DIRECTORS' REPORT

ON THE THIRD ITEM ON THE AGENDA

(ordinary part)

for the Ordinary and Extraordinary Shareholders' Meeting
of EQUITA Group S.p.A.
29 April 2025

(report published on 28 March 2025)

(Courtesy Translation)

Item 3 on the Agenda - ordinary part

3. New incentive plan based on financial instruments named "EQUITA Group 2025–2027 Financial Instruments-Based Incentive Plan"

Dear Shareholders,

The Board of Directors submits for your approval, pursuant to Article 114-bis of Legislative Decree No. 58 of 1998 (the "**TUF**"), as subsequently amended, a new incentive plan named the "EQUITA Group 2025–2027 Financial Instruments-Based Incentive Plan" (the "**2025–2027 Plan**"). In consideration of the expiration of the "EQUITA Group 2022–2024 Financial Instruments-Based Incentive Plan" (with 2024 being the last of the three fiscal years in respect of which financial instruments may be awarded under the said plan), on 25 March 2025 the Board of Directors, upon the proposal of the Remuneration Committee which met on 12 March 2025, resolved to submit for approval by the Shareholders' Meeting a new three-year compensation plan based on financial instruments.

The 2025–2027 Plan is consistent with the Company's remuneration policies and with the legal and regulatory provisions applicable to variable remuneration of the Personnel and of the Most Relevant Personnel of the Company and the Group (as defined below), which provide that (i) a portion (upfront and/or deferred) of variable remuneration may/must be awarded in the form of financial instruments and (ii) deferral and lock-up periods (so-called "retention") shall apply to such instruments.

The Information Document relating to the 2025–2027 Plan, to which reference is made for further details, has been prepared in accordance with Article 114-bis of the TUF, Article 84-bis of the Issuers' Regulation, and the instructions in Schedule 7 of Annex 3A to the Issuers' Regulation, and is made available to the public at the Company's registered office in Milan, Via Filippo Turati No. 9, on the Company's website (www.equita.eu, in the Corporate Governance section, Shareholders' Meetings area), and on the authorized storage mechanism eMarket Storage (www.emarketstorage.com).

1. Reasons for adopting the Plan.

The 2025–2027 Plan constitutes a tool for incentivising, retaining, and attracting beneficiaries and aims to secure stronger involvement in the value creation process of the Company by those who hold key positions for its growth and development, while also attracting qualified personnel and, more generally, individuals who may contribute to the expansion of the Company and its subsidiaries.

The main objectives the Company intends to pursue through the 2025–2027 Plan include:

- directing the behaviour of Personnel and Most Relevant Personnel (as defined under paragraph 2 below) toward the priorities of the Company and the Group, in support of medium- to long-term value creation;
- attracting and retaining highly qualified Personnel and Most Relevant Personnel by encouraging key resources to remain with the Company;
- motivating Personnel and Most Relevant Personnel by recognising merit and supporting their professional development;
- linking remuneration to value creation for all shareholders;
- ensuring behaviours consistent with the Group's code of conduct, internal regulations, and applicable legislative and regulatory provisions, as well as alignment with social, environmental, and ESG principles.

The Board of Directors considers that an incentive plan involving the free allocation of Shares/Performance Shares, Stock Options, Phantom Shares and/or Subordinated Bonds (collectively, the "Financial Instruments") based on performance targets represents the optimal mix of incentive tools to align with the interests of the EQUITA Group.

2. Members of the Board of Directors of the Company or of its parent/subsidiary companies who may benefit from the Plan.

The 2025–2027 Plan is intended for: (i) employees and, where deemed appropriate by the Board of Directors, collaborators who exclusively render their services to Group companies, in view of their respective roles and assignments (collectively, the "Personnel"); (ii) directors and categories of Personnel whose professional activity has, or may have, a material impact on the Group's overall risk profile (collectively, the "Most Relevant Personnel"),

to be identified as beneficiaries by the Board of Directors, at its sole discretion, upon the proposal of the Company's Remuneration Committee (the "Beneficiaries").

The 2025–2027 Plan qualifies as "of particular relevance" pursuant to Article 114-bis, paragraph 3, of the TUF and Article 84-bis, paragraph 2, of the Issuers' Regulation, insofar as certain individuals within the Most Relevant Personnel category (including members of the Board of

Directors with key roles in achieving the Group's strategic objectives, even if not employees) may be designated as Beneficiaries.

3. Categories of employees or collaborators of the Company and its parent or subsidiary companies who may benefit from the Plan.

The Plan is addressed to the Personnel and the Most Relevant Personnel which, as previously stated, includes employees and, where appropriate, collaborators of the Company and the Group companies.

The terms of the Plan are the same for all Beneficiaries, subject to more stringent provisions for the Most Relevant Personnel, particularly concerning the "Deferral Period" (i.e., the period starting from the grant date of the Financial Instruments, after which such instruments are definitively vested) and the "Lock-up Period" (i.e., the period following vesting during which the Beneficiary may not dispose of the Shares or Subordinated Bonds or, in the case of Phantom Shares, may not receive the corresponding cash payment), in accordance with applicable remuneration regulations and the Remuneration Policies in effect at the time.

4. Implementation methods and terms of the Plan.

The 2025–2027 Plan provides for the annual free allocation of the Financial Instruments listed below, based on the recognition of a Variable Component as part of each annual incentive cycle for the fiscal years 2025, 2026, and 2027, following the quantification of the variable remuneration component for the respective reference year (the "Variable Component").

Subject to the terms and conditions set forth in the 2025–2027 Plan Regulation, the Company may freely allocate to Beneficiaries, for the upfront and/or deferred portion of the Variable Component, one or more of the following Financial Instruments:

- **Performance Shares**, i.e. rights to receive Shares—arising from bonus capital increases pursuant to Article 2349 of the Italian Civil Code or, at the Company's discretion, from treasury shares—at a future date (which varies depending on whether the Beneficiary qualifies as Most Relevant Personnel), on a one-to-one basis (1 Share for each Performance Share awarded);
- **Shares of the Company**, arising from bonus capital increases pursuant to Article 2349 of the Italian Civil Code or, at the Company's discretion, from treasury shares;

- **Stock Options**, i.e. rights to subscribe or purchase Shares—arising from capital increases against payment pursuant to Article 2441 of the Italian Civil Code or, at the Company's discretion, from treasury shares—at a set exercise price established at the grant date, with a one-to-one ratio (1 Share per Stock Option awarded);
- **Phantom Shares**, i.e. units representing the value of 1 Share, convertible into a gross cash amount for each Beneficiary calculated using the following formula:

Number of Phantom Shares granted x "normal value of the Shares"

(Where "normal value of the Shares" means the arithmetic average of Share prices recorded in the month prior to the Phantom Share award date). Should the Board of Directors resolve to allocate Shares instead of the cash bonus, such Shares shall be either treasury shares or new shares issued through bonus capital increases pursuant to Article 2349 of the Italian Civil Code;

- **Subordinated Bonds**, i.e. newly issued Tier 2 subordinated bonds with a nominal value of €1,000 each, paying annual gross interest at a rate of 5.5% (or another rate determined by the Board of Directors prior to the bond issue, depending on market conditions), issued in dematerialised form and mandatorily convertible into Shares if the Company’s Tier 1 capital ratio falls below the threshold set by applicable regulations (in such case, treasury shares would be used for conversion). Unless redeemed early or mandatorily converted, Subordinated Bonds shall be repaid in full at maturity (five years from the grant date). Their issuance shall be resolved by the Board of Directors at subsequent meetings pursuant to Article 2410 of the Italian Civil Code and formalised by notarial deed. The Company may only award such bonds to Beneficiaries if this is compatible with applicable regulations (which, as at the date of this explanatory report, require a minimum nominal value of €200,000 per Subordinated Bond).

Subject to verification of compliance with the applicable gates and the achievement of individual performance targets, assessed over the period from 1 January to 31 December of each relevant financial year (i.e., 2025, 2026, and 2027, respectively), the Financial Instruments will be initially awarded and subsequently, after the expiration of any applicable Deferral Period, definitively vested in the Beneficiaries on a date that varies depending on whether the Beneficiary qualifies as Most Relevant Personnel.

The Beneficiaries' right to receive the Financial Instruments is subject, in addition to the achievement of specific performance objectives, to the continuation of the employment or collaboration relationship with the Company or its subsidiaries, without prejudice to the provisions of the 2025–2027 Plan in case of termination of such relationship.

With respect to Phantom Shares, the 2025–2027 Plan provides that, as an alternative to the cash bonus, the Board of Directors may, at its sole discretion and upon proposal of the Remuneration Committee, decide to allocate, in whole or in part, Shares on a one-to-one basis (1 Share for each Phantom Share), in accordance with applicable legal and regulatory provisions. In such case, treasury shares or newly issued shares resulting from bonus capital increases pursuant to Article 2349 of the Italian Civil Code shall be used. If the Beneficiary qualifies as Most Relevant Personnel, such Shares shall be subject to the Lock-up Period (see restrictions described under paragraph 7 below).

In the event of the allocation of Shares/Performance Shares and Stock Options, the 2025–2027 Plan provides for the delivery of dematerialised Shares. However, the Board of Directors may, at its sole discretion:

- in the case of allocation of Shares and/or Performance Shares, decide to award a cash bonus in lieu of Shares, equal to the "normal value of the Shares" (meaning the arithmetic average of Share prices recorded during the month prior to the Share award date);
- in the case of allocation of Stock Options, upon exercise by the Beneficiary, decide to:

(1) award a cash bonus equal to the difference between the "normal value of the Shares" (as defined above) and the Exercise Price, and/or

(2) award a number of Shares calculated using the following formula:

No. of Stock Options x (normal value of the Shares – Exercise Price) / normal value of the Shares.

If the resulting number of Shares is not a whole number, it shall be rounded: (i) down if the decimal is less than 0.5; (ii) up if the decimal is equal to or greater than 0.5.

For the Most Relevant Personnel, options (1) and (2) above are only permitted if the Stock Options are exercised after the end of the Lock-up Period (as defined in paragraph 7).

Without prejudice to the Board of Directors' verification of achievement and/or exceeding of corporate and individual performance targets, the maximum number of Shares (including those potentially arising from the vesting of Performance Shares and the exercise of Stock Options) that may be awarded under the 2025–2027 Plan over the three-year period shall be 1 million, while the maximum number of Subordinated Bonds that may be awarded shall be 10,000.

5. Possible support for the Plan by the special fund for promoting employee participation in enterprises, pursuant to Article 4, paragraph 112, of Law No. 350 of 24 December 2003.

The Plan does not receive any support from the special fund for promoting employee participation in enterprises, as provided by Article 4, paragraph 112, of Law No. 350 of 24 December 2003.

6. Method for determining the subscription or purchase price of the Shares.

The Financial Instruments are granted free of charge to the Beneficiaries.

With regard to Stock Options, the unit subscription or purchase price of the Shares resulting from the exercise of the Stock Options (the "Exercise Price"), as determined by the Board of Directors, shall be equal to the higher of: (i) the carrying value at which the Company's treasury shares are recorded in its accounts at the date of grant of the Stock Options; and (ii) the arithmetic average of the official closing prices of EQUITA shares recorded on the Euronext STAR Milan market, organized and managed by Borsa Italiana S.p.A., in the three (3) months preceding the grant date.

7. Lock-up restrictions on the Shares or option rights granted.

The lock-up restrictions applicable to the Financial Instruments are described below:

(a) Performance Shares are granted on a personal basis and confer a nominative, non-transferable, and non-assignable inter vivos right; they may not be pledged or otherwise granted as collateral in favour of the Company or third parties;

(b) Shares (including those arising from the vesting of Performance Shares) may (or must, in the case of Most Relevant Personnel) be subject to a Lock-up Period whose duration is determined by the Board of Directors in accordance with the remuneration policies and applicable regulatory provisions. Once this period has expired, the Shares become freely transferable. The Shares remain subject to the Lock-up Period even in the event of termination of the employment or collaboration relationship, except in the case of an Adverse Event affecting the Beneficiary and, subject to compliance with applicable law and regulations, in the good leaver scenarios provided for in the Plan Regulation, where the Lock-up Period may lapse;

(c) Phantom Shares are granted on a personal basis and confer a nominative, non-transferable, and non-assignable inter vivos right; they may not be pledged or otherwise granted as collateral in favour of the Company or third parties. The cash bonus and any Shares awarded in lieu of the bonus may (or must, in the case of Most Relevant Personnel) be subject to a Lock-up Period whose duration is determined by the Board of Directors in accordance with the remuneration policies and applicable law. In the case of a Lock-up Period: (i) the cash bonus may be received only after the expiry of such period, and (ii) if the Board of Directors resolves to grant Shares instead of the cash bonus, the Shares transferred to the Beneficiary following the Vesting Date may be sold only after the expiry of the Lock-up Period. The cash bonus / Shares awarded as an alternative remain subject to the Lock-up Period even in the event of termination of the employment or collaboration relationship, except in the case of an Adverse Event affecting the Beneficiary and, subject to applicable laws and regulations, in the good leaver scenarios provided in the Plan Regulation;

(d) Stock Options are granted on a personal basis and confer a nominative, non-transferable, and non-assignable inter vivos right; they may not be pledged or otherwise granted as collateral in favour of the Company or third parties. The same Lock-up restrictions outlined under (b) above shall apply to the Shares resulting from the exercise of the Stock Options;

(e) Subordinated Bonds may be subject to a Lock-up Period whose duration is determined by the Board of Directors in accordance with the remuneration policies and applicable regulatory provisions. Subordinated Bonds remain subject to the Lock-up Period even in the event of termination of the employment or collaboration relationship, except in the case of an Adverse Event affecting the Beneficiary or good leaver scenarios provided for in the Plan Regulation (if compatible with the applicable regulations governing the Subordinated Bonds), in which case the Lock-up Period may lapse.

It is understood that, in the event of Share allocation, the Board of Directors may, upon request by the Beneficiary and in compliance with the applicable legal and regulatory provisions, arrange for the sale of a portion of the Shares allocated to the Beneficiary at the time of their transfer, solely to cover any tax charges borne by the Beneficiary in relation to the allocation of such Shares (so-called "sell-to-cover"). Where the allocated Shares are subject to a Lock-up

Period, the transfer of ownership and the related sell-to-cover may take place only at the end of such period, in accordance with the more detailed provisions of the 2025–2027 Plan Regulation.

In light of the above, the Shareholders' Meeting is called upon, on the basis of this explanatory report of the Board of Directors prepared pursuant to Articles 114-bis and 125-ter of the TUF and the aforementioned Information Document, to:

– approve, pursuant to and for the purposes of Article 114-bis of the TUF, the adoption of the plan named "EQUITA Group 2025–2027 Financial Instruments-Based Incentive Plan," having the features described in this explanatory report and in the Information Document relating to the plan;

– grant the Board of Directors, with the power to sub-delegate, all powers necessary or appropriate to implement the 2025–2027 Plan, including but not limited to the powers described in paragraphs 3.1 and 4.8 of the Information Document (which include the power to define and approve the plan regulation, identify beneficiaries, determine the Financial Instruments to be granted, allocate the Shares and/or cash bonuses, amend the plan as described in the Information Document, and take all decisions, exercise all powers, and carry out all acts, formalities, filings, and communications necessary or appropriate for the administration and/or implementation of the plan);

– grant the Chairman of the Board of Directors and the Chief Executive Officer, severally, all powers, with the power to sub-delegate, to carry out any legislative and regulatory formalities resulting from the resolutions adopted.

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The Board of Directors of
EQUITA Group S.p.A.