



**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ON THE FOURTH ITEM ON THE  
AGENDA OF THE SHAREHOLDERS' MEETING OF NEODECORTECH S.P.A., ORDINARY  
SESSION, CONVENED ON 27 APRIL 2023 IN SINGLE CALL**

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

Shareholders,

you have been convened on 27 April 2023 for the Shareholders' Meeting ("**Meeting**") of Neodecortech S.p.A. ("**Neodecortech**" or the "**Company**") to resolve, in ordinary session, on the following item on the agenda.

**4. Presentation of the Non-Financial Statement of the Neodecortech Group at 31 December 2022, prepared pursuant to Legislative Decree no. 254 of 30 December 2016.**

This Report - prepared pursuant to Article 125-ter, paragraph 1, of Legislative Decree no. 58 of 24 February 1998, as amended and supplemented (the "**TUF**") and Article 84-ter of the Regulation adopted by CONSOB Resolution no. 11971 of 14 May 1999 (the "**Issuer Regulation**"), as amended and supplemented, and in accordance with Annex 3A to the Issuer Regulation (the "**Report**"), was approved by the Board of Directors in its meeting of 15 March 2023 and is made publicly available, within the time limits and in the manner envisaged by law and regulations, at the registered office in Via Provinciale 2, Filago (BG), as well as on the website ([www.neodecortech.it](http://www.neodecortech.it) "Investors – Assemblee azionisti" section) and on the authorized storage mechanism "*1info*" on the website [www.1info.it](http://www.1info.it).

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With regard to item 4 on the agenda of the Shareholders' Meeting, the Board of Directors submits for your review, in accordance with the law, the Consolidated Non-Financial Statement of the Neodecortech Group, prepared in accordance with Legislative Decree no. 254 of 30 December 2016 (the "**NFS**"), which represents a separate report from the financial statements.

In this regard, mention should be made that, pursuant to Legislative Decree no. 254 of 30 December 2016 ("**Legislative Decree 254/2016**"), NDT is required to prepare and publish, for each financial year, a consolidated statement that contains a set of information related to environmental, social, and personnel-related topics, human rights compliance, and the fight against corruption and bribery.

The information contained in the Group's NFS has been defined in accordance with Legislative Decree 254/2016 in a number of non-financial information areas of a social/environmental nature deemed material, taking account of the activities and characteristics of Neodecortech. For each area, a description is given of the relevant business model for managing and organizing activities, policies practiced and results achieved, and key non-financial performance measures.

The information was provided in accordance with the methodologies and principles set forth in a reporting standard and standard guidelines published by the *Global Reporting Initiative* ("**GRI**").

In defining the structure and content of the NFS, the Company carried out a materiality analysis process aimed at identifying the topics that, in relation to its business profile, strategies, stakeholder expectations, and its context of operations, may be considered relevant in reflecting the economic, environmental, and social impacts of the organization or influencing the decisions of the Group's stakeholders.

For 2022, the Neodecortech Group decided to update the list of material topics through a two-stage process: at first, the impacts of Neodecortech were analyzed through a benchmark analysis carried out by analyzing the information reported by competitors, the areas envisaged in Legislative Decree 254/2016, the GRI Standards, and the publications of certain authoritative international sources

(S&P Global, SASB, etc.). The second phase, which focused on the assessment of impacts and then material issues, involved senior management at a materiality workshop. The Group is considering for 2023 an update of the material topic identification process in line with the development of dedicated stakeholder engagement initiatives.

The NFS for 2022 was reviewed and approved by the Board of Directors at its meeting on 15 March 2023, after review by the Control, Risk and Sustainability Committee at its meeting on 14 March 2023, and then made available to the supervisory bodies (Board of Statutory Auditors and Independent Auditors) for their activities. The NFS was also subject to a limited assurance by Deloitte, which assessed its compliance with Legislative Decree no. 254/2016 and the principles and methodologies of the reporting standard used. The relevant report, separate from the statutory audit report, is attached to the NFS and published at the same time as the NFS.

The full text of the NFS accompanied by its annexes will be made available within the twenty-one days prior to the Shareholders' Meeting, thus by 6 April 2023, at the registered office in Via Provinciale 2, Filago (BG), as well as on the website (at [www.neodecortech.it](http://www.neodecortech.it), "Investors – Assemblee azionisti" section) and on the authorized storage mechanism "1info" at [www.1info.it](http://www.1info.it).

All that said, the Shareholders' Meeting of Neodecortech S.p.A. is called to review the Group's Consolidated Non-Financial Statement at 31 December 2022.

Filago, 17 March 2023

For the Board of Directors

The Chairman

Luca Peli