



**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ON THE SEVENTH AND EIGHTH
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 items on the agenda.

7. **Review of Section I prepared pursuant to Article 123-ter, paragraph 3, of Legislative Decree no. 58 of 24 February 1998 (i.e., remuneration policy for 2023). Resolutions pursuant to Article 123-ter, paragraphs 3-bis and 3-ter, of Legislative Decree no. 58 of 24 February 1998.**
8. **Review of Section II prepared pursuant to Article 123-ter, paragraph 4, of Legislative Decree no. 58 of 24 February 1998 (i.e., compensation paid in 2022). Resolutions pursuant to Article 123-ter, paragraph 6, of Legislative Decree no. 58 of 24 February 1998.**

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**") - sets forth the proposals that the Board of Directors of Neodecortech intends to submit to your approval with regard to the above items eight and nine on the agenda of the Shareholders' Meeting.

At its meeting on 15 March 2023, the Board of Directors of the Company approved this Report, which was made publicly available within the time limits and in the manner envisaged by law and regulations, at the Company's registered office in Via Provinciale 2, Filago (BG), on the website (www.neodecortech.it, *Investors – Assemblee azionisti* section) and on the authorized storage mechanism "*1info*" at www.1info.it.

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With regard to items 7 and 8 on the agenda of the Shareholders' Meeting, ordinary session, the Board of Directors submits for your review and approval, in accordance with the law, the Report on the Remuneration Policy for 2023 and Compensation Paid in 2022 of Neodecortech, prepared pursuant to Article 123-ter of the TUF and Article 84-*quater* of the Issuer Regulation (the "**Remuneration Report**").

The Remuneration Report 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, "*Investors – Assemblee azionisti*" section) and on the authorized storage mechanism "*1info*" at www.1info.it.

The Remuneration Report is divided into two sections, of which

- (i) Section I sets forth:
 - a. Neodecortech's policy for 2023 on the remuneration of members of the Board of Directors, general managers and Key management personnel and, subject to the

provisions of Article 2402 of the Italian Civil Code, members of the Board of Statutory Auditors;

b. the procedures used in the adoption and implementation of this policy;

(ii) Section II provides:

- a. an adequate presentation of each of the items that make up remuneration, including the treatments envisaged in the event of termination of office or termination of employment, indicating their consistency with the remuneration policy for 2022;
- b. an analytical description of the fees paid in 2022 for any reason and in any form by the Company and its subsidiaries or affiliates, highlighting any components of said fees that are referable to activities carried out in years prior to the year of reference, and also indicating the fees to be paid in one or more subsequent years in respect of the activity carried out in 2022;
- c. a description of how the Company took account of the vote expressed in 2022 on the second section of the report.

The Remuneration Report also contains information on the investments held by members of the Board of Directors and the Board of Statutory Auditors, general managers and other key management personnel, as well as spouses who are not legally separated and minor children, either directly or through subsidiaries, trust companies or intermediaries, in the Company and its subsidiaries, required under Article 84-*quater*, paragraph 4, of the Issuer Regulation.

Article 123-*ter*, paragraphs 3-*bis*, 3-*ter*, and 6, of the 'TUF, as amended by Legislative Decree no. 49 of 10 May 2019, provides for a binding vote of the Shareholders' Meeting on the first section of the Remuneration Report (i.e., the remuneration policy), while the vote is advisory on the second section (i.e., compensation paid).

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Shareholders,

in connection with the above, the Board of Directors of the Company proposes that the Ordinary Shareholders' Meeting pass the following resolutions:

PROPOSED RESOLUTION ON ITEM 7 ON THE AGENDA

"The Ordinary Shareholders' Meeting of Neodecortech S.p.A.,

- *having reviewed Section I of the report on the remuneration policy for 2023 and compensation paid in 2022 of Neodecortech S.p.A., prepared pursuant to Articles 123-ter of Legislative Decree no. 58 of 24 February 1998, and 84-*quater* of the Regulation adopted by CONSOB Resolution no. 11971 of 14 May 1999; and*
- *having reviewed the Explanatory Report of the Board of Directors,*

resolves

1. *to approve pursuant to and for the purposes of Article 123-ter, paragraphs 3-*bis* and 3-*ter*, of Legislative Decree no. 58 of 24 February 1998, Section I of the report on the remuneration policy for 2023 and compensation paid in 2022 of Neodecortech S.p.A., prepared pursuant to Article 123-ter of Legislative Decree no. 58 of 24 February 1998, and Article 84-*quater* of the Regulation adopted by CONSOB Resolution no. 11971 of 14*

May 1999, which sets forth the Company's policy on the remuneration of the members of the governing bodies, general managers and key management personnel and, without prejudice to the provisions of Article 2402 of the Italian Civil Code, the members of the supervisory bodies with regard to 2023, as well as the procedures used for the adoption and implementation of this policy.”

PROPOSED RESOLUTION ON ITEM 8 ON THE AGENDA

"The Ordinary Shareholders' Meeting of Neodecortech S.p.A.,

- *having reviewed Section II of the report on the remuneration policy for 2023 and compensation paid in 2022 of Neodecortech S.p.A., prepared pursuant to Articles 123-ter of Legislative Decree no. 58 of 24 February 1998, and 84-quater of the Regulation adopted by CONSOB Resolution no. 11971 of 14 May 1999; and*
- *having reviewed the Explanatory Report of the Board of Directors,*

resolves

1. *to express a favourable opinion pursuant to Article 123-ter, paragraph 6, of Legislative Decree no. 58 of 24 February 1998, on Section II of the Report on the remuneration policy for 2023 and compensation paid in 2022 of Neodecortech S.p.A., prepared in accordance with Article 123-ter of Legislative Decree no. 58 of 24 February 1998, and Article 84-quater of the Regulation adopted by CONSOB Resolution no. 11971 of 14 May 1999, which sets forth the fees paid to members of the boards of directors, general managers, key management personnel and members of the supervisory bodies in 2022.”*

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Filago, 17 March 2023

For the Board of Directors

The Chairman

Luca Peli