

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 articles 72 and 84-ter of Consob Regulation no. 11971 of May 14, 1999 (the “Issuers’ Regulation”), in compliance with schedule no. 3 of annex 3A of said Regulation, on the third item on the agenda of the extraordinary part of the Sesa S.p.A. Shareholders’ Meeting convened for August 28 and August 29, 2024, on first and second call respectively:

3. Proposal to increase the increased voting rights, pursuant to art. 127-quinquies, paragraph 2, TUF (amendment to art. 7 of the Articles of Association). Pertinent and consequent resolutions.

Dear Shareholders,

this report is prepared pursuant to art. 125-ter of Legislative Decree 58/1998, as subsequently amended and supplemented (“TUF”) and articles 72, paragraph 1-bis, and 84-ter of the issuers’ regulation adopted by resolution no. 11971 of May 14, 1999, as subsequently amended and supplemented (“Issuers’ Regulation”) and in accordance with the model set forth in Schedule 3 of Annex 3A to the Issuers’ Regulation.

The purpose of this report is to illustrate the proposals to amend the Articles of Association that the Board of Directors of Sesa S.p.A. (hereinafter “Sesa” or the “Company”) intends to submit for your approval mainly for the introduction of the “enhanced” increased voting mechanism, pursuant to art. 127-quinquies, paragraph 2, TUF. With this Report, the Board of Directors intends to disclose the reasons for the above-mentioned proposal, also presenting the wording of the new article 7 to be introduced.

1. Reasons for and content of the proposed amendment to the Articles of Association.

1.1 Introduction

With Decree-Law no. 91 of June 24, 2014, converted with amendments by Law no. 116 of August 11, 2014, the legislator, with the inclusion of art. 127-quinquies in the TUF, introduced the institute of the increase of voting rights in the wake of the “loyalty shares” introduced under French law. By means of this institute, issuers listed on a regulated market are given the opportunity to attribute, by amending their articles of association, up to a maximum of two votes per share to those who remain shareholders for a continuous period of at least twenty-four months from the date of their registration in a special list kept by the Company.

By allowing a deviation from the one share - one vote principle, the increased voting right allows listed companies to offer incentives for medium-long term investments by shareholders (stabilising the shareholding structure of the listed issuer), who, by virtue of the benefit granted to them, see their role in the governance of the company strengthened.

As you know, the Ordinary and Extraordinary Shareholders' Meeting of your Company, held on August 28, 2020, resolved to amend art. 7 of the Articles of Association, envisaging the introduction of the right to an increased voting right, assigning two votes to each share, where the following conditions are met:

- (i) the share has belonged to the same person, by virtue of a real right legitimising the exercise of voting rights (full ownership with voting rights or bare ownership with voting rights or usufruct with voting rights) for a continuous period of at least twenty-four months;
- (ii) the recurrence of the prerequisite referred to in point (i) above is attested by continuous registration, for a period of at least twenty-four months, in the special list specifically established and maintained by the Company, as well as by a specific communication attesting to the shareholding and referring to the date of the continuous period, issued by the intermediary in the forms and with the effects envisaged by the applicable regulations.

Notwithstanding the above, Law no. 21 of March 5, 2024 (the “**Capital Law**”) - containing certain measures aimed at fostering the competitiveness of companies and the capital market - intervened on the institute of the increased vote, allowing the introduction of an amendment to the articles of association that allows the attribution to the so-called loyalty shareholders who have accrued the right to two votes for each share held continuously for a period of 24 months, an additional vote at the end of each 12-month period of uninterrupted ownership, up to a maximum of ten votes per share. The intervention of the Capital Law is clearly aimed at recovering the competitive gap in our system, which has emerged in relation to the “migration” of important Italian industrial realities that have decided to move their registered offices abroad, taking advantage of the wider margins of statutory autonomy ensured by those legal systems to the strengthening of voting.

Having clarified this, in continuity with the choice made previously, the Board of Directors deems it advantageous to grasp the opportunity offered by the legislator, proposing to amend article 7 of the Articles of Association (in which shares with increased voting rights are regulated) in line with the provisions of art. 127-*quinquies*, paragraph 2, TUF as amended by the Capital Law.

In particular, the Board of Directors believes that the enhancement of the increased voting right meets the Company's interests, as it is able to guarantee: (i) further stability of the shareholding structure, which, as proven by the previous experience, is able to allow a lasting increase in the value of the shares and will make it possible to support the realisation of projects destined to develop over a medium-long period of time; (ii) greater flexibility of the share capital to allow the Company to pursue growth opportunities via external lines.

Ultimately, therefore, it is believed that the long-term commitment of Sesa's shareholders constitutes an important value and that, consequently, the strengthening of the increased voting rights to the benefit of “loyal” shareholders is in the best interest of the Company and its stakeholders.

1.2 Magnitude of the benefit of the increase in the right and vesting period

As already mentioned, following the entry into force of the Capital Law, it is possible to attribute an additional vote at the end of each 12-month period following the maturity of the previous 24-month period, up to a maximum total of 10 votes for each share (art. 127-*quinquies*, paragraph 2, TUF).

In light of the new regulatory provisions, we propose to implement the amendment to the institute of the enhancement of the increase in the voting right, with the attribution of the benefit up to a maximum of three total votes recognised for each share held continuously (attributing an additional vote with respect to the situation currently envisaged in the Articles of Association).

It should be noted that, for shareholders who have already accrued two votes for each share, the third vote will accrue 12 months after the date of registration in the Register of Companies of the resolution of the Shareholders' Meeting relating to the amendment to the Articles of Association in question, as clarified by art. 127-*quinquies*, paragraph 2, last paragraph, of the TUF.

1.3 Further amendments to art. 7 of the Articles of Association.

Notwithstanding that already illustrated, it should be noted that the Board of Directors considers it appropriate to make some further fine-tuning amendments to art. 7 of the Articles of Association, in the part relating to the increase in voting rights.

1.3.1 Amendments relating to the acquisition of the increased voting right

In particular, the current Articles of Association state that, for the purposes of the attribution of the increased voting right, after the 24-month period of continuous registration in the special list kept by the Company, a further notice certifying the ownership of the shares of the party concerned is required, referring to the date of the expiry of the aforesaid continuous period, issued by the intermediary in the form and with the effects envisaged by the regulations in force.

The forecast in question was consistent with the then applicable Art. 44, paragraph 3, of the Single Provision on Post-trading of Consob and the Bank of Italy of August 13, 2018 (the “**Post-trading Provision**”), according to which “*where the articles of association envisage a subsequent attestation of legitimation for the purposes of obtaining the increased voting right, once the continuous period indicated in accordance with article 127-quinquies, paragraph 1, of the TUF has elapsed, the person registered on the list shall request the last intermediary to issue a second communication, with the same characteristics as the communication referred to in paragraph 2*”.

However, according to that clarified also by Consob in its Communication no. 0214548 of April 18, 2019, the increase in the voting right is acquired on the basis of the automatic detection of the expiry of the minimum period of continuous holding of shares entered in the list kept by the issuer pursuant to art. 127-*quinquies*, paragraph 2, of the TUF (notwithstanding the shareholder's right to expressly waive the increase in the voting right), as it cannot, therefore, be linked to and subject to a further burden of activation by the individual shareholder.

Also on the basis of these considerations, paragraph 3 of art. 44 of the Provision on Post-trading was deleted with the last amendment of said provision on October 10, 2022. In light of the above, therefore, it is deemed appropriate to align with the changed regulatory framework, consequently deleting the provision of the Articles of Association in question.

It should also be noted that the current version of the Articles of Association envisages that the acquisition of the increased voting right by the shareholder concerned, once all the necessary conditions have been met, is effective as of the first date between: (i) the fifth trading day of the calendar month following the day on which the conditions required by the Articles of Association for

the increase in voting rights have been met; or (ii) the so-called record date of any shareholders' meeting, determined in accordance with applicable law, following the date on which the conditions required by the Articles of Association for an increase in voting rights are met. In essence, the current version of the Articles of Association subordinates the effectiveness of the acquisition of the increase in voting rights to the updating of the special list maintained by the Company.

For the same reasons indicated above, and, in particular, on the assumption of the necessary automatism between the occurrence of the minimum period of continuous holding of shares on the special list and the acquisition of the increase, it is deemed necessary to eliminate the forecast indicated.

1.3.2 Amendments relating to the loss of the increased voting right

Your Company's Articles of Association, in keeping with market practice, envisage the acquisition of the increased voting right by holders of a real right legitimising the exercise of voting rights (full ownership with voting rights or bare ownership with voting rights or usufruct with voting rights).

With regard to the loss of the increased voting right, the current version of the Articles of Association basically reflects the provisions of art. 127-*quinquies*, paragraph 5, TUF, envisaging such loss in the event of transfer, either for a fee or free of charge, of the share (including the constitution of certain burdens capable of influencing the exercise of voting rights) without, by contrast, mentioning the "real legitimising rights".

In order to align the two provisions mentioned above and to better explain the cases in which the increased voting right is lost, we suggest the adoption of the new wording better indicated in the comparative table in this document.

1.3.3 Cross-border merger, demerger and transformation

We also propose the amendment of the Articles of Association to implement the amendments made to paragraph 4 (now paragraph 6) of article 127-*quinquies* of the TUF by the Capital Law in order to provide greater clarity. In particular, paragraph 4 above envisaged that the project for the merger or demerger of a company with articles of association envisaging increased voting rights may assign increased voting rights also to shares offered in exchange for those which have been assigned increased voting rights. The new paragraph 6 specifies that this provision also applies in the case of cross-border transformations, mergers and demergers regulated by legislative decree no. 19 of March 2, 2023.

2. Effects that the amendment of the current increased voting mechanism would have on the Company's ownership structures

It should be noted, also for the purposes of recommendation no. 2 of the Corporate Governance Code, that, as of the date of this Report, according to that resulting from the information received by the Company pursuant to art. 120, paragraphs 1 and 2, TUF, only the shareholder ITH S.p.A. ("ITH"), holder of 52.898% of the share capital, corresponding to 8,196,323 shares, which 8,183,323 is registered in the special list and has accrued the increased voting right. In detail, ITH currently holds

a total of 69.177% of the voting rights (notwithstanding the fact that the increase does not currently apply to resolutions concerning matters expressly envisaged by art. 7 of the Articles of Association).

In view of the above, if the shareholder ITH were to be the only beneficiary of the increased voting right, up to a maximum of three times the number of shares held, and no other shareholder were to apply for increased voting rights, the percentage of voting rights exercisable by ITH would be that indicated in the following table ⁽¹⁾:

No. of votes held by ITH	ITH percentage of voting rights	Other shareholders' percentage of voting rights
24,562,969	77.094%	22,906%

The above calculations are also based on the assumption that the shareholders' will continue to hold the same shares in the share capital. The figures indicated are, however, subject to the effects of the possible exercise of withdrawal by the shareholders.

3. Decision-making process followed in the formation of the proposal for the amendment to the Articles of Association

Also for the purposes of Recommendation No. 2 of the Corporate Governance Code, it should be noted that this proposed amendment to the Articles of Association was approved unanimously by the Board of Directors on July 18, 2024, and submitted to the Extraordinary Shareholders' Meeting.

4. Comparison of the current and proposed wording of the article for which amendment is

<i>Current Wording</i>	<i>Proposed Wording</i>
Article 7.) Shares*	Article 7.) Shares*
* The text does not take into account possible changes resulting from the vote on item 2 of the extraordinary part of the agenda.	* The text does not take into account possible changes resulting from the vote on item 2 of the extraordinary part of the agenda.
Each ordinary share entitles the holder to one vote.	[unchanged]
As an exception to the provisions of the previous paragraph, each ordinary share gives the right to a double vote (and consequently to two votes for	As an exception to the provisions of the previous paragraph, each ordinary share gives the right to a double vote (and consequently to two votes for

¹ The calculations are made (i) gross of treasury shares held by the Company, which, solely for the purposes of simulation, have been considered for the determination of the total voting rights referring to the shares of the Company (with the exception, at the shareholders' meeting, of that envisaged by art. 2357-ter, paragraph 2, and by art. 2368, paragraph 3 of the Italian Civil Code); (ii) on the assumption that the Board of Directors will not exercise the right to increase the share capital granted to it by the Extraordinary Shareholders' Meeting on August 28, 2023.

<p>each share) where both of the following conditions are met: (a) the share has belonged to the same person, by virtue of a real right legitimising the exercise of voting rights (full ownership with voting rights or bare ownership with voting rights or usufruct with voting rights) for a continuous period of at least twenty-four months; (b) the recurrence of the prerequisite referred to under (a) above is attested by continuous registration, for a period of at least twenty-four months, in the special list specifically established and maintained by the Company in accordance with the forms and contents envisaged in the applicable regulations (the Special List), as well as by a specific communication attesting to the shareholding and referring to the date of the continuous period, issued by the intermediary in the forms and with the effects envisaged by the applicable regulations.</p>	<p>each share) where both of the following conditions are met: (a) the share has belonged to the same person, by virtue of a real right legitimising the exercise of voting rights (full ownership with voting rights or bare ownership with voting rights or usufruct with voting rights; <u>the “Real Legitimising Right”</u>) for a continuous period of at least twenty-four months; (b) the recurrence of the prerequisite referred to under (a) above is attested by continuous registration, for a period of at least twenty-four months, in the special list specifically established and maintained by the Company in accordance with the forms and contents envisaged in the applicable regulations (the “Special List”); as well as by a specific communication attesting to the shareholding and referring to the date of the continuous period, issued by the intermediary in the forms and with the effects envisaged by the applicable regulations.</p>
	<p><u>An additional vote is also attributed upon expiry of the twelve-month period following the expiry of the twenty-four-month period referred to in the preceding paragraph, to each share owned (by virtue of a Real Legitimising Right) by the same person entered in the Special List, up to a maximum total of three votes per share (including the increase referred to in the preceding paragraph).</u></p>
<p>The increased voting right is not applicable to resolutions of the Shareholders’ Meeting concerning the determination of the remuneration of the members of the corporate bodies, the approval of remuneration plans based on financial instruments and the approval of the remuneration policy prepared by the Board of Directors.</p>	<p>[unchanged]</p>
<p>Shareholders who wish to benefit from the increased voting right must register in the Special List.</p>	<p>[unchanged]</p>
<p>A person wishing to be included in the Special List must submit a special application in the forms envisaged pursuant to the regulations in force, also attaching a communication, again issued in the forms envisaged by the regulations</p>	<p>[unchanged]</p>

<p>in force, certifying the ownership of the shares for which the increase in voting rights is requested.</p>	
<p>The increase may also be requested for only part of the shares held by the owner. In the case of entities other than natural persons, the application must specify whether the entity is subject to direct or indirect control by third parties and the identifying data of the controlling entity, if any.</p>	<p>[unchanged]</p>
<p>The Special List is updated by the Company: (i) by the fifth trading day after the end of each calendar month; (ii) by the so-called record date envisaged by the regulations in force in relation to the right to participate and vote in shareholders' meetings.</p>	<p>[unchanged]</p>
<p>The acquisition of the increased voting right is effective as of the first date between: (i) the fifth trading day of the calendar month following the day on which the conditions required by the Articles of Association for the increase in voting rights have been met; or (ii) the so-called record date of any shareholders' meeting, determined in accordance with applicable law, following the date on which the conditions required by the Articles of Association for an increase in voting rights are met.</p>	<p>The acquisition of the increased voting right is effective as of the first date between: (i) the fifth trading day of the calendar month following the day on which the conditions required by the Articles of Association for the increase in voting rights have been met; or (ii) the so-called record date of any shareholders' meeting, determined in accordance with applicable law, following the date on which the conditions required by the Articles of Association for an increase in voting rights are met.</p>
<p>The Company proceeds with cancellation from the Special List in the following cases:</p> <p>(i) waiver, even partial, by the party concerned;</p> <p>(ii) communication by the interested party or by the competent intermediary in accordance with the regulations in force, proving that the conditions for the increase in voting rights have ceased to exist or that the ownership of the real legitimising right and/or the relative voting right has been lost;</p> <p>(iii) ex officio, if the Company becomes aware of the occurrence of facts resulting in the loss of the prerequisites for the increase in voting rights or the loss of ownership of the real legitimising right and/or the relative voting right.</p>	<p>The Company proceeds with cancellation from the Special List in the following cases:</p> <p>(i) waiver, even partial, by the party concerned;</p> <p>(ii) communication by the party concerned or by the competent intermediary in accordance with the regulations in force, proving that the conditions for the increase in voting rights have ceased to exist or that the ownership of the Real Legitimising Right and/or the relative voting right has been lost;</p> <p>(iii) ex officio, if the Company becomes aware of the occurrence of facts resulting in the loss of the prerequisites for the increase in voting rights or the loss of ownership of the Real Legitimising Right and/or the relative voting right.</p>
<p>The increase of the voting rights is lost:</p>	<p>The increase of the voting rights is lost:</p>

<p>a) in the event of a transfer of the share for a fee or free of charge, it being understood that “transfer” also means the establishment of a pledge, usufruct or other encumbrance on the share when this implies the loss by the shareholder of voting rights. In the case of a transfer for a fee or free of charge involving only part of the shares with an increased voting right, the transferor retains the increased vote on shares other than those transferred;</p> <p>b) in the event of direct or indirect transfer of controlling interests in companies or entities holding shares with an increased vote above the threshold envisaged in article 120, paragraph 2 of the TUF (the “Change of Control”).</p>	<p>a) in the event of a transfer <u>of the Real Legitimising Right</u>, of the share, restando inteso che per “cessione” for a fee or free of charge, restando inteso che per “cessione” it being understood that “transfer” also means or in the case of the establishment of a pledge, usufruct or other encumbrance on the share when this implies the loss by the shareholder of voting rights. In the case of a transfer for a fee or free of charge involving only part of the shares with an increased voting right, the transferor retains the increased vote on shares other than those transferred;</p> <p>b) in the event of direct or indirect transfer of controlling interests in companies or entities holding shares with an increased vote above the threshold envisaged in article 120, paragraph 2 of the TUF (the “Change of Control”).</p>
<p>The increase of the voting rights:</p> <p>a) is maintained in the event of succession, due to death, in favour of the heir and/or legatee;</p> <p>b) is maintained in the event of a merger or demerger of the holder of the shares in favour of the company resulting from the merger or beneficiary of the demerger;</p> <p>c) is extended proportionally to newly issued shares in the event of a capital increase pursuant to art. 2442 of the Italian Civil Code, a capital increase by means of new contributions made in the exercise of option rights, and in the event of the exercise of conversion rights attached to convertible bonds;</p> <p>d) may be granted to the shares assigned in exchange for those to which the increased voting right is attributed, in the event of a merger or demerger of the Company, if this is envisaged in the corresponding plan;</p> <p>e) is retained in the event of a transfer from one portfolio to another of UCIs managed by the same party;</p> <p>f) is retained in the event of a free transfer; (i) by virtue of a family covenant; (ii) to an entity such as a foundation, of which the transferor is a</p>	<p>The increase of the voting rights:</p> <p>a) is maintained in the event of succession, due to death, in favour of the heir and/or legatee;</p> <p>b) is maintained in the event of Rights a merger or demerger of the holder of the shares <u>Real Legitimising Right</u> in favour of the company resulting from the merger or beneficiary of the demerger;</p> <p>c) is extended proportionally to newly issued shares in the event of a capital increase pursuant to art. 2442 of the Italian Civil Code, a capital increase by means of new contributions made in the exercise of option rights, and in the event of the exercise of conversion rights attached to convertible bonds;</p> <p>d) may be granted to the shares assigned in exchange for those to which the increased voting right is attributed, in the event of a merger or demerger of the Company, if this is envisaged in the corresponding plan. <u>This applies also in the case of a merger, demerger or cross-border transformation pursuant to legislative decree no. 19 of March 2, 2023;</u></p> <p>e) is retained in the event of a transfer from one portfolio to another of UCIs managed by the same party;</p> <p>f) is retained in the event of a free transfer; (i) by virtue of a family covenant; (ii) to an entity such as a foundation, of which the transferor is a</p>

<p>founder; (iii) to a trust of which the transferor and/or the transferor's heirs are trustees and/or beneficiaries;</p> <p>g) if the shareholding belongs to a trust, it is retained in the event of a change of trustee.</p>	<p>founder; (iii) to a trust of which the transferor and/or the transferor's heirs are trustees and/or beneficiaries;</p> <p>g) if the shareholding belongs to a trust, it is retained in the event of a change of trustee.</p>
<p>In the cases referred to under letters (c) and (d) of the preceding paragraph, the new shares acquire the increased voting right: (i) in the case of newly issued shares to which the holder is entitled in relation to shares which have already accrued the increase in voting rights, from the time of their registration in the Special List, without the need for a further continuous holding period; (ii) in the case of newly issued shares to which the holder is entitled in relation to shares which have not yet accrued the increase in voting rights (but are in the process of accruing them), from the time of completion of the holding period calculated from the time of the original registration in the Special List.</p>	<p>[unchanged]</p>
<p>The person with increased voting rights may at any time irrevocably (fully or partially) waive the increased voting right by means of written notice to be sent to the Company through the competent intermediary in accordance with the regulations in force, it being understood that the increased voting right may be reacquired in relation to the shares for which it was waived with a new registration in the Special List, and the full term of continuous membership of not less than twenty-four months.</p>	<p>[unchanged]</p>
<p>The increase in voting rights is calculated also for the purposes of determining the quorums for meetings and resolutions that refer to percentages of the share capital, but has no effect on the rights, other than voting rights, accruing by virtue of the possession of certain percentages of the share capital.</p>	<p>[unchanged]</p>
<p>For the purposes of this article, the notion of control is that envisaged by the regulatory framework for listed issuers pursuant to art. 93 of the TUF.</p>	<p>[unchanged]</p>

5. Withdrawal right pursuant to art. 2349 of the Italian Civil Code

Sesa's shareholders (absent, abstaining or dissenting) who do not participate in the adoption of the resolution to amend the Articles of Association for the introduction of the “enhanced” majority vote are legitimated to exercise their right of withdrawal pursuant to art. 2437, paragraph 1, of the Italian Civil Code, in accordance with art. 127-*quinquies*, paragraph 8, TUF (hereinafter also the “**Withdrawing Shareholders**”).

It should be noted that, pursuant to Article 127-*bis*, paragraph 2, TUF, shareholders who did not participate in the adoption of the resolution and who are, therefore, entitled to withdraw, are also those in whose favour the shares are registered, after the date pursuant to art. 83-*sexies*, paragraph 2 (record date of the Shareholders' Meeting), but before the start of the meeting proceedings.

Pursuant to art. 2437-*bis* of the Italian Civil Code, Withdrawing Shareholders may exercise their withdrawal right, in relation to all or part of the shares held, by sending written notice by registered letter with notification of receipt to the registered office of Sesa, located in Empoli (FI), via della Piovola 138, 50053, or alternatively, by registered e-mail from the PEC address of the person entitled to use said PEC address of sesaspa@pec.leonet.it, no later than 15 days after the date of registration with the competent Register of Companies of the resolution of the Shareholders' Meeting to approve the amendment of the Articles of Association in question. The Withdrawing Shareholders shall send specific notice, issued by an authorised intermediary, certifying the ownership of the shares subject to withdrawal dating back to before the start of the Sesa Shareholders' Meeting to pass resolution on said amendment to the Articles of Association and without interruption until the date of said notice.

A notice regarding the registration and containing further details on how to exercise the withdrawal right will be published, also pursuant to article 84 of the Issuers' Regulation, on Sesa's website, on the authorised storage mechanism www.emarketstorage.com and in a national daily newspaper within the terms envisaged by the law and regulations.

Pursuant to article 2437-*ter*, paragraph three, of the Italian Civil Code, given that the Company's Articles of Association do not envisage different criteria, the price of liquidation payable to the Withdrawing Shareholders shall be equal to Euro 110.20 (one hundred ten euro and twenty cents) for each Sesa share for which the withdrawal is exercised (the “**Liquidation Price**”). The Liquidation Price was calculated based on the arithmetic average of the closing prices of Sesa shares in the six months preceding the publication of the notice convening the Shareholders' Meeting, without any correction being necessary to determine said average.

After the 15-day period has expired, the Sesa shares in relation to which the withdrawal right has been exercised shall be offered to the other shareholders and, subsequently, the unsold shares may be offered for placement with third parties; any remaining shares that have not been sold shall be purchased by Sesa at the Liquidation Price. The effectiveness of the withdrawal right, as well as the aforesaid offer and sale procedure and the payment of any consideration due to the Withdrawing Shareholders, shall be subject to the fulfilment of the Condition (as defined herein). If, therefore, the Condition should be fulfilled and, consequently, the amendment to the Articles of Association in question become ineffective, the shares in relation to which the withdrawal right has been exercised will continue to be owned by the Withdrawing Shareholders, without any payment being made in favour of said shareholders.

6. Effectiveness of the amendment to the Articles of Association

The amendment to the Articles of Association in question, which, if approved, shall be effective as of the date on which the resolution of the Extraordinary Shareholders' Meeting is filed with the competent Register of Companies, shall be conditional to the fact that the amount in cash, if any, payable by Sesa pursuant to art. 2437-*quater* of the Italian Civil Code to the Withdrawing Shareholders (“**Withdrawal Amount**”), exceeds the total amount of Euro 5 (five) million (the “**Condition**”).

The Company may always waive the Condition, even if it is fulfilled.

Sesa shall notify the market of the fulfilment or non-fulfilment of the Condition or of its waiver.

7. Proposal for resolution to the Extraordinary Shareholders' Meeting.

That said, we submit the following proposed resolution for your approval:

“The Extraordinary Shareholders' Meeting of Sesa S.p.A. acknowledged the Explanatory Report of the Board of Directors prepared in accordance with the provisions of the laws and regulations in force,

resolves

- 1. to extend the increased vote to all matters within the scope of the Shareholders' Meeting and therefore to approve the amendment to the wording of art. 7 of the Articles of Association, in the text contained in the explanatory report prepared by the Board of Directors;*
- 2. to establish that the effectiveness of the amendment to article 7 of the Articles of Association referred to in point 1 above shall be subject to the fact that the amount in cash, if any, payable by Sesa S.p.A, pursuant to art. 2437-*quater*, paragraph 5, of the Italian Civil Code, to the withdrawing shareholders for the purchase of the shares subject to withdrawal exceeds the total amount of Euro 5 (five) million, it being understood that this resolute condition is imposed in the exclusive interest of the Company, with the Board of Directors having the fullest power to waive it;*
- 3. to grant the Board of Directors, and, on its behalf, the Chairman and the Managing Director, acting separately, with the right to sub-delegate, the broadest powers necessary or appropriate to implement the above 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, including, purely by way of example, those relating to:*
 - (i) the management of relations with any competent body and/or authority;*
 - (ii) to ascertain the fulfilment of the condition indicated in point 2 above of this resolution, and the consequent filing with the Register of Companies of the updated wording of the Articles of Association, or the waiver, by the Company, of such condition;*

- (iii) to carry out all the activities that are necessary or appropriate for the liquidation of any shares subject to withdrawal by the shareholders of the Company who did not participate in the approval of this resolution;*
- (iv) the fulfilment of all legal formalities, with the power to make additions, amendments and deletions of a formal and non-substantial nature to the resolution adopted today that may be necessary or otherwise required also at the time of registration in the pertinent Register of Companies.”.*

Empoli, July 18, 2024

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