

TCFD

Task Force on Climate-related
Financial Disclosures

REPORT ON CLIMATE RISKS AND OPPORTUNITIES 2026



TCFD REPORT
2026

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INTRODUCTION

1.1 Reference Framework and Regulatory Context

Climate change is now one of the most significant systemic risks on a global scale, capable of having a major impact on economic, social, and environmental stability. The use of fossil fuels, deforestation, and intensive agricultural practices generate greenhouse gas emissions (CO₂, CH₄, N₂O, and fluorocarbons), leading to progressive global warming. This phenomenon disrupts ecosystems, economies, and lifestyles; it is therefore essential to take action through responsible policies and more sustainable daily behaviors.

The **Intergovernmental Panel on Climate Change** (IPCC) is the scientific body founded in 1988 by the UN and the World Meteorological Organization (WMO), tasked with assessing the available knowledge on climate change, its impacts, and possible mitigation and adaptation strategies; By bringing together many scientists, it aims to provide policymakers with periodic reports based on the best available scientific evidence. According to the **IPCC's AR6 Synthesis Report**,¹ the global average temperature could rise by between 1.4 °C and 4.4 °C above pre-industrial levels by the end of the century, with consequences including extreme

weather events, glacier melt, desertification, loss of biodiversity, and water crises.

The risk of exceeding the critical threshold of 1.5–2 °C is associated with irreversible and potentially catastrophic changes; for this reason, countries are required to adopt effective measures to mitigate climate change by drastically reducing greenhouse gas emissions and promoting sustainable adaptation strategies.

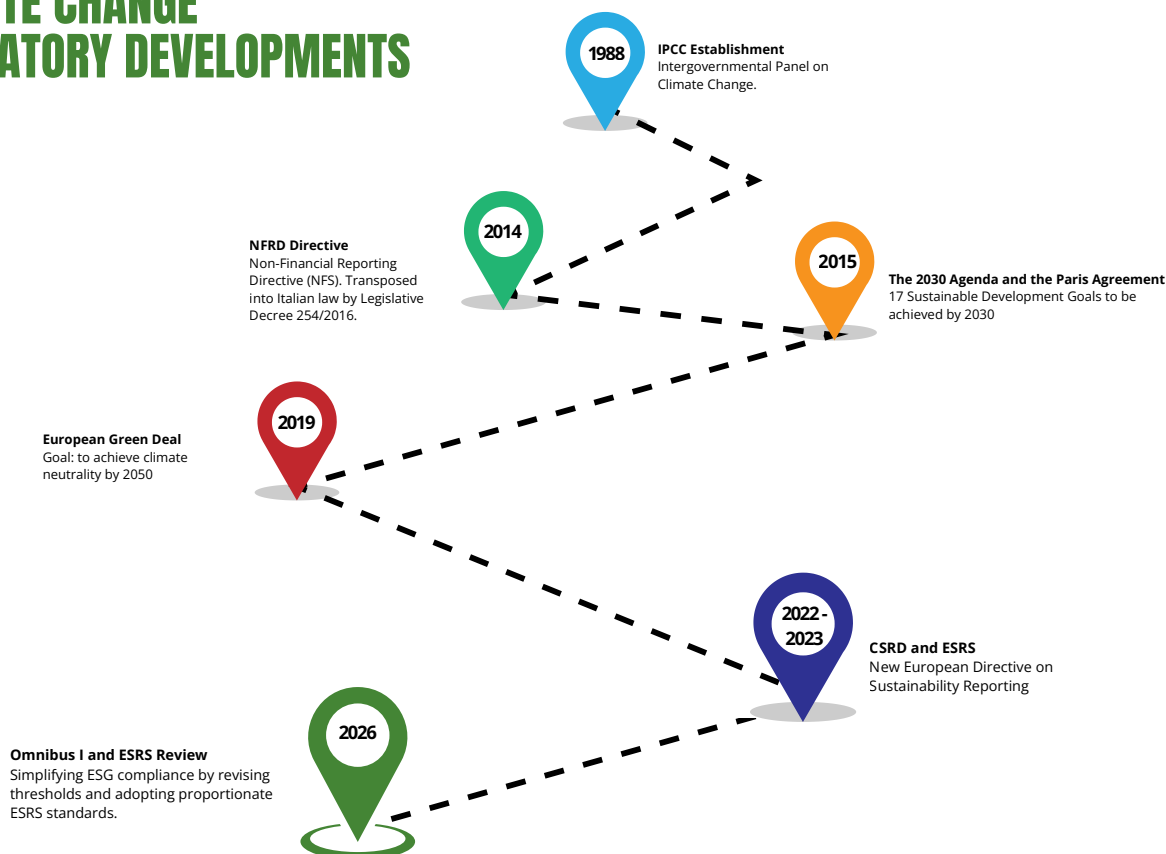
Growing awareness of the risk led to the signing of the Paris Agreement in 2015, at the **21st Conference of the Parties (COP21)** to the United Nations Framework Convention on Climate Change—the first international treaty aimed at combating climate change. The agreement commits signatory states to limiting global warming to below 2 °C, with the goal of limiting it to 1.5 °C, through mitigation, adaptation, and climate neutrality measures to be achieved by the second half of the century.

At the same time, the United Nations **2030 Agenda**, which also came into effect in 2015, established the **17 Sustainable Development Goals (SDGs)** Goals aimed at promoting prosperity, social justice, and environmental protection, including SDG 13, which is specifically dedicated to combating climate change.



1. IPCC, AR6 Synthesis Report, Climate Change 2023.

CLIMATE CHANGE REGULATORY DEVELOPMENTS



At the international level, the **Financial Stability Board (FSB)**, the body that oversees global financial stability, has highlighted the importance of greater transparency in reporting climate-related risks and opportunities. To this end, in 2015 it established the **Task Force on Climate-related Financial Disclosures (TCFD)**, which developed recommendations to guide companies in communicating governance, strategy, risk management, metrics and climate targets. These guidelines have become an international benchmark and have strongly influenced European legislation, in particular the **Corporate Sustainability Reporting Directive (CSRD)** and the **European Sustainability Reporting Standards (ESRS)**.

In 2019, the European Commission, completing the climate regulatory framework, adopted the **European Green Deal**, a sustainable growth strategy that aims for climate neutrality by 2050. Among its main measures are: (i) Regulation (EU) 2020/852 on Taxonomy, which establishes a common classification system for economic activities considered environmentally sustainable

and (ii) Regulation (EU) 2021/1119 (the “**European Climate Law**”), which sets a target of reducing emissions by 55% by 2030 compared to 1990 levels.

In Italy, **Legislative Decree No. 254 of 30 December 2016** introduced, in implementation of Directive 2014/95/EU, new rules on the disclosure of non-financial information (Non-Financial Reporting Directive - NFRD). Specifically, the Decree made the preparation and publication of the Non-Financial Statement (NFS) mandatory. Subsequently, through **Legislative Decree No. 125/2024**, the Italian legal system transposed the **Corporate Sustainability Reporting Directive (CSRD)**, integrating sustainability reporting into the management report and introducing disclosure requirements structured in accordance with the European Sustainability Reporting Standards (ESRS). During 2026, the European regulatory framework was further updated through the Omnibus I package, which amended, among other things, the scope of application of the CSRD. In September 2026, Delegated Regulation (EU) 2026/1563 was also published, aimed at simplifying certain ESRS requirements.

1.2 International Initiatives and Reference Standards

The global sustainability and climate risk management framework is based on a set of international initiatives and standards that aim to promote transparency, comparability and accountability in corporate practices. Key references include the GRI standards (**Global Reporting Initiative**), which provide guidelines for reporting economic, environmental and social impacts, and the SASB (Sustainability Accounting Standards Board) standards, now incorporated into the ISSB architecture, which focus on the financial relevance of ESG information for different industrial sectors. A further reference is represented by the recommendations of the **Task Force on Climate-related Financial Disclosures (TCFD)**, whose mandate ended in 2023 and whose content has been substantially incorporated into IFRS S2. The TCFD recommendations continue to constitute a consolidated framework for the disclosure of climate-related risks and opportunities.

In terms of universal principles, the **UN Global Compact** promotes **ten principles**² on human rights, labour, the environment and anti-corruption, while the **United Nations 2030 Agenda** identifies 17 Sustainable Development Goals (SDGs) to be achieved by 2030 to promote the well-being of all people and the protection of the planet. The picture is completed by ISO guidelines and other voluntary frameworks which, together with regulatory obligations, constitute an essential reference point for companies committed to sustainability and climate transition.



<https://www.globalcompactnetwork.org/en/the-un-global-compact/the-ten-principles/overview.html>

1.3 Double Materiality and Stakeholder Engagement

Sesa published its first Sustainability Report in 2018, in accordance with the current non-financial reporting requirements introduced in Europe by Directive 2014/95/EU and implemented in Italy by Legislative Decree 254/2016. The report highlighted the first **Materiality Analysis**, aimed at identifying issues relevant to the organisation in the non-financial sphere through a structured **stakeholder mapping** process. Taking into account the sector and relevant practices, *peers* and competitors, the business model and the characteristics of the Group, the analysis included a phase of identifying material issues, i.e. those relevant from an economic, environmental and social sustainability perspective.

The Group then updated its Materiality Analysis in 2019, 2020 and 2021, adding to the list of material topics. In 2022, the list of potentially relevant issues was submitted for evaluation by the members of the Sustainability Committee, and the process of listening to and involving stakeholders was expanded to include the following categories: Employees, Financial Advisors, Customers, Communities.

For the 2023 and 2024 Materiality Analysis, the Group adopted a **new methodological approach**, which took into account the principles and guidelines resulting from the update of the GRI Universal Standards 2021, introducing, in particular, the concept of Impact Materiality. In 2025, in line with the entry into force of the new CSRD legislation and the adoption of the new ESRS (European Sustainability Reporting Standards) developed by EFRAG (European Financial Reporting Advisory Group), Sesa took a

step forward in the evolution of its reporting adopting the **Double Materiality Matrix**. This new tool represents a departure from previous methods: it no longer limits itself to considering the impacts of the company's activities on the environment, people and society (impact materiality), but also integrates the perspective of financial materiality, i.e. the analysis of how ESG issues may influence the Group's future economic and financial performance. **During the financial year ended 30 April 2026, the Analysis was updated** taking into account developments in the internal and external context and stakeholder engagement (through a dedicated questionnaire).

Thanks to this integrated vision, Sesa is able to **identify and prioritise** more accurately the issues that are truly strategic for its sustainable development, focusing on both the impacts generated and the potential vulnerabilities linked to environmental, social and governance factors.

The double materiality process involves **structured phases of analysis and updating**: from the analysis of the external context and the value chain, to the identification of IROs (Impacts, Risks and Opportunities), through to the qualitative assessment of the issues that have emerged and the updating of ESG risk maps. At each stage, stakeholder input is systematically taken into account, ensuring balanced strategic decisions that are consistent with long-term expectations.

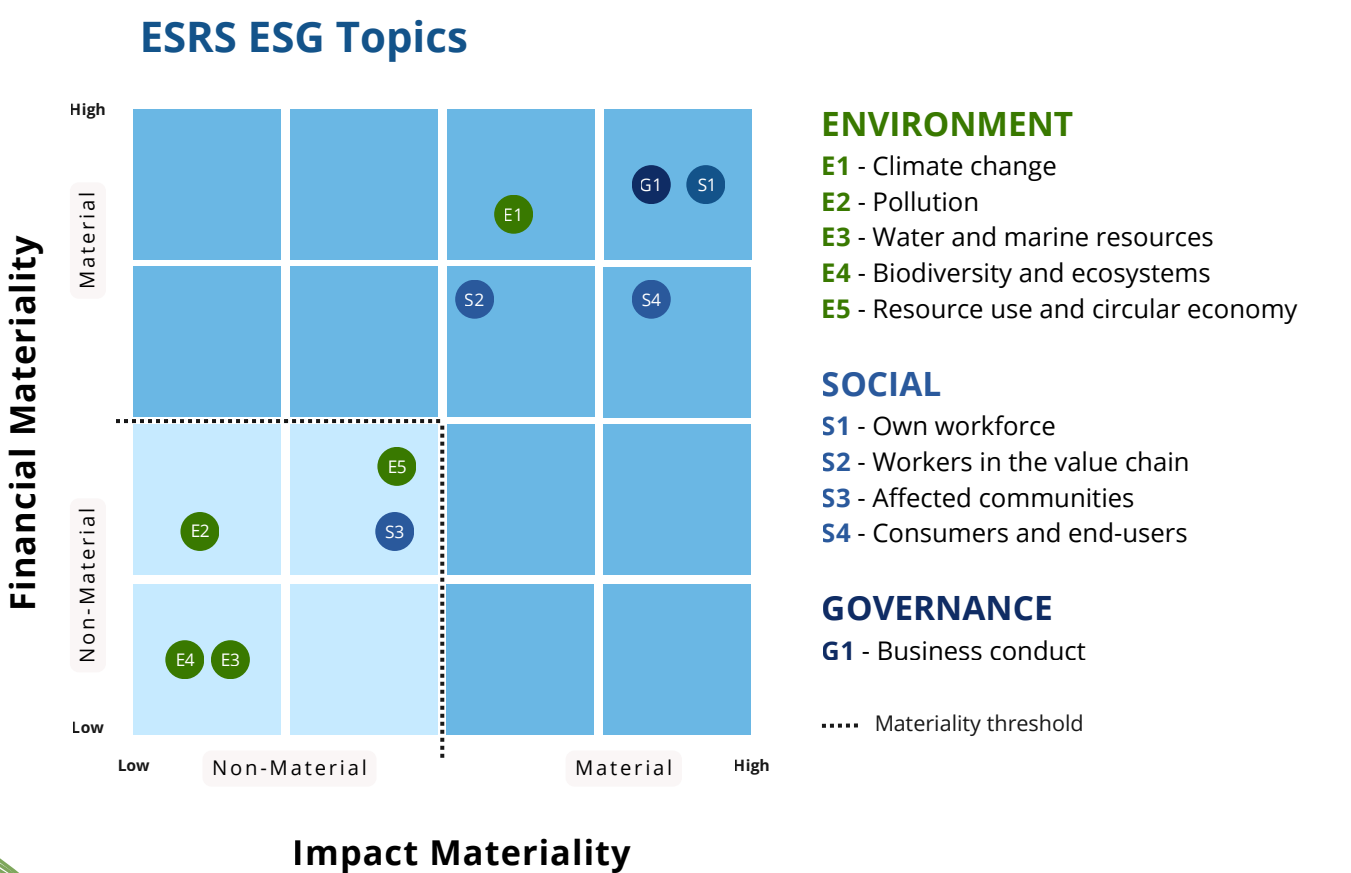
Overall supervision of the process is entrusted to the **Sustainability Committee**, supported by the **Chief Sustainability Officer** and the Risk Management function, while Internal Audit verifies the quality, accuracy and completeness of ESG reporting. This model ensures high levels of transparency, accountability and consistency in the integration of ESG factors into business decisions.

Thanks to this structured and participatory approach, the Sesa Group is able to accurately identify the most relevant matters for sustainable value creation, anticipate emerging risks and seize opportunities for innovation. Furthermore, ongoing dialogue with stakeholders helps to consolidate relationships of trust, improve the quality of strategic decisions and ensure that the Group's sustainability journey is shared, effective and long-term oriented.

Furthermore, the **systematic engagement with key stakeholders** on material matters is the principal lever used to monitor and manage the quality of relationships and is fundamental to the formulation of the Group's organisational policies and strategies. It is equally important to develop an in-depth understanding of emerging trends (critical issues and opportunities) in the context in which the organisation operates and to identify precisely the matters in which investment should be prioritised in response to the expectations of key stakeholders. In particular, the quality of the relationships established with the various stakeholder groups (relationship capital) and the current and past experience observed by those stakeholders influence the alignment between promises (*value proposition*), expectations, actions and perceptions.

For a complete and detailed discussion of the methodology adopted, the matters assessed and their integration into the strategic model, reference should be made to the section dedicated to Double Materiality in the 2026 Integrated Annual Report (ESRS 2 IRO-1, IRO-2 and SBM-3).

The graphic below provides a complete representation of the Sesa Group's Double Materiality Matrix (FY 2026), in accordance with the requirements of the new CSRD legislation and the ESRS reporting standards.



GOVERNANCE

For Sesa, sustainability means conducting its activities with an outlook to the future and orienting its business strategy towards **creating value for stakeholders in the medium and long term**, while also considering the challenges associated with climate change. Over the years, Sesa has adopted a governance structure that involves the interaction of various bodies dedicated to the supervision and management of social and environmental issues. Furthermore, as a company listed on the Euronext STAR Milan since 2013, Sesa is subject to strict transparency and governance requirements, which reinforce its commitment to responsible risk management, including climate risks. Through the management and coordination over its subsidiaries, Sesa ensures **a consistent and integrated approach to the management of risks and opportunities** - including climate risks.

This governance structure ensures that climate issues influence Sesa's decision-making processes and strategic planning for day-to-day activities, promoting a corporate culture that focuses on climate resilience and, more generally, sustainability as key elements of its business model.

2.1 Governance Model and Role of the Board of Directors

Sesa's governance model is based on a **monistic (one-tier) model**, comprising the Shareholders' Meeting, the Board of Directors (BoD) and the Management Control Committee. It is focused on pursuing the Group's sustainable success, integrating climate resilience considerations into its strategic guidelines.

According to the first set of TCFD recommendations, climate change governance is carried out by the **Board of Directors**, which is the

highest governing body for managing climate-related issues and overseeing climate change policies and strategies. The BoD is also **responsible for developing ESG strategies and policies, setting sustainability targets and commitments**, supervising the effective implementation of the Sustainability Policy and assessing the results and adequacy of the sustainability guidelines.

The Board defines the path for the **progressive integration of strategic targets with sustainability issues**, approving and supervising the Group's participation in external initiatives, as well as formalising reporting obligations and related action plans. In line with its intention to improve its expertise on climate change issues, Sesa's BoD has embarked on a process of in-depth study aimed at increasing its ESG expertise, including that relating to climate change, in order to support and undertake further initiatives in the medium to long term.

The BoD therefore plays a **central role in defining and monitoring the sustainability strategy**, integrating climate considerations into the corporate strategy and assessing their impact on long-term business prospects. It is also responsible for approving, with the support of the Control and Risk Committee, the overall methodological framework for identifying the Group's risk profiles, including environmental and climate risks, liquidity risks, operational risks and reputational risks, as well as assessing and approving the results of the risk assessment, subject to prior analysis by the Control and Risk and Related Parties Committee and, with regard to sustainability matters, by the Sustainability Committee. The Board is also **responsible for approving the Group's Code of Ethics, Group Sustainability Policy, and Social Responsibility and Gender Equality Policy**, which are the main documents setting out the Group's core values and principles on sustainability and defining the methods by which ESG factors are integrated into operational and control processes.

The Board of Directors also evaluates and approves the list of material issues identified in the context of the Double Materiality Assessment - also through dialogue with stakeholders (as reflected, among other things, in stakeholder engagement activities) - which are functional to the definition of strategic guidelines and the identification of indicators to be measured in sustainability reporting, prepared in accordance with CSRD regulations, which, after analysis by the Sustainability Committee (as well as the Control and Risk Committee), is submitted for approval by the aforementioned Board.

The **Chief Executive Officer (CEO)** plays a key role in managing risks, including climate risks, and in guiding the Group's energy transition. His responsibilities include integrating climate considerations into corporate strategies and planning processes, as well as overseeing initiatives aimed at mitigating environmental impacts and improving energy efficiency. The Chief Executive Officer also oversees the development of initiatives aimed at mitigating the environmental impact of the Group's activities and seizing opportunities related to the transition to a low-carbon economy. In addition, he ensures regular reporting to the Board of Directors on sustainability performance and initiatives, including those launched in relation to climate change, thereby helping to position the Group as a responsible player in the context of the global climate challenge.

2.2 Roles and Responsibilities of the Board Committees

Sesa has a strong corporate governance system in place to mitigate business risks and costs, including those related to environmental issues. Specifically, with regard to ESG aspects, the Board of Directors is supported by **three Board Committees** which at least quarterly, supervise

and inform the Board of Directors on climate issues. the committees have specific responsibilities and adequate skills to perform the tasks required of them, as described below:

- The **Sustainability Committee**, established in 2022 and supported at an operational level by the Operational Sustainability Committee and the Chief Sustainability Officer (roles that will be discussed in more detail later). The Committee is composed of three Directors, the majority of whom are independent, ensuring autonomy and impartiality in assessments of ESG issues; diversity is also valued, with a balanced gender composition comprising two women and one man.
- Specifically, it is responsible for **defining and evaluating the targets to be pursued and the monitoring methods**, with the aim of clearly communicating Sesa's commitment to sustainability issues to all stakeholders. The CEO periodically reports to the entire Board of Directors on the issues addressed by the Committee and the related ESG activities and programmes. Since its establishment, the Committee has contributed to further strengthening the process of ensuring **constant monitoring of sustainability issues** and, in this sense, to increasing the level of attention paid to them.
- In carrying out its activities - which specifically involve discussing and analysing different profiles related to ESG factors - the Committee has acquired over time a **broad and integrated outlook on the various initiatives aimed at promoting the integration of ESG factors into business processes**, as well as a wide-ranging understanding of the various aspects involved in assessing the risks associated with these issues.

The Committee's main functions include expressing assessments and formulating opinions on:

1. Sustainability initiatives, ambitions and targets, developing proposals to integrate environmental, social and governance issues into the Group's Strategic Plan, including monitoring their implementation;
2. Group values and ethical guidelines;
3. Reporting of ESG information;
4. Evolution of the Group's ESG positioning, including in relation to possible participation in initiatives and indices.

The Board of Directors, through the Sustainability Committee, therefore validates and supervises the climate strategy and the implementation of environmental sustainability policies, taking into account in its assessments the risks and opportunities related to environmental issues and climate change. In this regard, the Sustainability Committee is also involved in the ESG aspects of the activities overseen by the other Board Committees, in terms of sharing documents or joint investigations.

- The **Control and Risk and Related Parties Committee** expresses assessments and formulates opinions to the Board of Directors in defining the overall methodological framework for risk measurement, in defining the guidelines for risk control and management systems and in assessing the overall adequacy of these systems. In the area of climate and environmental risks, the Committee supports the Board of Directors in assessments relating to the Internal Control and Risk Management System and verifies that ESG and climate factors are adequately integrated into the overall risk management processes, coordinating with the Sustainability Committee on matters within their respective areas of responsibility.

The Committee also monitors compliance with corporate governance rules, developments in regulations and best practices in the area of controls and corporate governance, and

supervises the preparation of periodic reports (including disclosure on climate performance).

- The **Nomination and Remuneration Committee** has advisory and propositional functions regarding remuneration and incentive policies, including ESG incentives. It is an advisory and propositional body with the main task of formulating proposals to the Board of Directors for the definition of the remuneration policy for Directors and executives with strategic responsibilities. The purpose of the Committee is also to ensure the transparency and balanced composition of the Board, guaranteeing an adequate number of Independent Directors.

2.3 The Group's ESG Organizational Structure

During 2021, a process was undertaken to define the organisational structure in the area of sustainability, which led, among other things, to the establishment of an **Operational Sustainability Committee (OSC)**, composed of the Group's senior managers (HR, AFC, Corporate Governance, Legal & Compliance, IR, M&A). The OSC, coordinating periodically with the Sustainability Committee, manages and coordinates sustainability issues in collaboration with the main internal departments mentioned above. It reports directly to the CEO, confirming that sustainability is a core part of Sesa's strategy.

The Operational Sustainability Committee is coordinated by the **Chief Sustainability Officer (CSO)**, who is responsible for guiding and supervising the implementation of sustainability strategies, ensuring compliance with corporate targets and coordination between the departments involved.

The Chief Sustainability Officer coordinates and directs the **sustainability department**, being primarily responsible for defining and implementing the sustainability strategy (ESG) at Group level. The supervision of issues by a dedicated function plays a crucial role in controlling corporate strategy, decisions relating to significant operations and the risk management process.

The Sustainability department is **centralized within the parent company Sesa S.p.A.** and represents a **unique management body** that guides, coordinates and supports Group companies in the implementation of ESG strategies and initiatives.

Specifically, the Sesa Group's Sustainability department:

- defines the ESG targets for the Sustainability Plan in collaboration with other company departments;
- identifies sustainability initiatives to support the Sustainability Plan;
- prepares the Consolidated Sustainability Statement, within the Integrated Annual Report;
- oversees sustainability ratings;
- collaborates with Internal Audit and the Risk Management function to assess and manage risks related to environmental, social and governance issues.

The head of the Sustainability department, i.e. the CSO, participates in all meetings of the Sustainability Committee, on which the Chairman provides specific information to the Board of Directors.



In addition, the following top-level management figures have responsibility for climate and environmental issues:

- The **Chief Information Officer (CIO)** is responsible for ensuring the Group's business continuity, including initiatives to mitigate acute physical risks and improve the energy efficiency of data centres. He reports directly to the Chief Executive Officer.
- The **Head of Real Estate & Facility Management** reports regularly to the Chief Executive Officer and oversees all activities aimed at creating environmentally friendly and energy-efficient workplaces, promoting and implementing efficiency improvement initiatives in company buildings.

- The **Head of Group Procurement**, who reports to the CFO, manages procurement activities, ensuring that supply choices and procedures take climate and environmental issues into account. He is also responsible for qualifying suppliers based on ESG criteria.
- The **Chief Financial Officer (CFO)** ensures the integration of ESG and climate factors into planning, control and financial reporting processes, promoting transparency and consistency in the information disclosed to the market and stakeholders.
- The **Head of Human Resources** promotes a culture of sustainability within the Group, coordinating training and awareness initiatives on ESG and climate issues, and supporting organisational evolution towards sustainable and inclusive working models.
- The **Head of Legal & Compliance** ensures compliance with the regulations applicable to the Group, as part of the second-level control model adopted for non-compliance risk management, including through continuous monitoring of developments in the regulatory framework.
- The **Head of Internal Audit** includes the assessment of ESG and climate risk management and control processes in their audit plans, ensuring independent oversight of the effectiveness of internal control systems in relation to sustainability.
- The **Head of Investor Relations (IR)** is responsible for communication with investors and stakeholders, ensuring the consistency, transparency and completeness of ESG and climate information disclosed to the market.
- The **Head of Corporate Governance** supports the Board of Directors and the Board Committees in defining and implementing

corporate governance policies, ensuring that governance practices are aligned with national and international *best practices* in sustainability and risk management.

2.4 ESG Policies and Guidelines

For the management and integration of climate risks and opportunities, Sesa refers to several **internationally recognised frameworks**. The TCFD recommendations guide the analysis of physical and transition risks, including scenario assessments and resilience strategies. The UN SDGs guide strategic initiatives towards sustainable development, while the 10 principles of the Global Compact ensure compliance with international standards on human rights, labour, the environment and anti-corruption. The methodology is integrated with **GRI and SASB Standards**, to identify relevant and comparable indicators, and with the **Carbon Disclosure Project (CDP)** guidelines for monitoring emissions and climate performance. Management systems adopt the best practices of **ISO 14001 and ISO 45001**, while the OECD Guidelines for Multinational Enterprises support responsible and sustainable behaviour in global activities.

Specifically, Sesa has defined and implemented a **structured system of ESG policies**, focused on the proactive management of relevant Impacts, Risks and Opportunities (IROs), in line with European legislation (CSRD), ESRS standards and TCFD recommendations. The primary responsibility for implementing and monitoring these policies belongs to the Board of Directors and the Chief Executive Officer, who ensure their effectiveness through **ongoing oversight and integration into strategic decision-making processes**. At operational level, the work carried out by the Chief Sustainability Officer is also essential, coordinating ESG guidance and reporting activities and acting as a link between all the corporate functions involved.

ESG policies form the reference framework of the Group's sustainability model and represent operational tools for translating the long-term vision into concrete actions. These involve all dimensions of sustainability (Environmental, Social and Governance) and are aligned with the United Nations Sustainable Development Goals (SDGs). Sesa also promotes an inclusive approach, actively involving local communities, the supply chain and all stakeholders through transparent communication tools and integrated reporting processes, as described in the 2026 Integrated Annual Report.

Below is a detailed overview of Sesa's ESG Policies and Guidelines, all of which can be consulted digitally in the Sustainability Kit section of the Sesa Sustainability website: <https://sostenibilita.sesa.it/sustainability-kit/>

	DESCRIPTION	OBJECTIVES
CODE OF ETHICS	Defines the ethical principles and rules of conduct that guide all Group companies, promoting integrity, transparency, legality and respect for people. Everyone must act honestly and responsibly, safeguarding the company's reputation and supporting sustainability, diversity and environmental protection.	- Promote integrity and transparency in all activities - Ensure compliance with applicable laws and regulations - Protect people and value diversity - Prevent unlawful or improper conduct - Ensure environmental and social sustainability - Protect the reputation and values of the Sesa Group
CODE OF CONDUCT	Defines the principles, values and rules of conduct that guide the Group's behaviour, directing every activity towards honesty, integrity, transparency, respect for people, the environment and the law, in order to promote an ethical and responsible corporate culture and protect the Group's reputation and trust.	- Define clear principles of conduct - Ensure honesty and responsibility - Guide ethical decisions and actions - Promote transparency in internal and external relations - Prevent improper or unlawful conduct - Strengthen the Group's trust and reputation
ENVIRONMENTAL AND ENERGY POLICY	Defines the commitments, principles and targets through which the Group directs its activities towards environmental protection, pollution prevention, compliance with applicable regulations and the continuous improvement of its environmental performance.	- Compliance with environmental regulations - Pollution prevention - Efficient use of resources - Reduction of emissions and waste - Biodiversity protection - Awareness-raising among employees and partners
SOCIAL RESPONSIBILITY POLICY	A strategic and values-based document that defines the commitments, principles and actions through which the organisation intends to operate ethically, sustainably and responsibly towards its stakeholders.	- Promote ethics and transparency - Protect employees and human rights - Promote sustainable practices - Promote inclusion and equal opportunities - Support local communities - Strengthen trust and reputation
GENDER EQUALITY POLICY (DE&I - PDR/125)	Defines the commitments, principles and actions through which the Group promotes gender equality and equal opportunities, ensuring an inclusive, fair and respectful working environment, free from all forms of discrimination, while fostering skills development and the professional growth of its people.	- Promote equal opportunities - Ensure pay equity - Promote inclusion and diversity - Support women's professional career development - Prevent discrimination and harassment - Promote a culture of respect for gender equality
WHISTLEBLOWING POLICY	Governs the procedures for reporting unlawful or irregular conduct, ensuring confidentiality, protection of reporting persons and transparent and proper management of reports, in support of an environment based on integrity and legality.	- Encourage reporting of irregularities - Ensure confidentiality of reporting persons - Ensure transparent management of reports - Prevent retaliation or discrimination - Promote a culture of accountability - Strengthen integrity and legality within the Group
CONFLICT MINERALS POLICY	Defines the Group's commitment to avoiding the use of minerals originating from conflict areas, establishing responsible sourcing procedures, supplier traceability and controls throughout the supply chain, with the aim of promoting legality, transparency and the social and ethical sustainability of the materials used.	- Avoid sourcing from conflict areas - Ensure supplier traceability - Promote a responsible and sustainable supply chain - Reduce ethical and social risks - Promote compliance with international standards - Support corporate transparency and accountability
SUSTAINABILITY PLAN	Defines the targets, strategies and concrete actions that the Group intends to implement to improve its environmental, social and economic performance, promoting sustainability, responsible innovation and the creation of shared value for all stakeholders.	- Define clear sustainability targets - Promote responsible innovation - Improve environmental and social impact - Foster shared value for stakeholders - Monitor performance and results - Strengthen reputation and sustainability commitment
HEALTH AND SAFETY POLICY	Defines the Group's commitment to creating a safe and healthy working environment, promoting risk prevention, protecting workers' health and fostering a culture of safety across all Group locations and activities.	- Ensure workplace safety - Prevent accidents and injuries - Promote employee well-being and health - Implement effective preventive procedures - Foster a culture of safety within the company - Monitor results and continuous improvement

	DESCRIPTION	OBJECTIVES
HUMAN RIGHTS PROTECTION POLICY	Defines the principles, commitments and guidelines adopted by the Group to ensure respect for and protection of human rights and workers' rights in all its activities. It guides corporate conduct and ensures compliance with applicable regulations.	• Protect human rights • Respect workers' rights • Promote equal opportunities and non-discrimination • Protect health, safety and dignity • Ensure compliance with international regulations • Promote responsibility throughout the supply chain
SUSTAINABLE PROCUREMENT POLICY	Defines the principles and guidelines adopted by the Group to integrate environmental, social and ethical criteria into procurement processes, promoting responsible and transparent relationships with suppliers and contributing to the creation of sustainable value throughout the supply chain.	• Integrate ESG criteria into procurement • Promote responsible suppliers • Reduce indirect environmental impacts • Protect human and labour rights • Ensure transparency and fairness • Promote sustainable and resilient supply chains
BIODIVERSITY AND ECOSYSTEMS POLICY	Defines the Group's commitment to protecting ecosystems and safeguarding biodiversity by integrating environmental criteria into corporate activities and promoting responsible practices throughout the value chain, contributing to reducing impacts and creating long-term sustainable value.	• Protect natural ecosystems • Reduce impacts on biodiversity • Promote responsible use of resources • Integrate biodiversity into processes • Raise awareness and engage stakeholders • Promote sustainable environmental practices
ANTI-CORRUPTION POLICY	Defines the principles and rules adopted by the Group to prevent and combat all forms of corruption, promoting conduct based on legality, integrity, fairness and transparency, in line with the Code of Ethics and the Organisational Model pursuant to Legislative Decree 231/2001.	• Prevent and combat corruption • Ensure compliance with applicable regulations • Promote integrity, fairness and transparency • Strengthen the corporate ethical culture • Protect the Group's reputation and reliability • Prevent unlawful conduct contrary to corporate principles
QUALITY POLICY (ISO 9001)	Defines the principles, commitments and guidelines adopted by the Group to ensure the continuous improvement of processes, products and services, ensuring the satisfaction of customers and stakeholders in all its activities. It guides corporate conduct and ensures compliance with ISO 9001 requirements and applicable regulations.	• Customer satisfaction • Continuous process improvement • Compliance with ISO 9001 requirements • Performance monitoring and measurement • Effective management of risks and opportunities • Engagement and skills development
INFORMATION SECURITY POLICY (ISO 27001)	Defines the principles and guidelines adopted by the Group to ensure the confidentiality, integrity and availability of information, promoting the continuous improvement of the management system. It ensures risk management, the protection of information assets and compliance with ISO/IEC 27001 and applicable regulations.	• Protect information and stakeholders • Ensure information confidentiality • Comply with ISO 27001 requirements • Monitor security performance • Manage information risks • Develop staff awareness
ENVIRONMENTAL MANAGEMENT POLICY (ISO 14001)	Defines the principles, commitments and guidelines adopted by the Group to ensure environmental protection, pollution prevention and the sustainable use of resources in all its activities. It guides corporate conduct and ensures compliance with ISO 14001 requirements and applicable environmental regulations	• Energy efficiency • Sustainable waste management • Reduce emissions • Comply with ISO 14001 • Prevent environmental impacts • Engage stakeholders
SHAREHOLDER DIALOGUE POLICY	Defines the principles and methods through which the Group promotes transparent, ongoing and constructive dialogue with shareholders and relevant stakeholders, encouraging information sharing and a relationship based on fairness and transparency.	• Promote transparent and ongoing dialogue • Ensure clear and timely information • Strengthen shareholder and stakeholder relationships • Promote understanding of the Group's strategies • Promote trust and participation • Create long-term sustainable value



2.5 Integration of sustainability criteria into incentive schemes

Sesa has **integrated ESG criteria into its incentive schemes**, with the aim of strengthening the alignment between corporate strategy, sustainable performance and remuneration policies, as well as promoting the creation of sustainable value in the medium to long term. The integration of environmental, social and governance factors into remuneration mechanisms is a fundamental step towards ensuring transparency and fairness in decision-making processes related to human resource management and overall company performance.

The decision-making process guiding the integration of ESG targets into the Remuneration Policy involves several governance bodies: the **Shareholders' Meeting** is called upon to approve the remuneration of the members of the Board of Directors and to vote on the RRPRP (Report on Remuneration Policy and Remuneration Paid). The **Board of Directors**, based on the proposals made by the Nomination and Remuneration Committee, is responsible for approving the Remuneration Policy, ensuring that it consistently reflects the Group's strategic targets and sustainable values.

The main purpose of this approach is to systematically align management towards the **continuous improvement of ESG performance**, thereby contributing to strengthening the organisation's resilience and increasing stakeholder confidence in the Group. At the same time, this strategy aims to promote a corporate culture that is truly focused on sustainability, in which the principles of social and environmental responsibility are integrated into everyday behaviour and long-term decisions.

For a complete and detailed discussion of the integration of sustainability-related performance in the Sesa Group's incentive schemes, please refer to the paragraph dedicated to Disclosure Requirement GOV-3 contained in the 2026 Integrated Annual Report, section **"GOV-3: Integration of sustainability-related performance in incentive schemes"**, as well as Sesa's Remuneration Policy.

In particular, the Remuneration Policy provides that **the performance targets to which variable remuneration components are linked also include non-financial parameters**; for short-term monetary incentive plans, these parameters account for no less than 50%, including indicators related to ESG performance.



STRATEGY

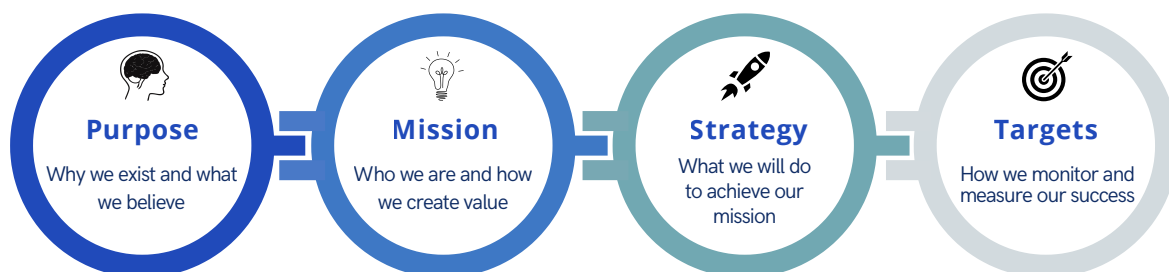
3.1 The Group's Strategic Commitment to Environmental Sustainability

Sustainability is a **key part of Sesa's identity, embedded in its corporate culture and in the way the Group interprets its role in the economic and social system**. It is not a marginal approach or one dictated exclusively by market developments, but rather a vision that has always guided the Group's strategic choices and growth.

Confirming this orientation, in 2021 Sesa amended its Articles of Association, explicitly introducing into the directors' mandate the objective of **pursuing long-term sustainable growth for the benefit of all stakeholders**. This measure, which is not only formal but also substantial, has consolidated the link between governance and responsibility, making sustainability a guiding principle in the Group's strategic decisions and development policies.

Sesa's strategic commitment to sustainability is part of a broader vision, consistent with the Group's purpose and mission:

- Sesa's **purpose** is focused on creating sustainable value for its stakeholders, promoting innovation – including digital innovation – in businesses and organisations and contributing to the well-being of the people and communities with which it operates;
- The Group's **mission** is to “promote sustainable growth, innovation - including digital innovation - and the ability of the Group’s companies to compete in the digital market”.



This approach is developed within a framework consistent with **international best practices and key sustainability frameworks and standards**, including the United Nations 2030 Agenda, the European Taxonomy, the CSRD and the ESRS, as well as adherence to the principles of the Global Compact.

Within this framework, the Group has started a **structured process based on three main pillars**: monitoring and quantifying emissions, improving efficiency/reducing environmental impacts, and progressively increasing the use of energy from renewable sources. The actions undertaken include: the installation of **photovoltaic systems**, the **purchase of electricity with Guarantees of Origin**, and the expansion of the Green VAS Sector and the SustainIT brand (in the Software & System Integration Sector), dedicated to the green transition and sustainable digitalisation.

Sesa adopts a structured and continuous approach to **monitoring energy consumption and related emissions**, integrating this commitment with programmes to improve resource efficiency and environmental performance.

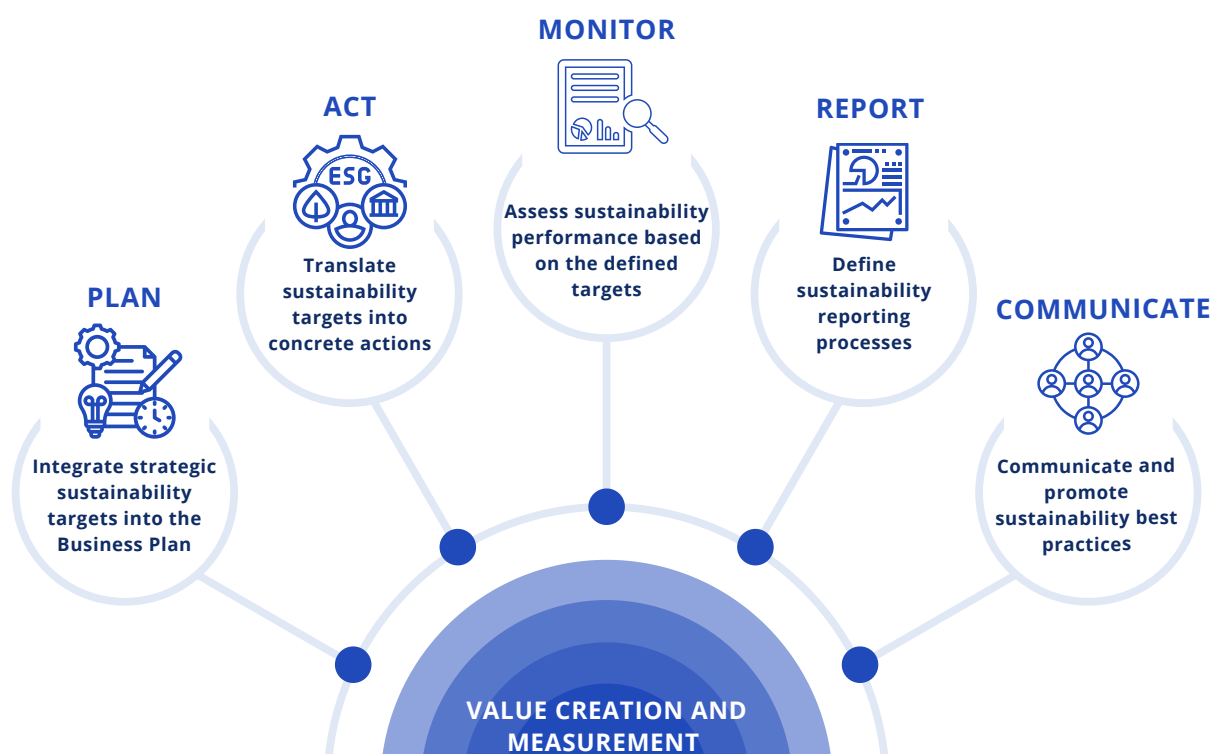
In this context, the Group began a process of **optimising waste management**, promoting separate waste collection and material recovery initiatives, together with the extension of ISO 14001 Environmental Certification to the main companies within the scope and the dissemination of the Group's Environmental Policy.

At the same time, Sesa has introduced **hybrid working models and digital collaboration tools**, while maintaining a predominantly physical presence at company premises, promoting a balance between organisational innovation and operational oversight. Internal training also plays a central role, with programmes dedicated to **raising staff awareness on environmental issues** and strengthening a culture of energy responsibility and **waste reduction**.

The focus also extends to the supply chain, through awareness-raising actions aimed at suppliers and external collaborators, with the aim of promoting behaviour in line with the principles of responsible resource management. At the operational level, Sesa is committed to **improving the energy efficiency** of its offices and corporate assets by upgrading lighting (with the adoption of high-efficiency LED systems), choosing lower-impact materials and technologies, adopting green building criteria and obtaining environmental certifications (LEED Certification - Leadership in Energy and Environmental Design).

Maintenance and upgrading of facilities is also underway to reduce energy consumption per unit of activity, with particular attention to facilities connected to technological infrastructure. Finally, the Group is working to **optimise fuel use in its vehicle fleet** through the **renewal of vehicles with more efficient and lower-impact solutions**, and the introduction of innovative corporate mobility management systems aimed at reducing travel-related emissions.

In line with this structured approach to the management of environmental and ESG issues, Sesa has further consolidated its commitment through the definition of a Sustainability Plan. During FY 2026, having acknowledged the **full achievement of the targets** defined in the previous Plan, Sesa continued the path undertaken through the preparation of the **new 2027-2028 Sustainability Plan**, which identifies priorities, objectives and measurable targets for the following two-year period.



3.2 Sesa Group Sustainability Plan

Sesa has developed a **Sustainability Plan** with the aim of systematically integrating ESG issues into the strategy outlined in the Group Business Plan. The first version of the Plan, approved in 2025 and covering the 2026-2027 two-year period, represented the starting point of a structured and progressive process for planning the Group's sustainability targets. The document was drawn up by the Operational Sustainability Committee and subsequently submitted for assessment and review by Sesa's Sustainability Committee, confirming the direct involvement of the governance bodies in sustainability decisions. Sesa's Chief Executive Officer was also directly involved in the process of defining the Plan and reported its contents and proposals to the Board of Directors.

During FY 2026, following the **full achievement of the targets** defined in the previous Plan, Sesa further continued this process through the definition of the **new 2027-2028 Sustainability Plan**. The new document consolidates and further develops the approach adopted, identifying sustainability priorities and targets for the following two-year period and confirming the nature of the Plan as a dynamic planning and guidance tool, subject to periodic updates based on emerging priorities, developments in the regulatory environment and guidance from the internal bodies responsible for ESG oversight. The 2027-2028 Sustainability Plan was **approved by Sesa's Board of Directors on 16 July 2026**.

The Plan is the result of both internal and external assessment processes, which included the Double Materiality Analysis, an examination of the competitive environment, consideration of reports by leading analysts and ESG rating agencies, as well as an assessment of the relevance and impact of the issues in relation to the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda.

With this Plan, the Group defines **strategic targets, lines of action and priority initiatives** to be implemented across the ESG dimensions (environmental, social and governance), in line with the principles of the CSRD and ERS. For a complete and detailed discussion of the methodology adopted and the targets set, please refer to the Sustainability Plan available on the Corporate website³, as well as the 2026 Integrated Annual Report (sections "E1-4" and "S1-5").

2027-2028 SUSTAINABILITY PLAN



Environment

- Increase in green electricity (%)
- Reduction in Scope 1 and Scope 2 emissions per capita
- Reduction in emissions intensity (emissions relative to revenue)

Social

- Maintain gender mix (%) threshold
- Maintain permanent workforce (%) threshold
- Maintain incoming turnover (%) threshold
- Maintain outgoing turnover (%) threshold

Governance

- Maintain minimum number of Sustainability Committee meetings
- Whistleblowing reports resolved: 100%
- Maintenance and extension of ESG certifications

3. <https://sostenibilita.sesa.it/wp-content/uploads/2026/02/Sesa-Group-Sustainability-Plan-2027%E2%80%932028-ENG.pdf>

3.3 Scenario Analysis and Risk Assessment

Scenario Analysis is an important tool for conducting both qualitative and quantitative assessments, with the aim of increasing the Group's awareness of the **potential impacts of Climate Change on its business** and strengthening critical strategic thinking.

In detail, a Scenario describes a possible future development path: not an exhaustive forecast, but a hypothetical model highlighting the central elements and key factors that could significantly influence future developments. The analysis helps Sesa evaluate **possible strategic alternatives** that could significantly impact ordinary business dynamics, supporting informed decisions and in-depth assessments from a qualitative and quantitative point of view.

To carry out this activity, Sesa adopted a systematic approach, looking at the **main international climate scenarios** developed by international institutions and identifying the most representative scenarios on which to base the analyses. For further information, see the TCFD document: The Use of Scenario Analysis in Disclosure of Climate-related Risks and Opportunities report - 2017.

Regarding **climate scenarios used to assess physical risks**, Sesa analysed and selected the scenarios developed by the **Intergovernmental Panel on Climate Change (IPCC)**.

Main International Climate Scenarios for Physical and Transition Risks

PHYSICAL RISK SCENARIOS



Scenarios developed by the **Intergovernmental Panel on Climate Change (IPCC)**:

- **RCP (Representative Concentration Pathways) 8.5 scenario** (high emissions scenario)
- **RCP 6.0 scenario** (high to medium emissions scenario)
- **RCP 4.5 scenario** (medium emissions scenario)
- **RCP 2.6 scenario** (low emissions scenario)

TRANSITION RISK SCENARIOS



Scenarios developed by the **International Energy Agency (IEA)**, based on the **World Energy Outlook 2025**:

- **CPS** – Current Policies Scenario
- **STEPS** – Stated Policies Scenario
- **NZE** – Net Zero Emissions by 2050 Scenario



Scenarios developed by the **Network for Greening the Financial System (NGFS)**:

- **Net Zero 2050, Below 2°C, Delayed Transition, NDCs, Current Policies and Fragmented World**

These scenarios, known as **RCP (Representative Concentration Pathways)**, represent different projections of the response of the Earth's climate system to changes in atmospheric concentrations of greenhouse gases, known as GHGs (Greenhouse Gases). These pathways are named after the level of radiative forcing (the warming effect) they project for the year 2100, measured in watts per square metre (W/m²).

With regard to **climate scenarios on transition risks**, Sesa examined and assessed the scenarios developed by the Network for Greening the Financial System (NGFS) and the **International Energy Agency (IEA)**, considering the latter more suitable for Sesa's business. The scenarios developed by these authoritative international organisations, such as the IPCC and the IEA, make it possible to explore future conditions over different time horizons, providing a solid analytical basis for assessing climate risks and adopting appropriate adaptation and mitigation strategies.

The **physical risk analysis** was conducted on the basis of a systematic assessment of the Group's activities to identify which climate risks could affect the performance of economic activities over their expected life cycle and to quantify their vulnerability and relevance. **The physical climate risk analysis was based on three time horizons:** 2026-2030 (short-term), 2031-2040 (medium-term), 2041-2050 (long-term), in line with the reference literature and available data.

For climate transition risks and opportunities, **the Climate Risk Assessment was adapted to Sesa's business**, in order to identify and quantify the following aspects: regulatory and legal; reputational; market; technological. The selection of transition scenarios was guided by established climate literature, the availability of impact studies and the probability associated with each scenario.

For the identification of climate transition risks and opportunities, the **main European regulations, international frameworks and guidelines issued by the relevant institutions were also consulted**. These include European Union regulations and directives, such as the European Green Deal and the EU Taxonomy for sustainable activities, as well as global standards such as those defined by the TCFD and the Paris Agreement. The analysis also took into account best practices adopted by global organisations and recommendations from sectoral and scientific reports.

Three time horizons were adopted in the analysis of transition risks and climate opportunities, taking into account the sector in which the Sesa Group operates and its business model: 2026-2030 (short-term), 2031-2040 (medium-term), 2041-2050 (long-term).

During 2026, **Sesa updated the Climate Risk Assessment already developed as part of the 2025 TCFD Report**, with the aim of assessing developments in the Group's exposure profile to physical and transition risks and the related climate opportunities. The update covered the scope of the Group's offices and data centres as at 30 April 2026, the internal inputs relevant to the analysis, the regulatory and market context, the scientific references and climate scenarios used, as well as the assessment time horizons.

The process also took into account the results of the 2026 Double Materiality Analysis, developments in the Group's Business Plan and Sustainability Plan, and the most recent international climate-related sources. The probability and impact assessments associated with the risks and opportunities already identified in the previous financial year were reviewed to verify their continued relevance and, where necessary, to update their level of exposure.

The update **overall confirmed the risk and opportunity profile that emerged from the 2025 analysis**, without identifying substantial changes in inherent risk levels, despite the update to the scope and assessment inputs.

MANAGEMENT OF CLIMATE RISKS AND OPPORTUNITIES

4.1 Sesa's Risk Framework

Climate change risks are closely related to Sesa's operational and strategic activities; therefore, the process of identifying, assessing and managing these risks is integrated into the company's overall risk management process, described below, and into the day-to-day management of the company's activities. In particular, in line with the guidelines of the Italian Stock Exchange's Corporate Governance Code and national and international best practices, the Group has adopted a specific **Internal Control and Risk Management System (System or ICRMS)**, consisting of corporate culture, capabilities, rules, procedures and practices, and organisational structures aimed at defining an accountability system for the effective and efficient identification, measurement, management, mitigation and monitoring of the main risks, in order to contribute to Sesa's sustainable success, thereby maintaining high stakeholder confidence in the governance and control of the Group.

The System provides a management tool to ensure that the company operates in line with the Company's targets and places the risk management process at the heart of the value chain, starting with key elements such as the mission, vision, values and reference context, integrating them into the definition and development of strategy and performance, in order to support decision-making processes by clarifying elements of risk and uncertainty and defining informed responses.

One of the elements of the System is the **Risk Management System**, which is also aligned with the recommendations of the Corporate Governance Code for Listed Companies and international best practices.

To support the Board of Directors' assessments and decisions regarding the Internal Control and Risk Management System, Risk Governance provides for the contribution of a specific Board Committee, composed of independent directors – **the Control and Risk and Related Parties Committee** – which periodically interacts with the company structures most directly involved in these processes. The Committee also has a direct relationship with the **Internal Auditor**, the Legal & Compliance Officer and the Chief Financial Officer, who support senior management in the effective implementation and management of the Risk Management process at Group level, as well as ensuring adequate coordination of the structures responsible for control activities.

Finally, within the Internal Control and Risk Management System, the Internal Audit function is responsible for verifying the effectiveness and adequacy of the System itself and ensuring that it is consistent with the guidelines defined by the Board of Directors.

Audit activities cover all company processes (including Risk Management), with particular attention to the most significant processes in terms of their impact on the Company's value and the level of risk they pose to corporate targets, or their influence on matters of Group-wide interest.

From an operational perspective, risk management is applied throughout the Group according to a structured and systemic approach, and includes a **Risk Governance Model** (Model) that defines the **roles and responsibilities** of the main players involved in the Risk Management System, integrating the three levels of control provided for by the Corporate Governance Code into the company's organisational structure, each with different objectives and specific responsibilities associated with them:

- **First level** of control: responsible for identifying, assessing and managing risks relating to their areas of competence;
- **Second level** of control: entrusted to autonomous organisational structures (e.g. Health & Safety, Compliance, Law No. 262/2005, Sustainability, Privacy, Security, etc.), which are independent and separate from the company structures responsible for operational activities. They monitor external regulatory changes and the evolution of best practices and contribute to the definition of governance policies and the management process for the categories of risk under their responsibility. At the same time, they provide support to the First level of control for their implementation, including through the design and delivery of awareness and training activities;
- **Third level** of control: a prerogative of Audit, it provides an independent assessment of the design and functioning of the ICRMS (known as assurance). It is characterised by the highest degree of internal independence within the organisation, both hierarchical and functional.

Good risk governance must ensure a **systemic and coordinated view** of all the actors involved, so that they collaborate, identify and assess risks, identify their possible impacts and, consequently, have the right information available to make the most appropriate decisions. The various elements of the Risk Management System give an idea of the complexity of the Model and how the individuals and structures involved, each with their own specific characteristics, contribute to the aforementioned holistic view, working in synergy and according to a structured and organised approach.

To this end, Sesa implements procedures and processes aimed at coordinating the relationships and activities of the entities that exercise control at different levels. Of particular importance in this regard is the coordination between the activities of the second-level control structures, in order to minimise duplication of activities and maximise the efficiency of the Risk Management System, in compliance with their respective roles and responsibilities and the necessary independence requirements.

The Model therefore provides for **widespread risk management within the organisation**, involving a number of corporate bodies and structures at every level of the organisation, as illustrated below:



It is clear that a company's **risk profile** is not a fixed element, but **evolves over time**, changing both in relation to changes in the external environment and on the basis of organisational and strategic decisions adopted internally. The **monitoring activity** is therefore carried out with the aim of verifying the evolution of the Group's risk profile, exposure to the main risks, the performance of the defined risk indicators, together with the progress of the mitigation actions implemented. In this scenario, given the importance attributed to certain risk events considered a priority for the Group, **quarterly monitoring** is carried out to assess the evolution of the Group's exposure to these risks.

Furthermore, climate change risks are closely linked to the Group's operational and strategic activities; their identification, assessment and management process is integrated into the overall corporate risk management process and the day-to-day management of the company. Finally, it should be noted that the Sustainability Function, which is responsible for identifying, managing and monitoring sustainability issues (including climate change), is included as a second level of control within the risk governance model. The Risk Assessment update is characterised by a **process of progressive integration between risk analysis and ESG issues**. To this end, leveraging the established methodologies of the adopted Risk Governance model, in order to ensure consistency with the Risk Analysis processes already in place, the process of alignment **between risk analysis and sustainability issues** has been further developed, integrating the results of the Group's Risk Assessment with the methodologies provided for by the ESRS and the EFRAG guidelines.

4.2 Climate Risks and Opportunities Identification and Monitoring

Climate change presents opportunities and risks for the Group, which must be properly assessed in order to manage them effectively. To identify them, Sesa applies the Task Force on Climate-related Financial Disclosures (TCFD) framework, which divides climate-related risks into two main categories:

- **Transition Risks:** the transition to a low-carbon economy may entail political and legal risks due to different regulatory requirements that may arise at a geographical level, or new effects and/or uncertainties with regard to the policies implemented. Risks may also arise at the technological level, due to uncertainties regarding the role of emerging technologies, as well as market risks linked to new dynamics, changes that may impact supply and demand, and an increase in the complexity of the context, which may also lead to reputational risks for companies;
- **Physical Risks:** these risks can be acute (event-driven) or chronic (long-term changes). Physical risks can have financial implications for companies, such as direct damage to assets and indirect impacts due to supply chain disruption.

	TRANSITION RISKS			PHYSICAL RISKS	
	TECHNOLOGY	POLICIES	MARKET SENTIMENT	ACUTE RISKS	CHRONIC RISKS
CLIMATE RISKS	Transition towards low environmental impact technologies , which requires higher costs and impacts customers' business models.	Global and European policies restrict activities in sectors with high levels of emissions .	Changes in consumer preferences towards climate-friendly consumption.	Risks arising from extreme climate change , with a specific occurrence within a defined period of time (e.g. landslides and floods).	Risks arising from chronic climate change , with a constant occurrence over a long-term time horizon .
ENVIRONMENTAL RISKS	Policies aimed at reducing environmental impact and the transition to green technologies and products could affect companies with high levels of pollutant emissions and poor waste management. The introduction of green policies and technologies , combined with greater market awareness of environmental damage, may affect activities that have an impact on ecosystems and biodiversity. The transition to advanced technologies , demand for environmentally sustainable products and policies promoting responsible water management may affect companies with high water consumption , reducing productivity in specific sectors.			Risks arising from extreme alterations of environmental resources due to pollution, water-resource issues and biodiversity loss .	Risks arising from long-term chronic alterations of environmental resources due to pollution, water-resource issues and ecosystem degradation .

The following paragraphs provide a detailed description of the climate change-related opportunities and risks identified by Sesa which, based on the classification proposed by the Task Force on Climate-related Financial Disclosures (TCFD), are potentially relevant to the Group's business.

4.3 Physical Risks

The analysis of physical risks, i.e. **extreme weather events with potential economic impacts on the assets of interest to the Group**, was conducted considering all significant natural events of climatic origin and a wide range of assets of interest to the Group, selected according to specific relevance criteria (owned or leased assets, presence of a significant number of human resources at the assets, data centres). The selected scope consists of all the Group's offices and data centres, almost all of which are located in the EU 27. Italy is the country with the highest concentration of assets, accounting for approximately 90% of the total number of Local Units, within which 91% of the Group's workforce is employed.

Compared with the analysis presented in the 2025 TCFD Report, in FY 2026 the scope was updated to reflect developments in the Group's Local Units, data centres and workforce distribution as at 30 April 2026.

Among the most relevant physical risks, the potential impacts arising from extreme weather events were considered through the following factors:

- the **probability** of an event occurring, considering the geographical location of the Group's locations;
- the **potential impacts** of individual events, based on the location of the facilities and the evolution of climate change phenomena;
- any **estimated losses** arising from the events themselves.

Overall, the 2026 update did not identify any Local Units with exposure levels such as to result in a significant residual risk for the Group. However, the inherent risk analysis highlights greater prospective exposure to phenomena associated with rising temperatures and heatwaves under the more severe climate scenarios.

It should also be noted that the Group has insurance policies in place to mitigate any losses arising from these types of events. Furthermore, in order to manage potential business continuity risks, including those caused by natural disasters, a **Business Continuity Management System (BCMS)** has been implemented with the aim of increasing the resilience of the processes and services provided, with particular attention to customer satisfaction.

Scenarios considered in the Physical Risk Analysis



RCP 4.5 – Intermediate Emissions Scenario

Intermediate stabilisation scenario for greenhouse gas concentrations, associated with a radiative forcing level of approximately 4.5 W/m² by 2100. Within the Climate Risk Assessment, it is used as an intermediate scenario to assess the prospective exposure of the Group's assets to the main physical climate risks.



RCP 8.5 - High Emissions Scenario

Scenario characterised by high concentrations of greenhouse gases and radiative forcing of approximately 8.5 W/m² by 2100. Within the Climate Risk Assessment, it is used as a severe scenario to stress-test the resilience of the Group's assets against the intensification of physical climate risks.

Below is a **representation of the physical risks identified by Sesa according to the RCP 4.5 and RCP 8.5 scenarios**, showing the possible impacts and the inherent risk level to which the Group's assets are exposed over the three time horizons (short, medium and long). The RCP 4.5 and RCP 8.5 scenarios were retained from the 2025 analysis in order to preserve methodological continuity and the comparability of physical risk assessments.

The assessments reported reflect the review carried out in FY 2026 on the Group's updated scope. Where the risk level remains unchanged compared with the previous financial year, this result reflects confirmation of the assessment following the update of the inputs and not merely the carry-forward of the previous analysis.

PHYSICAL RISK CATEGORY	PHYSICAL RISK SUBCATEGORY	PHYSICAL RISK DESCRIPTION	RCP 4.5			RCP 8.5		
			SHORT 2026- 2030	MEDIUM 2031- 2040	LONG 2041- 2050	SHORT 2026- 2030	MEDIUM 2031- 2040	LONG 2041- 2050
Acute	Extreme Weather Events	Heavy rainfall, storms and other extreme weather events may damage offices and infrastructure, limit accessibility and cause operational disruptions.	LOW	LOW	LOW	MEDIUM	MEDIUM	MEDIUM
Chronic	Weather Pattern Variability	Greater variability in precipitation and temperatures may increase energy and maintenance needs and affect office and infrastructure management.	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT
Chronic	Sea Level Rise	For offices located in coastal areas, rising sea levels and the intensification of coastal events may increase the risk of flooding and damage.	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT
Chronic	Increase in Average Temperatures	Higher average temperatures may increase air-conditioning and cooling requirements, with potential effects on consumption, costs and efficiency.	LOW	MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH
Chronic	Heat Stress on People	High temperatures may affect people's well-being and productivity, requiring adaptation measures and greater use of air conditioning.	LOW	MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH
Acute	Heatwaves	More frequent and intense extreme heat events may generate peaks in energy demand and put pressure on operational continuity and cooling systems.	LOW	MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH
Acute	Cold Spells	Extreme cold events may increase heating consumption and create accessibility issues at offices or affect the operation of infrastructure and services.	LOW	LOW	LOW	MEDIUM	MEDIUM	MEDIUM
Acute	Cyclones, Hurricanes and Typhoons	Extreme wind events and severe storms may damage buildings, network infrastructure and essential services, with potential operational disruptions.	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT
Chronic	Changes in Wind Patterns	Changes in wind patterns and in the intensity of extreme events may affect infrastructure integrity and the continuity of services and connections.	LOW	MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH
Chronic	Drought	Prolonged periods of drought may exacerbate water stress conditions and affect the management of offices, essential services and the supply chain.	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT	LOW	LOW	LOW
Acute	Wildfires	Fires near offices may affect accessibility, air quality, people's safety and business continuity.	LOW	LOW	LOW	MEDIUM	MEDIUM	MEDIUM
Chronic	Precipitation Stress	Alternating periods of intense precipitation and drought may increase the risk of flooding, water infiltration, damage to buildings and maintenance requirements.	LOW	LOW	LOW	LOW	LOW	LOW

4.4 Energy Transition Risks and Opportunities

The assessment of transition risks and opportunities was carried out by considering the activities of all the Group's Sectors – Corporate and Digital Ecosystem, Software and System Integration (SSI), Business Services, ICT Value Added Solutions (ICT VAS) and Green VAS – taking into account the specific characteristics of their respective business models and the different drivers of exposure to the **transition to a low-carbon economy**. The assessment methodology included a joint analysis of both the risks and opportunities that the energy transition and its effects on the socio-economic context may bring to the Sesa Group, focusing also on the positive implications that this evolution may have in terms of reputation, operations and business development, in line with the development path undertaken by the Sesa Group.

In a **first phase**, the risks and opportunities arising from the transition to a low-carbon economy were identified in order to highlight the most significant development drivers for the context in which Sesa operates and the most reliable forecasts regarding their possible evolution. The analysis was conducted in collaboration with company management and through in-depth analysis of internal sources, starting with the Group's industrial and strategic plan and sustainability strategy, as well as sector research. This was followed by a **second phase** of qualitative and quantitative assessment of the severity of the risks and opportunities identified, carried out with the full involvement of company management. The results were represented by cross-referencing the probability of events and the different dimensions of impact, with particular attention to economic and reputational impacts, in line with the risk management model in place within the Sesa Group.

In FY 2026, the analysis was reviewed in light of the **evolution of the regulatory and market environment and the Group's strategic priorities**, considering, among other elements, the Business Plan, the Sustainability Plan and the results of the Double Materiality Analysis.

• Transition Risks

For transition risks, identified on the basis of the risk categories indicated by the TCFD (legal, market, technological, reputational, political-regulatory), the Group identified the main factors of potential exposure linked to changes in the regulatory framework, changes in technology and market preferences, as well as growing stakeholder expectations regarding the decarbonisation of the value chain.

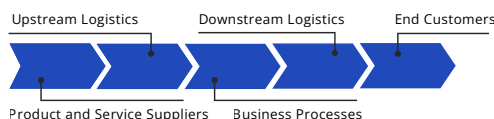
Below is a graphical representation of the risks identified, showing their potential impacts and the risk level to which the Group's assets are exposed over the three time horizons (short, medium and long).

TRANSITION RISK SUBCATEGORY	TRANSITION RISK DESCRIPTION	IMPACT ON THE VALUE CHAIN	Time horizon		
			SHORT 2026-2030	MEDIUM 2031-2040	LONG 2041-2050
Regulatory	Evolution of carbon pricing mechanisms and climate policies, with potential indirect effects on energy costs, technology product prices and the Group's supply chain.		LOW	LOW	LOW
Regulatory	Evolution and complexity of climate reporting and transparency requirements, with potential impacts on data collection processes, information systems, control activities and compliance costs.		LOW	LOW	LOW
Regulatory	Potential exposure to legal risks or disputes related to the Group's climate communications and commitments, including environmental claims that are not adequately supported or verifiable.		LOW	MEDIUM	MEDIUM

TRANSITION RISK SUBCATEGORY	TRANSITION RISK DESCRIPTION	IMPACT ON THE VALUE CHAIN	Time horizon		
			SHORT 2026-2030	MEDIUM 2031-2040	LONG 2041-2050
Regulatory	Evolution of sustainability requirements, with potential effects on product availability, supplier qualification processes and compliance costs across the value chain.		LOW	LOW	MEDIUM
Technology	Need for investment in more efficient technologies, fleet electrification and infrastructure upgrades, with a risk of losing competitiveness in the event of delays in adoption.		MEDIUM	HIGH	HIGH
Market	Delays in evolving the offering in response to growing demand for digital, energy-efficient solutions supporting the sustainable transition may limit growth opportunities.		MEDIUM	HIGH	HIGH
Market	Growing customer focus on ESG requirements and environmental performance may change purchasing criteria and favour operators more closely aligned with sustainability expectations.		MEDIUM	HIGH	HIGH
Market	Volatility in energy prices and potential issues affecting the availability and cost of hardware and technology components, also due to the transition and climate events across the supply chain.		MEDIUM	HIGH	HIGH
Reputation	An inadequate response to the climate-related expectations of customers, investors and other stakeholders may result in reputational and commercial impacts.		LOW	MEDIUM	MEDIUM
Reputation	Perceived inconsistency between stated ESG targets, environmental communications and actual performance achieved, with potential effects on the Group's credibility.		LOW	MEDIUM	MEDIUM
Reputation	Stakeholder concerns regarding environmental impacts or conduct inconsistent with ESG policies across the value chain may affect reputation and commercial relationships.		LOW	MEDIUM	HIGH

Legend:

Value chain stages where the impact occurs:



Criteria used to assess risk events that may occur over the applicable time horizons:

- **Probability:** assessed considering the likelihood that a risk event may occur over the applicable time horizons, using a four-level scoring scale from "Not Relevant" to "High";
- **Impact:** assessed in terms of economic, qualitative, health and safety, environmental, operational, reputational (stakeholder) and/or compliance effects on the Group, using a four-level scoring scale from "Not Relevant" to "Critical".

		RISK PROBABILITY			
		1 - NOT RELEVANT (<5%)	2 - LOW (5-25%)	3 - MEDIUM (25-50%)	4 - HIGH (>50%)
IMPACT	4 - CRITICAL	MEDIUM	HIGH	HIGH	HIGH
	3 - MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH
	2 - LOW	LOW	LOW	MEDIUM	HIGH
	1 - NOT RELEVANT	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT

• Energy Transition Opportunities

Sesa's ability to **seize the opportunities related to the energy transition** is based on the Group's Business Plan, the **continuous development of skills and technological solutions** and the **ability to support clients and partners in their respective digital and sustainable transformation journeys**. As part of the 2026 update, the opportunities already identified in the previous Climate Risk Assessment were reviewed, assessing their relevance in light of the evolution of the business model, the new Business Plan, the Sustainability Plan and the growing demand for energy-efficiency and sustainable transition solutions. On the one hand, Sesa is developing a broad portfolio of sustainable industrial solutions, which is set to expand significantly in the near future; on the other hand, the company continues to invest in increasing its know-how, acquiring strategic skills and technologies and establishing key relationships and partnerships.

Below is a graphical representation of the opportunities identified by the Group, showing the potential financial impacts and the related opportunity level over the three time horizons (short, medium and long).

CATEGORY	OPPORTUNITY DESCRIPTION	Time Horizon			Lower Costs	Lower GHG Emissions	Reputation Enhancement	Innovation	Increase in Property Value	Higher Revenues	Climate Resilience and Adaptability
		SHORT 2026-2030	MEDIUM 2031-2040	LONG 2041-2050							
Sustainable Mobility	Progressive electrification and optimisation of the company fleet	Medium	High	High		✓	✓	✓			
Process Efficiency	Energy efficiency improvements in offices, IT infrastructure	Low	Medium	Medium	✓	✓	✓				✓
Efficient Buildings	Improvement of the energy efficiency of buildings	Medium	High	High		✓	✓	✓	✓		✓
Supply Chain	Integration of ESG criteria into supply and procurement processes	Low	Medium	High	✓	✓					✓
Self-generation	Increase in self-generation of energy from renewable sources	High	High	High	✓	✓	✓		✓		✓
Green Energy	Increased use of energy from renewable sources	High	High	High		✓	✓				
New Technologies	Development of digital solutions supporting the energy transition	High	High	High	✓	✓	✓	✓			✓
Incentives	Access to incentives for investments in renewables and energy efficiency	Low	Medium	High	✓			✓			
Green Products Services	Development of new green-impact technology solutions	High	High	High		✓	✓	✓		✓	✓
Circular Economy	Development of circular economy models and refurbished technology	Low	Medium	High		✓	✓	✓		✓	
New Markets	Access to new markets linked to demand for sustainable solutions	Medium	High	High	✓			✓		✓	
M&A and Growth	Acquisition of strategic ESG skills and technologies	Medium	High	High				✓		✓	✓

CATEGORY	OPPORTUNITY DESCRIPTION	TIME HORIZON			Lower Costs	Lower GHG Emissions	Reputation Enhancement	Innovation	Increase in Property Value	Higher Revenues	Climate Resilience and Adaptability
		SHORT 2026-2030	MEDIUM 2031-2040	LONG 2041-2050							
Partnership	Partnerships for innovative, lower-impact solutions	Medium	High	High			✓	✓		✓	
Energy Efficiency	Reduction in consumption and costs through energy-efficiency measures	High	High	High	✓	✓	✓		✓		✓
Supply Chain Diversification	Supplier diversification to strengthen supply chain resilience	Low	Medium	Medium		✓					✓

Legend:

The following scoring scales are used to assess opportunities that may arise within the applicable time horizons:

- **Probability:** assessed by considering the likelihood that an opportunity may arise within the applicable time horizons, using a four-level scoring scale from “Not Relevant” to “High”;
- **Impact:** assessed in terms of economic, qualitative, health and safety, environmental, operational, reputational (stakeholder) and/or compliance effects on the Group, using a four-level scoring scale from “Not Relevant” to “Elevated”.

		OPPORTUNITY PROBABILITY			
		1 - NOT RELEVANT (<5%)	2 - LOW (5-25%)	3 - MEDIUM (25-50%)	4 - HIGH (>50%)
IMPACT	4 - ELEVATED	MEDIUM	HIGH	HIGH	HIGH
	3 - MEDIUM	MEDIUM	MEDIUM	HIGH	HIGH
	2 - LOW	LOW	LOW	MEDIUM	HIGH
	1 - NOT RELEVANT	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT	NOT RELEVANT



CLIMATE CHANGE PERFORMANCE MONITORING: KPIs & TARGETS

To assess the effectiveness of climate-related risk and opportunity management measures – both in terms of reducing direct impact on climate change and promoting the energy transition – Sesa uses a set of metrics that make it possible to **quantitatively measure progress and guide future strategies**.

To this end, in order to ensure effective management of GHG emissions, Sesa uses a monitoring system based on **key performance indicators (KPIs)** for both direct emissions (Scope 1) and indirect emissions (Scope 2 and 3).

This approach enables Sesa to **measure, manage and reduce the Group's emissions in a transparent and responsible manner**. The indicators used to monitor greenhouse gas emissions are part of Sesa's environmental management system and are regularly collected and reported, making it possible to verify progress against the established emission reduction targets. In addition, the data collected provide a solid basis for developing new initiatives and strategies aimed at continuously improving the Group's environmental performance.

5.1 GHG Emissions (Scope 1, 2, 3)

In line with International Standards, **Sesa measures greenhouse gas emissions according to the GHG Protocol guidelines**, recording direct, indirect and value chain emissions. This measurement is essential for defining effective emission reduction strategies and transparently communicating its path towards sustainable transition.

Scope 1 emissions (direct emissions), as defined by the GHG Protocol, arise from sources owned or under the operational control of the Group and are mainly attributable to the use of natural gas for heating sites and fuel consumed by company vehicles.

Scope 2 emissions (indirect emissions from energy consumption) represent emissions arising from electricity consumption from third parties. The GHG Protocol provides for the reporting of Scope 2 emissions using two methodologies: one referred to as “location-based” (emissions calculated by multiplying electricity consumption by an average emission factor for the national electricity grid) and the other referred to as “market-based”. The latter assigns a zero GHG emission factor to electricity consumption from certified renewable sources (with Guarantees of Origin – GO) and a “residual” emission factor, which excludes the renewable component from the average value of the national electricity grid, for the remaining electricity purchased. This methodology highlights the commitment to reducing Scope 2 emissions achieved through the purchase of GO-certified electricity.

Scope 3 emissions represent the other indirect emissions generated along the Group’s value chain. For FY 2026, the reporting scope includes Category 1 – Purchased goods and services, Category 2 – Capital goods, Category 3 – Fuel- and energy-related activities not included in Scope 1 or Scope 2, Category 5 – Waste generated in operations and Category 7 – Employee commuting, including emissions associated with remote working. Category 4 is not calculated separately as it is already incorporated, depending on the emission factors used, into Categories 1 and 2; Category 6 – Business travel is not included in FY 2026 due to the unavailability of data.

The table below summarises the Scope 1, 2 and 3 GHG emissions generated by the Group in FY 2026.

Total GHG emissions (in tCO₂eq)	April 30, 2026	April 30, 2025
Direct GHG emissions (Scope 1)	5,588	5,755
Indirect GHG emissions (Scope 2 - location-based)	2,561	4,430
Indirect GHG emissions (Scope 2 - market-based)	753	765
Total Scope 1-2 GHG emissions (location-based)	8,149	10,185
Total Scope 1-2 GHG emissions (market-based)	6,341	6,520
Total Scope 3 GHG emissions	526,223	475,445
1. Purchased goods and services	515,750	466,759
2. Capital goods	1,711	1,522
3. Fuel- and energy-related activities not included in Scope 1 or Scope 2	1,859	2,027
5. Waste generated in operations	0	0
7. Employee commuting	6,902	5,137
Total Scope 1-2-3 GHG emissions (location-based)	534,372	485,630
Total Scope 1-2-3 GHG emissions (market-based)	532,564	481,965

The Group’s Scope 1 and Scope 2 greenhouse gas emissions reflect the **profile of a predominantly office-based organisation** and are mainly attributable, for Scope 2, to electricity purchased from third parties and, for Scope 1, to fuels used by the company fleet and, to a lesser extent, natural gas used for heating the Group’s sites. Scope 1 and Scope 2 operational emissions are therefore mainly associated with the management of sites, facilities and the company vehicle fleet. Since FY 2025, with the adoption of the European CSRD legislation and the ESRS standards, the reporting framework has evolved, introducing new reporting criteria and methods.

In FY 2026, the Group recorded an **improvement in emissions performance** with respect to emissions more directly attributable to the management of its own operations. In particular, Scope 1 emissions decreased by 2.9%, while Scope 2 emissions calculated according to the location-based approach decreased by 42.2%. Overall, location-based Scope 1 and Scope 2 emissions decreased by 20% compared with the previous financial year. Under the market-based approach, total Scope 1 and Scope 2 emissions also decreased by 2.8%. For further details on emission factors and the methodology used to calculate tonnes of CO₂ equivalent, please refer to the chapter “E1-6: Gross Scope 1, 2 and 3 and Total GHG Emissions” of Sesa’s 2026 Integrated Annual Report.

The following table presents GHG emissions intensity indicators relative to net revenue for the financial year.

GHG intensity per net revenue (in tCO₂eq/€ Mln)	April 30, 2026	April 30, 2025
Total Scope 1, 2 and 3 GHG emissions (location-based)	534,372	485,630
Total Scope 1, 2 and 3 GHG emissions (market-based)	532,564	481,965
Net revenue (Euro Mln)	3,621	3,273
Total location-based GHG emissions per net revenue	147.6	148.4
Total market-based GHG emissions per net revenue	147.1	147.2

In addition, an overview is provided of Other ESG indicators that are periodically monitored in order to assess trends in the Group’s environmental, social and governance performance, identify potential areas for improvement and support strategic decision-making for the creation of sustainable value over the medium to long term.

Other ESG indicators	Unit of measure	30/04/2026	30/04/2025	30/04/2024	30/04/2023	Delta 26/25
Average headcount	HR	6,651	6,112	5,204	4,440	+8.83%
Revenue	€ Mln	3,621	3,273	3,211	2,907	+10.63%
Energy-intensity index ⁴	GJ/€ Mln	36.90	39.04	32.93	32.13	-5.47%
Per-capita energy-intensity index ⁵	GJ/HR	19.74	19.56	20.32	21.04	+0.90%
Carbon intensity ⁶	tCO ₂ /€ Mln	1.75	1.99	1.78	1.87	-12.09%
Per-capita emissions ⁷	tCO ₂ / HR	0.95	1.07	1.10	1.22	-10.64%
Per-capita Scope 1 emissions ⁸	tCO ₂ / HR	0.84	0.94	1.01	1.08	-10.78%
Per-capita market-based Scope 2 emissions ⁹	tCO ₂ / HR	0.11	0.13	0.09	0.15	-9.62%
Per-capita location-based Scope 2 emissions ¹⁰	tCO ₂ / HR	0.39	0.72	0.73	0.77	-46.88%
Per-capita electricity consumption (kWh) ¹¹	kWh/HR	1,984	2,157	2,171	2,296	-8.02%
Per-capita electricity consumption (MWh) ¹¹	MWh/HR	1.98	2.16	2.17	2.30	-8.02%

4. Energy consumption (electricity and natural gas) / revenue

5. Energy consumption (electricity and natural gas) in GJ / average headcount

6. Scope 1 GHG emissions + market-based Scope 2 GHG emissions / revenue

7. Scope 1 GHG emissions + market-based Scope 2 GHG emissions / average headcount

8. Scope 1 GHG emissions / average headcount

9. Market-based Scope 2 GHG emissions / average headcount

10. Location-based Scope 2 GHG emissions / average headcount

11. Electricity consumption / average headcount

5.2 ESG Targets

As illustrated in Chapter 3 – Strategy, in 2025 Sesa developed its first Sustainability Plan for the two-year period 2026-2027. During FY 2026, the Plan was renewed through the definition of the **2027-2028 Sustainability Plan**, which updates the Group's ESG priorities and targets in light of the results achieved and developments in the relevant context. Details of the targets identified for the new two-year period are provided below.

AREA	ESRS	KPIs	UoM	Baseline (30/04/2026)	Targets	Actions	SDGs
Environment	E1-5: Energy consumption and mix	Supply of 100% renewable electricity	Green kWh / Total kWh	95%	2027 and 2028: >97% (threshold)	Increase the number of 100% renewable contracts	SDG 7, 13
	E1-6: Total GHG emissions (Scope 1+2)	Scope 1+2 emissions per capita	tCO ₂ eq/HR	0.95	2027: -2% vs 2026 2028: -3% vs 2027	New 100% renewable electricity contracts; increase self-generation of renewable electricity	SDG 7, 13
	E1-6: Gross GHG emissions intensity.	Total GHG emissions relative to net revenue	tCO ₂ eq/€ Mn	1.75	2027: -2% vs 2026 2028: -3% vs 2027	New 100% renewable electricity contracts; increase self-generation of renewable electricity	SDG 13
Social	S1-6: Characteristics of the undertaking's employees	% of human resources on permanent contracts	Permanent HR / total HR	97%	2027 and 2028: >97% (threshold)	Internal Hiring; recruitment and retention targets	SDG 8
	S1-6: Characteristics of the undertaking's employees	% of women in total HR	Women / total HR	32%	2027 and 2028: >30% (threshold)	Appointment of a Diversity Manager; recruitment targets	SDG 5, 10
	S1-6: Characteristics of the undertaking's employees	% incoming turnover	Hires / total HR	11%	2027 and 2028: >5% (threshold)	Hiring policies; onboarding, training and support	SDG 5, 10
	S1-6: Characteristics of the undertaking's employees	% outgoing turnover	Departures / total HR	6%	2027 and 2028: <12% (threshold)	Training and development plans	SDG 5, 10
Governance	G1: Business conduct	Number of meetings held by the Sustainability Committee	Number of meetings held	3 meetings	2027 and 2028: ≥3 meetings (threshold)	Increased involvement of the Sustainability Committee	SDG 16, 17
	G1: Business conduct	Resolved whistleblowing reports (if any)	Number of resolved reports / total	100% (no reports)	2027 and 2028: >95% (threshold)	Ongoing training on ethics, integrity and internal policies	SDG 16, 17
	G1: Business conduct	Maintenance and extension of management system certifications	Number of certifications	ISO 9001-14001-27001, PDR 125, SA8000	2027 and 2028: Maintenance and, where applicable, achievement of new certifications	Internal and external audits; monitoring of management systems; ongoing training	SDG 16, 17

The targets set out in the Sesa Group Sustainability Plan table are intended to reduce climate-changing emissions attributable to the Group's operations, particularly Scope 1 and Scope 2 emissions. To achieve this target, the Group plans several **mitigation actions**, including: (i) **increasing the self-generation of electricity through owned photovoltaic systems**; (ii) increasing the **proportion of hybrid or electric company cars** made available to employees and raising staff awareness of the efficient use of these vehicles to reduce fuel consumption; (iii) **continuously monitoring corporate assets** to identify possible energy-efficiency or electrification measures; (iv) maintaining and extending **policies for purchasing electricity from renewable sources**. These measures are expected to deliver a 5% reduction in Scope 1 and Scope 2 (location-based) emissions by 2028 compared with the 2026 baseline. The organisational boundary of this target includes all consolidated Group companies. In addition, as of April 30, 2026, green energy accounted for approximately 95% of total energy consumption; for 2027-2028, the Group aims to increase and maintain this share above 97%. Further information on ESG initiatives, targets and the structures responsible for monitoring them is available in the Group Sustainability Plan¹² and the 2026 Integrated Annual Report (Paragraph E1-4).

12. <https://sostenibilita.sesa.it/wp-content/uploads/2026/02/Sesa-Group-Sustainability-Plan-2027%E2%80%932028-ENG.pdf>

TCFD

CROSS-REFERENCE TABLE

The governance, strategy, risk management, metrics and targets relating to climate change described in this document, in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), are also reflected in other public Group documents, including the Integrated Annual Report, the Report on Corporate Governance and Ownership Structures, the Code of Ethics, the Business Plan and the Sustainability Plan, as well as in the information provided through CDP disclosure.

This Report therefore forms part of a broader and integrated corporate and sustainability disclosure system, in which climate-related risks and opportunities are analysed in relation to the Group's strategy, governance and Risk Management processes, and the monitoring of ESG performance. For each of the four thematic areas covered by the TCFD recommendations, the reconciliation table identifies the main documents and sections in which this information is further developed and explored.

The following reconciliation table sets out the main documentary references relating to the four thematic areas of the TCFD recommendations.

THEMATIC AREAS	TCFD RECOMMENDATIONS	REFERENCES
GOVERNANCE	a. Describe the Board's oversight of climate-related risks and opportunities. b. Describe management's role in assessing and managing climate-related risks and opportunities.	- Report on Climate Risks and Opportunities 2026, Chapter 2 - Governance, pp. 8-15 2026 Integrated Annual Report, Chapter 1.3 - Governance and Organisation, Paragraph 1.3.1 - Governance Model, pp. 22-25 2026 Integrated Annual Report, Chapter 1.4 - Sustainability Governance, pp. 28-31 2026 Integrated Annual Report, Chapter 4.1 - General Information (ESRS 2), Paragraphs GOV-1, GOV-2, GOV-3, GOV-4 and GOV-5, pp. 90-98 - Report on Corporate Governance and Ownership Structures as of April 30, 2026, sections relating to the Board of Directors, Board Committees and the Internal Control and Risk Management System - Sesa Group Code of Ethics, Section 1 - General Provisions - CDP Disclosure - Climate Change, latest available version, sections relating to Governance and responsibilities for climate-related matters
STRATEGY	a. Describe the climate-related risks and opportunities identified over the short, medium and long term. b. Describe the impacts of climate-related risks and opportunities on the business, strategy and financial planning. c. Describe the resilience of the strategy considering different climate-related scenarios.	- Report on Climate Risks and Opportunities 2026, Chapter 3 - Strategy, pp. 16-20 - Report on Climate Risks and Opportunities 2026, Chapter 4 - Management of Climate Risks and Opportunities, pp. 21-29 2026 Integrated Annual Report, Chapter 2.1 - Group Strategy and Sustainable Development Goals (SDGs), pp. 42-44 2026 Integrated Annual Report, Chapter 4.1 - General Information (ESRS 2), Paragraphs SBM-1, SBM-2, SBM-3, IRO-1 and IRO-2, pp. 99-125 2026 Integrated Annual Report, Chapter 4.2 - Environmental Information, Paragraph ESRS E1 - Climate Change, pp. 135-145 - Sesa Group 2027-2028 Business Plan - Sesa Group 2027-2028 Sustainability Plan - Sesa Group Environmental and Energy Policy - CDP Disclosure - Climate Change, latest available version, sections relating to Strategy, Climate-related risks and opportunities and Scenario analysis
RISK MANAGEMENT	a. Describe the processes used to identify and assess climate-related risks. b. Describe the processes used to manage climate-related risks. c. Describe how the processes for identifying, assessing and managing climate-related risks are integrated into the overall Risk Management system.	- Report on Climate Risks and Opportunities 2026, Chapter 3.3 - Scenario Analysis and Risk Assessment, pp. 19-20 - Report on Climate Risks and Opportunities 2026, Chapter 4 - Management of Climate Risks and Opportunities, pp. 21-29 2026 Integrated Annual Report, Chapter 2.3 - Responsible Business Management: Ethics, Compliance and Risk and Opportunity Management, pp. 48-59 2026 Integrated Annual Report, Chapter 4.1 - General Information (ESRS 2), Paragraph GOV-5 - Risk Management and Internal Controls over Sustainability Reporting, pp. 97-98 2026 Integrated Annual Report, Chapter 4.1 - General Information (ESRS 2), Paragraph IRO-1 - Description of the Processes to Identify and Assess Material Impacts, Risks and Opportunities, pp. 111-114 2026 Integrated Annual Report, Chapter 4.2 - Environmental Information, Paragraphs ESRS 2 IRO-1 and SBM-3 relating to Climate Change, pp. 135-138 - Report on Corporate Governance and Ownership Structures as of April 30, 2026, sections relating to the Internal Control and Risk Management System and the Control and Risks and Related Parties Committee - CDP Disclosure - Climate Change, latest available version, sections relating to the identification, assessment and management of climate-related risks
METRICS AND TARGETS	a. Disclose the metrics used to assess climate-related risks and opportunities in line with the strategy and Risk Management process. b. Disclose Scope 1, Scope 2 and, where relevant, Scope 3 GHG emissions and the related risks. c. Describe the targets used to manage climate-related risks and opportunities and performance against these targets.	- Report on Climate Risks and Opportunities 2026, Chapter 5 - Climate Change Performance Monitoring: KPIs & Targets, pp. 30-33 2026 Integrated Annual Report, Chapter 3.4 - ESG Targets and Indicators, p. 83 2026 Integrated Annual Report, Chapter 4.2 - Environmental Information, Disclosure pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation), pp. 126-134 2026 Integrated Annual Report, Chapter 4.2 - Environmental Information, Paragraph E1-4 - Targets related to Climate Change Mitigation and Adaptation, pp. 139-140 2026 Integrated Annual Report, Chapter 4.2 - Environmental Information, Paragraph E1-5 - Energy Consumption and Mix, p. 141 2026 Integrated Annual Report, Chapter 4.2 - Environmental Information, Paragraph E1-6 - Gross Scope 1, 2 and 3 and Total GHG Emissions, pp. 142-145 - Sesa Group 2027-2028 Sustainability Plan - Sesa Group 2027-2028 Business Plan - CDP Disclosure - Climate Change, latest available version, sections relating to metrics, GHG emissions and climate targets

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To learn more about sustainability matters and consult the related Sesa Group documentation, please visit the dedicated website: <https://sostenibilita.sesa.it/>. The "Sustainability Kit" section contains the main reference documents and materials.

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Care for people,
the environment and the
communities
in which we operate is the
**key element of our history and
future development**



TCFD REPORT 2026

