

Explanatory report of the Board of Directors prepared pursuant to article 125-ter of Legislative Decree no. 58 of February 24, 1998 (Consolidated Law on Finance or “TUF”), of art. 73 of Consob Regulation no. 11971/99 of May 14, 1999 (the “Issuers' Regulation”), in compliance with schedule no. 4 of Annex 3A of said Regulation, on the third item on the agenda of the Shareholders' Meeting of Sesa S.p.A., convened for August 27, 2025 and August 28, 2025, on first call and, if necessary, on second call respectively:

3. Authorisation to purchase and dispose of treasury shares. Related and consequent resolutions.

Dear Shareholders,

the Ordinary Shareholders' Meeting has been convened to consider and approve the proposal to authorise the purchase and disposal of shares of Sesa S.p.A. (“Sesa” or also the “**Company**”) pursuant to articles 2357 and 2357-ter of the Italian Civil Code, art. 132 of Legislative Decree 58/1998 (the “**TUF**”), art. 144-bis of the regulation adopted by Consob resolution no. 11971 of May 14, 1999, as subsequently amended (“**Issuers’ Regulation**”), in observance of the provisions of article 5 of Regulation (EU) 596/2014 on market abuse (“**MAR Regulation**”), Delegated Regulation (EU) 1052/2016 on the conditions applicable to share buybacks and stabilisation measures (“**Delegated Regulation**”), the additional EU and national implementing legislation (together with the MAR Regulation and the Delegated Regulation, the “**Legislation on Market Abuse**”), and the permitted market practices in force *pro tempore*, as established by the competent oversight authorities in compliance with art. 13 of the MAR Regulation (“**Permitted Market Practices**”).

In this regard, we remind you that the Ordinary Shareholders' Meeting of August 28, 2025 had authorised the purchase of ordinary treasury shares for a period commencing from the aforementioned Shareholders' Meeting resolution until the date of approval of the financial statements for the financial year ended April 30, 2025 and for a maximum of eighteen months from the aforementioned Shareholders' Meeting resolution. It should also be noted that the authorisation to dispose of ordinary treasury shares purchased was granted without any time limit.

In view of the appropriateness - for the reasons explained below - of granting the Company the power to proceed with the purchase of its ordinary treasury shares, also beyond the time limit indicated above, we propose that the resolution authorising the purchase and disposal of ordinary treasury shares be renewed, subject to withdrawal and replacement, for the part not yet implemented, of the authorisation granted to the Board of Directors by the Shareholders' Meeting on August 28, 2024.

This explanatory report, prepared in accordance with art. 125-ter of the TUF and articles 73 and 84-ter, as well as Schedule 4 of Annex 3A of the Issuers' Regulation, explains the reasons behind the request for authorisation, as well as the terms and conditions under which the plan to purchase and dispose of treasury shares will be implemented.

1. Reasons for requesting authorisation to engage in treasury share transactions

The request for a new authorisation to purchase and dispose of treasury shares is aimed at allowing the Company to acquire treasury shares in compliance with the Market Abuse Regulation and Permitted Market Practices for the following purposes:

- to equip itself with a portfolio of treasury shares to be used to service transactions consistent with the Company's strategic development lines in view of or within the scope of agreements with strategic partners, including, by way of non-limiting example, transactions involving the sale or exchange, swap, contribution, assignment or any other act that includes the use of treasury shares for the acquisition or disposal of shareholdings or share packages or other extraordinary finance transactions;
- to use treasury shares for transactions to support market liquidity, so as to facilitate trading of the stock when market liquidity is poor and to favour regular trading, in compliance with the provisions of the Market Abuse Regulation and Permitted Market Practices;
- to allocate (all or part of) the treasury shares, at the discretion of the Board of Directors, to the realisation of the incentive plans based on financial instruments pursuant to article 114-bis of the TUF, approved or to be approved by the Shareholders' Meeting;
- for the cancellation of all or part of the treasury shares in the portfolio, in accordance with the terms and procedures resolved upon at any time by the competent corporate bodies, on the understanding that any cancellation of treasury shares will not result in a reduction of the share capital.

2. Maximum number, category and par value of shares to which the authorisation refers

As of the date of this Report, Sesa's share capital amounts to Euro 37,126,927.50 and is divided into 15,494,590 ordinary shares, without any indication of their par value. As of the same date, Sesa holds 151,478 ordinary treasury shares in its portfolio, accounting for 0.98% of the share capital. Sesa's subsidiaries do not hold shares in the Company. Sesa's ordinary shares are admitted to trading on Euronext Milan organised and managed by Borsa Italiana S.p.A. (“EXM”).

The authorisation is requested for the purchase, also in multiple tranches, of a number of Sesa ordinary shares not exceeding 10% of the share capital, and for a maximum countervalue of Euro 25 (twenty-five) million.

We would, therefore, like to propose that a mandate be given to the Board of Directors, and to its Chairman and CEO, acting severally on its behalf, to identify the amount of shares to be purchased in relation to each of the purposes indicated in the previous paragraph, prior to the start of each individual purchase programme, pursuant to the maximum limit referred to above.

3. Useful information for the purposes of a full assessment of compliance with the provision of art. 2357, paragraph 3, of the Italian Civil Code

The maximum number of treasury shares held by the Company will never exceed the maximum limit established by the regulations in force *pro tempore*. As of the date of this Report, said limit is set, pursuant to art. 2357, paragraph 3, of the Italian Civil Code, at one-fifth of the share capital, taking into account, for this purpose, also any shares that may be held by subsidiaries.

The purchase of treasury shares must, however, take place within the limits of the law. At the time of the purchase and disposal of treasury shares, the necessary accounting entries will be made in accordance with the applicable legal provisions and accounting standards.

4. Duration for which authorisation is requested

The authorisation for the purchase of treasury shares is requested until the date of approval of the financial statements for the financial year ending April 30, 2026 and for a maximum of eighteen months, commencing from the date of the resolution, if any, by which the Ordinary Shareholders' Meeting authorises the purchase, while the duration of the authorisation for the disposal of any ordinary treasury shares held in the portfolio is requested without time limits.

The Board of Directors may proceed with the transactions authorised in one or more moments and at any time, in an amount and with timing freely determined in observance of the applicable regulations, with the gradual approach deemed appropriate in the interest of the Company.

5. Minimum and maximum consideration for treasury shares to be purchased

The Board of Directors proposes that purchases of ordinary treasury shares be made in compliance with the provisions of article 3 of the Delegated Regulation, at a consideration that is not higher than the highest price between the price of the last independent transaction and the price of the highest current independent purchase offer on the trading floors where the purchase is made, on the understanding that the per-unit consideration cannot be below a minimum of 20% or above a maximum of 10% with respect to the arithmetic average of the official prices recorded by Sesa stock on EXM in the ten trading days prior to each individual purchase transaction.

6. Purchase and disposal methods

The Board of Directors proposes that the purchases be carried out, at the pace deemed appropriate in the Company's interest, with the methods pursuant to art. 132 of the TUF and article 144-bis, paragraph 1, letter b) of the Issuers' Regulation and in compliance with the Market Abuse Regulation. Purchase transactions may also be carried out through public purchase or exchange offer procedures pursuant to art. 144-bis, paragraph 1, letter a) of the Issuers' Regulations, subject to a resolution by the Board of Directors in compliance with the laws currently in force. Treasury shares may be purchased by means other than those indicated above where permitted by the legal or regulatory provisions applicable at the time of the transaction (the accelerated bookbuilding procedure for example, or other similar accelerated mechanisms).

The Board of Directors also proposes to authorise the use, pursuant to and by the effects of art. 2357-ter of the Italian Civil Code, of all or part of the ordinary shares purchased on the basis of this authorising resolution, or held in the Company's portfolio, at any time, in one or more moments, by: (i) selling them on or off the stock exchange, also via the transferral of real and/or personal guarantees, including, by way of example, stock loans; (ii) allocation or use thereof, with the terms, methods and conditions of the deed of disposal of the treasury shares considered most appropriate in the interest of the Company, for the pursuit of the purposes as indicated in this resolution proposal, on the understanding that (a) the per-unit sale price (or the per-unit value established within the scope of the disposal transaction) cannot be below a minimum of 20% with respect to the arithmetic mean of the official prices registered by Sesa stock on EXM during the twenty business days of the stock exchange prior to each transaction; (b) the deeds of disposal of treasury shares placed at the service of any programmes for the allocation of stock options or stocks to Company directors or employees, may take place at the price determined by the pertinent corporate bodies within the scope of the aforesaid programmes, or free of charge, where envisaged in the relative plans; and (c) acts of disposal of

treasury shares used as consideration in the event of an exchange, swap, merger exchange, assignment or other act of disposal of treasury shares carried out within the scope of acquisitions of shareholdings or implementation of industrial projects or other extraordinary finance transactions involving the assignment or disposal of treasury shares may take place under the terms and conditions determined by the competent corporate bodies in the framework of such transactions. The Company may also use treasury shares for transactions to support market liquidity, so as to facilitate trading of the stock when market liquidity is poor and to favour regular trading, also proceeding with the cancellation of treasury shares, within the limits set by the approval resolution submitted to the Extraordinary Shareholders' Meeting as per the specific explanatory notes. It is proposed that disposal transactions be carried out in any manner deemed necessary or appropriate by the Board of Directors for the pursuit of the purpose for which the transaction is carried out (the accelerated bookbuilding procedure for example, or other similar accelerated mechanisms), all in compliance with the provisions of the law or regulations in force at the time of the transaction.

It should be noted that the authorisation to dispose of treasury shares pursuant to this proposal shall also be understood to be issued with reference to the treasury shares already held by Sesa on the date of the authorising shareholders' meeting resolution.

The transactions for the disposal of treasury shares held in the portfolio will be carried out in observance of current legislation and regulations on the conduct of negotiations involving listed stocks and may take place in one or more solutions, and with the gradual approach deemed appropriate in the interest of the Company.

The company may delegate the task of coordinating and implementing transactions on treasury shares to a specialised intermediary.

The Board of Directors shall act in compliance with the disclosure requirements pursuant to art. 144-bis, paragraph 3, of the Issuers' Regulation, as well as the disclosure requirements envisaged by the Market Abuse Regulation and the aforementioned Permitted Market Practices.

7. Whitewash

It should also be noted that, pursuant to article 44-bis, paragraph 1, of the Issuers' Regulation, treasury shares are normally excluded from the calculation of the share capital on which the relevant shareholding is calculated for the purposes of the obligation of a total takeover bid, envisaged by article 106 of the TUF. This provision, however, pursuant to art. 44-bis, paragraph 2, of the Issuers' Regulation, does not apply if the thresholds referred to in art. 106 of the TUF are exceeded as a result of the purchase of treasury shares by the Company, even indirectly, in implementation of a shareholders' meeting resolution also approved with the favourable vote of the majority of the shareholders attending the meeting, other than the shareholder or shareholders who hold, also jointly, the majority shareholding, which may also be a relative majority, as long as it exceeds 10% of the share capital (so-called whitewash). Therefore, we inform you that, should the shareholders' resolution authorising the purchase of the Company's treasury shares be approved with the majorities envisaged by the aforementioned art. 44-bis, paragraph 2 of the Issuers' Regulation, the treasury shares purchased by the Company pursuant to said authorising resolution will not be excluded from the share capital (and therefore will be counted in the same) for the purposes of calculating whether one or more shareholders exceed the thresholds relevant for the purposes of art. 106 TUF.

If you are in agreement with the proposal made, we invite you to adopt the following resolution:

“The Shareholders Meeting of Sesa S.p.A., meeting in ordinary session, having seen and approved the Report of the Board of Directors,

resolves

- 1) to revoke the previous resolution authorising the purchase of treasury shares passed by the Shareholders' Meeting on August 28, 2024, as of the date of this resolution, for the part that has not been implemented;*
- 2) to authorise, in accordance with, by the effects and within the limits of art. 2357 of the Italian Civil Code, the purchase, in one or more moments, until the date of approval of the financial statements relating to the year as at April 30, 2026 and not beyond a period of eighteen months from the date of this resolution, of a number of ordinary Sesa shares not in excess of 10% of the share capital and for a maximum countervalue of Euro 25 (twenty-five) million, issuing mandate to the Board of Directors and, on its behalf, to its Chairman and the Chief Executive Officer, severally, to identify the amount of shares to purchase in relation to the explanatory report of the Board of Directors, prior to the start of each individual purchase programme, at a price no higher than the highest between the price of the last independent transaction and the price of highest independent purchase offer in the trading venues where the purchase takes place, on the understanding that the per-unit price cannot be below a minimum of 20% or above a maximum of 10% with respect to the arithmetic mean of the official prices registered by Sesa S.p.A. stock on Euronext Milan during the ten business days of the stock exchange prior to each individual purchase, in any case, in observance of Regulation (EU) no. 596/2014 and of the relevant EU and national implementing legislation as well as of the market practices pro tempore accepted by Consob pursuant to art. 13 of Regulation (EU) no. 596/2014 and art. 180, paragraph 1, letter c) of Legislative Decree 58/1998;*
- 3) to issue mandate to the Board of Directors and, on its behalf, to its Chairman and the CEO, severally, to proceed with the purchase of ordinary shares, at the conditions and for the purposes mentioned above, assigning them the broadest powers for the performance of the purchase transactions and for every other formality, with the power to appoint special proxies; the purchases will be made using the methods envisaged by art. 144-bis, par. 1, lett. b) of Consob Regulation 11971/1999 and in compliance with the legislative provisions and regulations applicable, also taking into account the conditions indicated by art. 5 of European Regulation no. 596/2014; the purchase operations may also be carried out using public purchase or exchange offer procedures pursuant to art. 144-bis, paragraph 1, letter a), of Consob Regulation 11971/1999, subject to a resolution by the Board of Directors in compliance with the regulations in force; the purchase of treasury shares may be carried out in a different manner from those indicated above where permitted by the legal or regulatory provisions applicable at the time of the operation (the accelerated bookbuilding procedure for example, or other similar accelerated mechanisms);*

- 4) *to authorise the Board of Directors and, on its behalf, its Chairman and the CEO, severally, so that, pursuant to and by the effects of art. 2357-ter c.c., they may dispose of all or part of the ordinary treasury shares purchased on the basis of this resolution, or held in the Company's portfolio, at any time, in one or more moments, by: (i) selling them on or off the stock exchange, also via the transferral of real and/or personal guarantees; (ii) use thereof for the pursuit of the aims pursuant to this resolution, with the terms, methods and conditions of the deed of disposal of the treasury shares considered most appropriate in the interest of the Company, all of the above attributing to them, severally, the broadest powers for the implementation of the disposal transactions, and for every other formality relating to them, with the faculty to appoint special proxies, on the understanding that (a) the per-unit sale price (or the per-unit value established within the scope of the disposal transaction) cannot be below a minimum of 20% with respect to the arithmetic mean of the official prices registered by Sesa S.p.A. stock on Euronext Milan during the twenty business days of the stock exchange prior to each transaction; (b) the deeds of disposal of treasury shares placed at the service of any programmes for the distribution of stock options or stocks to Company directors or employees, may take place at the price determined by the pertinent corporate bodies within the scope of the aforesaid programmes, or free of charge, where envisaged in the relative; and (c) acts of disposal of treasury shares used as consideration in the event of an exchange, swap, merger exchange, assignment or other act of disposal of treasury shares carried out within the scope of acquisitions of shareholdings or implementation of industrial projects or other extraordinary finance transactions involving the assignment or disposal of treasury shares may take place under the terms and conditions determined by the competent corporate bodies in the framework of such transactions. The Company may also use treasury shares for transactions to support market liquidity, so as to facilitate trading of the stock when market liquidity is poor and to favour regular trading, also cancelling treasury shares, within the limits set by the resolution of the Extraordinary Shareholders' Meeting as per the specific explanatory notes. Disposal transactions may be carried out in any manner deemed necessary or appropriate by the Board of Directors for the pursuit of the purpose for which the transaction is carried out (the accelerated bookbuilding procedure for example, or other similar accelerated mechanisms), all in compliance with the provisions of the law or regulations in force at the time of the transaction;*
- 5) *to grant the Board of Directors the broadest powers necessary or appropriate to implement this resolution, and to fulfil all the obligations envisaged by the laws and regulations in force at the time, as well as to perform the acts and transactions necessary or appropriate for such purpose, also approving any and all executive provisions of the relevant purchase and disposal programme, including, by way of non-limiting example, the assignment to intermediaries for the coordination and performance of the corresponding transactions, and fulfilling all the obligations envisaged by the regulations in force.*

Empoli, July 25, 2025

On behalf of the Board of Directors
The Chairman, Paolo Castellacci