

àAQUAFIL S.p.A.
GENERAL SHAREHOLDERS' MEETING

April 28, 2021, at 3.00 p.m. (CET), in single call

(pursuant to Article 125-ter of Legislative Decree No. 58/1998, and Article 84-ter of Consob Regulation No. 11971/1999)

Directors' Report illustrating the motions pertaining to Item 3 on the Agenda of the General Shareholders' Meeting to be held on April 28, 2021, prepared pursuant to Article 125-ter of Legislative Decree No. 58/1998, and regarding:

“3. *Report on Remuneration Policy and Compensation Paid:*

- a. *Approval of the remuneration policy pursuant to Article 123-ter, paragraphs 3-bis and 3-ter, of Legislative Decree No. 58/1998;*
- b. *resolutions on the “second section” of the report, pursuant to Article 123-ter, paragraph 6, of Legislative Decree No. 58/1998*

This report has been prepared pursuant to Article 125-ter, paragraph 1, of Legislative Decree No. 58 dated February 24, 1998, as further amended and extended (**TUF**), as well as Article 84-ter of the Regulation No. 11971 issued by Consob on May 14, 1999, as further amended and extended (**Rules for Issuers**), and pertains to Item 3 placed on the Agenda of the General Shareholders' Meeting of Aquafil S.p.A. (“**Aquafil**” or the “**Company**”) scheduled for April 28, 2021, in single call.

This Report is available to the public at the Company's registered offices, on the corporate website (www.aquafil.com) and in the other manners provided for by Consob regulations.

AQUAFIL S.p.A.

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Cap.Soc. Euro 50.676.034,18 di cui sottoscritto e versato Euro 49.722.417,28

C.F. IT 09652170961 – V.A.T. IT 09652170961 – REA TN 228169

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Report on Remuneration Policy and Compensation Paid: (a) Approval of the remuneration policy pursuant to Article 123-ter, paragraphs 3-bis and 3-ter, of Legislative Decree No. 58/1998; and (b) resolutions on the “second section” of the report, pursuant to Article 123-ter, paragraph 6, of Legislative Decree No. 58/1998.

Shareholders,

In accordance with Article 123-ter TUF, in its meeting held on March 11, 2021, the Board of Directors approved the Remuneration Report and in particular:

- (a) Section 1, which illustrates: (a) the Remuneration Policy adopted by the Company for the year 2021, with regard to (i) the Members of the Company's Board of Directors, distinguishing between Executive and Non-Executive Directors; (ii) the Members of the Board of Statutory Auditors, without prejudice to the provisions of Article 2402 of the Italian Civil Code; and (iii) the Group's Managers with Strategic Responsibilities with reference to the year 2021; and (b) the procedures used to prepare and adopt the Remuneration Policy; and
- (b) Section 2, which provides, in reference to 2020, the following information in a clear, comprehensible way, individually for the members of the administrative and control bodies and the general managers, and in aggregate form, without prejudice to the regulations issued pursuant to paragraph 8, for Managers with Strategic Responsibilities: (i) an adequate account of each of the items that compose remuneration, including the indemnities upon departure from office or termination of the employment relationship, underscoring the consistency with the Company's remuneration policy; (ii) a detailed illustration of the compensation paid during the year of reference in any capacity and in any form by the Company and its subsidiaries or associates, indicating any components of such compensation that are attributable to activities performed in years prior to the year of reference, and also underscoring the compensation to be paid in one or more subsequent years for the activity performed during the year of reference, indicating, where appropriate, an estimated value for the components not readily quantifiable in the year of reference; and (iii) an illustration of how the Company took account of the vote cast in the previous year on the second section of the report;
- (c) the aforementioned Remuneration Report, to which reference is made, and which has been made available to the public in full at the Company's registered offices, on the corporate website (www.aquafil.com), in the section “Investor Relations – Shareholders' Meetings – 2021”, and on the centralized storage mechanism eMarket STORAGE, accessible from the website www.emarketstorage.com, in the manners and within the terms established by Consob Regulation.

In accordance with the above regulations, the General Shareholders' Meeting is called on to approve or reject Section 1 of the Remuneration Report. It bears recalling that, pursuant to Article 123-ter of TUF, this resolution is binding.

* * *

In light of the foregoing, and specifying that two distinct votes will be held on points a and b mentioned below, the Board of Directors invites the Shareholders to pass the following resolution:

“The General Shareholders' Meeting of Aquafil S.p.A.

resolves

pursuant to and in accordance with Article 123-ter, paragraph 6, of Legislative Decree No. 58 of February 24, 1998,

- a. to approve the first section of the Remuneration Report, which illustrates the Company's remuneration policy and the procedures adopted to implement this policy;

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- b. *in favor of the second section of the Remuneration Report, which provides, with regard to 2020, an adequate account of each of the items that composes the remuneration of the Directors, Statutory Auditors and Managers with Strategic Responsibilities.*

Arco (Trento), March 19, 2021

On behalf of the Board of Directors

The Chairman of the Board of Directors

(Giulio Bonazzi)

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