



**EXPLANATORY REPORT
OF THE BOARD OF DIRECTORS
OF SECO S.P.A.
ON POINT 4) OF THE AGENDA
OF THE ORDINARY SHAREHOLDERS'
MEETING CALLED FOR APRIL 27TH, 2026 IN
SINGLE CALL**

drafted pursuant to Article 114-*bis* and Article 125-*ter* of Legislative Decree No. 58 of February 24, 1998, as amended

Explanatory report of the Board of Directors of SECO S.p.A. drafted pursuant to Article 114-bis and Article 125-ter of Legislative Decree No. 58 of February 24, 1998, as amended

Dear Shareholders,

the Board of Directors of SECO S.p.A. (hereinafter, "**SECO**", the "**Issuer**", or the "**Company**") has called you to the Ordinary Shareholders' Meeting for April 26th, 2026 scheduled at 11.00 AM, at the offices of Notary Jacopo Sodi, in Florence, Via dei Della Robbia n. 38, in single call, to discuss and consider, among other matters, the following point 4) on the Agenda of the Ordinary session:

4) Proposal to approve the "2026-2029 Plan for Employees and Senior Management of SECO S.p.A."

With this report (the "**Report**") - prepared pursuant to Article 114-bis and Article 125-ter of Legislative Decree No. 58 of February 24, 1998, as subsequently amended ("**CFA**"), we wish to provide an explanation of the reasons for the proposals related to point 4) on the Agenda of the Shareholders' Meeting, in Ordinary session.

Specifically, the Board of Directors has called you to the Shareholders' Meeting to discuss and resolve on the approval, pursuant to Article 114-bis of the CFA, of an incentive and loyalty plan called the "*2026-2029 Plan for Employees and Senior Management of SECO S.p.A.*" (hereinafter the "**2026-2029 Employees Plan**"), which provides the grant to the Company's employees and senior managers who have a permanent employment relationship with the Company or with one of its subsidiaries (the "**Beneficiary**") a maximum of 1,480,000 (onemillionfourhundredeighty thousand) rights (the "**Rights**"), each of which entitles the holder to receive, free of charge and in a single tranche, no. 1 ordinary share of the Company, subject to (i) the achievement of certain performance objectives or (ii) the continued existence of the Beneficiaries' employment relationship with the Company, up to a maximum of 1,687,200 (onemillionsixhundredeighty-seventhousandtwo hundred) ordinary shares in the event of overperformance of such objectives.

As a preliminary matter, it is specified that, for the purposes of servicing the 2026-2029 Employees Plan, the following sources may be used:

- a) treasury shares held by the Company, subject to prior authorization of the Shareholders' Meeting pursuant to Articles 2357 et seq. of the Italian Civil Code;
- b) newly-issued shares arising from a free share capital increase pursuant to Article 2349 of the Italian Civil Code, for a maximum nominal amount of Euro 16,872 (sixteenthousandeight hundredseventy-two), through the issuance of up to 1,687,200 (onemillionsixhundred eighty-seventhousandtwo hundred) new no-par-value shares, subject to the approval of the relevant resolution under item 2) of the Extraordinary Session of the Shareholders' Meeting.

1. REASONS FOR ADOPTING THE 2026-2029 EMPLOYEES PLAN

The proposal for the adoption of the 2026-2029 Employees Plan formulated by the Board of Directors' resolution on March 23rd, 2025 took into account the proposal of the Appointments and Remuneration Committee ("**REMCO**"), as well as the opinion of the Related Parties Committee, both of which held their respective meetings on March 18th, 2026.

Preliminary, it is hereby noted that the Company's Remuneration Policy 2026 (the "**Policy**"), approved by the REMCO on March 18th, 2026, which is subject to the approval of the Board of Directors on March 23rd, 2026, and thereafter of the Ordinary Shareholders' Meeting convened for April 27th, 2026 as point 2) of the agenda, is positioned in substantial continuity with the Remuneration Policy 2025, which was last approved by the Ordinary Shareholders' Meeting held on April 28th, 2025.

It should be recalled that, the Policy is designed to support the pursuit of the Company's sustainable success and to ensure the ability to attract, retain and motivate individuals with the skills and professional qualifications required for the roles they hold within the Company. For this purpose, the Policy provides that a significant portion of the remuneration of executive directors and senior executives is linked, also through monetary incentive plans and/or plans based on financial instruments, to the financial results achieved by the Issuer and/or the achievement of specific predefined objectives that are not exclusively based on a short-term period.

In this perspective, the 2026–2029 Employees Plan represents an instrument to pursue the above-mentioned objectives by complementing the fixed compensation and the short-term monetary variable component, as specified in the Policy, with a medium-/long-term variable component based on financial instruments. Such component shall be granted subject to the achievement of certain Company performance objectives and it is complemented by a minority portion of restricted Rights, which vest on an annual basis subject to the continued existence of the Beneficiaries' employment relationship with the Company. The overall structure of the 2026–2029 Employees Plan is aligned to the approach of the best and most recent market practice, while maintaining the principle of sound and prudent management of the Group's activities and the related risk.

The adoption of the 2026–2029 Employees Plan is particularly necessary in order to update and strengthen the incentive instruments that constitute the medium-/long-term variable component of the Company's remuneration framework. Indeed, the 2026–2029 Employees Plan is conceived as an instrument complementary to the "*2024–2027 Plan for employees, senior management and collaborators*", approved by the Ordinary Shareholders' Meeting on July 28th, 2023 and reserved to employees and senior managers who have a permanent employment relationship with the Company or with one of its subsidiaries ("**2024–2027 Management SOP**").

In this regard, it should be recalled that the 2024–2027 Management SOP constitutes a stock option plan aimed at linking the medium-/long-term variable remuneration of the related beneficiaries to the pursuit of the Company's value-creation objectives, which are expected to be reflected in the appreciation of the Company's share price.

The stock option mechanism envisaged under the 2024–2027 Management SOP provides for the grant to the respective beneficiaries of options exercisable upon payment of a predetermined exercise price or, alternatively, without payment of the exercise price through a cashless exercise mechanism. Within this framework, in the first case, the option holder benefits from any positive difference between the market price of the shares and the exercise price; in the second case, the option holder benefits from the free allotment of a number of shares determined on the basis of the 'in-the-money' value of the options. In both cases, once the options have been exercised and the shares allotted, an alignment of interests is achieved between the beneficiary – by virtue of his/her position as a shareholder – and the Company, its shareholders and, more broadly, its stakeholders.

In light of the foregoing, the 2024–2027 Management SOP constitutes an effective instrument for pursuing the objectives underlying it, provided that the market value of the Company's shares

exceeds the exercise price of the options. Under such circumstances, the beneficiaries may effectively benefit from the positive performance of the Company's share price, thereby demonstrating the direct link between the Company's performance and the medium-/long-term variable remuneration.

That being said, the current market environment has, to date, not allowed for the occurrence of the condition outlined above.

Indeed, in the period between June 1st, 2025 – being the first date on which the options granted to the senior managers under the 2024–2027 Management SOP could be exercised following completion of the relevant vesting period – and the date of this Report, the market price of the Company's shares has neither reached nor exceeded the exercise price of said options, equal to €3.75.

For contextual clarity, it should be noted that during 2024 – being the year in which the options were granted, and the relevant exercise price was determined – the Company recorded a contraction in customer orders, a trend consistent with that observed by major competitors at a global level. The decline in demand resulted in a reduction in sales volumes and, consequently, had an adverse impact on the Company's financial results for the year, leading to a depreciation of the SECO share price.

Subsequently, in the course of 2025, the gradual absorption of the destocking phenomenon and the progressive normalization of market conditions supported an improvement in the industrial environment, with an increase in revenues and a gross margin performance exceeding the guidance disclosed to the market. This evolution reflects the consolidation of the recovery in order intake and a significant rebound in sales volumes across the Company's main vertical markets.

The improvement in the operating environment translated into an appreciation of the SECO share price over the course of 2025. However, in the latter part of the year, this upward trend was once again tempered by uncertainties affecting the technology sector and by renewed concerns regarding a potential 'tech bubble', in a context characterized by elevated valuations and a broader market debate on the sustainability of returns on investments in artificial intelligence and the timeframe for their monetization – factors that may have more pronounced effects on growth stocks.

Lastly, the performance of the Company's stock during the periods under review was also influenced by persistent geopolitical tensions, particularly those related to the conflicts in the Middle East, which contributed to heightened uncertainty and increased volatility in equity markets. In this context, more recently, the possibility of an escalation of tensions in the Gulf region – also in light of potential repercussions on energy supply routes – has led to upward movements in crude oil prices, with possible implications for inflation expectations and, consequently, for the Company's financial conditions.

In light of the foregoing, and considering that market conditions have not allowed for the full achievement of the objectives underlying the 2024–2027 SOPs – nor, at present, is there certainty that the necessary conditions will materialize – the Company deems it appropriate to equip itself with an additional instrument capable of pursuing the objectives set out in the Policy, including in a scenario marked by changing and continuously evolving market conditions.

2. CHARACTERISTICS OF THE 2026-2029 EMPLOYEES PLAN

In light of the foregoing, we hereby submit for your consideration the proposal to approve the 2026–2029 Employees Plan, which provides for the grant of Rights and, consequently, the free allotment of a corresponding number of shares subject to (i) the achievement of specific performance indicators relating to operating profitability and relative shareholder value creation, weighted respectively 58%, and 42% (“**Performance Shares Rights**”), and (ii) as regards a minority portion, the continued existence of the Beneficiaries’ employment relationship with the Company (“**Restricted Shares Rights**”).

The features of the performance indicators identified render the 2026–2029 Employees Plan an instrument capable of strengthening the alignment between the medium-/long-term variable remuneration of the Beneficiaries and the sustainable value creation for the Company, insofar as the attribution of shares is measurably linked to the achievement of multi-year objectives consistent with the Group’s industrial and strategic priorities, thereby reducing the dependence on exogenous factors and ensuring a performance assessment that is not strictly tied to short-term share price movements.

In this perspective, the 2026–2029 Employees Plan also fosters a direct correlation between the results achieved by the Beneficiaries and the outcomes expected from the 2026–2029 Employees Plan at the end of the envisaged vesting period, while simultaneously reinforcing retention objectives through the application of a holding period on the shares allotted and the provision of a portion of Restricted Shares Rights.

As previously indicated, in order to leverage the incentive effect of the 2026–2029 Employees Plan, the vesting of the Performance Shares Rights and the consequent allotment of the shares are linked to the achievement of specific KPIs measured at the end of the three-year vesting period – running from April 30th, 2026 to April 30th, 2029 – and subject to the continued existence of the relationship with the Company. Conversely, the Restricted Share Rights are linked, in addition to the continued existence of the employment relationship with the Company, to an annual vesting period running from April 30th, 2026 to April 30th of the following year, and subsequently on the same basis, with a final vesting date of April 30th, 2029.

In particular, the Performance Shares Rights granted under the 2026–2029 Employees Plan, which spans a multi-year time horizon (2026–2029), provide for the following performance objectives:

| Cumulative Delta EBITDA Adjusted | |
|---|--|
| Definition | Weighting with respect to the Performance Share Rights |
| The Cumulative Delta EBITDA Adjusted is calculated as the percentage change between: | |
| <ul style="list-style-type: none"> - the Cumulative Adjusted EBITDA Target, equal to the sum of the annual Adjusted EBITDA values over the three-year vesting period as set out in the Group’s industrial plan approved by the Board of Directors or, in the absence thereof, the sum of the annual Adjusted EBITDA values provided for in the budgets approved by the Board of Directors over the three-year vesting period; and - the Cumulative Actual Adjusted EBITDA, equal to the sum of the Adjusted EBITDA values effectively achieved by the Company over the three-year vesting period. | 58% |

Relative TSR

| Definition | Weighting with respect to the Performance Share Rights |
|---|--|
| The Relative TSR is calculated as the percentage change between: | |
| - the Actual TSR , which measures the total return of a share according to the following formula: $(\text{Final Share Price} - \text{Initial Share Price}) / \text{Initial Share Price}$; and | |
| - the Reference Index , equal to the weighted average of the percentage change of the following two indices recorded between the beginning and the end of the three-year vesting period: | 42% |
| - a peer group of selected companies (weight: 50%); | |
| - the FTSE Italia STAR Index (weight: 50%). | |

Following the conclusion of the vesting period applicable to the Performance Shares Rights, the Board of Directors – acting through the Chairperson or the Chief Executive Officer, as the case may be – shall verify the level of achievement of each of the performance objectives applicable to the Performance Shares Rights, determining the number of vested shares, which shall be communicated to the Beneficiary by means of the share-allotment notice.

The allotment of the shares, for all Rights, is subject to the continued existence of the relationship with the Company, in accordance with the good leavership and bad leavership scenarios, consistent with market practice and as further detailed in the Prospectus.

For further information on the key features of the 2026-2029 Employees Plan – and in particular, by way of example, the procedures and clauses for its implementation, as well as the determination of the conditions precedent to granting the Rights and the restriction on the non-transferability of the Rights – please refer to the Prospectus attached to this Report and prepared pursuant to Article 84-bis of Consob Regulation No. 11971/1999, as subsequently amended and supplemented, in accordance with the indications contained in Schedule No. 7 of Annex 3A of the Regulation.

* * *

In light of the above, the Board of Directors intends to propose to the Shareholders' Meeting the following proposal resolution regarding point 3) on the agenda of the Ordinary session Meeting:

Proposed resolution on point 3)

"The Ordinary Shareholders' Meeting of SECO S.p.A.,

- *having acknowledge the explanatory report of the Board of Directors concerning the "2026-2029 Chief Executive Officer and Senior Executives Plan";*

resolves

1. *to approve, pursuant to and in accordance with Article 114-bis of Legislative Decree No. 58/1998, the establishment of a new incentive plan called the "2026-2029 Chief Executive Officer and Senior Executives Plan" having the characteristics (including the conditions and prerequisites for implementation) illustrated in the Prospectus attached to the Board of Directors' Explanatory Report, empowering the Board of Directors to adopt the relevant regulations and delegating the implementation and administration of the Plan to the Board of Directors of the Company,*

with the right to sub-delegate to the Chairperson;

- 2. to grant the Board of Directors, with the right to sub-delegate to the Chairperson, the performance of all activities inherent in, consequent to, or related to the implementation of the above resolution and thus, in particular, by way of example only, any power indicated in the Prospectus prepared pursuant to Article 84-bis of Consob Regulation No. 11971/1999, as subsequently amended and supplemented, including any power to make allocations of the rights and to allot the shares to the beneficiaries, make any necessary or appropriate amendments and/or additions to the Plan, within the limits permitted by the applicable regulations and according to the applicable adjustment criteria and generally-accepted financial markets methods, also in the case of any corporate transactions affecting the company share capital structure and/or which modify the financial content of the Plan, extraordinary and/or non-recurring and/or non-core activity events, significant changes to the economic environment and/or other events which may affect the shares and, more generally, the Plan, in order to adjust it to the altered situation and reflect the above changes, while at the same time maintaining the substantial content and financial content of the Plan unchanged, as well as perform any act, fulfillment, formality, and/or communication that is necessary or appropriate for the purposes of managing and/or implementing the Plan."*

** * **

Arezzo, March 23rd, 2026

For the Board of Directors

The Chairman

Daniele Conti

Annex

PROSPECTUS FOR THE 2026-2029 PLAN FOR THE EMPLOYEES AND SENIOR MANAGEMENT OF SECO S.P.A.

(prepared pursuant to Article 84-bis of the Issuers' Regulation adopted by Consob with Resolution No. 11971 of May 14th, 1999 and subsequent amendments and additions)

Definitions

For purposes of this Prospectus, the terms below shall have the meanings ascribed to them as follows:

"Actual TSR" means the indicator that measures the total return of a Share according to the following formula: $(Final\ Share\ Price - Initial\ Share\ Price) / Initial\ Share\ Price$;

"Adjusted EBITDA" means the Adjusted EBITDA as reported in the SECO Group's Annual Financial Report;

"Annual Vesting Period" means the period running from April 30th, 2026 to April 30th of the following year, and thereafter on the same basis, with a final term on April 30th, 2029.

"Beneficiary" means each employee and senior executive of the SECO Group who has received, signed and returned to the Company the letter of allocation of the Rights;

"Board of Directors" or **"Board"** means the Board of Directors of the Company;

"Cashless" means the exercise of Options without the payment of the Exercise Price, which grants the right to receive a number of SECO Treasury shares calculated according to the formula indicated in Section 3.4;

"Company" or **"Issuer"** or **"SECO"** means SECO S.p.A.;

"CFA" means Legislative Decree No. 58/1998, as subsequently amended and supplemented;

"Cumulative Actual Adjusted EBITDA" means the sum of the Adjusted EBITDA values actually achieved by the Company during the three-year Vesting Period, it being understood that, for the purposes of calculating the Cumulative Actual Adjusted EBITDA, the initial measurement date shall be January 1st, 2026;

"Cumulative Adjusted EBITDA Delta" means the percentage change between the Cumulative Adjusted EBITDA Target and the Cumulative Actual Adjusted EBITDA;

"Cumulative Adjusted EBITDA Target" means the amount in Euro resulting from the sum of the annual Adjusted EBITDA values over the three-year Vesting Period as set out in the SECO Group's industrial plan approved by the Board of Directors or, in the absence thereof, the sum of the annual Adjusted EBITDA values provided for in the budgets approved by the Board of Directors during the three-year Vesting Period, without prejudice to the Board of Directors' discretion to amend such amount in order to maintain substantially unchanged the Performance Objective relating to the Cumulative Adjusted EBITDA Delta and the substantive and economic content of the Plan, should exceptional circumstances occur during the three-year Vesting Period;

"Holding Period" means the 6 (six)-month period commencing at the end of the Annual Vesting Period or the Three-Year Vesting Period during which the Shares may not be transferred by the Beneficiary;

"Issuers' Regulation" means the Regulation issued by Consob Resolution No. 11971 of 1999 (as subsequently amended);

"Performance Objectives" means the objectives of the Plan as defined by the Board of Directors, the achievement of which is a condition for the vesting of the Performance Share Rights and for the allotment of the Shares to each Beneficiary at the end of the Vesting Period;

"Performance Share Right" means the right the vesting of which is subject to the achievement of the respective Performance Objective, as well as the continued existence of the Relationship at the end of the Vesting Period, under the terms and conditions set out in the Plan regulations;

"Plan" means the incentive and loyalty plan based on the grant of Rights, reserved for the Beneficiaries, subject to approval by the Shareholders' Meeting;

"Prospectus" means this document prepared in accordance with Article 84-bis of the Issuers' Regulation and complying with, also in terms of the numbering of the relative paragraphs, the indications of Schedule 7 of Annex 3A of the same Issuers' Regulation;

"Reference Index" means the weighted average of the percentage change of the following two indices recorded between the beginning and the end of the Vesting Period: (i) a peer group of selected companies (weight: 50%); and (ii) the FTSE Italia STAR Index, the segment of Borsa Italiana to which the Company belongs (weight: 50%). This is without prejudice to the Board of Directors' discretion, based on its own assessment, to replace such indices should exceptional circumstances arise during the Vesting Period (by way of example, the Company's inclusion in another stock market index or, with respect to the peer group, mergers, acquisitions, delistings or any other extraordinary event that alters the relevant corporate scope);

"Related Party Committee" means the related party transactions committee;

"Relationship" means the permanent subordinated employment relationship and/or any equivalent relationship pursuant to the legislation applicable from time to time to the Company or to the Subsidiaries, between the Beneficiary and, as the case may be, the Company or a Subsidiary;

"Relative TSR" means the difference between the Actual TSR (expressed as a percentage) and the Reference Index (expressed as a percentage);

"REMCO" means the Appointments and Remuneration Committee;

"Restricted Share Right" means the right the vesting of which is subject to the lapse of the relevant Annual Vesting Period, as well as to the continued existence of the Relationship at the end of such Annual Vesting Period, under the terms and conditions set out in the Plan;

"Rights" means the rights granted to the Beneficiaries to receive, free of charge, one Share upon the vesting of the Performance Share Right and Restricted Share Right, under the terms and conditions set out in the Plan regulations;

"SECO Group" means SECO and the Subsidiaries companies controlled, directly or indirectly, by SECO pursuant to Article 93 of the CFA, or which qualify as subsidiaries in accordance with the currently applicable accounting standards, or which are included in the consolidation scope;

"Shareholders' Meeting" means the Shareholders' Meeting of SECO;

"Shares" or **"SECO Shares"** means the ordinary shares of the Company, with no par value indicated;

"Subsidiary" means any company (Italian or foreign) directly or indirectly controlled by the Company pursuant to Article 2359 of the Italian Civil Code—or, for the entire period during which the

Company's shares are listed on a regulated market, pursuant to Article 93 of the CFA—or which qualifies as a subsidiary in accordance with the accounting principles applicable from time to time, or which is included in the consolidation scope;

"Three-Year Vesting Period" means the period running from April 30th, 2026 to April 30th, 2029.

Introduction

This Prospectus, drawn up pursuant to Article 84-*bis* and Schedule 7 of Annex 3A of the Issuers' Regulation, which concerns the Plan submitted, in accordance with Article 114-*bis*, first paragraph of the CFA, for the approval of the Shareholders' Meeting, as per the explanatory report approved by the Board of Directors on November 23rd, 2026, on the basis of the proposal of REMCO rendered on March 18th, 2026.

The above proposal to adopt the Plan is submitted for the approval of the Shareholders' Meeting called on April 26th, 2026 as point 4) on the Agenda of this Shareholders' Meeting in ordinary session.

At the date of this Prospectus, the proposal to adopt the Plan has therefore not yet been approved by the Shareholders' Meeting and therefore:

- (i) this Prospectus is prepared based on the contents of the proposal for adoption of the Plan approved by the Board of Directors, upon the proposal of the REMCO;
- (ii) any reference to the Plan in this Prospectus should be understood to refer to the proposed adoption of the Plan.

It is specified that the resolution approving the Plan submitted to the Ordinary Shareholders' Meeting is conditional upon the approval of at least one of the following resolutions: (a) the resolution authorising the purchase and disposal of treasury shares by the same Ordinary Shareholders' Meeting; or (b) the resolution concerning the free increase of the share capital to be resolved upon by the same Extraordinary Shareholders' Meeting.

1. THE BENEFICIARIES

1.1 Names of the beneficiaries who are members of the financial instruments issuer's Board of Directors or of the management board, the companies controlling the issuer and the companies directly or indirectly controlled by it.

Not applicable.

1.2 Categories of employees or collaborators of the issuer and of the parent companies or subsidiaries of this issuer.

As of the Date of the Prospectus, the Plan has not yet been approved by the Shareholders' Meeting.

The Plan is reserved for employees and senior executives who have a permanent subordinated employment relationship (or, in any event, an equivalent relationship pursuant to the legislation applicable from time to time to the Company or to the Subsidiaries) with SECO or with a Subsidiary.

1.3 Beneficiaries of the plan belonging to the following groups:

a) General Managers of the issuer of financial instruments.

Not applicable, as the Company has not appointed General Managers.

b) other Senior Executives of the issuer of financial instruments which are not considered of "small", as per Article 3, paragraph 1, letter f) of Regulation No. 17221 of March 12th, 2010, in the case in which they have received during the year total remuneration (obtained by adding the

monetary compensation and the financial instrument-based compensation) of greater than the higher total compensation between that allocated to the members of the Board of Directors, or the management board, and to General Managers of the issuer of financial instruments.

Not applicable.

c) physical persons controlling the issuer of the shares, who are employees or who collaborate with the issuer.

Not applicable.

1.4 Description and numeric indication, by category:

a) of Senior Executives other than those indicated at letter b) of paragraph 1.3.

Not applicable.

b) in the case of "small" companies, pursuant to Article 3, paragraph 1 (f) of Regulation No. 17221 of March 12th, 2010, the aggregate indication of all the Senior Executives of the issuer of the financial instruments.

Not applicable.

c) of any other categories of employees or collaborators for which differentiated features of the plan are provided for (e.g. Executives, managers, white-collar employees etc.)

There are no categories of employees or collaborators for which differentiated features of the Plan have been provided.

2. REASONS FOR THE ADOPTION OF THE PLAN

2.1 The objectives intended to be achieved through the plan.

The Plan is an instrument which supplements the monetary component of the remuneration package of the Beneficiaries through a variable medium/long-term component, to be granted on the basis of operating profitability indicators, relative shareholder value creation and the preservation of the employment relationship, weighted respectively at 40%, 30% and 30%, and aligned with the strategic objectives of Seco Group, according to best market practice, although maintaining the principle of sound and prudent management of the Group's activities and of the related risks.

Specifically, the Plan has the function of (i) involving and incentivizing the Beneficiaries, whose activity is deemed of fundamental importance to the achievement of the Group's strategic objectives, (ii) building the Beneficiaries' loyalty by incentivizing his/her retention in the Group, and (iii) aligning the Beneficiaries' interests with those of the Company and the shareholders over the Plan's time horizon by recognizing the Beneficiary's contribution to increasing the value of the Company, not solely linked to the share price performance and to the achievement of a specific minimum threshold required for the vesting of the Rights.

The objectives that the Company seeks to achieve with the adoption of the Plan are in line with the 2025 Remuneration Policy (as outlined in the relative Section I), which will be submitted to the vote of the Shareholders' Meeting on April 27th, 2026, as well as with the recommendations of the Corporate Governance Code promoted by the Corporate Governance Committee of Borsa Italiana S.p.A.

The Plan develops over a multi-year time horizon, with the Rights granted in a single tranche, as illustrated in greater detail in Section 4 below. The Performance Share Rights and the Restricted

Share Rights granted are subject, respectively, to a Three-Year Vesting Period and to an Annual Vesting Period, and the Shares allotted following the vesting of the Performance Share Rights or the Restricted Share Rights are subject to a Holding Period (the Three-Year Vesting Period, the Annual Vesting Period and the Holding Period are specified below in paragraph 2.2). It is believed that the above terms facilitate the achievement of the incentive and loyalty objectives underlying the Plan.

2.2 Key variables, also in the form of performance indicators, considered for the granting of financial instrument based plans.

Key variables considered in the Plan for the granting of Performance Shares Rights and Restricted Shares Rights

In order to strengthen the incentive effect of the Plan, the vesting of the Performance Share Rights—representing 70% of the total Rights—and the consequent allotment of the Shares shall be linked to the achievement of the following Performance Objectives identified by the Board of Directors, subject to the continued existence of the Relationship:

- (i) Cumulative Adjusted EBITDA Delta (weight: 52% of the Performance Share Rights granted);
- (ii) Relative TSR (weight: 48% of the Performance Share Rights granted).

Following the conclusion of the Vesting Period, the Board of Directors—acting through the Chairperson or the Chief Executive Officer, as the case may be—shall verify the level of achievement of each of the Performance Objectives applicable to the Performance Share Rights, determining the number of vested Shares, which shall be communicated to the Beneficiary by means of the share-allotment notice.

As regards the Restricted Share Rights—representing 30% of the total Rights—such Rights shall vest upon completion of the relevant Annual Vesting Period, subject to the continued existence of the Relationship as at such date, in the amount of one third of the total number of Restricted Share Rights for each annual period.

Vesting Period

The Plan develops over a multi-year time horizon, with the Performance Share Rights granted in a single tranche, which vest upon completion of the Vesting Period running from 30 April 2026 to 30 April 2029. The Restricted Share Rights vest upon completion of the relevant Annual Vesting Period, running from 30 April 2026 to 30 April of the following year, in the amount of one third of the total number of Restricted Share Rights for each annual period.

Holding Period

The Shares allotted following the vesting of the Rights are subject to a Holding Period of 6 (six) months, during which they may not be transferred, commencing: (i) from the end of the Three-Year Vesting Period, in the case of Shares vested as a result of the Performance Share Rights; (ii) from the end of each Annual Vesting Period, in the case of Shares vested as a result of the Restricted Share Rights.

2.3 Factors underlying the determination of the extent of remuneration based on financial instruments, or the criteria used for its determination.

The number of Rights granted to the Beneficiary is linked to the Company's organizational structure and is determined taking into account not only the importance of the organizational position held by the Beneficiary concerned, but also market benchmarks and the Company's interest in graduating their long-term incentive as part of its strategies.

In determining the total number of Rights, the Board of Directors, based on REMCO's proposal, acted with discretion in accordance with the Company's remuneration and incentive policies. This discretion has been exercised:

- having regard to the interests of the Company and the Group;
- with a view to ensuring that the granting of Rights is consistent with the Company's overall choices in terms of strategies, long-term objectives and corporate governance structure;
- taking into account, among other matters, the role of the Beneficiaries for the results of the Company and the Group, the strategic importance of the position, the potential of the Beneficiaries and any other useful element, within the limits established by the applicable laws and regulations.

In granting the Rights to the Beneficiaries, the Board of Directors also considered the criticality of the role held and the value of the Beneficiaries' individual performance.

The number of the Performance Shares Rights effectively vested at the end of the Vesting Period shall depend on the level of achievement of the Performance Objectives.

If none of the Performance Objectives is achieved at the 'Entry Point' level, the Beneficiaries shall not be entitled to receive any Shares.

The Performance Objectives indicated constitute independent objectives. Failure to achieve a Performance Objective at the 'Entry Point' level, considered with reference to each individual Performance Objective, shall not allow for the allotment of the Shares related to the achievement of that specific Performance Objective.

The number of Shares to be allotted to each Beneficiary shall therefore be determined as follows:

| Performance Objective | Weighting with respect to the Rights | Shares allotted (as a percentage of the Shares deriving from the Performance Share Rights) based on the level of performance | | |
|---|--------------------------------------|--|---------------------|------------------------------|
| | | Entry Point ¹ | Target ² | Overperformance ³ |
| Cumulative Adjusted EBITDA <i>Delta</i> | 40% | 93,55% | 100% | 120% |
| Relative TSR | 30% | Relative TSR > 0 | 100% | 120% |

¹ Entry Point: represents the minimum level of achievement of each Performance Objective, below which no right to the allotment of the Shares shall vest. Upon achievement of the Entry Point level, the right to the allotment of the corresponding percentage level of the Shares deriving from the Performance Shares Rights granted to the Beneficiary with respect to the individual Performance Objective shall vest.

² Target: represents the target level of each Performance Objective, upon achievement of which the right to the allotment of 100% of the Shares deriving from the Performance Shares Rights granted to the Beneficiary with respect to the individual Performance Objective shall vest.

³ Overperformance: represents the maximum level of achievement of the Performance Objective, upon achievement of which, where provided for, the right to the allotment of 120% of the Shares deriving from the Performance Shares Rights granted to the Beneficiary with respect to the individual Performance Objective shall vest.

2.4 Reasons for any decision to grant remuneration plans based on financial instruments not issued by the issuer of financial instruments, such as the financial instruments issued by subsidiaries or parent companies or third party companies outside of the Group; in the case in which the above instruments are not traded on regulated markets, information on the criteria utilized for the calculation of the attributable value.

Not applicable.

2.5 Evaluations concerning significant tax and accounting implications impacting the drawing up of the plans.

There are no significant tax or accounting implications impacting the drawing up of the Plan.

2.6 Support to the Plan by the Special fund to incentivize worker involvement in enterprises, as per Article 4, paragraph 112 of Law No. 350 of December 24th, 2003.

The Plan does not receive support from the special fund for the incentivization of the involvement of workers in enterprises, as per Article 4, paragraph 112 of Law No. 350 of December 24th, 2003.

3. APPROVAL PROCEDURE AND TIMEFRAME FOR THE GRANTING OF THE INSTRUMENTS

3.1 Scope of powers and functions delegated by the Shareholders' Meeting to the Board of Directors for implementation of the Plan.

3.2 Indication of the parties appointed to administer the Plan and their functions and duties.

The Board of Directors' resolution of March 13rd, 2026, based on the proposal of the REMCO rendered on March 18th, 2026, resolved to submit the proposal for adoption of the Plan under Article 114-*bis* of the CFA to the Shareholders' Meeting for approval. The Ordinary Shareholders' Meeting is therefore called to resolve, *inter alia*, (i) to approve the Plan, and (ii) to grant the Board of Directors, and on its behalf the Chairperson, with the right to sub-delegate all powers necessary to implement the resolution.

The Company's Board of Directors, with the right to sub-delegate, shall be responsible for the administration of the Plan, availing itself of the REMCO, within its respective area of competence of, as well as, where necessary, of the cooperation of the relevant corporate functions for the activities concerned. Furthermore, at any time, the Company may entrust, in whole or in part, the management of the administrative obligations related to the Plan to an external trust company or to a company specialized in the operational management of incentive plans based on financial instruments.

3.3 Any existing procedures for the review of the plans, also in relation to potential changes in the underlying objectives.

Without prejudice to the competence of the Shareholders' Meeting to resolve on any substantial amendments to the Plan, the Board of Directors, shall be the competent body to make amendments to the Plan.

3.4 Means to establish availability and for the assignment of the financial instruments on which the Plans are based (e.g.: free allocation of shares, share capital increases with exclusion of pre-emption rights, purchase and sale of treasury shares)

The Plan provides for the overall free grant of up to no. 1,480,000 (one million four hundred eighty thousand) Rights, entitling the Beneficiaries to receive a corresponding maximum aggregate number of no. 1,687,200 (one million six hundred eighty-seven thousand two hundred) SECO Shares.

The newly issued Shares shall be sourced, at the Company's discretion, (i) from newly issued shares arising from a free increase of the share capital pursuant to Article 2349 of the Italian Civil Code, for a maximum nominal amount of Euro 16,872 (sixteenthousandeighthundredseventy-two), through the issuance of up to 1,687,200 (onemillionsixhundredeighty-seventhousandtwohundred) new no-par-value Shares, subject to the approval of the relevant resolution by the Shareholders' Meeting convened in extraordinary session, and/or, in whole or in part, (ii) from treasury shares held by the Company, subject to prior authorization of the Shareholders' Meeting pursuant to Articles 2357 et seq. of the Italian Civil Code.

3.5 Role carried out by each Director in defining the features of these plans; any conflicts of interest involving the Directors concerned.

As of the date of the Prospectus, the Plan has not yet been approved by the Shareholders' Meeting. The features of the Plan were determined collectively by the Board of Directors based on the proposal of the REMCO.

3.6 For the purposes of the requirements as per Article 84-bis, paragraph 1, the date of the decision taken by the relevant body to propose the approval of the plans to the Shareholders' Meeting and any proposal of the Remuneration Committee.

Please refer to paragraph 3.2 of this Prospectus.

3.7 For the purposes of Article 84-bis, paragraph 5, letter a), the date of the decision taken by the relevant body for the granting of the instrument and the proposal to the aforementioned body by the Remuneration Committee.

As of the date of the Prospectus, the Plan has not yet been approved by the Shareholders' Meeting.

3.8 Market price, recorded on the above-stated dates, of the financial instruments on which the plans are based, if traded on regulated markets.

Although at the date of this Prospectus the Plan has not yet been approved by the Shareholders' Meeting, the market price of the Shares was: (i) Euro 2.56 as of the date of approval of the Plan proposal to be submitted to the Shareholders' Meeting by the Board of Directors (*i.e.* March 23rd, 2025); (ii) Euro 2.63 as of the date of approval of the Plan proposal to be submitted to the Board of Directors by REMCO (*i.e.* March 18th, 2026).

3.9 In case of plans based on financial instruments traded on regulated markets, within which terms and according to which procedures the issuer takes into account, when identifying the timing for the granting of the instruments in implementation of the plans, the possible timeframe between:

- i) the granting or any decisions undertaken by the REMCO, and**
- ii) the communication of any relevant information in accordance with Article 17 of Regulation (EU) No. 596/2014; for example, where this information is:**
 - a) not yet published and which may prompt an increase in the market share price, or**
 - b) already published and may prompt a decrease in the market share price.**

The structure of the Plan, the conditions, the duration and the means to grant the Rights and allotting of the Shares, currently does not indicate that the assignment or vesting may be significantly influenced by any circulation of relevant information as per Article 114, paragraph 1 of the CFA, while the procedure to grant the Rights and to vest the Shares shall be undertaken, in any case, in full

compliance with the disclosure obligations upon the company, in order to ensure transparency and the provision of equal information to the market, in addition to compliance with the internal procedures adopted by the company.

The Beneficiaries shall in any case be required to comply with the applicable regulatory provisions, particularly with regards to the market abuse regulation and concerning the granting of the Rights and allotment of the Shares resulting from the vesting of the Performance Shares Rights and Restricted Shares Rights as a result of participation in the Plan.

4. FEATURES OF THE INSTRUMENTS GRANTED

4.1 Description of the forms by which the financial instrument-based compensation plans are structured; e.g. indicate whether the Plan is based on the granting of: financial instruments (granting of restricted stock); the increase in the value of these instruments (“phantom stock”); rights which permit the subsequent acquisition of financial instruments (“grant options”) with settlement by physical provision (“stock options”) or in cash on the basis of a differential (“stock appreciation right”).

As better specified in the previous paragraph 2.2, the Plan provides for the grant of Rights free of charge and, likewise, upon the vesting of the Performance Share Rights and Restricted Shares Rights, the relevant Shares are allotted free of charge.

4.2 Indication of the effective implementation period of the plan with regards also to any differing cycles.

The Plan provides for a single grant cycle of the Rights with a multi-year Vesting Period. The vesting of the Performance Shares Rights and Restricted Shares Rights shall occur at the end of the Three-Year Vesting Period, subject to the verification of the level of achievement of the Performance Objectives. The vesting of the Restricted Share Rights shall occur upon completion of the relevant Annual Vesting Period, subject to the continued existence of the Relationship as at such date, in the amount of one third of the total number of Restricted Share Rights for each annual period.

The allotment of the Shares shall take place following the end of the respective Three-Year Vesting Period and Annual Vesting Period and, in any event, no later than the final term of the duration of the Plan, i.e. by May 30th, 2030.

4.3 Plan duration.

As indicated in the preceding paragraph 4.2, the allotment of the Shares may take place by the final deadline of May 30th, 2030.

The Plan therefore develops over an overall time horizon of three years and six month, comprising a three-year vesting period for the Rights and a subsequent six-month Holding Period. The overall duration of the Plan has also been determined taking into account market practices emerging from a comparative analysis of medium- to long-term incentive plans adopted by companies comparable in size and sector of activity, and has been deemed suitable to pursue the objectives of aligning the interests of the Beneficiaries with those of the Company and its shareholders.

It is further specified that the Plan provides for the possibility of early allotment of the Shares to the Beneficiaries upon the occurrence of the events indicated below, provided that, at such time, the Relationship is still in existence:

- (i) for the entire period during which the Company's shares are listed on a regulated market, the launch of a public tender offer for the Company's shares pursuant to Article 102 et seq. of the CFA; or
- (ii) for the entire period during which the Company's shares are listed on a regulated market, the approval of transactions that may result in the delisting of SECO Shares from a regulated market; or
- (iii) for the entire period during which the Company's shares are listed on a regulated market, the acquisition, including indirectly, by any person of control over the Company pursuant to Article 93 of the CFA.

4.4 Maximum number of financial instruments, also in the form of options, granted in each fiscal year in relation to the parties identified or to the categories indicated.

The maximum number of Shares that may be allotted in execution of the Plan is equal to 1,687,200 (one million six hundred eighty-seven thousand two hundred).

4.5 Methods and implementation clauses of the Plan, specifying whether the effective granting of the instrument is subject to the achievement of conditions or the achievement of results (including performance based); description of these conditions and results.

With regard to the methods and clauses for the implementation of the Plan, please refer to that set out in the individual sections of this Prospectus and, in particular, to Paragraphs 2.2 for what concerns the achievement of the Performance Objectives.

The granting of Rights is also linked to the continued existence of the Relationship, according to the cases of good leavers and bad leavers, in line with market practice.

4.6 Indication of any restrictions on the availability of the instruments granted or the instruments resulting from the exercise of the options, with particular reference to the terms within which the subsequent transfer to the company or third parties is permitted or prohibited.

The Plan provides that the Rights are granted on a personal basis and may be exercised solely by each Beneficiary (or by his/her heirs, in the event of death, or by his/her legal representative, in the event of incapacity). Accordingly, the Rights may not be transferred under any circumstances, except *mortis causa*, nor may they be assigned or negotiated either by *inter vivos* acts or pursuant to provisions of law.

In line with the principles of the Remuneration Policy, and in order to strengthen the retention purpose of the Plan and adopt mechanisms aimed at linking medium-term results to longer-term value creation, the Plan provides for a Holding Period, as specified in paragraph 2.2.

4.7 Description of any resolution conditions for the granting of plans if the beneficiaries undertake hedging transactions that neutralize any restrictions on the sale of the financial instruments granted, including those in the form of options, or the financial instruments resulting from the exercise of such options.

Not applicable.

4.8 Description of the effects caused by the termination of the relationship with the Company or a subsidiary.

The allotment of the Shares is subject to the continued existence of the Relationship with the Company, in accordance with the good leavership and bad leavership scenarios, consistent with market practice.

In the event of termination of the Relationship with the Company, the conditions for the application of the above-mentioned scenarios shall not be deemed to have occurred where each Beneficiary—without any interruption—maintains (or enters into) another relationship with the Company suitable to grant such Beneficiary the status of Employee Beneficiary pursuant to the rules of the 2026–2029 Employees Plan.

In the event of termination of the Relationship with the Company prior to the end of the relevant Vesting Period due to a bad leaver scenario, all Rights granted to the Beneficiary shall automatically lapse and be deprived of any effect and validity, irrespective of the date of termination of the Relationship, with the consequent release of the Company from any obligation or liability towards the Beneficiary.

Furthermore, in the event of termination of the Relationship with the Company prior to the end of the relevant Vesting Period due to one of the good leaver scenarios, the Beneficiary (or, where applicable, the Beneficiary's heirs) shall retain the right to be allotted (i) the Rights vested as of the date of termination of the Relationship, as well as (ii) the Rights not yet vested as of the date of termination of the Relationship on a pro rata temporis basis, taking into account the duration of the Relationship during the relevant Vesting Period and, with respect to the Performance Share Rights, on the basis of the assessment of the performance objectives in accordance with the provisions of the Plan, or on the basis of a different criterion to be adopted by the Board of Directors, after consultation with the REMCO where required, provided that such criterion is not more unfavorable to the Beneficiary.

4.9 Details of any other causes for the plan cancellation.

In addition to the provisions of paragraph 4.8 above with reference to the effects on the Plan brought about by the Termination of the Relationship, as well as the provisions of the Introduction, there are no other causes for the cancellation of the Plan.

4.10 Reasons behind the provision for the “redemption”, by the company, of the financial instruments subject to the plans, established as per Articles 2357 and subsequent of the Civil Code; for the beneficiaries of the redemption indicate whether such applies only to particular categories of employees; the effects of termination of the employment relationship on this redemption.

The Plan does not stipulate redemption clauses in favor of the Company.

4.11 Any loans or other facilities intended to be granted for the purchase of shares pursuant to Article 2358 of the Civil Code.

Not applicable.

4.12 Indication on the valuations regarding the expected charge upon the company at the relative grant date, as may be estimated on the basis of the terms and conditions thus far defined, for the total amount and in relation to each plan instrument.

Not applicable, as at the date of this Prospectus, the Plan has not yet been approved by the Shareholders' Meeting.

4.13 Details of any dilution effects on the capital resulting from the remuneration plans.

The maximum number of Shares servicing the Plan represents approximately, as of the date of the Prospectus, 1.268% of the fully diluted capital.

4.14 Any limits for the exercise of voting rights and for the granting of equity rights.

Not applicable.

4.15 In the case in which the shares are not traded on regulated markets, all useful information for a comprehensive valuation.

Not applicable.

4.16 Number of financial instruments underlying each option.

Not applicable.

4.17 Maturity of the options.

Not applicable.

4.18 Mode (American/European), timing (e.g., valid exercise periods), and exercise clauses (e.g., knock-in and knock-out clauses).

Not applicable.

4.19 The exercise price of the option or the methods and criteria for its determination, with particular regard to: a) the formula for calculating the exercise price in relation to a given market price (so-called fair market value) (for example: exercise price equal to 90%, 100% or 110% of the market price), and b) the methods for determining the market price used as a reference for determining the exercise price (for example: last price on the day prior to the granting, average for the day, average of the last 30 days, etc.).

Not applicable.

4.20 In the case in which the exercise price is not equal to the market price as indicated in point 4.19.b (fair market value), reasons for this difference.

Not applicable.

4.21 Criteria upon which different exercise prices are considered between the various parties or various beneficiaries.

Not applicable.

4.22 In the case in which the underlying financial instruments to the options are not traded on regulated markets, indication of the value attributable to the underlying instruments or their measurement criteria.

Not applicable.

4.23 Criteria for adjustments necessary following extraordinary share capital operations or other operations affecting the number of underlying instruments (share capital increases, extraordinary dividends, reverse stock split and splits of underlying shares, mergers and spin-offs, conversions to other share classes etc.).

The Plan provides that in the event of (i) corporate transactions affecting the Company's share capital structure (such as, purely by way of example, stock splits, reverse stock splits, free or paid increases in the Company's capital with the issuance of shares or other instruments of a dilutive nature - such as, e.g., warrants and/or convertible bonds - mergers by incorporation, spin-offs and/or

distribution of extraordinary dividends) and/or having the effect of modifying the economic contents of the Plan, (ii) events of an extraordinary and/or non-recurring nature and/or not concerning core operations (by way of example only, purchase or sale of business units), (iii) significant changes in the economic environment and/or (iv) other events likely to affect the Shares and, more generally, the Plan, the Board of Directors shall make such changes to the Plan regulations as it deems necessary or, at its discretion, appropriate, within the limits permitted by the regulations in force from time to time and according to the applicable adjustment criteria and generally-accepted financial market methods, in order to adapt it to the changed situation and reflect the aforementioned changes, while keeping the substantive and economic content of the Plan unchanged.

The Board of Directors, therefore, will have the power to proceed with the modification of the Exercise Price per Share in order to reflect the changes resulting from the above-mentioned corporate transactions and to make further amendments and/or additions to the Plan itself where deemed necessary or appropriate to keep the essential contents of the Plan, the number of Shares issued and the maximum amount of the increase linked to the Plan, unchanged as much as possible, within the limits allowed by current regulations, subject to any proposal and/or resolution of the internal committees where necessary, notifying the Beneficiary.

In addition, the Board of Directors may make such amendments and additions to the Plan and its regulations as it deems appropriate, independently and without the need for further Shareholders' Meeting approval, subject to the matters falling within the competence of the Shareholders' Meeting, in order to, *inter alia*, (i) take into account any legislative changes; (ii) ensure that the Beneficiary may benefit, or continue to benefit, from favorable regulations, by promptly notifying the Beneficiary of such changes.

Any rounding that may be necessary due to the existence of fractions shall be made downward and therefore the Beneficiary, regardless of the size of the fraction, will have the right, subject to all other conditions, to one less Share.

For information on the early exercise of the Options, please refer to Paragraph 4.3.

4.24 Financial instrument-based remuneration plans (table)

Table No. 1 required by paragraph 4.24 of the same Schedule 7 of Annex 3A of the Issuers' Regulation will be provided according to the terms and conditions indicated by Article 84-bis, paragraph 5, letter a) of the same Regulation.