

Explanatory report of the Board of Directors drafted pursuant to Article 125-ter of Legislative Decree no. 58 of 24 February 1998 (“TUF”), as subsequently amended, on the first item on the agenda of the Ordinary Shareholders’ Meeting called for 25 August 2022 and 26 August 2022, on first call and, if necessary, on second call, respectively:

- 1. Integrated financial statements of Sesa S.p.A. as at 30 April 2022 and reports by the Board of Directors and the Independent Auditors: 1.1. Approval of the integrated financial statements as at 20 April 2022; presentation of the consolidated integrated financial statements as at 30 April 2022; 1.2. Allocation of the profit for the year.**

Dear Shareholders,

Your Company’s Board of Directors has called you to an Ordinary Shareholders’ Meeting to propose that you approve the draft integrated financial statements of Sesa S.p.A. as at 30 April 2022.

In particular, the financial statements as of 30 April 2022 show a net profit for the year equal to € 17,196 thousand. On this point, we refer to the report on operations prepared by the Board of Directors, which will be made available to shareholders within the terms of the law.

In asking for your approval of our work through the approval of the draft financial statements and our report, we ask you:

1. To allocate the current year’s profit of € 17,196 thousand as follows:
 - € 860 thousand to the legal reserve;
 - € 2,391 thousand to the extraordinary reserve;
 - a maximum total amount of € 13,945 thousand as dividend distribution, with the amount accurately calculated on the basis of the number of shares entitled to receive dividends based on the evidence available on the record date of 20 September 2022.
2. To distribute a dividend of € 0.90 per share, payable as of 21 September 2022 (record date 20 September 2022, ex-dividend date 19 September 2022), for a maximum total amount of € 13,945 thousand, taking into account that the amount distributed will be accurately calculated on the basis of the number of shares entitled to receive the dividend, also pursuant to Article 83-terdecies of Legislative Decree 58/1998.
3. That the amounts by way of dividend be paid to those entitled thereto, based on the evidence available at the end of the accounting day of 20 September 2022 (record date), the payment date starting from 21 September 2022, with ex-dividend date on 19 September 2022.

Please also note that all the documentation required by Article 154-ter, paragraph 1, of Legislative Decree 58/1998, including the Report on Corporate Governance and Ownership Structure pursuant to Article 123-bis of Legislative Decree 58/1998, as subsequently amended, will be made available at the Company's registered office, on the website of Sesa S.p.A. at www.sesa.it (section "Investors - Shareholders' Meeting") in accordance with the law.

In view of the foregoing, we submit the following resolution for your approval:

"The Shareholders' Meeting of Sesa S.p.A., convened in ordinary session,

- *having heard and approved the presentation of the Board of Directors;*
- *having acknowledged the report of the Independent Auditors as well as the integrated consolidated financial statements as at 30 April 2022;*

resolves

1. *to approve the Board of Directors' Report on Operations and the draft integrated financial statements as at 30 April 2022 in their entirety and results, with a net profit for the current year of € 17,196 thousand;*
2. *to distribute the profit for the current year, amounting to € 17,196 thousand, as follows:*
 - *€ 860 thousand to the legal reserve;*
 - *€ 2,391 thousand to the extraordinary reserve;*
 - *€ 13,945 thousand as dividend distribution, taking into account that the amount distributed will be accurately calculated on the basis of the number of shares entitled to receive the dividend based on the evidence available at the end of the accounting day of 20 September 2022 (record date);*
2. *to distribute a dividend of € 0.90 per share before tax to all shares entitled to it pursuant to the law and the Articles of Association, for a total maximum amount of € 13,945 thousand. This total amount will be accurately calculated on the basis of the number of shares entitled to receive the dividend at the record date provided for by Article 83-terdecies of Legislative Decree 58/1998 as a result of the Company's share buyback plan;*
3. *to pay the dividend to those entitled, on the basis of the evidence available at the end of the accounting day of 20 September 2022 (record date), starting from 21 September, with an ex-dividend date of 19 September 2022;*
4. *to confer on the Chairman and the Managing Director, severally, all the widest powers to implement the above resolution".*

Empoli, 25 July 2022

for the Board of Directors
The Chairman Paolo Castellacci