the technical complexity of the accounting demonstration of the hedging relationship and the relative effectiveness, and therefore with end-of-period Mark to Market (MTM) adjustment effects recognised directly in the income statement.

The following tables summarise the main information concerning hedging derivatives on interest rates as at December 31, 2025:

| (Euro thousands) | Contract opening date | Contract maturity date | Notional value at signing date in foreign currency | Notional currency | Fair value at December 31, 2025 |
|---|---|---|---|---|---|
| IRS Intesa San Paolo | 28/12/2021 | 31/12/2027 | 30,000 | Euro | 319 |
| IRS Monte dei Paschi di Siena | 30/09/2023 | 30/09/2026 | 20,000 | Euro | (161) |
| IRC BNL | 05/07/2023 | 05/07/2028 | 10,000 | Euro | (69) |
| **Total** | | | **60,000** | | **89** |

For comparability with the previous year, a similar analysis at December 31, 2024 is presented below:

| (Euro thousands) | Contract opening date | Contract maturity date | Notional value at signing date in foreign currency | Notional currency | Fair value at December 31, 2024 |
|---|---|---|---|---|---|
| IRS Intesa San Paolo | 28/12/2021 | 31/12/2027 | 30,000 | Euro | 670 |
| IRS Banca Popolare Milano | 20/06/2018 | 30/06/2025 | 25,000 | Euro | 18 |
| IRS Banca Popolare Milano | 06/06/2019 | 30/06/2025 | 15,000 | Euro | 14 |
| IRS Credit Agricole | 09/08/2019 | 28/12/2025 | 10,000 | Euro | 35 |
| IRS Intesa San Paolo | 25/09/2019 | 31/12/2024 | 20,000 | Euro | 0 |
| IRS Monte dei Paschi di Siena | 30/09/2023 | 30/09/2026 | 20,000 | Euro | (409) |
| IRC BNL | 05/07/2023 | 05/07/2028 | 10,000 | Euro | (119) |
| **Total** | | | **130,000** | | **211** |

## Sensitivity analysis related to interest rate risk

With reference to interest rate risk, a sensitivity analysis was carried out to determine the effect on the income statement and shareholders' equity resulting from a hypothetical positive and negative change of 100 bps in interest rates compared to those actually recorded in each period.

The analysis was carried out by primarily focusing on the following items:

- cash and cash equivalents;
- short and medium/long-term financial liabilities.

With reference to cash and cash equivalents, reference was made to the average funds held and the average rate of return for the period. For short and medium/long-term financial liabilities, the impact was calculated on an actual basis. Financial payables settled at a fixed rate and those hedged through derivative instruments were not included in this analysis.

The table below highlights the results of the analysis at December 31, 2025:

| (Euro thousands) | Impact on Net Profit | | Impact on Net Equity | |
|---|---|---|---|---|
| Change | + 100 bps | - 100 bps | + 100 bps | - 100 bps |

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| | | | | |
|---|---|---|---|---|
| FY 2025 | (1,389) | 1,389 | (1,389) | 1,389 |

For comparability with the previous year, a similar analysis at December 31, 2024 is presented below.

| (Euro thousands) | Impact on Net Profit | | Impact on Net Equity | |
|---|---|---|---|---|
| Change | + 100 bps | - 100 bps | + 100 bps | - 100 bps |
| FY 2024 | (1,350) | 1,350 | (1,350) | 1,350 |

Note: the plus sign indicates a higher profit and an increase in shareholders' equity; the minus sign indicates a lower profit and a decrease in shareholders' equity.

### Raw material price risk

The Company's production costs are influenced by the price trends of the main raw materials used. The price of these materials varies depending on a wide range of factors, to a large extent uncontrollable by the company and difficult to predict.

Specifically, the company implements a strategy to offset the price volatility risk of the commodities used through contractual hedging which are limited to price changes for raw materials, energy sources and partly, selling prices.

## 3.2 CREDIT RISK

The Company's exposure to credit risk relates to the possibility of insolvency (default) and/or in the deterioration of the credit rating of a counterparty and is managed through adequate valuation instruments of all counterparties by a dedicated department, utilising the appropriate instruments to carry out constant monitoring, on a daily basis, of the behaviour and credit rating of clients.

The company hedges its credit risk through insurance policies on the client exposure, undertaken with primary debt insurance companies. External companies providing corporate information are utilised both to initially evaluate the reliability and for on-going monitoring of the economic and financial situation of clients.

The following table provides a breakdown of trade receivables from third parties at December 31, 2025, grouped by due date and net of the doubtful debt provision:

| (Euro thousands) | At December 31, 2025 | Not yet due | Overdue within 30 days | Overdue between 31 and 90 days | Overdue between 91 and 120 days | Overdue beyond 120 days |
|---|---|---|---|---|---|---|
| Guaranteed trade receivables (a) | 2,021 | 1,362 | 627 | (70) | (21) | 124 |
| Credit Notes to Customers | (3,472) | (3,472) | | | | |
| Non-guaranteed trade receivables (b) | 489 | 113 | 29 | 24 | 0 | 323 |
| Non-guaranteed trade receivables impaired (c) | 275 | | | | | 275 |
| **Trade receiv. before doubtful debt prov. [(a)+(b)+(c)]** | **(687)** | **(1,997)** | **656** | **(45)** | **(21)** | **721** |
| Doubtful debt provision | (310) | 0 | 0 | 0 | 0 | (310) |
| **Trade receivables** | **(997)** | **(1,997)** | **656** | **(45)** | **(21)** | **411** |

| (Euro thousands) | At December 31, 2024 | Not yet due | Overdue within 30 days | Overdue between 31 and 90 days | Overdue between 91 and 120 days | Overdue beyond 120 days |
|---|---|---|---|---|---|---|
| Guaranteed trade receivables (a) | 2,282 | 1,621 | 479 | (49) | (1) | 232 |
| Credit Notes to Customers | (2,683) | (2,683) | 0 | 0 | 0 | 0 |
| Non-guaranteed trade receivables (b) | 453 | 246 | 54 | 0 | 4 | 148 |
| Non-guaranteed trade receivables impaired (c) | 196 | | | | | 196 |
| **Trade receiv. before doubtful debt prov. [(a)+(b)+(c)]** | **248** | **(817)** | **533** | **(48)** | **4** | **576** |
| Doubtful debt provision | (311) | 0 | 0 | 0 | 0 | (311) |

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| | | | | | | |
|---|---|---|---|---|---|---|
| **Trade receivables** | **(63)** | **(817)** | **533** | **(48)** | **4** | **265** |

## 3.3 LIQUIDITY RISK

Liquidity risk relates to the risk of the company being unable to meet its payment obligations due to the inability to source new funds or liquidate assets on the market. This results in a negative impact on economic performance if it is obliged to incur additional costs to meet its commitments or insolvency.

The liquidity risk to which the company is exposed relates to the inability to source sufficient funding for operations, in addition to industrial and commercial operations. The principal factors which determine the liquidity situation are, on the one hand, the resources generated and absorbed by the operating and investment activities and on the other the maturity dates and the renewal of the payable or liquidity of the financial commitments and also market conditions.

The company can avail of on-demand liquidity and has a significant availability of credit lines granted by a number of leading Italian and international banks. The company considers that the funds and credit lines currently available, in addition to those that will be generated from operating and financial activities, will permit the satisfaction of its requirements deriving from investment activities, working capital management and the repayment of debt in accordance with their maturities.

The table below shows an analysis of amounts due, based on contractual repayment obligations, relating to financial liabilities, trade payables and other current and non-current liabilities as at December 31, 2025:

| (Euro thousands) | December 31, 2025 | Within 1 year | Between 1 and 5 years | Beyond 5 years |
|---|---|---|---|---|
| Bond loan | 95,504 | 13,932 | 31,571 | 50,000 |
| Other current and non-current financial liabilities | 250,990 | 73,335 | 176,107 | 1,547 |
| Liabilities for intercompany RoU | 970 | 316 | 654 | 0 |
| Loans from subsidiaries | 41,011 | 9,096 | 31,915 | 0 |
| Trade payables | 38,163 | 38,163 | 0 | 0 |
| Intercompany trade payables | 64,660 | 64,660 | 0 | 0 |
| Other current and non-current liabilities | 11,153 | 10,835 | 318 | 0 |
| Other current and non-current intercompany liabilities | 3,138 | 3,138 | 0 | 0 |

All the amounts in the table above refer to the nominal amounts not discounted, stated with regards to the residual contractual maturities, both in terms of the capital and interest portions. The company expects to meet these commitments through cash flows generated from operating activities and where necessary, through medium-term financing operations.

In this risk analysis, we add the more detailed conclusions of the Directors' Report on the conflict between Russia and Ukraine and the conflict between Israel and Palestine. In particular, it can be stated that overall no impact and/or effect is seen (i) on the value of the assets shown in the financial statements (ii) on the recoverability of trade receivables (iii) on the net realisable value of inventories. As mentioned previously, the impact on the business thus far has remained, on the whole, limited. Therefore, no specific risks have been identified in terms of the ability of the Group and of Aquafil S.p.A. to meet its future commitments (including compliance with the "covenants" at June 30, 2026 and at December 31, 2026 set out in certain loan agreements) and/or which may impact the Group's ability to continue as a going concern.

With regards to the conflict between Russia and Ukraine, that between Israel and Palestine and the recent conflict in the Middle East, it is confirmed that this situation does not have direct impacts on the company, as cur-

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rently not having (i) any investment in any the countries mentioned, nor (ii) financial instruments or liquidity in these currencies. It is also confirmed that, based on the analyses conducted by Management, no significant impacts on future cash flow and earnings estimates are expected.

## 3.4 CLIMATE CHANGE RISKS

Aquafil passionately pursues its environmental, social and governance policy and takes an active role in the community in which it operates.

The Company's organisational structure for many years has considered the environmental impact of its processes and products and continuously assesses possible improvement actions, with an approach firmly focused on sustainability and circularity.

In particular, this structure considers the consequences of climate change for its activities, processes and local organisations, the risk of which is consistently monitored and assessed. It can thus be stated that no significant impacts are currently expected on operating activities in the regions where the Group operates.

In its Sustainability Statement, Aquafil assigned significant consideration to addressing climate issues. These issues were addressed within the materiality analysis (Section 1.4 "Materiality Analysis" and Appendix, Table 5.6) and were further explored in the appropriate chapter (Section 2.1 "Climate Change").

Aquafil recognises the urgency of a transition to a low-emission economy. Therefore, starting in 2023 the company conducted a Climate Risk and Vulnerability Assessment (CRVA) to assess the exposure and vulnerability to physical climate risks of the European plant. In 2025, the analysis activities were completed, having covered 100% of the Group's production plant.

Through the CRVA, it was possible to identify the most significant physical risks stemming from climate change to our operations and to assess the resilience of our strategy and business model. This analysis, complementary to the double materiality analysis, has provided a more detailed picture of climate threats, enabling Aquafil to develop an adaptation plan which includes mitigation and adaptation strategies to protect its operations and value chain.
As part of the dual materiality analysis, carried out consistently with the aforementioned CRVA, Aquafil identified a number of impacts, risks and opportunities related to climate change and the three related sub-topics proposed by the CSRD (Energy, Climate Change Mitigation, Climate Change Adaptation), all of which were therefore found to be material. In particular, Aquafil, as an energy-intensive company, has identified a number of impacts, risks and dependencies related to the high energy requirements for its production activities, as well as positive impacts and opportunities. Through the opportunities offered by the circular economy, the company forms strategic connections with its stakeholders and works to develop new value chains with reduced carbon footprints in an industry as heavily dependent on oil as the chemical-textile sector.

Finally, also on the climate change mitigation front, Aquafil has been monitoring its Scope 3 emissions since 2023, and an Inventory Management Plan was put in place in 2024 to standardise the calculation of emissions according to the GHG Protocol. All the aforementioned actions, combined with the introduction in 2025 of a physical risk adaptation plan and a procedure for their monitoring at Group level, have enabled the company to carry out the preparatory work for the drawing up of a climate transition plan, 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

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financial planning.

Based on the above, taking into consideration:

- the current and prospective exposure to climate risks;
- 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 need to be reflected in these financial statements in relation to potential impairment of assets or the need to recognise specific provisions for risks and charges.

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## 4. MANAGEMENT OF CAPITAL

The Company's capital management is aimed at ensuring a solid credit rating and adequate levels of capital indicators to support investment plans, in accordance with contractual obligations entered into with lenders.

The Company acquires the necessary capital to finance the needs for business development and operations; financing sources are divided into a balanced mix of risk capital and debt capital to ensure a balanced financial structure and the minimisation of the total cost of capital, for the consequent benefit of all stakeholders.

The remuneration of risk capital is monitored on the basis of the market trend and business performance, once all other obligations have been met, including the debt service; therefore, in order to ensure an adequate remuneration of capital, the safeguarding of business continuity and business development, the Company constantly monitors the development of the debt level in relation to shareholders' equity, business performance and forecasts of expected cash flows in the short and medium/long-term.

## 5. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES

The tables below illustrate the breakdown of financial assets and liabilities of the Company required by IFRS 7, as per the categories identified by IFRS 9, at December 31, 2025:

| (Euro thousands) | Financial assets and liabilities measured at fair value through P&L | Loans and receivables at amortised cost | Financial liabilities at amortised cost | Total |
|---|---|---|---|---|
| Current and non-current financial assets | 319 | | | 319 |
| Equity investments in group companies | | 318,981 | | 318,981 |
| Investments in other companies | | 187 | | 187 |
| Financial receivables from third parties | | 69 | | 69 |
| Current and non-current financial receivables from group companies | | 27,616 | | 27,616 |
| Trade receivables | | (997) | | (997) |
| Trade receivables intercompany | | 50,289 | | 50,289 |
| Other receivables and current assets | | 3,958 | | 3,958 |
| Intercompany tax receivables | | 325 | | 325 |
| Cash and cash equivalents | | 118,634 | | 118,634 |
| **Total** | **319** | **519,063** | **0** | **519,382** |
| | | | | |
| Current and non-current financial liabilities | 0 | | 345,966 | 345,966 |
| Current and non-current intercompany RoU payables | | | 970 | 970 |
| Current and non-current intercompany financial liabilities | | | 41,011 | 41,011 |
| Trade payables to suppliers | | | 38,093 | 38,093 |
| Advances and other current payables | | | 70 | 70 |
| Intercompany trade payables | | | 64,660 | 64,660 |
| Other non-current liabilities | | | 318 | 318 |
| Other current liabilities | | | 10,835 | 10,835 |
| Other intercompany current liabilities | | | 8 | 8 |
| Intercompany tax payables | | | 3,130 | 3,130 |
| Derivative financial instruments | 230 | | | 230 |
| **Total** | **230** | | **505,061** | **505,291** |

The other financial assets and liabilities are short-term and regulated at market interest rates and therefore the book value is considered to reasonably approximate fair value.

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### 5.1 MEASUREMENT OF THE FAIR VALUE

In relation to financial instruments measured at fair value, the table below reports information on the method chosen to measure the fair value. The methods applied are broken down into the following levels, based on the information available, as follows:

- level 1: fair value determined with reference to listed prices (not adjusted), on active markets for identical financial instruments;
- level 2: fair value determined with valuation techniques with reference to observable variables on active markets;
- Level 3: fair value determined with valuation techniques with reference to non-observable variables on markets;

The fair value calculation is determined in accordance with the methods classified in Level 2 and the general criterion utilised for this calculation is the present value of the expected future cash flows of the instrument subject to measurement - a method commonly applied in financial practice. There were no transfers between hierarchical levels of the fair value in the periods considered.

The table below summarises the assets and liabilities measured at fair value at December 31, 2025, on the basis of the level which reflects the inputs utilised in the determination of the fair value.

| (Euro thousands) | December 2025 | December 2024 |
|---|---|---|
| Derivative financial instruments - Assets | 319 | 738 |
| Derivative financial instruments – Liabilities | (230) | (527) |
| **Total** | **89** | **210** |

## 6. DISCLOSURE BY OPERATING SEGMENT

For the purposes of IFRS 8 – Operating Segments, company activity is identifiable in a single operating segment.

In fact, the Company structure identifies a strategic and singular vision of the business and this representation is consistent with the manner in which management takes its decisions, allocates resources and defines the communication strategy. Dividing the business into separate divisions is therefore currently viewed as detrimental to its economic interests.

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# 7. NOTES TO THE BALANCE SHEET

## 7.1 INTANGIBLE ASSETS

The breakdown in the account and changes in the period were as follows:

| (Euro thousands) | Diritti e brevetti - Know how | Marchi concessioni liecenze e simili | Altre attività immateriali | Attività immateriali in corso | Totale |
|---|---|---|---|---|---|
| **Balance at 31.12.2023** | **0** | **64** | **8,223** | **1,990** | **10,277** |
| *Historic cost* | *203* | *4,434* | *29,552* | *1,990* | ***36,179*** |
| *Acc. amort.* | *(203)* | *(4,370)* | *(21,329)* | | ***(25,902)*** |
| Increase | | | 781 | 696 | **1,477** |
| Reclassifications | | | 1,699 | (1,699) | **0** |
| Decrease | | | | | **0** |
| Amortisation | | (31) | (3,577) | | **(3,607)** |
| **Balance at 31.12.2024** | **0** | **34** | **7,126** | **988** | **8,147** |
| *Historic cost* | *203* | *4,434* | *32,032* | *988* | ***37,657*** |
| *Acc. amort.* | *(203)* | *(4,401)* | *(24,906)* | | ***(29,510)*** |
| Increase | | | 299 | 1,453 | **1,752** |
| Reclassifications | | | 1,166 | (833) | **333** |
| Write-downs | | | | | **0** |
| Decrease | | | | | **0** |
| Amortisation | | (11) | (3,631) | | **(3,642)** |
| **Balance at 31.12.2025** | **0** | **22** | **4,960** | **1,607** | **6,589** |
| *Historic cost* | *203* | *4,434* | *33,496* | *1,607* | ***39,741*** |
| *Acc. amort.* | *(203)* | *(4,412)* | *(28,537)* | | ***(33,152)*** |

The increases in the year, totalling Euro 1,752 thousand, mainly refer to the Information and Communication Technology activities represented by the costs of developing specific software implementation projects.

Other Intangible assets include the Company's investments in the development of new products and processes, including the "Effective" project coordinated by Aquafil and funded by the Bio-Based Industries Joint Undertaking (BBI JU) as part of the European Horizon 2020 research programme and focused on the production of bio-caprolactam. The bio-caprolactam production process was started in 2022 on a pilot basis, generating annual amortisation of Euro 1,821 over a five-year period.

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## 7.2 PROPERTY, PLANT & EQUIPMENT

LThe breakdown in the account and changes in the period were as follows:

| (Euro thousands) | Land & buildings | Plant & machinery | Equipment | Other assets | Assets in progress and advances | Total before RoU | Right-of-Use | Total |
|---|---|---|---|---|---|---|---|---|
| **Balance at 31.12.2023** | **10,374** | **15,499** | **386** | **76** | **6,950** | **33,286** | **2,799** | **36,085** |
| *Historic cost* | *34,191* | *142,963* | *5,338* | *1,746* | *6,950* | *191,187* | *4,337* | ***195,523*** |
| *Acc. deprec.* | *(23,817)* | *(127,463)* | *(4,952)* | *(1,669)* | *0* | *(157,901)* | *(1,538)* | ***(159,439)*** |
| Increase | 14 | 3,382 | 26 | | 1,198 | 4,620 | 715 | **5,335** |
| Reclassifications | 426 | 3,915 | 89 | 24 | (4,453) | 0 | | **0** |
| Write-downs | | | | | | 0 | | **0** |
| Decrease | | (1,178) | | 0 | (1,824) | (3,002) | (128) | **(3,129)** |
| Depreciation | (1,036) | (4,051) | (178) | (24) | | (5,288) | (978) | **(6,266)** |
| **Balance at 31.12.2024** | **9,778** | **17,567** | **323** | **76** | **1,871** | **29,616** | **2,409** | **32,024** |
| *Historical cost* | *34,631* | *148,962* | *5,453* | *1,767* | *1,871* | *192,683* | *4,034* | ***196,718*** |
| *Acc. deprec.* | *(24,853)* | *(131,395)* | *(5,130)* | *(1,690)* | *0* | *(163,068)* | *(1,626)* | ***(164,693)*** |
| Increase | 59 | 5,388 | 38 | 15 | 1,707 | 7,207 | 741 | **7,947** |
| Reclassifications | 15 | 933 | 14 | 26 | (1,312) | (324) | | **(333)** |
| Write-downs | | | | | (649) | (649) | | **(649)** |
| Decrease | | (22) | 0 | 0 | (370) | (391) | (37) | **(428)** |
| Depreciation | (122) | (4,425) | (193) | (26) | | (4,767) | (1,072) | **(5,838)** |
| **Balance at 31.12.2025** | **9,730** | **19,441** | **182** | **92** | **1,246** | **30,691** | **2,041** | **32,732** |
| *Historic cost* | *34,705* | *155,196* | *5,495* | *1,801* | *1,246* | *198,443* | *3,305* | ***201,748*** |
| *Acc. deprec.* | *(24,975)* | *(135,755)* | *(5,313)* | *(1,709)* | *0* | *(167,752)* | *(1,265)* | ***(169,017)*** |

The increases in the year, overall amounting to Euro 7,947 thousand, principally relate to:

- for Euro 741 thousand the application of IFRS 16;
- for approx. Euro 3,683 thousand the investment in the new Triply lines, which entered into service during December and for which the company will benefit from the Transition 4.0 tax credit;
- for approx. Euro 573 thousand for projects to improve production and industrial efficiency (the majority of which still ongoing).
- for approx. Euro 1,097 thousand for projects to improve the existing plant.

On the other hand, the decreases are mainly related to the sale of plants to the subsidiaries Aquafil Usa and Aquafil Jiaxing.

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The table below, in accordance with IFRS 16, presents the right-of-use of the non-current asset subject to the leasing contract. In particular this refers to buildings, equipment and transport and motor vehicles as illustrated in the table below:

| (Euro thousands) | Right-of-use buildings | Right-of-use equipment and transport vehicles | Right-of-use motor vehicles | Total |
|---|---|---|---|---|
| **Balance at 31.12.2023** | **2,015** | **185** | **599** | **2,799** |
| *Historical cost* | *2,774* | *466* | *1,097* | ***4,337*** |
| *Acc. deprec.* | *(759)* | *(281)* | *(498)* | ***(1,538)*** |
| Increase | 151 | 148 | 416 | **715** |
| Decreases | (115) | 0 | (12) | **(129)** |
| Depreciation | (487) | (181) | (310) | **(978)** |
| **December 31, 2024** | **1,564** | **151** | **693** | **2,409** |
| *Historic cost* | *2,570* | *263* | *1,202* | ***4,034*** |
| *Acc. deprec.* | *(1,005)* | *(111)* | *(509)* | ***(1,626)*** |
| Increases | 257 | 383 | 101 | **741** |
| Decreases | (15) | (8) | (14) | **(37)** |
| Depreciation | (480) | (261) | (331) | **(1,072)** |
| **Balance at December 31, 2025** | **1,327** | **265** | **449** | **2,041** |
| *Historic cost* | *1,748* | *486* | *1,071* | ***3,305*** |
| *Acc. deprec.* | *(421)* | *(221)* | *(622)* | ***(1,265)*** |

At December 31, 2025, the company did not identify any impairment indicators relating to property, plant and equipment.

## 7.3 CURRENT AND NON-CURRENT FINANCIAL ASSETS

The breakdown of the account is shown below (including current and non-current):

| (Euro thousands) | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Equity investments in group companies | 318,981 | 334,000 |
| Investments in other companies | 187 | 187 |
| Non-current financial receivables parent companies | 0 | 0 |
| Escrow bank deposits and guarantee deposits | 69 | 87 |
| Non-current financial receivables from associates | 29 | 119 |
| Non-current financial receivables from subsidiaries | 23,676 | 20,100 |
| Current financial receivables from subsidiaries | 3,911 | 16,916 |
| Financial receivables from third parties | 0 | 0 |
| Derivative financial instruments - Current | 319 | 738 |
| Derivative financial instruments | 0 | 0 |
| **Total** | **347,173** | **372,148** |
| *of which current* | *4,530* | *17,654* |
| *of which non-current* | *342,943* | *354,494* |

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The breakdown of investments in subsidiaries and associates is illustrated below:

| Company | Registered office | Holding | Opening balance | Increases | Write-downs | Total |
|---|---|---|---|---|---|---|
| Tessilquattro S.p.A. | Arco (IT) | 100.00% | 22,545 | | (6,017) | **16,528** |
| Aquafil USA Inc. | Cartersville (USA) | 100.00% | 124,298 | | | **124,298** |
| Aquafil SLO d.o.o. | Ljubjiana (SLO) | 100.00% | 98,343 | | | **98,343** |
| Aquafil Jiaxing Co. Ltd | Jiaxing (CHN) | 100.00% | 54,871 | | | **54,871** |
| Aquafil CRO d.o.o. | Oroslavje (CRO) | 100.00% | 11,730 | | | **11,730** |
| Aquafil UK Ltd | Ayrshire (UK) | 100.00% | 0 | | | **0** |
| Aquafil Asia Pacific Co. Ltd | Rayoung (THA) | 99.99% | 8,608 | | | **8,608** |
| Aqualeuna G.m.b.H. | Leuna (GER) | 100.00% | 10,964 | | (9,002) | **1,962** |
| Aquafil Tekstil Sanayi Ve Ticaret A.S. | Istanbul (TUR) | 99.99% | 0 | | | **0** |
| Aquafil Benelux France B.V.B.A. | Harelbake (BEL) | 99.90% | 99 | | | **99** |
| Cenon S.r.o. | Zilina (SLO) | 100.00% | 0 | | | **0** |
| Aquafil India Private Ltd | New Delhi (IND) | 99.97% | 6 | | | **6** |
| Aquafil Oceania | Melbourne (AUS) | 100.00% | 32 | | | **32** |
| Aquafil Japan Corp | Tokyo (JPN) | 100.00% | 1,142 | | | **1,142** |
| Bluloop S.r.l. Benefit Company | Arco (IT) | 100.00% | 250 | | | **250** |
| Nofir AS | Bodo (NO) | 31.66% | 1,018 | | | **1,018** |
| Polyservice | Lyon (FR) | 45.00% | 95 | | | **95** |
| **Total** | | | **334,000** | **0** | **(15,019)** | **318,981** |

The investment in the subsidiary Aqualeuna Gmbh was written-down for Euro 9,002 thousand in 2025.

In the same period, the investment in the subsidiary Tessilquattro S.p.A. was written-down for Euro 6,017 thousand.

The write-down recorded in the year derives from the application of the impairment test on the investees where there were indicators of loss in value as described in paragraph 12 of IAS 36.

## INVESTMENTS IN OTHER COMPANIES

The investments in other companies in 2025 were unchanged on 2024.

Investments in other companies mainly refer to the investment in Karun World Ltd for Euro 150 thousand, in Banca di Verona for Euro 11 thousand and the investment in the company Trentino Export S.c.a.r.l. for Euro 3 thousand.

## ESCROW BANK DEPOSITS AND GUARANTEE DEPOSITS

The escrow bank deposits and guarantee deposits refer to guarantees provided to suppliers for various services.

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## FINANCIAL RECEIVABLES FROM SUBSIDIARIES, ASSOCIATES AND PARENT COMPANIES

The breakdown of current and non-current receivables parent companies, subsidiaries and associates is illustrated below:

| (Euro thousands) | December 31, 2025 | *of which current* | December 31, 2024 | *of which current* |
|---|---|---|---|---|
| AQUAFILSLO d.o.o. | 10,601 | 601 | 31,322 | 11,322 |
| AQUALEUNA G.m.b.H. | 3,018 | 3,018 | 1,344 | 1,344 |
| TESSILQUATTRO | 10,053 | 53 | 0 | 0 |
| AQUAFIL JAPAN | 3,603 | 72 | 4,053 | 4,053 |
| BLULOOP | 104 | 4 | 108 | 8 |
| POLY SERVICE SAS | 80 | 35 | 92 | 2 |
| AQUASPACE S.p.A | 29 | | 29 | 0 |
| AQUAFIL UK Limited | 129 | 129 | 187 | 187 |
| **Total** | **27,616** | **3,911** | **37,135** | **16,916** |

### Aquafil SLO D.o.o.

Residual receivables from the subsidiary mainly consist of two loans:

- a loan granted in February 2022 for Euro 10,000 thousand with maturity in February 2025, which was fully repaid in July 2025;
- a second loan granted in August 2022 for Euro 20,000 thousand with maturity in July 2027. This loan was partially repaid for Euro 10,000 thousand in November 2025 and has a residual payable of Euro 10,000 thousand.

### Aqualeuna G.m.b.H.

The outstanding receivable for the loan granted to the subsidiary amounted to Euro 2,500 thousand as of December 31, 2025.

Residual receivables from the subsidiary are as follows:

- a loan granted in December 2013 whose residual payable is Euro 1,800 thousand;
- a loan granted in June 2025 whose residual payable is Euro 700 thousand;

### Aquafil UK Ltd

The receivable from the subsidiary, totalling Euro 3,678 thousand, refers to loans granted in June 2021, December 2022 and October 2023.

Given the loss reported by the subsidiary, the financial receivable was completely written down. The amount recognised of Euro 128.5 thousand shown above relates to the interest portion related to the loan.

### Aquaspace

The receivable from other related parties relates to guarantee deposits of Euro 29 thousand paid by the Company over a multi-year lease for the property located in Via del Garda 40 - Rovereto.

### Aquafil Japan

The loan to the Japanese subsidiary at December 31, 2025 amounted to Euro 3,603 thousand.

### Bluloop S.r.l.

The loan to the subsidiary was disbursed during 2023 for a total of Euro 300 thousand to support its development phase. In 2024, Euro 200 thousand was converted to share capital increase and whose residual payable amounts to Euro 103 thousand.

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### Poly Service S.A.S.

The company disbursed a loan of Euro 90 thousand to the company Poly Service in 2024.

On June 2025, the outstanding loans were written-down by Euro 81 thousand with a recoverability clause subject to collection.

The Company entered into a new loan agreement to support operations for Euro 68 thousand in 2025.

### Tessilquattro S.p.A.

In November 2025, the company disbursed a loan of Euro 10,000 thousand to the subsidiary Tessilquattro S.p.A., maturing in November 2030.

#### DERIVATIVE FINANCIAL INSTRUMENTS

The fair value of the derivative financial instruments (IRS - IRC), recognised to current financial assets, decreased by Euro 121 thousand, substantially due to the change in the market interest rate curve and the closure of a number of outstanding contracts. As previously illustrated, "hedge accounting" was not applied to these derivatives as, although entered into for hedging purposes, have been considered for accounting purposes and consistently with the past, as non-hedging instruments (and therefore the relative fair value is recognised in the income statement), as it is very complex to prepare the mandatory hedging relationship.

## 7.4 OTHER NON-CURRENT ASSETS

Other non-current assets mainly include prepayments related to multi-year costs amounting to Euro 137 thousand.

## 7.5 DEFERRED TAX ASSETS AND LIABILITIES

The breakdown of the items "Deferred tax assets" and "Deferred tax liabilities" is shown below:

| (Euro thousands) | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Deferred tax assets | 20,313 | 18,099 |
| Deferred tax liabilities | 0 | (13) |
| **Total** | **20,313** | **18,086** |

Aquafin Holding S.p.A. however for fiscal year 2023 altered the method for allocating fiscal losses resulting from tax consolidation in the event of the suspension or non-renewal of tax consolidation. This change therefore results in the allocation of losses to Aquafil S.p.A. for the three-year period 2024-2026, instead of the previous transfer of losses to the tax consolidating company Aquafin Holding S.p.A.

Deferred tax assets at 31.12.2025 consisted mainly of:

- deferred tax assets totalling Euro 11,957 thousand (of which Euro 2,937 thousand refer to the current year);
- deferred tax assets from tax losses related to previous years and allocated to the company Aquafil S.p.A. for Euro 7,530 thousand. At 31.12.2024, the total amount of deferred tax assets from tax losses was 9,078 thousand. Decreases of 1,548 thousand were applied in 2025, mainly as a result of the submission of returns for the 2024 tax period on 31.10.2025 and the settlement of the tax audit reports ("PVCs") for the 2018-2019-2020 and 2021 tax years;
- deferred tax assets from tax losses related to the current year for Euro 826 thousand.

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It should be noted that deferred tax assets arising from tax losses are generated by Aquafil S.p.A.'s own losses and the transfer of tax losses of its subsidiaries Tessilquattro S.p.A. and Bluloop S.r.l. Benefit Company.

The relative movement is comprised of:

| (Euro thousands) | At January 1, 2025 | Adjustments to balance sheet (not net equity) | Provisions / releases to net equity | Provisions / releases to income P&L | Allocation of own losses | Transfer from the consolidated Aquafil | At December 31, 2025 |
|---|---|---|---|---|---|---|---|
| **Deferred tax assets** | | | | | | | |
| Provision for risks and charges | 133 | | | | | | 133 |
| Doubtful debt provision | 75 | | | | | | 75 |
| Measurement of employee benefits as per IAS 19 | (8) | | (4) | 3 | | | (9) |
| Intangible and tangible fixed assets | 253 | | | (108) | | | 145 |
| Tax losses | 3,004 | | | | | | 3,004 |
| Inventories | 0 | | | | | | 0 |
| Other provisions | 73 | | | | | | 73 |
| Application of the amortised cost method | 0 | | | | | | 0 |
| Derivative financial instruments | 0 | | | | | | 0 |
| Ace | 346 | | | (298) | | | 48 |
| Exchange rate differences | 0 | | | 0 | | | 0 |
| Application of cash principle on Director remuneration | 54 | | | (37) | | | 16 |
| Interest expense (Art. 96 of Consolidated Income Tax Act) | 5,090 | (131) | | 3,513 | 0 | | 8,473 |
| Aquafil and consolidated tax losses | 2,611 | | | 0 | | 826 | 3,436 |
| Allocation prior year tax losses | 6,468 | | | | (1,453) | (96) | 4,918 |
| **Total deferred tax assets** | **18,099** | **(131)** | **(4)** | **3,072** | **(1,453)** | **731** | **20,313** |
| | | | | | | | |
| **Deferred tax liabilities** | | | | | | | |
| Financial liabilities | | | | | | | |
| Intangible and tangible fixed assets | (13) | | | 13 | | | 0 |
| Other | | | | | | | |
| **Total deferred tax liabilities** | **(13)** | | **0** | **13** | **0** | | **0** |
| | | | | | | | |
| **Total net deferred tax assets** | **18,086** | **(131)** | **(4)** | **3,085** | **(1,453)** | **731** | **20,313** |
| | | | | | | | |
| **Total deferred tax assets and liabilities recognised to the income statement** | | | | **3,085** | | | |

With regard to deferred tax assets:

- Deferred tax assets on the intangible and tangible fixed assets refer to the reversal of intangible fixed assets following the adoption of IAS accounting standards;
- deferred tax assets on tax losses of Euro 3,004 thousand refer to the mutual agreement procedure under Article 6 of the Convention for the elimination of double taxation in the case of the adjustment of profits of associated companies of July 23, 1990 No. 90/436/EEC - relating to the acceptance of the agreement by the competent financial administrations in Italy and Germany in relation to the tax year 2017. Similarly to 2016, on February 15, 2023 the Company submitted, pursuant to Article 3, paragraph 1, of Law No. 99 of March 22, 1993, a refund application for IRES and IRAP purposes to the Provincial Directorate of Trento for Euro 996 thousand and thus awaits the refund authorisation measure. The remaining Euro 2,008 thousand (of which Euro 1,630 thousand for IRES and Euro 378 thousand for IRAP) refers to the mutual agreement procedure initiated on October 4, 2023 for the 2018 and 2019 tax periods, similarly to that undertaken for the 2017 tax period and as discussed in more detail in the Contingent Liabilities section.

  On February 5, 2026, the Company was notified by registered email (PEC) of the agreement reached between the Italian and German administrations regarding the MAP 2018 and 2019.

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The Italian and German competent authorities in this case agreed, with reference to the transactions with the German company, to accept and restate the adjustments made by the German tax authorities, relating to the 2018 and 2019 tax periods;

- deferred tax assets related to the available ACE benefit decreased by Euro 298 thousand as utilised to fully offset the positive taxable income for the year;
- deferred tax assets of Euro 8,473 thousand, of which 3,513 allocated in 2025, concern the amount of interest charges not deducted under the Income Tax law (TUIR) (Article 96), as the amount exceeds the limit of 30% of the Gross Profit, and will therefore be deducted in subsequent years;
- This item also decreased for Euro 131 thousand, which did not impact the provision to the income statement, and deriving from the use of surplus Gross Profit of the related company Aquaspace S.p.A., which was transferred by the latter in the CNM (Consolidated) return for FY 2024 filed on 31.10.2025. In line with the decrease in the deferred tax asset, the receivable from the tax authorities for tax losses was increased, with the amount added to the allocation of own losses;
- deferred tax assets for tax losses refer to taxes calculated on the tax losses of Aquafil S.p.A. and its tax consolidated companies Tessilquattro and Bluloop. S.r.l. The first line indicates the amounts for FY 2025, while the second line indicates the amounts of adjustments made in the tax returns for FY 2024.

It is noted that following the repeal, by Legislative Decree No. 216/2023, as of the tax period following that in progress as of December 31, 2023, of the rules on economic growth aid (ACE), as set forth in Article 1 of Legislative Decree No. 201 of 2011, the Company has not filed an evidential request regarding the disapplication of the anti-avoidance rules. However, the possibility of carrying forward past ACE surpluses into subsequent years without time limitation remains.

The Company conducted a special recoverability analysis with regard to the recognised deferred tax assets balance.

This assessment stems mainly from:

- the estimated operating results projected in the business plan approved by the Board of Directors, for the portion allocated to the Company, and
- the projections of operating results for a reasonable horizon beyond the business plan.

In view of that stated above, the Directors consider that the balance of deferred tax assets recorded in the financial statements is fully recoverable.

In relation to "Deferred tax liabilities", the account "Intangible and tangible fixed assets" refers to the reversal of intangible assets following the adoption of IAS accounting standards and reduced to zero following the release of the last remaining balance of Euro 13 thousand.

## 7.6 INVENTORIES

The changes in the account were as follows:

| (Euro thousands) | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Raw materials, ancillary and consumables | 17,559 | 20,183 |
| Inventories of finished products and goods | 29,862 | 31,549 |
| **Total** | **47,422** | **51,732** |

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Inventories are recorded net of the obsolescence provision amounting to Euro 255 thousand and relates to slow moving prior stock.

The decrease in raw materials and products is mainly related to the decrease in the average purchase price of raw materials in the second half of the year and secondly to a decrease in quantities (particularly caprolactam).

## 7.7 TRADE RECEIVABLES

The changes in the account were as follows:

| (Euro thousands) | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Trade receivables | (687) | 248 |
| Receivables from subsidiaries, parent and related parties | 50,289 | 68,074 |
| Doubtful debt provision | (310) | (311) |
| **Total** | **49,293** | **68,011** |

The movement in receivables mainly concerns sales prices and the altered collection deadlines with the Group companies, which are managed according to the cash flows of each Group company.

The following table shows the movement of the doubtful debt provision:

| (Euro thousands) | December 31, 2025 |
|---|---|
| **January 1, 2025** | **(311)** |
| Utilisations | 1 |
| Other changes | 0 |
| **December 31, 2025** | **(310)** |

In 2025, the provision was utilised for Euro 1 thousand and, based on the updated analysis of the recoverability of trade receivables outstanding as of the balance sheet date, there was no need for provisions or releases during the year.

Reference should be made to the previous paragraph 3.2 for details on the credit risk management policy.

### RECEIVABLES FROM SUBSIDIARIES, PARENT AND RELATED PARTIES

The account includes current trade receivables as follows:

| (Euro thousands) | December 31, 2025 | December 31, 2024 |
|---|---|---|
| AQUAFIL ASIA PACIFIC CO. | 77 | 103 |
| AQUAFIL ENGINEERING GMBH | 0 | 2 |
| AQUAFIL UK LIMITED | 142 | 945 |
| AQUAFILSLO d.o.o. | 13,235 | 18,794 |
| AQUAFIL CARPET RECYCLING | 0 | 6 |
| AQUASPACE S.p.A | 36 | 33 |
| TESSILQUATTRO | 24,751 | 31,728 |
| AQUAFIL Usa Inc. | 7,693 | 12,079 |
| AQUAFIL TEXTIL SANAYI | 0 | 541 |
| AQUAFIL China | 4,309 | 3,602 |
| AQUAFIL BENELUX FRANCE BVBA | 0 | 0 |
| AQUAFIL O'MARA | 30 | 38 |
| AQUAFIL JAPAN | 13 | 196 |
| NOFIR | 0 | 6 |
| BLULOOP | 1 | 2 |
| POLY SERVICE SAS | 0 | |
| **Total** | **50,289** | **67,128** |

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The decrease in trade receivables from subsidiaries, parent and related companies is mainly due to the decrease in receivables from the subsidiary Tessilquattro S.p.A. and the subsidiary AquafilSlo D.o.o. as a result of the sales prices and the different timing of settling collections with Group companies.

## 7.8 INCOME TAX RECEIVABLES

There are no IRES receivables for current taxes.

## 7.9 OTHER CURRENT ASSETS

The changes in the account were as follows:

| (Euro thousands) | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Tax receivables | 1,507 | 1,339 |
| Supplier advances | 116 | 132 |
| Pension and social security institutions | 47 | 47 |
| Employee receivables | 238 | 251 |
| Tax receivables from parent | 325 | 0 |
| Tax receivables subsidiaries | 0 | 0 |
| Other receivables | 732 | 94 |
| Prepayments and accrued income | 1,317 | 2,296 |
| **Total** | **4,283** | **4,159** |

The following is specified in relation to the above items:

- "Tax receivables": principally refer to:
  - for Euro 77 thousand for Value Added Tax for the period;
  - for Euro 132 thousand in tax credits determined pursuant to Article 1, paragraph 35, of Law No. 190 of 23/12/2014 and subsequent amendments, and determined as follows: 1. Industrial research and experimental development in science and technology, the tax credit is recognised at 10% of the eligible expenses; 2. for technological innovation for the creation of new or substantially improved products or production processes, the tax credit is recognised at 5% of the eligible expenses; 3. the tax credit is recognised at 5% of the eligible expenses for technological innovation aimed at achieving an objective of digital innovation 4.0;
  - for Euro 164 thousand receivables for withholding taxes on dividends received from the subsidiaries Aquafil Jiaxing and Aquafil Asia Pacific.
  - for Euro 320 thousand to receivables for withholding taxes on services rendered to non-EU subsidiaries;
  - for Euro 712 thousand to receivables from the tax authorities corresponding to the Industry 4.0 tax credit. During 2025, following the interconnection of new production lines, the company recognised a tax credit of Euro 602 thousand.
- "Supplier advances": these refer mainly for Euro 116 thousand in advances for services yet to be provided.
- "Tax receivables from parent": in relation to this, it should be noted that, for the tax return of the company Aquafin Holding S.p.A. for fiscal year 2023, the method was changed for allocating tax losses deriving from the tax consolidation, resulting in the 2024-2026 three-year period in the allocation of losses to the company Aquafil S.p.A..

  At 31.12.2025, the item is valued based on the main following changes during the year:
  - Definition of the amounts due as a result of the audits carried out on the 2018-2019-2020-2021 fiscal years, which led to higher IRES due of Euro 480 thousand, mainly offset by the release of credits for taxes paid overseas of Euro 74 thousand, resulting in a total payable to the parent company Aquafin Holding S.p.A. of Euro 406 thousand.
  - For further details on the dispute, reference should be made to the appropriate paragraph in the contingent liabilities section.
  - Alignment of the CNM (Consolidated) returns for tax years 2024 and 2023, in which Aquafil S.p.A.'s tax losses

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totalling Euro 702 thousand were utilised.

- "Other receivables": The balance refers mainly to the credit related to the energy release 2.0 made available by GSE to energy-intensive enterprises. The item also includes the balance for Euro 94 thousand related to the European CISUFLO project within the scope of the Ecodesign activities: CIrcularSUstainableFLOorcovering with 17 consortium members in which Aquafil participates as PA6 producer & recycler with the specific role of verifying in pilot and industrial tests the recyclability of the carpets developed with the new design criteria; the project kick-off meeting between all consortium members took place on June 16, 2021.
- "Prepayments and accrued income": these mainly refer to prepayments for insurance premiums for Euro 213 thousand, information and communication technology consultancy fees invoiced in advance of completion of service for Euro 610 thousand, prepayments for purchases of maintenance materials for Euro 186 thousand, personnel training grants for Euro 72 thousand and for Euro 81 thousand multi-year costs for technical consultancy.

## 7.10 CASH AND CASH EQUIVALENTS

The account is comprised of:

| (Euro thousands) | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Cash and equivalents | 7 | 7 |
| Bank and postal deposits | 118,627 | 81,702 |
| **Total** | **118,634** | **81,709** |

The account refers to the company's current account balances.

The breakdown of cash and cash equivalents by currencies is illustrated in the table below:

| (Euro thousands) | December 31, 2025 |
|---|---|
| EUR | 88,927 |
| USD | 27,287 |
| GBP | 1 |
| JPY | 2,419 |
| **Total** | **118,634** |

The Company has maintained an adequate level of available liquidity as a prudent measure in order to reduce liquidity risk and also so as to combat the potential impact of the ongoing conflicts.

For further details, reference should be made to the cash flow statement.

With regard to the loans, during the year new medium-term unsecured loans were agreed by Aquafil S.p.A. for a total amount of Euro 92 million, against the repayment of outstanding loans in 2025 for a total of Euro 98 million, of which Euro 21.3 million for early settlements.

In addition, it should be noted that on September 24, 2025 Aquafil S.p.A. issued a new Bond Loan, for a total amount of Euro 50 million, in order to acquire the relative funding on competitive terms and to maintain a balanced financial structure.

Borrowings are detailed in paragraph 7.14 below.

There were no restrictions on liquidity.

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## 7.11 ASSETS HELD-FOR-SALE

The account includes machinery constructed internally for installation at other companies of the Group for Euro 115 thousand, concerning tangible assets in progress.

The decrease compared to the previous year is mainly due to the effect of the write-down made in FY 2025 for Euro 649 thousand.

## 7.12 SHAREHOLDERS' EQUITY

### Share Capital

At December 31, 2025, the subscribed and paid-in share capital of the company is Euro 53,354,161 and is composed of 73,172,206 ordinary shares and 14,364,028 class B shares.

The approved share capital amounts to Euro 54,154 thousand, with the unsubscribed and unpaid portion relating for Euro 800 thousand to the capital increase in service of the Aquafil Sponsor Warrants.

On October 10, 2024, the Extraordinary Shareholders' Meeting of Aquafil S.p.A. granted, to the extent of that presently considered, to the Board of Directors a power, pursuant to Article 2443 of the Civil Code, to increase the Company's paid-in share capital, on a divisible and/or indivisible basis, on one or more occasions, including in several tranches, with a duration until December 31, 2025, for a maximum amount of Euro 40,000 thousand. This power was not exercised within the established deadline by the Board of Directors. The amount indicated at the Companies Registry shall be regularised following a resolution of the Extraordinary Shareholders' Meeting acknowledging that the power has not been exercised, removing this provision from the By-Laws.

The subscribed and paid-in share capital is divided into 87,536,234 shares without nominal value divided into:

- 73,172,206 ordinary shares, identified by the ISIN Code IT0005241192;
- 14,364,028 special Class B shares, identified by the ISIN Code IT0005285330 which, in compliance with any legal limits, assign 3 exercisable voting rights pursuant to Art. 127-sexies of Legislative Decree No. 58/1998 in shareholders' meetings of the company and which may be converted into ordinary shares under specific conditions and circumstances as regulated by the By-Laws, at the rate of one ordinary share for each Class B share.

The share capital of the company amounts to Euro 53,354,161.28; the number of ordinary shares is 73,172,206, with 14,364,028 class B shares and a total therefore of 87,536,234 shares.

The breakdown of Aquafil S.p.A.'s subscribed and paid-up share capital at December 31, 2025 is shown below:

| Type of shares | No. shares | % of Share Capital | Listing |
|---|---|---|---|
| Ordinary | 73,172,206 | 83.59% | MTA, STAR Segment |
| Class B | 14,364,028 | 16.41% | Non-listed |
| Class C | 0 | 0.00% | Non-listed |
| **Total** | **87,536,234** | **100%** | |

On the basis of communications sent to the National Commission for Companies and the Stock Exchange (CONSOB), and received by the Company pursuant to Article 120 of Legislative Decree No. 58 of February 24, 1998, as well as any effects from the conversion of Market Warrants in the year, holders of a significant shareholding as at December 31, 2025 - i.e. considering Aquafil S.p.A.'s qualification as an SME pursuant to Article 1 (w-quater). 1 of the CFA, of a shareholding of greater than 5% of Aquafil S.p.A. share capital with voting rights.

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| The declarant or subject at the top of the equity chain | Direct shareholder | Type of shares | No. shares | No. votes |
|---|---|---|---|---|
| GB&P S.r.l. | Aquafin Holding S.p.A. | Ordinary | 37,230,857 | 37,230,857 |
| | | Class B | 14,364,028 | 43,092,084 |
| **Total** | | | **51,594,885** | **80,322,941** |
| **Holding** | | | **58.94%** | **69.09%** |

The availability and distributability of shareholders' equity is outlined in the following table:

| Description | Amount | Origin | Possibility of utilisation | Quota available |
|---|---|---|---|---|
| Share capital | 53,354,161 | | | |
| Legal reserve | 2,084,639 | of profits | B | 2,084,639 |
| Share premium reserve | 56,292,788 | of share capital * | A,B | 56,292,788 |
| Negative reserve for treasury shares in portfolio | (8,612,054) | of share capital | | |
| Non-distributable reserve for listing costs | (4,902,504) | of share capital | | |
| FTA Reserve | (2,156,097) | of share capital | | |
| IAS 19 reserve | (178,622) | of share capital | | |
| **Total capital reserves** | **40,443,511** | | | |
| Extraordinary Reserve | 45,528,947 | of profits | A,B,C | 45,528,947 |
| Retained earnings/(accumulated losses) | 0 | of profits | A,B,C | 0 |
| **Total profit reserves** | **47,613,586** | | | **47,613,586** |
| **Profit (loss) for the year** | (21,951,356) | | | |
| | | | | |
| **Total Shareholders' Equity** | **119,459,902** | | | |
| **Non-distributable reserve** | 1,607,254 | ** | | |
| **Distributable Reserve** | 43,921,693 | | | |

(*) The share premium reserve is distributable when the legal reserve reaches one-fifth of the share capital.

(**) Non-distributable portion equal to intangible assets in progress

## Warrants

The following were initially issued on listing:

i. 7,499,984 Aquafil Market Warrants, listed and identified by the ISIN Code IT0005241200, which incorporate the right to the allocation of Aquafil S.p.A. shares of Conversion Market Warrants and are exercisable under the conditions set out in the relative regulation approved by the Space3 extraordinary shareholders' meeting by resolution of December 23, 2016. Pursuant to the Aquafil S.p.A. Market Warrant Regulation (ISIN IT0005241200), December 4, 2022 was the deadline for the exercise of the Aquafil Warrants financial instruments, as 60 (sixty) months had elapsed since the date of admission to listing of Aquafil's ordinary shares (ISIN IT0005241192);

ii. 800,000 Aquafil Sponsor Warrants, identified by the ISIN Code IT0005241754, non-listed and exercisable within ten years from the date of December 4, 2017, payable at the unit exercise price of Euro 13.00 (on achieving a "Strike Price" of Euro 13.00), in response to the allocation of an Aquafil Share of Aquafil Conversion Sponsor Warrants for each Sponsor Warrant exercised.

It should be noted that on December 4, 2022, the exercise deadline for the Aquafil Warrants financial instruments concluded, and therefore as of December 31, 2022, 2,014,322 Aquafil Market Warrants have been converted with the allotment of 498,716 Conversion Shares. As of December 31, 2025, therefore, no other Market Warrants are outstanding, while it is noted that no Aquafil Sponsor Warrants have been converted.

## Legal reserve

The legal reserve at December 31, 2025 amounted to Euro 2,084 thousand.

## Share premium reserve

The share premium reserve amounted to Euro 56,292,788 thousand as of December 31, 2025.

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### Negative reserve for treasury shares in portfolio

The negative reserve for treasury shares in portfolio totalled Euro 8,612,054 at December 31, 2025. It should be noted that, on October 20, 2021, Aquafil S.p.A. announced that the Company's Shareholders authorised the purchase of treasury shares in accordance with Article 2357 of the Italian Civil Code. This authorisation by Shareholders has a duration of 18 months from the date of the authorising resolution. The operation is aimed at enabling the Company to purchase and/or make use of the Company's ordinary shares for: (i) making investments and limiting anomalous changes in share prices so as to promote regular trading outside of normal fluctuations tied to market trends, while, in any event, observing applicable laws and regulations; and (ii) establishing a securities reserve for future uses in accordance with the strategies that the Company intends to pursue as payment in corporate transactions with other parties or other extraordinary uses. The Shareholders authorised the purchase, in one or more tranches, of ordinary shares up to a maximum number which, taking account of the ordinary shares which may be held in portfolio by the company and by its subsidiary, does not total more than 3% of share capital.

On December 31, 2025, following the purchases made, Aquafil held 1,278,450 treasury shares, equal to 1.4605% of the share capital.

### Listing costs / Share capital increase reserve

The item amounted to Euro 4,903 thousand at December 31, 2025 as a reduction in shareholders' equity, of which Euro 3,287 thousand relates to the costs incurred in 2017 for the listing and thereafter the share capital increase, and Euro 1,615 thousand to the share capital increase carried out in the second half of 2024.

### "First Time Adoption" Reserve (FTA)

The FTA reserve amounts to Euro 2,156 thousand, as a reduction of net equity, and represents the conversion effects from Italian GAAP to IFRS in 2017.

### IAS 19 reserve

At December 31, 2025, the IAS 19 reserve was equal to a Euro 179 thousand reduction in shareholders' equity and includes the actuarial effects at that date of severance indemnities and all the other benefits for employees of Group companies.

### Extraordinary Reserve

At December 31, 2025, they amount to Euro 45,528 thousand. The increase of Euro 594 thousand on the previous year is generated by the allocation of the 2024 net profit.

### Dividends

In 2025, no dividends were distributed.

## 7.13 EMPLOYEE BENEFITS

The movement in the account is comprised of:

| (Euro thousands) | December 2025 |
|---|---|
| **December 31, 2024** | **1,230** |
| Financial charges | 34 |
| Advances and settlements | (103) |
| Actuarial (gain) / loss | (18) |
| **December 31, 2025** | **1,145** |

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The post-employment benefits provision includes the effects of discounting as required by the IAS 19 accounting standard.

For completeness the table below shows the changes in the previous year:

| (Euro thousands) | December 2024 |
|---|---|
| **December 31, 2023** | **1,580** |
| Financial charges | 44 |
| Advances and settlements | (385) |
| Actuarial (gain) / loss | (8) |
| **December 31, 2024** | **1,230** |

The following is a breakdown of the main economic and demographic assumptions used for actuarial valuations:

| **Financial assumptions** | **December 31, 2025** |
|---|---|
| Discount rate | 3.09% |
| Inflation rate | 2.00% |
| Annual increase in post-employment benefits | 3.00% |
| | |
| **Demographic assumptions** | |
| Death | ISTAT 2022 |
| Disability | INPS tables by age and gender |
| Retirement | 100% on satisfying AGO requirements |
| | |
| **Annual frequency of Turnover and leaving indemnity advances** | |
| Frequency advances | 4.50% |
| Frequency turnover | 2.50% |

The bond's financial average duration at December 31, 2025 is approximately 6 years.

For comparability with the previous year a breakdown of the main economic and demographic assumptions used for actuarial valuations at December 31, 2024 is shown below:

| **Financial assumptions** | **December 31, 2024** |
|---|---|
| Discount rate | 2.93% |
| Inflation rate | 2.00% |
| Annual increase in post-employment benefits | 3.00% |
| | |
| **Demographic assumptions** | |
| Death | ISTAT 2022 |
| Disability | INPS tables by age and gender |
| Retirement | 100% on satisfying AGO requirements |
| | |
| **Annual frequency of Turnover and leaving indemnity advances** | |
| Frequency advances | 4.50% |
| Frequency turnover | 2.50% |

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## 7.14 CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

The account is comprised of:

| (Euro thousands) | December 31, 2025 | *of which current portion* | December 31, 2024 | *of which current portion* |
|---|---|---|---|---|
| Medium/long term bank loans | 246,827 | *69,790* | 251,838 | *74,698* |
| Accrued interest and charges on medium/long-term bank loans | 30 | *30* | (4) | *(4)* |
| **Total medium/long-term loans** | **246,858** | ***69,820*** | **251,834** | ***74,694*** |
| | | | | |
| Bond loans | 94,429 | *12,857* | 57,338 | *12,857* |
| Accrued interest and charges on bonds | 1,075 | *1,075* | 444 | *444* |
| **Total bond loan** | **95,504** | ***13,932*** | **57,782** | ***13,301*** |
| | | | | |
| Current and non-current RoU liabilities | 2,065 | *794* | 2,577 | *782* |
| Derivative instrument liabilities | 230 | *230* | 527 | *527* |
| Other lenders and banks – short term | 2,510 | *2,510* | 3,963 | *3,963* |
| Loans intercompany | 41,011 | *9,096* | 46,412 | *1,653* |
| Parent company loans | 0 | *0* | 0 | |
| **Total** | **388,178** | ***96,382*** | **363,095** | ***94,921*** |

### Medium/long term bank loans

This account refers to payables relating to financing agreements obtained from major credit institutions. These agreements mainly envisage the payment of interest at a fixed rate or, alternatively, at a variable rate typically linked to the Euribor rate for the period plus a spread.

At the end of the year, nearly all of the Group's loans were contracted by Aquafil S.p.A., which supports through loans and capital increases the investment activities of its subsidiaries.

Aquafil S.p.A. in 2025 increased its levels of liquidity, which had decreased in the previous year, partly with a view to maintaining liquidity against the current geopolitical instability centred around the conflicts between Russia and Ukraine and in the Middle East, trade tensions and cybersecurity risks, which threaten the global economy. This environment entails increased volatility, inflation, supply chain disruption and the need for companies to readily adapt to new scenarios.

In 2025, the loans were settled on schedule and new medium/long-term loans were agreed for Euro 92 million with leading banks and for Euro 50 million with PGIM through the issuance of a new Bond.

In addition, in 2025, as indicated in the Directors' Report, the following financing was settled by the Company using surplus cash on hand:

- on July 1, 2025, a loan taken out with Banco BPM with a residual debt amounting to Euro 2,395 thousand;
- on November 7, 2025, a loan received from Intesa Sanpaolo with a residual debt of Euro 18,333 thousand;
- on November 13, 2025, a loan taken out with MCC with a residual debt of Euro 500 thousand.

During the year, the following new medium-term unsecured financial transactions totalling Euro 92 million were entered into with the following institutions:

- Bank CF Plus on May 30, 2025 for Euro 10 million;
- Banca Etica on May 27, 2025 for Euro 5 million;
- BCC Veneta and ICCREA on June 18, 2025 for Euro 10 million;
- Credit Agricole on June 26, 2025 for Euro 10 million;
- Banco BPM on July 1, 2025 for Euro 20 million;
- Sparkasse on November 2, 2025 for Euro 7 million;

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- Intesa San Paolo on November 7, 2025 for Euro 5 million;
- Intesa San Paolo on November 7, 2025 for Euro 25 million.

The funds raised were used to maintain liquidity.

| (Euro thousands) | Original amount | Granting date | Maturity date | Repayment plan | Rate applied | At December 31, 2025 | *of which current portion* |
|---|---|---|---|---|---|---|---|
| **Medium/long term bank loans - fixed rate** | | | | | | | |
| Cassa Centrale Banca (*) | 11,000 | 2022 | 2029 | quarterly from 31/12/2023 | Fixed rate from 01/04/2026 Euribor 3 months + spread | 6,587 | *1,968* |
| Cassa Depositi e Prestiti (*) | 20,000 | 2020 | 2027 | half-yearly from 20/06/2023 | Fixed rate | 8,000 | *4,000* |
| **Total Medium/long term bank loans - fixed rate** | | | **14,587** | **5,968** | | **14.587** | ***5.968*** |
| | | | | | | | |
| **Medium/long term bank loans - variable rate** | | | | | | | |
| Cassa Centrale Banca – Credito Cooperativo del Nord Est (ex Casse rurali trentine) (*) | 15,000 | 2019 | 2026 | quarterly from 30/09/2021 | Euribor 3 months + spread | 1,565 | *1,565* |
| Deutsche Bank (*) | 20,000 | 2022 | 2028 | quarterly from 01/10/2023 | Euribor 3 months + spread | 10,000 | *4,000* |
| Sparkasse - Cassa Risparmio di Bolzano (*) | 10,000 | 2022 | 2028 | quarterly from 31/12/2024 | Euribor 3 months + spread | 6,969 | *2,486* |
| Sparkasse - Cassa Risparmio di Bolzano (*) | 10,000 | 2024 | 2030 | quarterly from 30/09/2026 | Euribor 3 months + spread | 10,000 | *1,250* |
| Sparkasse - Cassa Risparmio di Bolzano (*) | 7,000 | 2025 | 2030 | quarterly from 31/12/2026 | Euribor 3 months + spread | 7,000 | *409* |
| Banca Intesa (*)(**) | 30,000 | 2021 | 2027 | half-yearly from 30/06/2023 | Euribor 6 months + spread | 12,000 | *6,000* |
| Banca Intesa (*) | 5,000 | 2025 | 2030 | half-yearly from 31/03/2027 | Euribor 6 months + spread | 5,000 | *0* |
| Banca Intesa (*) | 25,000 | 2025 | 2030 | quarterly from 31/3/2027 | Euribor 3 months + spread | 25,000 | *0* |
| Banca di Verona | 5,000 | 2022 | 2027 | quarterly from 27/10/2024 | Euribor 6 months + spread | 2,991 | *1,687* |
| Banca di Verona | 5,000 | 2023 | 2028 | quarterly from 04/07/2024 | Euribor 6 months + spread | 3,224 | *1,257* |
| Banca di Verona + Iccrea Banca (*) | 10,000 | 2025 | 2030 | quarterly from 31/03/2026 | Euribor 3 months + spread | 10,000 | *1,875* |
| Banca Popolare di Milano (*) | 15,000 | 2023 | 2028 | quarterly from 30/09/2023 | Euribor 3 months + spread | 7,902 | *3,085* |
| Banca Popolare di Milano (*) | 20,000 | 2025 | 2030 | quarterly from 31/12/2025 | Euribor 3 months + spread | 19,000 | *4,000* |
| Banca Nazionale del Lavoro (*) | 20,000 | 2022 | 2027 | quarterly from 08/12/2023 | Euribor 3 months + spread | 8,750 | *5,000* |
| Banca Nazionale del Lavoro (*) (***) | 10,000 | 2023 | 2028 | quarterly from 05/10/2024 | Euribor 3 months + spread | 6,875 | *2,500* |
| Crédit Agricole (former Banca Popolare Friuladria) (*) | 10,000 | 2023 | 2029 | half-yearly from 30/09/2024 | Euribor 6 months + spread | 7,524 | *1,787* |
| Crédit Agricole (*) | 10,000 | 2025 | 2030 | quarterly from 31/03/2026 | Euribor 3 months + spread | 10,000 | *2,222* |
| Monte dei paschi (**) | 20,000 | 2023 | 2028 | quarterly from 30/09/2025 | Euribor 3 months + spread | 16,667 | *6,667* |
| Crediti Emiliano | 5,000 | 2022 | 2027 | quarterly from 16/9/2023 | Euribor 3 months + spread | 2,337 | *1,151* |
| Banca Popolare di Sondrio | 10,000 | 2024 | 2029 | quarterly from 31/03/2026 | Euribor 3 months + spread | 10,000 | *3,333* |
| MCC - Banca del Mezzogiorno (*) | 15,000 | 2023 | 2028 | quarterly from 30/06/2025 | Euribor 3 months + spread | 11,426 | *4,944* |
| Cassa Depositi e Prestiti (*) | 20,000 | 2022 | 2027 | half-yearly from 30/06/2024 | Euribor 6 months + spread | 10,000 | *5,000* |
| Mediocredito Trentino Alto Adige (*) | 4,500 | 2024 | 2029 | quarterly from 31/03/2026 | Euribor 3 months + spread | 4,500 | *1,125* |
| Volksbank | 5,000 | 2023 | 2028 | quarterly from 31/03/2025 | Euribor 3 months + spread | 3,821 | *1,228* |
| Volksbank | 5,000 | 2024 | 2029 | quarterly from 31/12/2025 | Euribor 3 months + spread | 4,688 | *1,250* |
| Banca Etica (*) | 5,000 | 2025 | 2032 | quarterly from 27/08/2027 | Euribor 3 months + spread | 5,000 | *0* |
| Banca CF Plus (*) | 10,000 | 2025 | 2031 | quarterly from 31/3/2027 | Euribor 3 months + spread | 10,000 | *0* |
| | | | | | | | |
| **Total Medium/long term bank loans - variable rate** | | | | | | **232,240** | ***63,821*** |
| Accrued interest on medium/long term bank loans | | | | | | 30 | *30* |
| **Medium/long term bank loans - fixed and variable rate** | | | | | | **246,858** | ***69,820*** |

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

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

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(***) Loan to which an interest rate collar contract is coupled, as a result of which the interest combines a long position in an interest rate cap and a short position in an interest rate floor. At the end of each reporting period, if the difference between the variable interest rate and the cap rate is positive, the cap seller pays the buyer that difference; if, however, the variable rate is lower than the floor rate, the floor seller must pay the difference between the two rates. If the variable rate reaches values between the cap rate and the cap floor, no payment is made.

Certain loan agreements provide for compliance with financial and equity covenants (expressed at consolidated Group level), as summarised below:

| Loan | Period | Parameter | Reference | Limit |
|---|---|---|---|---|
| Crédit Agricole | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 4 |
| Banca Intesa San Paolo | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| Sparkasse - Cassa di risparmio di Bolzano | annually | Net financial debt / Net Equity | Group | < 2.50 |
| | annually | Net financial debt / EBITDA | | < 3.75 |
| Banca Nazionale del Lavoro | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| Banca Popolare di Milano | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| Crédit Agricole | annually | Net financial debt / Net Equity | Group | < 2.50 |
| | annually | Net financial debt / EBITDA | | < 4 |
| Deutsche Bank | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| Monte dei Paschi di Siena | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| Casse Centrale Banca C.R. Trentine | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| MCC/Banca del Mezzogiorno | annually | Net financial debt / Net Equity | Group | < 2.50 |
| | annually | Net financial debt / EBITDA | | < 3.75 |
| CDP - Cassa Depositi e Prestiti | half-yearly | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | half-yearly | Net financial debt / EBITDA | | ≤ 3.75 |
| Banca di Verona + Iccrea Banca | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| Banca Etica | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |
| Banca CF Plus | annually | Net financial debt / Net Equity | Group | ≤ 2.50 |
| | annually | Net financial debt / EBITDA | | ≤ 3.75 |

For the bank loans with covenants, at December 31, 2025, all had been complied with. It is also expected, based on the data emerging from the business plan, and the best estimates available to date, that they will be complied with as of June 30, 2026, for contracts with a six-month calculation reference date, and as of December 31, 2026.

With reference to the loans granted, there are no mortgages or guarantees registered on company assets.

## Bond loans

The Company has three fixed-rate bonds outstanding, with a total original value of Euro 140 million, which at December 31, 2025 amounted to Euro 94.3 million, increasing on the previous year by approx. Euro 37 million due to the combined effect of approx. Euro 12.9 million related to the repayment of instalments due during the year and of Euro 50 million related to the issuance of a new bond on September 24, 2025. The outstanding bonds have the following features:

1. a first bond loan "A", initially issued on June 23, 2015 and subscribed by companies belonging to the US Group Prudential Financial Inc., with a value equal to Euro 50 million, to be repaid in 7 equal instalments of Euro 7.1 million, of which final maturity on September 20, 2028, with residual debt at December 31, 2025 of Euro 21.4 million; the loan is subject to a fixed interest rate of 3.70% with the application of a "margin ratchet" which provides for a gradual increase in the rate up to a maximum of 1% on the fluctuation of the NFP/EBITDA ratio

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of the Group. Due to the NFP/EBITDA ratio at June 30, 2024, the interest rate decreased from 5.70% to 5.20%, and remained valid until March 2025. Due to the NFP/EBITDA ratio at December 31, 2024, the interest rate decreased from 5.20% to 4.70%, remaining valid until September 2025. The NFP/EBITDA ratio at June 30, 2025 again confirmed the rate for the next six months (September 2025 to March 2026) at 4.70%;

2. a second bond loan "B" was issued on May 24, 2019, to finance the business combination of Aquafil O'Mara Inc., and subscribed by companies belonging to the US Group Prudential Financial Inc. for a total of Euro 40 million; the terms provide for repayment in 7 annual instalments from May 24, 2023, the remaining balance of which was Euro 22.9 million at December 31, 2025; the fixed interest rate is equal to 1.87%, with the application of the same margin ratchet condition as for bond "A". Due to the NFP/EBITDA ratio at June 30, 2024, the interest rate changed to 3.37% until May 2025. Due to the NFP/EBITDA ratio at December 31, 2024, the interest rate decreased from 3.37% to 2.87%, which remained valid until November 2025. The NFP/EBITDA ratio at June 30, 2025 again confirmed the rate for the next six months (November 2025 to May 2026) at 2.87%;
3. a third bond loan "C" was issued on September 24, 2025, in order to support the Company to acquire the relative funding on competitive terms and to maintain a balanced financial structure. The proceeds from the issue will be used to support the natural development of company operations. The private placement of the loan, totalling Euro 50 million, was fully subscribed by institutional investors Life Insurance Company, Prudential Legacy Insurance Company of New Jersey, and The Prudential Insurance Company of America, and is to be repaid in five equal annual instalments beginning September 24, 2031, each of Euro 10 million, with the last due September 24, 2035. The outstanding debt as of December 31, 2025 is Euro 50 million, and the fixed interest rate is 6.05% without the application of any "margin ratchet" as in previous issues.

The following table summarises the main characteristics of the aforementioned bond loans:

| Bond loan | Total Nominal Value | Issue date | Maturity date | Capital portion epayment plan | Interest rate applied |
|---|---|---|---|---|---|
| Bond loan A | 50,000,000 | 23/06/2015 | 20/09/2028 | 7 annual instalments from 20/09/2022 | 4.70% |
| Bond loan B | 40,000,000 | 24/05/2019 | 24/05/2029 | 7 annual instalments from 24/05/2023 | 2.87% |
| Bond loan C | 50,000,000 | 24/09/2025 | 24/09/2035 | 5 annual instalments from 24/09/2031 | 6.05% |

Bond loans envisage compliance with the following financial covenants, as contractually defined, to be calculated on the basis of the Group's consolidated financial statements:

## Bond loan A - B - C

| Financial parameters | Parameter | Covenant limit |
|---|---|---|
| Interest Coverage Ratio | EBITDA / Net financial charges | > 4 |
| Leverage Ratio (*) | Net financial debt / EBITDA | < 3.75 |
| Net Debt Ratio | Net Debt / Net Equity | Minimum Net Equity threshold levels |

* This indicator must be calculated with reference to the 12-month period which terminates on December 31 and June 30 for all years applicable.

Non-compliance with just one of the above financial parameters, where not resolved within the contractual deadlines provided, would constitute a circumstance for the bond loan's compulsory early repayment.

The terms and conditions of the above bond loans also envisage, as is customary for financial transactions of this type, a structured series of commitments to be borne by the Company and Group companies ("Affirmative Covenants") and a series of limitations on the possibility of carrying out certain transactions, if not in compliance with certain financial parameters or specific exceptions provided for by the agreement with the bondholders ("Negative Covenants"). Specifically, there are in fact certain limitations on the assumption of financial debt, on

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carrying out certain investments and on acts of disposal of corporate assets. To ensure the timely and correct fulfilment of obligations arising on account of the Parent Company from the issue of securities, the companies Aquafil Usa Inc. and Aquafil SLO d.o.o. have issued joint corporate guarantees in favour of underwriters.

### Lease liability

The lease liability, which amounts to Euro 2,064 thousand, refers to the effects of the application of IFRS 16.

### Loans intercompany

As of December 31, 2025, there were five loan agreements payable, four from the subsidiary Aquafil Jiaxing Co. Ltd. and one from the subsidiary Aquafil USA Inc.

The first loan from the Chinese subsidiary amounts to USD 9,000 thousand (corresponding to Euro 7,659 thousand), the second loan amounts to USD 1,500 thousand (corresponding to Euro 1,276 thousand), the third loan amounts to USD 5,000 thousand (corresponding to Euro 4,255 thousand) and the fourth loan amounts to USD 15,000 thousand (corresponding to Euro 12,765 thousand).

The fifth loan from the subsidiary Aquafil USA Inc., disbursed in May 2024. amounted to USD 16,000 (corresponding to Euro 13,617).

Intercompany loans have the objective of monitoring and reducing liquidity risk; to this end, the Company undertakes careful planning of financial resources with respect to the context in which it operates.

This strategy is aimed at ensuring that an adequate level of liquidity is maintained through the generation of cash, including from subsidiaries, as well as through the possible raising of new medium-term financial resources.

Centralised management of cash flows gives the parent company better control over financial assets.

## 7.15 PROVISIONS FOR RISKS AND CHARGES

The account is comprised of:

| (Euro thousands) | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Other provisions for risks and charges | 0 | 485 |
| Agents' supplementary indemnity provision | 794 | 871 |
| **Total** | **794** | **1,357** |

The movements in "Other provisions for risks and charges" were as follows:

| (Euro thousands) | |
|---|---|
| **December 31, 2024** | **485** |
| Increase | |
| Decrease | (485) |
| **December 31, 2025** | **0** |

Following agreement with the tax audit report (PVC) arising from the audit conducted by the Trento Finance Police for tax years 2018, 2019, 2020 and 2021, the provision for risks and charges was fully utilised to cover the estimated contingent liabilities at the end of the year 2024.

It should be noted that, in the PVC, penalties were not applied on the transfer pricing issues, as the documenta-

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tion was deemed adequate.

The changes in the "Agents' supplementary indemnity provision" were as follows:

| (Euro thousands) | |
|---|---|
| **January 1, 2025** | **871** |
| Increases | 42 |
| Decreases | (119) |
| **December 31, 2025** | **794** |

The movement in the provision relates to the accrual made during the year and the settlement of fees due to agents with whom the relationship has concluded.

## 7.16 OTHER CURRENT AND NON-CURRENT LIABILITIES

| (Euro thousands) | December 31, 2025 | *of which current portion* | December 31, 2024 | *of which current portion* |
|---|---|---|---|---|
| Tax payables | 1,299 | *1,299* | 1,240 | *1,240* |
| Employee payables | 6,398 | *6,398* | 5,413 | *5,413* |
| Payables to social security institutions | 1,878 | *1,878* | 1,726 | *1,726* |
| VAT payables | 0 | *0* | 0 | *0* |
| Tax payables to subsidiaries | 3,130 | *3,130* | 2,400 | *2,400* |
| Other current and non-current liabilities | 1,579 | *1,261* | 3,271 | *1,272* |
| Other current and non-current Group company liabilities | 8 | 8 | 5 | 5 |
| **Total** | **14,291** | ***13,973*** | **14,055** | ***12,057*** |

The account is comprised of:

- "Tax payables" mainly include withholding taxes and other tax payables;
- "Employee payables" increased slightly on the previous year as a result of the bonuses due to employees;
- "Payables to social security institutions" which mainly includes the amount owed at year-end by the Company and its employees to social security institutions;
- "Tax payables to subsidiaries" which entirely refers to payables to Tessilquattro S.p.A. and Bluloop S.r.l. accrued as a result of the tax losses of these latter. Specifically, in accordance with the consolidation agreement, Aquafil S.p.A. is responsible for netting between group companies and the tax consolidation entity Aquafin Holding S.p.A. Aquafil S.p.A. however for fiscal year 2023 altered the method for allocating fiscal losses resulting from tax consolidation. Specifically, as part of the renewal for the three-year period 2024-2026, the criterion used to allocate residual losses was changed. This change therefore results in the allocation of losses to Aquafil S.p.A..
- "Accrued liabilities and deferred income" mainly comprise:
  - the commercial contract with the US group Interface, involving a worldwide collaboration for supply and product development. In particular, Aquafil S.p.A. undertook an obligation until 2026 to guarantee Interface conditions of supply, against which the client, in addition to committing to annual minimum volumes, paid to Aquafil USD 24 million in advance. At December 31, 2025, this deferred revenue (recognised to deferred income) amounts to Euro 612 thousand;
  - to the deferral related to the industry 4.0 tax credit, amounting to Euro 318 thousand, of which Euro 111 thousand related to the investment in the coil handling system and Euro 207 thousand related to the Smartply investment that entered into service in 2025. Both investments are installed at the Arco plant.

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## 7.17 TRADE PAYABLES

The account is comprised of:

| (Euro thousands) | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Trade payables - suppliers | 38,163 | 54,219 |
| Intercompany trade payables | 64,660 | 61,172 |
| Advances and other payables | 0 | 292 |
| **Total** | **102,823** | **115,683** |

At December 31, there were no debts falling due over five years in the balance sheet.

Intercompany trade payables refer to payables deriving from purchases related to the production cycle and are as follows:

| (Euro thousands) | December 31, 2025 | December 31, 2024 |
|---|---|---|
| AQUAFIL ASIA PACIFIC CO. | 0 | 1,122 |
| AQUAFIL ENGINEERING GMBH | 0 | 1 |
| AQUAFIL UK LIMITED | 0 | 870 |
| AQUAFILSLO d.o.o. | 28,136 | 26,464 |
| AQUAFIL OCEANIA Pty Ltd | 96 | 94 |
| AQUAFILCRO d.o.o. | 4,513 | 4,522 |
| AQUASPACE S.p.A | (84) | (55) |
| TESSILQUATTRO | 14,948 | 17,864 |
| AQUAFIL Usa Inc. | 44 | 39 |
| AQUAFIL TEXTIL SANAYI | 8 | 22 |
| AQUAFIL China | 16,917 | 10,125 |
| AQUAFIL BENELUX FRANCE BVBA | 69 | 104 |
| LA TORRE SOCIETA' AGRICOLA | 11 | 0 |
| BLULOOP | 2 | 1 |
| **Total** | **64,660** | **61,172** |

Trade payables are substantially in line with the previous year and related to the purchase costs of inputs (especially raw materials and energy inputs), as commented in Sections 8.3 and 8.4. It is noted that at year-end approx. Euro 7.3 million had been ceded under confirming mode at market conditions. Considering that the relative financial cost is not significant, the nature of these payables remains commercial.

It should be noted that as of December 31, 2025, approx. Euro 7.3 million had been sold in confirming mode, fully collected from suppliers at conditions in line with the market. These transactions take the form of Supplier Finance Agreements, and are based on appropriate analysis carried out in accordance with the requirements of IFRS 9. It is confirmed that the nature of these payables remain of a commercial nature.

The payment terms in these agreements do not differ significantly from normal commercial terms.

## 7.18 CURRENT TAX PAYABLES

For 2025, the payable for current taxes was not recognised in relation to the position to the Tax Authorities for IRAP, as the net production value was negative.

For the year under review, Aquafil S.p.A. calculated IRAP by the method established for financial companies, in light of the new legislation on financial holding companies, at the increased rate of 4.65%. For further information, reference should be made to Note 8.14 below.

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# 8. NOTES TO THE INCOME STATEMENT

## 8.1 REVENUES

With regard to the requirements of IFRS 15, it is confirmed that:

- there are no recognised impairment losses (in accordance with IFRS 9) on any receivables or contract assets
- arising from an entity's contracts with customers;
- there are no particular revenues from contracts with customers that require separate disclosure;
- there are no revenues from contracts with customers that are affected by significantly different economic factors
- and need to be disaggregated by nature, amount, timing, or uncertainty of revenues and cash flows;
- there are no contract assets and contract liabilities related to revenues.

The breakdown of revenues is shown below:

| (Euro thousands) | 2025 | 2024 |
|---|---|---|
| EMEA | 379,398 | 423,381 |
| North America | 48,554 | 46,902 |
| Asia and Oceania | 53,494 | 59,889 |
| Rest of the world | 78 | 342 |
| **Total** | **481,523** | **530,514** |

In accordance with IFRS 15, revenues include, as a direct reduction in their amount, cash discounts, which amount to Euro 2,323 thousand in 2025.

The decrease is due to a combined effect of lower sales prices, which follow raw material purchase prices, and a reduction in quantities in EMEA and Asia.

The Americas region meanwhile saw an increase in sales, mainly due to the higher quantities sold.

In accordance with IFRS 15, the 'Revenue' line item includes 'cash discounts' as a direct reduction. As of December 31, 2025, these amounted to €2.3 million, in line with the €2.5 million recorded as of December 31, 2024.

## 8.2 OTHER REVENUES AND INCOME

"Other revenues and income" amount to Euro 8,541 thousand and refers mainly to:

- Euro 5,771 thousand for recharges to Group companies regarding ICT services provided by the parent company Aquafil S.p.A.;
- Euro 1,077 thousand for tax credits, of which Euro 557 thousand related to Energy Release 2.0, Euro 520 thousand related overall to Industry 4.0, the purchase of capital goods, superbonus receivables and the contribution recognised by the EU for the "Cisuflo" project;
- Euro 600 thousand for recharges to Group Companies in respect of consulting services;
- Euro 224 thousand regarding the portion in the year of the grant recognised by the EU for the "Effective" research project;
- Euro 45 thousand related to the tax credit accrued on the research and development expenses incurred in 2025 and determined as per Article 1, paragraph 35 of Law No. 190 of December 23, 2014.

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## 8.3 RAW MATERIAL COSTS

The account includes raw materials and consumables costs, in addition to changes in inventories. This continuity in 2025 reflects the price of oil and of its derivatives, in addition to the trend in the cost of utilities and prices for caprolactam processes and for polymer purchases. In Europe, the price of raw materials fluctuated less sharply than the rapid and abrupt decline recorded during 2023. The effect that led to a significant misalignment between the unitary values of stock emerging in 2022 and the market price of raw materials, with a temporary although significant impact on the company and Group margin, has receded in 2024.

The overall decrease in raw material costs is also attributable to a quantity effect and lower production compared to 2024.

The account is comprised of:

| (Euro thousands) | 2025 | 2024 |
|---|---|---|
| Raw material purchases | 258,536 | 291,299 |
| Ancillaries and consumables | 5,170 | 5,255 |
| Purchases of other materials | 131,506 | 145,894 |
| Other charges | 648 | 520 |
| Change in inventories | 4,310 | 5,119 |
| **Total** | **400,170** | **448,088** |

The raw material costs incurred in the year include costs from the following subsidiaries and associates:

| (Euro thousands) | 2025 | 2024 |
|---|---|---|
| AQUAFIL ASIA PACIFIC CO. | 204 | 6,355 |
| AQUAFIL ENGINEERING GMBH | 1 | 2 |
| AQUAFIL UK LIMITED | 1,428 | 2,724 |
| AQUAFILSLO d.o.o. | 167,013 | 177,723 |
| AQUAFILCRO d.o.o. | 28,160 | 24,320 |
| AQUASPACE S.p.A | 0 | 0 |
| TESSILQUATTRO | 86,343 | 90,786 |
| AQUAFIL China | 28,495 | 31,904 |
| BLULOOP | | 3 |
| **Total** | **311,645** | **333,818** |

## 8.4 SERVICE COSTS

The account is comprised of:

| (Euro thousands) | 2025 | 2024 |
|---|---|---|
| Transport, shipping & customs | 7,290 | 7,679 |
| Electricity, propulsive energy, water and gas | 12,494 | 10,704 |
| Maintenance | 1,876 | 1,932 |
| Services for personnel | 2,106 | 2,353 |
| Technical, ICT, commercial, legal & administrative consultancy | 8,800 | 7,828 |
| Insurance | 1,545 | 1,576 |
| Marketing and advertising | 3,013 | 3,440 |
| Cleaning, security and waste disposal | 507 | 493 |
| Warehousing and external storage | 2,459 | 2,631 |
| External processing | 2,958 | 2,595 |
| Statutory auditors fees | 147 | 149 |
| Other service costs | 1,383 | 1,532 |
| Rentals and hire | 357 | 413 |
| **Total** | **44,935** | **43,324** |

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Service costs from related parties amount to Euro 819 thousand and mainly relate to commissions from Aquafil Benelux France B.V.B.A. for Euro 551 thousand, from Aquafil Oceania for Euro 125 thousand and from Aquafil Tekstil Sanayi Ve Ticaret A.S. for Euro 22 thousand.

During the year just ended, Service costs were basically in line with FY 2024 except for utility costs, which increased. The difference between the two years can be attributed to the increase in the price and consumption of natural gas compared to the previous year. The purchase costs of EUA's also increased due to the higher unit purchase cost. The cost of EU carbon allowances within the EU ETS system has been highly volatile between 2024 and early 2026, with
forecasts indicating a long-term uptrend driven by a gradual reduction in available allowances.

The general maintenance of Service costs follows the dynamics of production volumes, which showed no particular changes from the previous year.

## 8.5 LABOUR COSTS

These costs are broken down as follows:

| (Euro thousands) | 2025 | 2024 |
|---|---|---|
| Salaries and wages | 24,895 | 24,264 |
| Social security contributions | 7,699 | 7,548 |
| Post-employment benefits | 1,495 | 1,460 |
| Other personnel costs | 760 | 558 |
| Director fees | 1,871 | 1,354 |
| **Total** | **36,720** | **35,185** |

The salaries and wages account did not significantly change on the previous year.

The increase in labour costs is due to the recognition of top management bonuses with the achievement of the set operating result/financial goals.

The number of employees, broken down by category, is as follows:

| | December 31, 2025 | December 31, 2024 | Average 2025 | Average 2024 |
|---|---|---|---|---|
| Executives | 21 | 20 | 21 | 20 |
| Managers | 51 | 52 | 51 | 52 |
| White-collar | 150 | 156 | 158 | 157 |
| Blue-collar | 255 | 277 | 270 | 285 |
| **Total** | **477** | **505** | **499** | **513** |

## 8.6 OTHER OPERATING COSTS AND CHARGES

These costs are broken down as follows:

| (Euro thousands) | 2025 | 2024 |
|---|---|---|
| Taxes, duties & sanctions | 215 | 228 |
| Losses on asset sales | 0 | 0 |
| Penalties on supply contracts | 0 | 0 |
| Other operating charges | 279 | 314 |
| **Total** | **494** | **543** |

The item "Taxes, duties and sanctions" mainly includes the costs for local taxes and taxes not on income.

"Other operating charges" mainly includes costs related to previous years.

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## 8.7 AMORTISATION, DEPRECIATION AND WRITE-DOWNS OF TANGIBLE AND INTANGIBLE ASSETS

The account is comprised of:

| (Euro thousands) | 2025 | 2024 |
|---|---|---|
| Amortisation of intangible assets | 3,642 | 3,607 |
| Depreciation of property, plant & equipment | 4,767 | 5,288 |
| RoU depreciation | 1,072 | 978 |
| Write-down of tangible assets | 649 | 0 |
| **Total** | **10,130** | **9,874** |

Amortisation and depreciation in 2025 is substantially in line with the previous year.

The increase in Rou depreciation is mainly due to the new hire contracts for internal transportation equipment that entered into depreciation during the year.

The figure includes the straight-line amortisation and depreciation in the period, in addition to the amortisation on the bio-caprolactam project initiated in the previous year.

The depreciation of tangible assets in progress of Euro 649 thousand refers to the write-down of a portion of the assets intended for sale in previous years.

## 8.8 PROVISIONS AND WRITE-DOWNS

The account is comprised of:

| (Euro thousands) | 2025 | 2024 |
|---|---|---|
| Doubtful debt provision | (97) | 0 |
| Provisions for risks and charges | (42) | (41) |
| **Total** | **(139)** | **(41)** |

"Other provisions for risks and charges" principally include the accrual for agents' supplementary indemnities.

## 8.9 COSTS FOR INTERNAL WORK CAPITALISED

This item, totalling Euro 1,560 thousand at December 31, 2025, mainly concerns the capitalisations made with regards to projects for the improvement and technological upgrading of existing plant and equipment.

## 8.10 INVESTMENT INCOME (CHARGES)

The item includes the write-downs of the equity investments of the two subsidiaries, as follows:

- for Euro 9,002 thousand the value of the investment in the subsidiary Aqualeuna was aligned with the equity value of the company;
- for Euro 6,017 thousand for the write-down recognised during the year from the application of the recoverability test (impairment test) on the equity investment in the subsidiary Tessilquattro S.p.A.

The account in addition includes the dividends approved and received from the subsidiaries, respectively for Euro 2,234 thousand from Aquafil CRO d.o.o. and for Euro 78 thousand from Nofir AS.

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## 8.11 FINANCIAL INCOME

The account is comprised of:

| (Euro thousands) | 2025 | 2024 |
|---|---|---|
| Financial income receiv. from Group companies | 1,121 | 1,656 |
| Other interest | 10 | 0 |
| Interest income current accts. | 826 | 404 |
| **Total** | **1,957** | **2,060** |

Financial income from receivables from Group companies decreased on the previous year due to a decrease in the loans receivable from Group companies.

Interest income from current accounts increased on the previous year due to the increase in the average balance and to the current account interest rates charged by the various lending institutions.

Interest income on loans from subsidiaries, parent companies, related companies are as follows:

| (Euro thousands) | 2025 | 2024 |
|---|---|---|
| AQUAFIL UK LIMITED | 129 | 187 |
| AQUAFILSLO D.o.o. | 787 | 1,322 |
| AQUALEUNA G.m.b.H. | 74 | 70 |
| TESSILQUATTRO | 53 | 0 |
| AQUAFIL JAPAN | 72 | 67 |
| BLULOOP | 4 | 8 |
| **Total** | **1,121** | **1,656** |

## 8.12 FINANCIAL CHARGES

The account is comprised of:

| (Euro thousands) | 2025 | 2024 |
|---|---|---|
| Interest on mortgage loans | 8,751 | 12,276 |
| Interest on bank borrowings | 0 | 0 |
| Interest on bonds | 2,803 | 2,893 |
| Interest on current accounts | 0 | 1 |
| Bank expenses and commissions | 546 | 515 |
| Write-downs of derivatives and financial instruments | 121 | 1,144 |
| Interest on export advances | 0 | 0 |
| Interest on factoring transactions | 864 | 1,249 |
| Interest on commercial transactions | 621 | 844 |
| Interest to leasing companies | 27 | 28 |
| Interest from Group companies | 26 | 24 |
| Other charges | 34 | 44 |
| Financial charges | 86 | 52 |
| Financial charges to group companies | 111 | 96 |
| Interest expenses to Group companies | 1,820 | 1,690 |
| Interest expenses to third parties | 0 | 0 |
| Write-downs of fixed assets – group companies | 0 | 0 |
| **Total** | **15,812** | **20,854** |

The decrease in "Interest charges on mortgage loans", "Interest on factoring transactions" and "Interest on commercial transactions" is mainly linked to the decrease in market interest rates (i.e. Euribor).

The "Write-downs of derivatives and financial instruments" was Euro 121 thousand, with the charge substantially due to the decrease in the fair value (Mark to Market valuation) of the derivatives, due to the movement in the interest rate curve.

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"Interest expenses to Group companies" includes interest accrued on intercompany loans outstanding from the subsidiary Aquafil Jiaxing Co. Ltd. and from the subsidiary Aquafil USA Inc.

## 8.13 EXCHANGE GAINS AND LOSSES

The breakdown of the account is as follows:

| (Euro thousands) | 2025 | 2024 |
|---|---|---|
| Total exchange gains | 12.413 | 3.490 |
| Total exchange losses | (9.016) | (5.811) |
| **Total** | **3.396** | **(2.322)** |

The amount, equal to a gain of Euro 3,396 thousand for the year 2025, is the net balance between exchange rate gains and losses.

## 8.14 INCOME TAXES

The account is comprised of:

| (Euro thousands) | 2025 | 2024 |
|---|---|---|
| Current income taxes | (908) | (1,497) |
| Deferred tax income/charges | 3,084 | 4,259 |
| **Total** | **2,177** | **2,762** |

"Current income taxes" refers mainly to the accounting of taxes related to previous years, and is composed as follows:

- Euro 611 thousand of adjustments on the submission, on 31.10.2025, of the tax returns for the 2024 tax period;
- Euro 242 thousand for the alignment of accounting balances with previous years' CNM (Consolidated) returns and concerning the use of foreign withholding and tax credits;
- Euro 55 thousand related to the higher IRES and IRAP assessable bases as per the settlement with the Tax Administration on the years 2018 to 2021. The impact on the income statement relates to the differences against that previously allocated to the risks provision, which reduced to zero. Please refer to paragraph iv of the contingent liabilities section for further details on the defined amounts.

"Deferred taxes income/(charges)" is mainly composed of the following amounts:

- allocation of Euro 3,513 thousand in relation to the amount of non-deductible interest expense under the Income Tax Law (TUIR) (ex. Article 96) remaining following the calculation on the Gross Profit for the year and of the surpluses related to previous periods;
- release of Euro 298 thousand of the residual ACE benefit available for the full offset of the positive taxable income for the present year. Differing from the previous tax period and due to that outlined above, no IRES related charge/income was allocated for the year.

For the current financial year, it should be noted that Aquafil S.p.A. has calculated IRAP tax, for the purpose of deferred taxes, in accordance with the new rules envisaged for non-financial holding companies ("industrial holdings") as defined by Article 162-bis, paragraph 1, letter c.1) of Presidential Decree 917/86 ("Income Tax Law") and as set out in Article 6 of Presidential Decree 446/1997 and by Provincial Law 21/2015, Article 16, paragraph 1-bis, letter b), Legislative Decree 446/97, Article 1, paragraph 11-bis, for which an increased rate of 4.65% is envisaged.

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The table below shows the reconciliation of the theoretical rate of income tax with the actual impact on the result:

| (Euro thousands) | 2025 | % | 2024 | % |
|---|---|---|---|---|
| **Profit/(loss) before taxes** | **(24,128)** | | **(2,137)** | |
| | | | | |
| Tax calculated on applicable rate | (6,913) | 28.7% | (612) | 28.7% |
| Total current income taxes | 908 | | 1,497 | |
| Total deferred taxes | (3,084) | | (4,259) | |
| **Total effective taxes** | **(2,177)** | | **(2,762)** | |
| | | | | |
| **Change tax rate** | **(4,736)** | | **2,150** | |
| Permanent decreases | (460) | | (4,228) | |
| Permanent increases | 4,064 | | 478 | |
| Prior year taxes | 908 | | 0 | |
| Other taxes (WHT - ACE) | (298) | | 1,496 | |
| Other changes | 522 | | 104 | |

It should be noted that, based on estimates made at that time, the Aquafil Group did not fall within the scope of application of the rules of Pillar 2, the goal of which is to ensure that large multinationals pay income taxes of at least 15%.

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## 9. NON-RECURRING ITEMS

The Company identifies as non-recurring those items of cost or revenue that are characterised by elements that are infrequent and unusual and therefore do not recur frequently in the usual course of business.

The account is comprised of:

| (Euro thousands) | 2025 | 2024 |
|---|---|---|
| Raw material purchases - extraordinary | (219) | 0 |
| Expansion costs of the Aquafil Group | (182) | (189) |
| Tax, administrative and extraordinary technical consultancy | (755) | (48) |
| Other services - extraordinary | (191) | 0 |
| Bonuses and incentives | (801) | (558) |
| Penalties and fines | (4) | 0 |
| Other extraordinary charges | (136) | (184) |
| **Total non-recurring costs** | **(2,290)** | **(979)** |
| Other extraordinary income | 0 | 0 |
| **Non-operating income and charges** | **(2,290)** | **(979)** |

"Raw material purchases - extraordinary" refers to costs incurred for raw material waste generated by a production blackout.

"Expansion costs of the Aquafil Group" refer to costs incurred for the activities and projects related to the expansion of the Group, in particular in India.

"Tax, administrative and extraordinary technical consultancy" refers mainly to the costs for consulting incurred in relation to the Cost Saving activity carried out by the Company in 2025 and the costs for the joint audit consequent to the position paper received by Aqualeuna G.m.b.H. on the tax audit by the "Bundeszentralamt fur Steuern" office responsible for intercompany transactions in the region for the years 2017, 2018 and 2019.

"Other extraordinary services" refer to costs related to previous years.

"Other extraordinary charges" refer to costs related to previous years.

"Bonuses and incentives" mainly concerns redundancy incentives.

The percentage of the non-recurring items of the result, of cash flows, of the equity position, and of the net debt, are reported below:

| (Euro thousands) | 2025 | *of which non-recurring* | Share | |
|---|---|---|---|---|
| Net Profit | (21,951) | *(2,284)* | 10,40% | |
| Net cash flow in the year | 36,925 | *(2,214)* | (5,99)% | (*) |
| Total assets | 626,690 | *(70)* | (0,01)% | (**) |
| Net financial debt | (265,313) | *(2,214)* | 0,83% | (*) |

* Amount paid in the year of non-recurring income statement items.

** Amount of non-recurring income statement items yet to be paid at year-end.

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# 10. NET FINANCIAL DEBT

Below is the breakdown of the net financial debt as at December 31, 2025, determined in accordance with ESMA/2013/319 Recommendations:

## NET FINANCIAL DEBT

| (Euro thousands) | At December 31, 2025 | At December 31, 2024 |
|---|---|---|
| A. Cash | 118,634 | 81,709 |
| B. Cash and cash equivalents | | |
| C. Other current financial assets | 4,230 | 17,654 |
| **D. Liquidity (A) + (B) + (C)** | **122,864** | **99,363** |
| E. Current financial debt (including debt instruments but excluding the current portion of non-current financial debt) | (2,510) | (3,963) |
| F. Current portion of non-current financial debt | (93,873) | (90,958) |
| **G. Current financial debt (E + F)** | **(96,382)** | **(94,921)** |
| **H. Net current financial debt (G - D)** | **26,482** | **4,442** |
| I. Non-current financial debt (excluding current portion and debt instruments) | (210,224) | (223,693) |
| J. Debt instruments | (81,572) | (44,481) |
| K. Trade payables and other non-current payables | | |
| **L. Net current financial debt (I+J+D)** | **(291,795)** | **(268,174)** |
| **M. Total financial debt (H+L)** | **(265,313)** | **(263,732)** |

The following table presents the items included in the net debt regarding related parties:

| (Euro thousands) | December 31, 2025 | December 31, 2024 |
|---|---|---|
| E. Current financial receivables | 3,911 | 16,916 |
| M. Other non-current financial payables | (31,915) | (44,759) |

The net financial reconciliation between the beginning and end of the year is presented below. The effects indicated include the currency effects.

| (Euro thousands) | | *of which current portion* | *non-current portion* |
|---|---|---|---|
| **Net Debt at December 31, 2024** | **(263.732)** | ***4.442*** | ***(268.174)*** |
| Net cash flow in the period | 36.925 | *36.925* | *0* |
| Contracting/reclassification of current financial receivables | (13.424) | *(13.424)* | *0* |
| New bank loans and borrowings | (142.000) | *(8.505)* | *(133.495)* |
| Repayment / reclass. bank loans and borrowings | 109.254 | *12.748* | *96.507* |
| New leasing loans | 331 | *66* | *265* |
| Repayment / reclass. lease liability | 181 | *(78)* | *259* |
| Change in fair value derivatives | (121) | *(121)* | *0* |
| Repayments/drawdown loans to subsidiaries | 5.401 | *(7.443)* | *12.844* |
| Other changes | 1.872 | *1.872* | *0* |
| **Net Debt at December 31, 2025** | **(265.313)** | ***26.482*** | ***(291.795)*** |

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# 11. RELATED PARTY TRANSACTIONS

Transactions and balances with related parties are illustrated in the tables below.

| (Euro thousands) | Parent companies | Subsidiaries | Related parties | Total | Total book value | % on total account items |
|---|---|---|---|---|---|---|
| **Non-current financial assets** | | | | | | |
| December 2025 | | 23,676 | 29 | **23,705** | 342,943 | 6.91% |
| December 2024 | | 20,190 | 29 | **20,219** | 354,494 | 5.70% |
| **Trade receivables** | | | | | | |
| December 2025 | 0 | 50,253 | 36 | **50,289** | 49,293 | 102.02% |
| December 2024 | 0 | 68,041 | 33 | **68,074** | 68,011 | 100.09% |
| **Current financial assets** | | | | | | |
| December 2025 | | 3,911 | 0 | **3,911** | 4,230 | 92.46% |
| December 2024 | | 16,916 | | **16,916** | 17,654 | 95.82% |
| **Other current assets** | | | | | | |
| December 2025 | | | 325 | **325** | 4,283 | 7.58% |
| December 2024 | | | | **0** | 4,159 | 0.00% |
| **Current financial liabilities** | | | | | | |
| December 2025 | | (9,096) | (316) | **(9,412)** | (96,382) | 9.77% |
| December 2024 | | (1,653) | (292) | **(1,945)** | (94,921) | 2.05% |
| **Non-current financial liabilities** | | | | | | |
| December 2025 | | (31,915) | (654) | **(32,569)** | (291,795) | 11.16% |
| December 2024 | | (44,759) | (1,077) | **(45,836)** | (268,174) | 17.09% |
| **Trade payables** | | | | | | |
| December 2025 | 0 | (64,744) | 76 | **(64,660)** | (102,823) | 62.99% |
| December 2024 | 0 | (61,227) | 55 | **(61,172)** | (115,683) | 52.88% |
| **Other current liabilities** | | | | | | |
| December 2025 | 0 | (3,138) | 0 | **(3,138)** | (13,973) | 22.46% |
| December 2024 | 0 | (2,405) | 0 | **(2,405)** | (12,057) | 19.95% |

"Non-current financial assets" with subsidiaries and related parties amounted to Euro 23,705 thousand and mainly concerned long-term loans receivable provided by the Company to its subsidiaries Aquafil Slo D.o.o., Tessilquattro S.p.A. and Aquafil Japan Corp.

"Trade receivables" from subsidiaries and related parties amounted to Euro 50,289 thousand and mainly refer to receivables from Aquafil Synthetic Fibres, Tessilquattro S.p.A., Aquafil Usa I.n.c and Aquafil Slo D.o.o. totalling Euro 489,989 thousand.

"Current financial assets" amounted to Euro 3,911 thousand and mainly refer to short-term loans receivable provided by the Company to its subsidiaries Aqualeuna G.m.b.h. and Aquafil Slo D.o.o.

"Other current assets" amounted to Euro 325 thousand and refer to the transfer of the tax credit for the tax consolidation from Aquafil S.p.A. to the parent company Aquafin Holding S.p.A.

"Current financial liabilities" to Subsidiaries amounted to Euro 9,096 thousand and concern the current portion related to payables for loans received from the two subsidiaries Aquafil Usa Inc and Aquafil Synthetic Fibres.

"Current financial liabilities" to related companies amounted to Euro 316 thousand and related to the short-term portion of the payable for the lease contract of the Rovereto plant to the company Aquaspace S.p.A..

"Non-current financial liabilities" totalled Euro 32,569 thousand and mainly related to the non-current portion of loans received from the two subsidiaries Aquafil Usa Inc and Aquafil Syntetic Fibres respectively for Euro 13,617 thousand and Euro 18,297 thousand, and to the non-current portion, in the amount of Euro 654 thousand, from

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the company Aquaspace for the lease of the Rovereto plant.

"Trade payables" amounted to Euro 64,660 thousand and mainly related to the company's payables to the subsidiary Aquafil Slo D.o.o. for Euro 28,135 thousand, to Aquafil Synthetic Fibres for Euro 19,917 thousand, and to the subsidiary Tessilquattro for Euro 14,948 thousand.

"Other current liabilities" to subsidiaries amounted to Euro 3,138 thousand and refer to tax payables from the subsidiary Tessilquattro S.p.A..

The transactions of the Company with related parties are illustrated in the table below:

| (Euro thousands) | Parent companies | Subsidiaries | Related parties | Associates | Total | Total book value | % on total account items |
|---|---|---|---|---|---|---|---|
| **Revenue** | | | | | | | |
| FY 2025 | | 204,282 | | | **204,282** | 481,523 | 42.42% |
| FY 2024 | | 232,542 | | | **232,542** | 530,514 | 43.83% |
| **Other revenues and income** | | | | | | | |
| FY 2025 | | 6,537 | 30 | | **6,566** | 8,542 | 76.87% |
| FY 2024 | | 6,867 | 30 | | **6,896** | 7,717 | 89.36% |
| **Raw material costs** | | | | | | | |
| FY 2025 | | (311,645) | 0 | | **(311,645)** | (400,170) | 77.88% |
| FY 2024 | | (333,818) | | | **(333,818)** | (448,088) | 74.50% |
| **Service costs and rent, lease and similar costs** | | | | | | | |
| FY 2025 | | (707) | (112) | | **(819)** | (44,935) | 1.82% |
| FY 2024 | | (914) | (104) | | **(1,017)** | (43,324) | 2.35% |
| **Labour costs** | | | | | | | |
| FY 2025 | | 95 | | | **95** | (36,720) | (0.26)% |
| FY 2024 | | 95 | | | **95** | (35,185) | (0.27)% |
| **Other operating costs and charges** | | | | | | | |
| FY 2025 | | | (26) | | **(26)** | (494) | 5.26% |
| FY 2024 | | | (26) | | **(26)** | (543) | 4.79% |
| **Financial income (charges) from investments** | | | | | | | |
| FY 2025 | | (12,707) | | | **(12,707)** | (12,707) | 100.00% |
| FY 2024 | | 15,937 | | | **15,937** | 15,937 | 100.00% |
| **Finance income** | | | | | | | |
| FY 2025 | | 1,121 | | | **1,121** | 1,957 | 57.29% |
| FY 2024 | | 1,656 | | | **1,656** | 2,060 | 79.70% |
| **Financial charges** | | | | | | | |
| FY 2025 | | (1,932) | (26) | | **(1,958)** | (15,812) | 12.38% |
| FY 2024 | | (1,786) | (24) | | **(1,810)** | (20,856) | 9.76% |

"Revenues from subsidiaries" amounted to Euro 204,282 thousand and mainly related to product sales of Aquafil S.p.A. to the subsidiaries AquafilSlo D.o.o, Tessilquattro S.p.A. and Aquafil Synthetic Fibres.

"Other revenues and income" amounted to Euro 6,566 thousand and mainly related to recharges to subsidiaries and related companies (Aquaspace S.p.A.) for ICT consulting and administrative consulting services.

"Raw material costs" amounting to Euro 311,645 thousand are mainly due to costs incurred by Aquafil S.p.A. to the Subsidiaries Aquafil Slo D.o.o. in the amount of Euro 167,013 thousand, to Tessilquattro in the amount of Euro 86,343 thousand, and to AquafilCro D.o.o. in the amount of Euro 28,160 thousand.

"Service costs and rent, lease and similar costs" amounting to Euro 819 thousand are mainly due to costs incurred by Aquafil S.p.A. to the subsidiary Aquafil Oceania and Aquafil Benelux for commissions totaling Euro 691 thousand

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and to the related company Aquaspace S.p.A. for Euro 98 thousand concerning waste disposal services, technical consultancy and real estate leases.

"Other operating charges" amounted to Euro 26 thousand and concerned costs related to the payment of taxes and fees related to the chargeback of costs for local taxes associated with the property leased from Aquaspace S.p.A.

"Financial income" amounted to Euro 1,121 thousand and related to interest income from the loans receivable from subsidiaries. This amount refers mainly to financial income from Aquafil Slo D.o.o. in the amount of Euro 787 thousand.

"Financial charges" to subsidiaries amounted to Euro 1,958 thousand and mainly related to charges on loans received from Aquafil Usa, amounting to Euro 661 thousand, and Aquafil Syntetic Fibres, amounting to Euro 1,158 thousand. Financial Charges to related Companies, amounting to Euro 25 thousand, refer to charges related to the real estate leasing contract with the Company Aquaspace S.p.A..

The following table summarises cash flows with related parties and their percentage out of the cash flow indicated in the cash flow statement:

| (Euro thousands) | **Total cash flow statement account** | *of which related parties* | **% on total account items** |
|---|---|---|---|
| Profit/(loss) for the year | (21,951) | *(115,091)* | 524% |
| Investment income/charges | (12,707) | *(12,707)* | 100% |
| Financial income | 1,957 | *1,121* | 57% |
| Financial charges | (15,812) | *(1,958)* | 12% |
| Increase/(Decrease) in trade payables | (11,797) | *(3,488)* | 30% |
| Decrease / (Increase) in trade receivables | 17,116 | *17,784* | 104% |
| Changes in other assets and liabilities | (75) | *408* | (547)% |
| Net changes in current and non-current financial assets and liabilities | 6,758 | *3,371* | 50% |
| Distribution of dividends | 0 | *0* | 0% |

Section 12 below sets out the related party compensation in relation to the remuneration of the Company's Directors, Statutory Auditors and Senior Executives.

## 12. RELATED PARTIES - REMUNERATION AND BENEFITS OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The remuneration and benefits in favour of members of the Board of Directors and Senior Executives and the compensations due to the members of the Board of Statutory Auditors are presented below:

| **Director and Statutory Auditor fees (in Euro thousands)** | **2025** |
|---|---|
| Short-term benefits | 2,704 |
| Other long-term benefits | 25 |
| **Total** | **2,729** |

| **Senior Executive fees (in Euro thousands)** | **2025** |
|---|---|
| Short-term benefits | 1,040 |
| Other long-term benefits | 69 |
| **Total** | **1,109** |

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# 13. OTHER INFORMATION

## 13.1 COMMITMENTS AND RISKS

### Other commitments

At December 31, 2025, the parent company Aquafil S.p.A. provided sureties in favour of credit institutions in the interest of subsidiaries, companies subject to the control of the parent company and third parties for a total of Euro 20,515 thousand.

### Ongoing and concluded tax Audits

Provided below is a list of fiscal positions and disputed defined and pending as at the balance sheet date that concern the Parent Company, Aquafil S.p.A. We are not aware of the existence of further disputes or proceedings that are likely to have significant repercussions on the Group's economic and financial situation.

i. ***Tax audit Aqualeuna G.m.b.H.***

2013 – 2015 and 2016 – 2017 Periods

The company Aqualeuna G.m.b.H. was involved in a tax audit by the competent German federal tax office in Leuna concerning inter-company transactions. On July 15, 2021, the company was notified by the German tax administration's audits unit in Halle of the conclusion of the tax audits for fiscal years 2013-2017. The upward adjustment to Aqualeuna's assessable income concerned:

a. for the period 2013-2015, not subject to international cooperation with the Italian administration, for Euro 735 thousand, offset by the equal utilisation of the company's prior year losses;
b. for the period 2016, subject to joint audit by the two administrations, upward adjustment for Aqualeuna of Euro 1.4 million, with corresponding equal adjustment to the benefit of Aquafil in Italy, for which during the first half of 2022 the corresponding adjustment was made official by the Trento Provincial Office. In fact, on July 26, 2022, the Office recognised the amount of Euro 410 thousand upon closure of the reimbursement file and therefore without impact on the consolidated results;
c. for the 2017 period, not subject to joint audit by the two administrations, upward adjustment for Aqualeuna of Euro 3.7 million and the submission of a request to recognise a decrease in IRES and IRAP assessable income, filed by Aquafil on January 21, 2022. Given the use of past losses of Aqualeuna, the increased taxes for the company for 2013-2017 came to Euro 207 thousand. Aquafil, on January 21, 2022, forwarded to the International Dispute Resolution and Prevention Office of the Large Taxpayers Central Directorate in Rome of the Tax Agency a special Application pursuant to Article 31-quater, paragraph 1, letter c) of Presidential Decree September 29, 1973, No. 600 for the unilateral recognition for IRES and IRAP purposes of the downward adjustment of income against the upward adjustment amounting to Euro 3,733 thousand made in Germany for the stated tax period; the initiation of the procedures provided for in Arbitration Convention No. 90/436/EEC of July 23, 1990, on the elimination of double taxation in the case of adjustments to profits of associated companies. On December 22, 2022, the aforementioned International Dispute Resolution and Prevention Office notified the Company that the mutual agreement procedure pursuant to Article 6 of Arbitration Convention No. 90/436/EEC resulted in an agreement being reached between the competent Italian and German Authorities on the basis of which it was agreed to confirm the adjustments made by the German tax authorities in the amount of Euro 3,733 thousand and to recognise Aquafil the same amount as a corresponding adjustment by the Italian tax authorities.

The German competent authority sent a similar notice to Aqualeuna.

Both companies have sent acceptance of the agreement in relation to the year 2017 to their respective

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competent authorities.
Similarly to 2016, on February 15, 2023 the Company submitted, pursuant to Article 3, paragraph 1, of Law No. 99 of March 22, 1993, a refund application for IRES and IRAP purposes to the Provincial Directorate of Trento for Euro 997 thousand (Euro 896 thousand for IRES, Euro 101 thousand for IRAP) and thus awaits the refund authorisation measure.

*2018 – 2019 Period*
For tax years 2018 and 2019, not the subject of the aforementioned audits and during which Aqualeuna recognised further tax losses, the German tax administration began another audit in September 2021, requesting that the Italian tax administration launch a joint audit similar to the one conducted for 2016. On May 31, 2023, Aqualeuna received a report dated May 15, 2023, from the German tax authority (Finanzamt Merseburg) notifying of the conclusion of the audit of fiscal years 2018 and 2019 (which began on October 5, 2021, and was completed on May 2, 2023).

This audit (not subject to international cooperation between the German and Italian tax authorities) identified the following issues resulting in an increase in taxable income for Aqualeuna: i) Euro 2,363 thousand for fiscal year 2018; and ii) Euro 4,429 thousand related to 2019. For these tax periods, total recoveries therefore result in for German tax purposes for Aqualeuna the reabsorption of the tax losses and positive taxable income for the excess of Euro 282 thousand for 2018 and of Euro 81 thousand for 2019. For the stated tax periods, Aqualeuna filed an appeal with the tax authorities (Finanzamt Merseburg) against the assessments on June 26, 2023, requesting their suspension in order to allow for the introduction and conclusion of amicable procedures with the relevant Italian authorities.

As was done for fiscal year 2017 and in reference to the aforementioned tax periods, on October 4, 2023, Aquafil initiated a specific mutual cooperation procedure (on both the Italian and the German side) in accordance with Article 3 of Italian Law Decree no. 49 of June 10, 2020, and with Article 4 et seq. of the German law of December 10, 2019, concerning the settlement of disputes regarding double-taxation accords within the European Union, both of which transpose Council Directive (EU) 2017/1852 of October 10, 2017, on the settlement of tax disputes within the European Union.

It is therefore reasonably certain that, upon the outcome of these procedures, the competent authorities of the two States will take pursuant to Directive 2017/1852 a decision by mutual agreement (guaranteed outcome) aimed at eliminating the double taxation that might arise at Group level. The upward adjustment in taxable income imposed in Germany by Aqualeuna (as agreed upon by the two tax authorities) can thus be neutralized (as per point a) of Article 31-quater of DPR 600/1973) by a corresponding opposing adjustment granted to Aquafil by the Italian Tax Agency. Aquafil S.p.A. therefore recognised in 2023 a positive tax effect that neutralised the tax charge already recognised in the subsidiary Aqualeuna.

Compared with the situation at December 31, 2024, no new facts have emerged as of December 31, 2025 that would change the opinion expressed therein.

More specifically, and with reference to the dispute concerning the tax periods 2018 and 2019 (subject of the specific mutual agreement procedures beginning simultaneously with the two competent authorities on October 4, 2023 and declared admissible on March 18, 2024 in Italy and on August 29, 2024 in Germany), it is considered reasonably certain that the ongoing procedures (also based on the additional information sent to both competent authorities on March 20, 2024) will result in the two Tax Authorities taking a decision by mutual agreement (guaranteed outcome) to eliminate the economic double taxation at the Group le-

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vel.
On February 5, 2026, the agreement reached between the Italian and German administrations regarding the MAP 2018 and 2019 was notified by registered email (PEC).

The Italian and German competent authorities in this case agreed, with reference to the transactions with the German company, to restate the adjustments made by the German tax authorities, relating to the 2018 and 2019 tax periods, as summarised below:

| Tax periods | Greater adjusted assessable amount of the German administration | Greater assessable amount restated in the meeting between the Italian and the German administrations - corresponding adjustment recognised by the Italian administration |
|---|---|---|
| 2018 | 2,363,006 | 1,753,763 |
| 2019 | 4,429,000 | 4,054,496 |

Therefore, having regard to Article 19, paragraph 5 of Legislative Decree No. 49 of 2020, in order to enable the implementation of the decision adopted by the competent authorities, the Company announced on February 17, 2026 its willingness to accept the aforementioned decision.

In view of that outlined, it is considered that there are no additional contingent liabilities on the part of Aquafil S.p.A. and the Aquafil Group to be covered by an allocation to a risk provision.

ii. ***Suspension of VAT refund – 2019 fiscal year***

On June 22, 2020, the Company filed for a VAT refund in the amount of Euro 488 thousand by way of the 2020 tax return (for 2019 income). The reason given was the lower excess credit not transferable for the payment of group VAT (as per Articles 30 and 73 of Italian Presidential Decree 633/1972). On June 17, 2022, the Tax Office, after lengthy investigative and documentary verification activities, notified the Company of the recognition of the 2019 annual VAT credit requested for reimbursement in the amount of Euro 488 thousand, and also in June settled the entire amount, including interest, as required by law. Regarding this reimbursement, see the information in the following section.

iii. ***Invitation 5-ter of Legislative Decree No. 218/1997 – VAT for 2017***

On November 20, 2023, the Trento Office notified Aquafil S.p.A. of an invitation to appear issued, pursuant to Article 5-ter of Legislative Decree No. 218/1997 for the establishment of a case regarding the adjustment of the 2018 VAT filing (for FY 2017) regarding deducted VAT for a total of Euro 790 thousand.

Regarding the VAT in dispute, as previously reported, in June 2020, the Company had requested a refund for a portion of this credit, amounting to Euro 488 thousand. In relation to this, the Office, after reviewing the documentation provided by the Company during the refund process, initially suspended the execution of the refund (Decision of November 6, 2020) and subsequently ordered the recognition of the refund with the settlement of the entire amount (Decision of June 17, 2022).

Based on this act, which contests the VAT payable of Space3 S.p.A. (a company that incorporated Aquafil during the tax period of 2017 as part of the listing operation), a payment totalling Euro 658,399 is demanded, of which: VAT: Euro 301 thousand (which does not take account of the refunded VAT), sanctions: Euro 296 thousand (equal to 1/3 of the legal total) and interest of Euro 60 thousand (calculated through November 30, 2023).

On December 6, 2023, the Company therefore filed an appeal with the Office, during which it emerged that the act

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(mistakenly) does not call for recovery of the VAT credit refunded in 2022 for Euro 488 thousand.
On March 22, 2024, the Trento Office served the Company an assessment notice containing a VAT tax claim of Euro 790 thousand (amount considering the VAT reimbursed in 2022), penalties of Euro 296 thousand and interest of Euro 94 thousand (calculated to 21/03/2024).

Believing the objections contained in the Notice to be entirely illegitimate and unfounded, the Company filed a prompt appeal with the First Instance Court of Trento, also requesting the suspension of the effects of the act pursuant to Article 47, Paragraph 1 of Legislative Decree 546 of 1992.

On September 16, 2024, the Company also filed an explanatory brief in response to the Office's counterclaims, highlighting the Court of Cassation judgment No. 22608 of August 9, 2024, issued after the appeal was filed, which expressly established the legitimacy of VAT deduction for transaction costs incurred by a special purpose vehicle (SPV or NewCo) in the context of a merger leveraged buy out (MLBO).

The First Instance Court of Trento rejected the suspension request on September 30, 2024.

On January 20, 2025, the appeal hearing was held, during which the court invited the parties to reach a settlement agreement on the dispute, adjourning the hearing date to March 10, 2025.

At the hearing on March 10, 2025, the judge, at the request of the parties, ordered a postponement to May 12, 2025 to allow the parties a reasonable amount of time to consider the terms of a possible settlement. In this regard, it should be noted that the Office has indicated its willingness to settle the case in conciliation, accepting the subordinate demand contained in the appeal and disapplying the entire fine of Euro 888,711.

However, the conciliatory solution proposed by the Office was not acceptable to the Company.

A hearing was held on May 12, 2025, following which the Court, sitting in Council Chamber, announced that it had accepted the appeal brought by the Company and on June 13 the ruling was issued.

Following the filing of the judgment favourable to the Company, the Office shall repay the amount collected in the meantime by way of fractional collection through the ADeR (Tax Agency).

It is noted that on August 12, 2025 the Company received, through the Tax Agency, repayment of the amount settled in the meantime by way of fractional collection for a total of Euro 143 thousand, including statutory interest.

On January 13, 2026, the Provincial Directorate of Trento notified the Company of its appeal against Judgment No. 215/2/25 issued by the Court of First Instance of Trento, in relation to which the Company filed its counter-arguments on February 6, 2026.

In the absence of a change in the interpretative outlook by the Central Directorate of the Tax Agency on the issue of the VAT deductibility of SPVs in the context of MLBO transactions, and also in light of the recent case law, it is considered likely that a favourable outcome for the Company may only be achieved at the Court of Cassation.

At present, therefore, any quantification of contingent liabilities is considered premature.

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iv. ***Initiation of audit for direct taxes on 2016, 2017, 2018 and 2019 tax years***

On May 11, 2022, the Trento Tax Agency notified the Company of four notices of the initiation of an audit on the 2016, 2017, 2018 and 2019 tax years, with reference to the transfer prices charged by Aquafil to overseas subsidiaries for IT services, in addition to the interest rates applied on loan agreements, in full continuity with the audit on FY 2015, settled with the agreement signed on May 5, 2022.

As regards the audits for the 2016 and 2017 tax periods, the proceedings should be considered concluded following the signing of the assessment by consent agreements with the Trento Office, which took place on November 22, 2022 and September 4, 2023, respectively.

Regarding the 2021 tax period, later extended to the years 2018, 2019 and 2020, the audit was entrusted to the "Guardia di Finanza" of Trento within the scope of the general verification initiated on September 7, 2023. This concluded with the notification, on December 11, 2023, of a tax audit report (PVC) with issued amounting to Euro 2,877 thousand, as follows:

i. transfer pricing issue for the alleged failure to rebill ICT costs to foreign subsidiaries, totalling Euro 2,189 thousand;
ii. transfer pricing issue for failure to invoice interest income to foreign subsidiaries, totalling Euro 667 thousand;
iii. costs and deductions improperly deducted totalling Euro 21 thousand.

An analysis of the PVC revealed that the issues noted by the auditors contain numerous aspects with which we do not agree in terms of their existence and amount and which had already been accepted by the Trento Office in the context of audits related to the years 2015, 2016 and 2017 and, on the basis of which, in 2023 the Company had estimated and allocated to a provision a potential risk totalling Euro 485 thousand.

Following the conclusion of the audit activities, the Trento Office, after receiving the PVC issued by the Italian tax police, proceeded to notify the Company of the Draft Assessment Notices for IRES and IRAP purposes for the 2018 tax year on November 4, 2024, in relation to which the Company promptly initiated the settlement assessment procedure.

On February 24, 2025, the Company, while reaffirming the legitimacy of its conduct, and solely in order to avoid a long and fatiguing litigation, settled in accordance with the Schedules of Deed for IRES and IRAP purposes for the year 2018, paying on the same date the total amount of Euro 57,374.74, of which Euro 47,822.00 for IRAP tax, Euro 9,468.95 for IRAP interest and Euro 83.33 for IRES penalties.

The higher IRES and IRAP taxable amounts agreed in the settlement are substantially in line with what was estimated for the purpose of setting aside the relevant provision in the financial statements. Specifically, there is a lower IRES and IRAP (excluding interest) charge of Euro 1,189 and Euro 515, respectively.

It is also noted that the settlement agreement did not result in any IRES payment as the Agency recognised the use of the ACE surplus available in the 2018 tax year.

In relation to the 2019 and 2020 fiscal years, the IRAP Schedules of Deeds were notified on March 12, 2025, and on March 17, 2025 the IRES Schedules of Deeds, which present the same findings as those reported in the PVC.

On October 24, 2025, the IRES and IRAP Schedules of Deeds for the year 2019 were finalised by signing a

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settlement deed, paying on the same date a total amount of Euro 4,133.38, including Euro 3,343.95 for IRAP tax, Euro 622.77 for IRAP interest, Euro 83.33 for IRAP penalties and Euro 83.33 for IRES penalties.

On December 9, 2025, the IRES and IRAP Schedules of Deeds for the year 2020 were finalised by signing a settlement deed, paying on the same date a total amount of Euro 166.66, including Euro 83.33 for IRAP penalties and Euro 83.33 for IRES penalties.

For the year 2021, the IRAP Schedules of Deeds were notified on 02/05/2025. In this regard, the Company filed an agreed settlement application on 13/05/2025, which was finalised with the signing of the settlement deed on December 9, 2025.

With reference to IRES 2021, the same finding was however settled by a voluntary correction, agreeing with the Agency to send the supplementary tax return for the year 2021, sent on December 9, 2025.

At the conclusion of the 2021 assessment proceedings, a total amount of Euro 9,898.73 was paid on the same date, including Euro 8,795.30 for IRAP tax, Euro 1,061.76 for IRAP interest and Euro 41.67 for IRES penalties.

The settlement of IRES and IRAP findings for the years 2018-2021 resulted in a higher tax charge for the Company than the amount allocated to the risks provision in the 2023 financial statements, totalling Euro 55 thousand.

## 13.2 SIGNIFICANT EVENTS AFTER DECEMBER 31, 2025

1. The following financing was settled by the Company using surplus cash on hand:
   - on February 13, 2026, the loan taken out with Cassa Centrale Banca of a residual debt amounting to Euro 1,565 thousand.
2. On February 5, 2026, the Company received by registered email (PEC) the outcome of the agreement reached between the Italian and German administrations regarding the MAP 2018 and 2019. Following the outcome of the meeting held in Bonn, the Italian and German competent authorities in this case agreed, with reference to the transactions with the German company, to confirm and restate the adjustments made by the German tax authorities, relating to the 2018 and 2019 tax periods;
3. On February 16, 2026, the loan agreed with Crédit Agricole by the subsidiary Tessilquattro S.p.A. was settled in advance for Euro 500 thousand, and the guarantee provided by Aquafil S.p.A. to the former was simultaneously closed.

## 13.3 DISCLOSURE AS PER ARTICLE 1, PARAGRAPH 125 OF LAW NO. 124 OF AUGUST 4, 2017

With regards to that required by Article 1, paragraph 125 of Law 124/17, the Company recorded the following in 2025:

i. Euro 99 thousand relating to the sale of the external electricity distribution network produced by the photovoltaic plants;
ii. Euro 29 relating to training grants for Aquafil S.p.A.;
iii. Euro 45 thousand related to the tax credit accrued on the research and development expenses incurred in 2023 and determined as per Article 1, paragraph 35 of Law No. 190 of December 23, 2014;
iv. Euro 224 thousand related to the grant recognised by the EU for the "Effective" research project (portion in the year of the grant);

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v. Euro 557 thousand for the tax credit related to Energy Release 2.0;
vi. Euro 22 thousand for the tax credit on the purchase of capital goods;
vii. Euro 122 thousand for the contribution recognised by the EU for the "Cisuflo" project (portion in the year of the grant);
viii. Euro 114 thousand relating to the transfer of the "superbonus" tax credit.
ix. Euro 263 thousand related to the Industry 4.0 tax credit.

With regards to any subventions, contributions or other financial benefits received by the Company in 2025 from the Tax Agency, reference should be made to the preceding paragraphs covering the tax items.

## Proposal to allocate profits or for the coverage of losses

Considering the financial and equity position of the Company, we propose to cover the net loss of Euro 21,951,356 through utilisation of the Extraordinary Reserve.

## Attachment 1 - Disclosure pursuant to Article 149 of the Consob Issuer's Regulation

The following table, drawn up pursuant to Article 149-duodecies of the Consob Issuers' Regulation, highlights the fees charged in the year 2025 for auditing and non-auditing services rendered by this appointed independent audit firm and by the companies in its network to the company Aquafil S.p.A..

| Company providing the service | Recipient of service | Type of services | Fees 2025 |
|---|---|---|---|
| PwC S.p.A. | Aquafil S.p.A. | Audit separate financial statements | 151,230 |
| **Total Audit services provided in 2025 to Aquafil S.p.A. by audit firm** | | | **151,230** |
| PwC S.p.A. | Aquafil S.p.A. | Audit of the statement of the 2024 research and development costs for the purposes of the tax credit Law 145/18 | 4,900 |
| **Total other non-audit services provided in 2025 to Aquafil S.p.A. by audit firm** | | | **4,900** |
| **Total services provided in 2025 to Aquafil S.p.A.** | | | **156,130** |

Arco, March 12, 2026

The Chairperson of the Board of Directors
Ms. Chiara Mio

The Executive Officer
Mr. Andrea Pugnali

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# STATEMENT OF THE PRINCIPAL FINANCIAL OFFICER AND THE DELEGATED BODIES

AQUAFIL
synthetic fibres and polymers

Aquafil S.p.A.
Via Linfano 9 - Arco (TN) - Italy
P.I.: 09652170961

STATEMENT OF THE PRINCIPAL FINANCIAL OFFICER AND THE DELEGATED BODIES (art. 154-bis, comma 5) ABOUT THE FINANCIAL STATEMENTS OF AQUAFIL SPA CLOSED ON 2025/12/31 IN ACCORDANCE WITH ART 81-TER OF CONSOB REGULATION N.11971 OF 14 MAY 1999 AND ANY SUBSEQUENT AMENDEMENTS AND ADDITIONS

1. The **undersigned** Giulio Bonazzi, CEO and Andrea Pugnali, Principal Financial Officer ex Law 262/05 of Aquafil SpA, certify, based on art. 154-bis, commas 3-4, and Legislative Decree 58/98:
   - the adequacy in relation to the firm characteristics and
   - the effective implementation

   **of the administrative - accountability procedures aimed at preparing the financial statements as of December 31st, 2025.**
2. No relevant issues arose.
3. It is also certified that the financial statements as of December 31st, 2025:
   a) are drafted based on the International Financial Reporting Standards (I.F.R.S.), recognized in the European Community in accordance with Regulation (EC) n. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
   b) match with the results of the accountability books and registrations;
   c) are appropriate to give a truthful and correct representation of the statement of the assets, liabilities, and capitai of the Company.

Arco, March 12th, 2025

Il CEO
Giulio Bonazzi

Principal Financial Officer
Andrea Pugnali

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# REPORT ON THE AUDIT OF THE FINANCIAL STATEMENT

## Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of

Aquafil SpA

### Report on the audit of the financial statements

#### Opinion

We have audited the financial statements of Aquafil SpA (the "Company"), which comprise the balance sheet and financial position as of 31 December 2025, the income statement, comprehensive income statement, statement of changes in shareholders' equity, cash flows statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and

PricewaterhouseCoopers SpA

Sede legale: **Milano** 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 7785240, Capitale Sociale Euro 6.890.000,00 i.v. C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: **Ancona** 60131 Via Sandro Totti 1 Tel. 071 2132311 - **Bari** 70122 Via Abate Gimma 72 Tel. 080 5640211 - **Bergamo** 24121 Largo Belotti 5 Tel. 035 229691 - **Bologna** 40124 Via Luigi Carlo Farini 12 Tel. 051 6186211 - **Brescia** 25121 Viale Duca d'Aosta 28 Tel. 030 3697501 - **Catania** 95129 Corso Italia 302 Tel. 095 7532311 - **Firenze** 50121 Viale Gramsci 15 Tel. 055 2482811 - **Genova** 16121 Piazza Piccapietra 9 Tel. 010 29041 - **Napoli** 80121 Via dei Mille 16 Tel. 081 36181 - **Padova** 35138 Via Vicenza 4 Tel. 049 873481 - **Palermo** 90141 Via Marchese Ugo 60 Tel. 091 349737 - **Parma** 43121 Via Pisacane 1B Tel. 0521 275911 - **Pescara** 65127 Piazza Ettore Troilo 8 Tel. 085 4545711 - **Roma** 00154 Largo Fochetti 29 Tel. 06 570251 - **Torino** 10122 Via Santa Maria 11 Tel. 011 556771 - **Trento** 38122 Viale della Costituzione 33 Tel. 0461 237004 - **Treviso** 31100 Viale Felissent 90 Tel. 0422 696911 - **Udine** 33100 Via Poscolle 43 Tel. 0432 25789 - **Varese** 21100 Via Albuzzi 43 Tel. 0332 285039 - **Verona** 37135 Via Francia 21/C Tel. 045 8263001.

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appropriate to provide a basis for our opinion.

**Key audit matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matters | Auditing procedures performed in response to key audit matters |
|---|---|
| **Recoverability of the value of investments in subsidiaries**<br><br>Paragraph 2.3 "Accounting Standards" note "Equity Investments" and Note 7.3 to the financial statements "Current and non-current financial assets"<br><br>The financial statements of Aquafil SpA as at 31 December 2025 include investments in subsidiaries amounting to Euro 318.981 thousand, equal to 50,9% of total assets.<br><br>Based on International Accounting Standard IAS 36 ("Impairment of Assets"), investments are valued at cost; in case of impairment losses, these are recognized in the income statement.<br><br>At least once a year, the Company's management analyses each investment focusing on the companies for which the book value exceeds the corresponding share of equity and, simultaneously, a loss was recorded during the period. If, following such analysis, there are indicators which might lead to presume a loss in value of the investments, management verifies the presence of an investment loss of value by comparing the related book value with the estimated recoverable amount as per the International Accounting Standard IAS 36 (so called "Impairment test"). | The audit procedures carried out consisted in understanding and assessing the internal control system, the examination and discussion with the Company's management of the subsidiaries' financial performance, as well as assessing the existence of any impairment indicator as provided for in IAS 36 and in the specific impairment procedure approved by the Board of Directors of the Company.<br><br>We also obtained and analysed the results of the work performed, on the basis of our instructions, by the audit teams of the subsidiaries on the reporting used for the consolidated financial statements in order to verify whether there was any impairment indicator.<br><br>In the event there was an indicator that led to presume a loss in value of investments, we discussed with management the conclusions reached by them based on the impairment test, which we verified as set down in the specific internal procedure and in accordance with IAS 36. Specifically, we examined the methods to work out the projected cash flows used to calculate the value in use and methods of application of the discounted cash flow |

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The recoverable amount is determined as the higher of the value in use, determined by discounting the prospective cash flows of the investment and, where possible, the hypothetical selling value determined on the basis of recent transactions or market multiples.

Considering the significance of this item and of the elements of estimate inherent in the evaluations, we identified the valuation of investments as a key audit matter, with reference to the existence of any impairment indicator relating to subsidiaries, the appropriate application of impairment tests and the recognition thereof in the financial statements of the correct value of the investments.

mathematical model.

We also verified the consistency of the projections used compared to the management's updated plans, as well as the reasonability of cash flows and rates used.

We also verified, with the support of PwC valuation experts, the methodological accuracy of the impairment models prepared by management, in relation to the investments that showed an indicator of impairment.

Finally, we verified the completeness and accuracy of the disclosures in the notes to the financial statements.

**Revenue recognition**

Paragraph 2.3 "Accounting Standards" note "Revenue and Costs" and Note 8.1. "Revenues"

At 31 December 2025, revenues of Aquafil SpA amounted to Euro 481.523 thousand, mainly due to the sale of finished products. These revenues are recognized in the financial statements when control of the goods produced is transferred and only if all criteria under IFRS 15 ("Revenue from contracts with customers") are met.

As part of our audit procedures on the separate financial statements, the correct recognition of revenues was considered as a key area, since it represents the most significant Profit and Loss item and an incorrect recognition of them would cause a considerable alteration of the result for the year.

The audit approach preliminarily consisted in understanding and assessing the internal control system and of the procedures set by the Company for the recognition of revenues from sale.

The audit approach then provided to perform a sample of tests on relevant controls put in place by the Company, with particular reference to the existence of such revenues and their recognition in the correct accrual period.

Taking into account the understanding, assessment and validation of the internal controls mentioned above, we planned and performed validity tests on the relevant financial statement item. In particular we verified, in relation to a sample deemed representative, the existence and accuracy of revenues recognised in the financial statements, by examining the information included in the available documentation as supporting evidence.

Our checks included, on a sample basis, returned goods and credit notes issued, as well as period-end accruals.

We also verified the reconciliation of the

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intercompany balances being analyzed by each auditor of the group companies.

Finally, we verified the completeness and accuracy of the disclosures in the notes to the financial statements.

**Responsibilities of the directors and the board of statutory auditors for the financial statements**

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. 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 economic decisions of users taken on the basis of the financial statements.

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As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.

- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- We evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

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We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

**Additional disclosures required by article 10 of Regulation (EU) 537/2014**

On 30 January 2018, the shareholders of Aquafil SpA in general meeting engaged us to perform the statutory audit of the Company's and consolidated financial statements for the years ending 31 December 2017 to 31 December 2025.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

## Report on compliance with other laws and regulations

**Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019**

The directors of Aquafil SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Commission Delegated Regulation") to the financial statements as of 31 December 2025, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express

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an opinion on the compliance of the financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the financial statements as of 31 December 2025 have been prepared in XHTML format in compliance with the provisions of the Commission Delegated Regulation.

**Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998**

The directors of Aquafil SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of Aquafil SpA as of 31 December 2025, including their consistency with the relevant financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the financial statements;
- express an opinion on the compliance with the law of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;
- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the financial statements of Aquafi SpA as of 31 December 2025.

Moreover, in our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are prepared in compliance with the law.

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With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Treviso, 31 March 2026

PricewaterhouseCoopers SpA

Signed by

Giorgio Simonelli

(Partner)

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

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