

BIESSE S.P.A.

DIRECTORS' REPORT PRESENTED TO THE EXTRAORDINARY SHAREHOLDERS' MEETING OF BIESSE S.P.A. CALLED FOR 29 APRIL 2024 AT THE FIRST CALL AND, IF NECESSARY, FOR 30 APRIL 2024 AT THE SECOND CALL, PREPARED PURSUANT TO ART. 125-TER OF LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998 ("TUF") AND ARTICLES 73 AND 84-TER OF THE ISSUERS REGULATIONS ADOPTED BY CONSOB RESOLUTION NO. 11971 OF 14 MAY 1999, AS AMENDED ("ISSUERS REGULATION").

20 MARCH 2024

Dear Shareholders,

By notice of the meeting published on the website of Biesse S.p.A. (the “**Company**”, “**Biesse**” or the “**Issuer**”), distributed and stored at the authorised storage mechanism www.lininfo.it, and published in the LIBERO newspaper of 20 March 2024, the Ordinary Shareholders' Meeting of the Company has been convened for 29 April 2024 in the first call and, if necessary, for 30 April 2024 in the second call, at the registered office in Pesaro (PU), Via della Meccanica, 16 at 9.30 am, to discuss and resolve on the following:

Agenda

1. Financial statements as at 31 December 2023; Directors' Report on Operations; reports of the Board of Statutory Auditors and Independent Auditors on the financial statements to 31 December 2023; inherent and consequent resolutions. Presentation of the Consolidated Financial Statements as of 31 December 2023. Presentation of the non-financial statement pursuant to Legislative Decree 254/2016 (“NFS”) - Sustainability Report to 31 December 2023.
2. Resolution on the allocation of the profits of Biesse S.p.A. for the 2023 financial year and proposal for the distribution of the dividend.
3. Report on the Remuneration Policy and Compensation Paid. Vote on Section One of the Report pursuant to Article 123-ter, paragraphs 3-bis and 3-ter, of Legislative Decree 58/1998.
4. Report on the Remuneration Policy and Compensation Paid. Consultative vote on Section Two of the Report pursuant to Art. 123-ter, paragraph 6 of Legislative Decree No. 58/1998.
5. Determination of the number of members of the Board of Directors.
6. Appointment of members of the Board of Directors.
7. Determination of the remuneration of the members of the Board of Directors.
8. Appointment of the Board of Statutory Auditors.
9. Appointment of the Chairman of the Board of Statutory Auditors.
10. Determination of the remuneration of the members of the Board of Statutory Auditors.

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In accordance with what is allowed by Art. 106, paragraph 4 of Decree-Law of 17 March 2020 No. 18 of the so-called “Cura Italia” Decree (“**Decree**”), as converted with amendments and whose application was most recently extended to 30 April 2024 by Art. 3, paragraph 12-duodecies, of Decree-Law No. 215 of 30 December 2023, as converted with amendments by Law No. 18 of 23 February 2024, the Company has made use of the right to provide that the participation of the subjects holding the right to vote in the Shareholders' Meeting **takes place exclusively through the designated representative** pursuant to Art. 135-undecies of the TUF, in accordance with the provisions of the law and current legislation, as better specified below.

Consequently, the Company appointed **Computershare S.p.A.** – with registered office in Milan, via Mascheroni No. 19 – to represent the shareholders pursuant to Art. 135-undecies of the TUF and of the aforementioned Law Decree (the “**Designated Representative**”). Shareholders authorised to vote who wish to attend the Shareholders' Meeting must therefore confer a proxy on the Designated Representative together with voting instructions on all or some motions pertaining to the items on the agenda, using the proxy form prepared by the same Designated

Representative in agreement with the Company, which is available on the Company's website at www.biessegroupp.com, (in the section *Investor Relations/Servizi per gli investitori/Assemblea 29/04/2024*).

The proxy form with the voting instructions must be sent by following the instructions on the form itself and on the Company's website by the end of the second trading day prior to the Shareholders' Meeting (i.e. by **Thursday, 25 April 2024** for the first call and by **Friday, 26 April 2024** in the case of a second call) and within the same deadline the proxy may be revoked.

The proxy conferred in this way is only effective for the proposals concerning which voting instructions have been given.

Please note that the shares for which they have conferred the proxy, even partial, are counted for the regular constitution of the Shareholders' Meeting. Concerning the proposals for which no voting instructions have been given, the shares are not counted to calculate a majority and the share of capital required to approve resolutions.

It should also be noted that, as permitted by the Cura Italia Decree, in derogation from Art. 135-undecies, paragraph 4, of the TUF, those who do not intend to make use of the method of participation provided for by Art. 135-undecies of the TUF, may, as an alternative, participate by conferring a proxy or sub-proxy to the Designated Representative pursuant to Art. 135-novies of the TUF, following the instructions indicated in the form available on the Company's website at www.biessegroupp.com in the "*Investor Relations/Servizi per gli investitori/Assemblea 29/04/2024*" section. These proxies and sub-proxy may be granted within one trading day prior to the Shareholders' Meeting (i.e. by **Friday, 26 April 2024** for the first call and by **Monday, 29 April 2024** in the case of a second call). In the same way, those entitled may revoke, within the same deadline, the proxy or sub-proxy and the voting instructions given.

The Designated Representative is available for clarifications or information on +02 4677 6809 – 02 4677 6814 or at the email address ufficiomi@computershare.it.

Pursuant to Art. 83-sexies of the TUF, entitlement to attend the Shareholders' Meeting and exercise the right to vote – which may take place exclusively through a Designated Representative – is certified by a communication made to the Company by the intermediary, in compliance with its accounting records, in favour of the party entitled to vote; the intermediary's communication will be based on the accounting records at the end of the seventh trading day prior to the first call of the Shareholders' Meeting (i.e. by Thursday, **18 April 2024**, the record date). The credit and debit entries made on the accounts after that date are not relevant for the purpose of entitlement to exercise the right to vote at the Shareholders' Meeting. No one who becomes an owner of shares after that date is entitled to attend and vote at the Shareholders' Meeting.

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1. APPROVAL OF THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023; DIRECTORS' REPORT ON OPERATIONS; REPORTS OF THE BOARD OF STATUTORY AUDITORS AND INDEPENDENT AUDITORS ON THE FINANCIAL STATEMENTS TO 31 DECEMBER 2023; INHERENT AND CONSEQUENT RESOLUTIONS. PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2023. PRESENTATION OF THE NON-FINANCIAL STATEMENT PURSUANT TO LEGISLATIVE DECREE 254/2016 ("NFS") - SUSTAINABILITY REPORT TO 31 DECEMBER 2023.

Dear Shareholders,

The Shareholders' Meeting called for 29 April 2024 at the first call and, if necessary, for 30 April 2024 at the second call, is asked to approve the Company's financial statements to 31 December 2023.

The Company's financial statements as at 31 December 2023 closed with a net profit of € 18,510,615.75.

The Shareholders' Meeting will also present the Company's consolidated financial statements as at 31 December 2023, closing with a net result of the Biesse Group (the "**Group**") of € 12,483,240.63. The Group's consolidated financial statements as at 31 December 2023 were examined and approved by the Company's Board of Directors meeting on 14 March 2024.

In addition, the Board of Directors intends to submit for your examination, in accordance with the law, the non-financial statement pursuant to Legislative Decree 254/2016 ("**NFS**") - Sustainability Report as at 31 December 2023, which was examined and approved by the Company's Board of Directors meeting on 14 March 2024 and then made available to the supervisory bodies for the activities under their respective competence.

Biesse will make available to shareholders, in the manner and in accordance with the law, the Company's Annual Financial Report as at 31 December 2023 (including the financial statements as at 31 December 2023, the consolidated financial statements, the management report and the certificate of the Financial Reporting Officer referred to in Art. 154-bis, paragraph 5, of the Consolidated Financial Statements) by 29 March 2024, together with the reports of the Independent Auditors on the above-mentioned financial statements and the report of the Board of Statutory Auditors. Please refer to the above documentation for more information about the first item on the agenda of the Shareholders' Meeting.

The Board of Directors thus proposes the following motion in relation to the **first item** on the agenda:

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

- having examined the draft financial statements of Biesse S.p.A. as of 31 December 2023,*
- having acknowledged the Report of the Board of Directors on operations,*
- having acknowledged the Reports of the Board of Statutory Auditors and the Independent Auditors,*
- having taken note of the consolidated financial statements as at 31 December 2023 and of the related reports submitted by the Board of Directors, the Board of Statutory Auditors and the Independent Auditors;*

RESOLVES

- to approve the financial statements of Biesse S.p.A. (statutory Group parent company) as at 31 December 2023, which show a net profit of € 18,510,615.75.*

2. RESOLUTION ON THE ALLOCATION OF THE PROFITS OF BIESSE S.p.A. FOR THE 2023 FINANCIAL YEAR AND PROPOSAL FOR THE DISTRIBUTION OF THE DIVIDEND.

Dear Shareholders,

the Shareholders' Meeting called in the first call for 29 April 2024 and, if necessary, for 30 April 2024 in the second call, is called to pass a resolution on the allocation of the profits for the year as at 31 December 2023.

At its meeting of 14 March 2024, the Board of Directors proposed to the Shareholders' Meeting to allocate the operating profit of € 18,510,615.75 according to the following allocation:

- (i) € 3,836,363.02 at the payment of dividends equal to a gross unit dividend of € 0.14 for each share entitled as of the date of this report;
- (ii) € 14,674,252.73 to be allocated to the Company's extraordinary reserve.

With reference to the payment of the unit dividend, the ordinary dividend deriving from the profits for the 2023 financial year, if authorised by the Meeting, will be paid on 8 May 2024 under the applicable provisions of law and regulations, with the date of coupon no. 18 being 6 May 2024. Under Art. 83-terdecies TUF, the authorisation will be based on the accounts existing at the end of the record date of 7 May 2024 (*record date*).

The Board of Directors now submits the following motion in relation to the **second item** on the agenda:

“The Ordinary Shareholders” Meeting of Biesse S.p.A., having acknowledged the financial statements at 31 December 2023,

RESOLVES

- *to allocate the operating profit of € 18,510,615.75 as follows:*
 - a. *€ 3,836,363.02 upon payment of a unit dividend of € 0.14 for each eligible share;*
 - b. *€ 14,674,252.73 to be allocated to the Company's extraordinary reserve.*
- *to pay the dividend referred to in letter a. that precedes 8 May 2024 with the date of issue of coupon No. 18 on 6 May 2024 and the date of eligibility for payment pursuant to Art. 83-terdecies of Legislative Decree 24 February 1998 No. 58 (so-called record date) on 7 May 2024”.*

3. REPORT ON THE REMUNERATION POLICY AND COMPENSATION PAID. APPROVAL OF SECTION ONE OF THE REPORT PURSUANT TO ARTICLE 123-TER, PARAGRAPH 3-BIS AND 3-TER OF LEGISLATIVE DECREE 58/1998;

Dear Shareholders,

The Shareholders' Meeting convened for 29 April 2024 in the first call and if necessary for 30 April 2024 in the second call is called to approve (Art. 123-ter, paragraph 3-bis TUF) Section One of the Remuneration Report, which provides an adequate, clear and comprehensible illustration of: *a)* the Company's policy on the remuneration of the Board members, directors-general, key management personnel and members of the supervisory bodies, without affecting the provisions of Art. 2402 of the civil code; *b)* the procedures used to adopt and implement the Policy.

The policy regarding remuneration and compensation paid is subject to the vote of the Shareholders' Meeting periodically, but in any case once every three years or when the policy is amended. As the Policy approved by the Meeting on 27 April 2022 has now been amended, the Board of Directors will submit the new annual remuneration policy to the Shareholders' Meeting now called.

The Board of Directors thus asks the Meeting to approve the following motion in relation to the **third item** on the agenda:

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

- examined the Section One of the report on the remuneration policy and compensation paid approved by the Company's Board of Directors on 14 March 2024, as proposed by the Remuneration Committee meeting on 7 March 2024, pursuant to Art. 123-ter of Legislative Decree 58/1998 and Art. 84-quater of the Issuers Regulation adopted by CONSOB with Resolution No. 11971/1999, as amended;*
- considering that, pursuant to Art. 123-ter of Legislative Decree 58/1998, the Shareholders' Meeting is called to cast a binding vote on Section One of the Report on the remuneration policy and on the compensation paid,*

RESOLVES

to approve Section One of the Report on remuneration and compensation paid drawn up pursuant to Art. 123-ter of Legislative Decree 58/1998 and Art. 84-quater of the Issuers Regulation adopted by CONSOB with Resolution No. 11971/1999."

4. CONSULTATIVE VOTE ON "COMPENSATION PAID IN 2023" REPORTED IN SECTION TWO OF THE REMUNERATION REPORT, PURSUANT TO ART. 123-TER, PARAGRAPH 6 OF LEGISLATIVE DECREE NO. 58/1998.

Dear Shareholders,

The Shareholders' Meeting convened for 29 April 2024 in the first call and if necessary for 30 April 2024 in the second call, is also asked to resolve, with a non-binding vote pursuant to Art. 123-ter paragraph 6 of the TUF, on Section Two of the Remuneration Report, which provides a clear, comprehensible and adequate representation of each of the remuneration items for the year ended 31 December 2023.

In particular, Section Two: (i) provides an adequate representation of each of the items that make up the remuneration paid in the year ended 31 December 2023, highlighting their consistency with the company's remuneration policy relating to the reference year; (ii) explains analytically the compensation paid in the financial year in respect of any security and in any form by the company and by subsidiaries or associates; (iii) explains how the Company took into account the vote cast the previous year on Section Two.

The Board of Directors thus proposes the following motion in relation to the **fourth item** on the agenda:

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

- *examined Section Two of the report on the remuneration policy and compensation paid approved by the Company's Board of Directors on 14 March 2024, as proposed by the Remuneration Committee meeting on 7 March 2024, pursuant to Art. 123-ter of Legislative Decree 58/1998 and Art. 84-quater of the Issuers Regulation adopted by CONSOB with Resolution No. 11971/1999, as amended;*
- *considering that, pursuant to Art. 123-ter, paragraph 6, of Legislative Decree 58/1998, the Shareholders' Meeting is called to cast a non-binding vote on the second section of the Report on remuneration policy and compensation paid,*

RESOLVES

- *favourably on Section Two of the Report on remuneration and compensation paid referred to in Art. 123-ter of Legislative Decree 58/1998 and Art. 84-quater of the Issuers Regulation adopted by CONSOB with Resolution No. 11971/1999."*

5. DETERMINATION OF THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS;

6. APPOINTMENT OF MEMBERS OF THE BOARD OF DIRECTORS;

7. DETERMINATION OF THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS.

Dear Shareholders,

with the approval of the Financial Statements as at 31 December 2023, the Board of Directors currently in office will expire and the Shareholders' Meeting convened in the first call for 29 April 2024 and for 30 April 2024 in a possible second call is then called upon to renew the administrative body, first determining the number of members.

In this respect, the outgoing Board of Directors, having evaluated the size, composition and functioning of the Board and the committees into which it is divided during the period in which it has been in office, and considering that operational efficiency and speed have been positively demonstrated and guaranteed, proposes that the number of Directors be fixed at seven.

The outgoing Board also reports that, pursuant to Art. 147-ter, paragraph 1-ter, of Legislative Decree No. 58 of 24 February 1998 ("TUF"), as amended by Law No. 160 of 27 December 2019, the Company must provide that the body has at least two-fifths of directors belonging to the least represented gender.

The outgoing Board also underlines that Biesse adheres to the Corporate Governance Code and that, therefore, in compliance with recommendation No. 5, contained therein, the number of Independent Directors cannot be less than two. The outgoing Board therefore recommends appointing at least two Independent Directors.

Please note that, pursuant to Art. 16 of the Articles of Association, the administrative body remains in office for three years, therefore expiring on the approval of the financial statements of Biesse at 31 December 2026.

The renewal of the Board of Directors will take place with the list voting mechanism, in accordance with the provisions of Art. 16 of the Articles of Association, which is shown below (the section relating to the procedures for appointing the Board).

"The Shareholder Meeting appoints the Board of Directors based on lists submitted by shareholders in which the number of candidates presented may not exceed the number to be appointed and who must be listed in numerical order.

In order to ensure gender balance within the Board, the less represented gender must have a number of members equal to that established by the applicable laws and regulations.

Therefore, the lists must contain several candidates belonging to the less represented gender equal to that required by the aforementioned legislation. Each candidate may only be on one list. Failure to comply will mean ineligibility. Shareholders are only entitled to submit voting lists if, individually or with other Shareholders, they represent at least 2.5% (two point five percent) of the share capital or hold another minimum ownership share as established by Consob in its Regulation. No Shareholder may submit or participate in submitting more than one list by proxy or by a trust company.

Shareholders who form part of a voting syndicate may present or participate in presenting one list only. In the event of violation of this rule, the vote of the Shareholder in question will not be taken into account for any of the lists presented. Every vote holder may vote on only one list. The lists of candidates, accompanied by exhaustive information regarding the personal and professional characteristics of the candidates, with an indication of their suitability to qualify as independent, must be filed at the registered office by the twenty-fifth day prior to the scheduled date of the Shareholders' Meeting and are made available to the public, in the manner prescribed by law and by Consob with Regulations, at least twenty-one days before the Shareholders' Meeting.

Together with each list, individual candidates must file declarations in which they accept the candidacy and certify under their responsibility that nothing is liable to render them ineligible or incompatible for election as prescribed by the law and that they possess any requirements set by law and by the regulations for membership of the Board of Directors.

Any list which does not comply with the aforementioned statutory requirements shall be considered as not presented. The members of the Board of Directors will be elected in the following manner:

- a) all the directors to be elected, minus one, are selected from the candidate list which obtains the highest number of shareholder votes, based on the sequential order in which they appear in the list;*
- b) the first name on the candidate list which receives the second-highest number of shareholder votes, is selected as the remaining director to be elected.*

Should the foregoing mechanism fail to produce a composition of the Board of Directors that complies with the gender balance required by law, instead of appointing the last candidate in numerical order on the list that received the highest number of votes, the next available candidate, in numerical order, from the same list belonging to the less represented gender will be appointed as a Director. The first candidate on the candidate list receiving the most shareholder votes is appointed Chairman of the Board of Directors.

Where only one candidate list is filed or voted for, all the candidates on the list are appointed to the Board. In the absence of lists, the Board of Directors is appointed by the Shareholders' Meeting with the majorities established by law, without prejudice in any event to compliance with the proportion of genders required by law. If during the year one or more Directors leave office for any reason, the Board of Directors will proceed to replace them by co-opting candidates with the same requisites, also considering the legal provisions regarding the balance of genders.”

Pursuant to Art. 147-quinquies, paragraph 1, of the TUF, all candidates must meet the good repute requirements set out in Art. 148, paragraph 4, of the TUF for Statutory Auditors of listed companies.

Each list containing no more than seven candidates must include and identify at least one candidate who meets the independence requirements established in accordance with current pro tempore regulations applicable to independent directors. Each list containing more than seven candidates must include and identify at least two candidates who meet the independence requirements established in accordance with current pro tempore regulations applicable to independent directors.

Shareholders are also invited to take into account the independence requirements and the number of independent directors referred to, respectively, in Recommendation No. 7 and No. 5 of the Corporate Governance Code for listed companies, approved in January 2020 by the Corporate Governance Committee, to which Biesse adheres. In particular, in accordance with recommendation No. 5 of the Corporate Governance Code, the Board of Directors includes at least two independent directors other than the Chairman. It is understood that, as Biesse is a company listed on the Euronext Milan market, in the STAR segment, the composition of the Board of Directors must also comply with the limits set out in the Rules for the Markets organised and managed by Borsa Italiana S.p.A., Art. IA.2.10.6 and, therefore, if the Board of Directors is composed of more than nine members, the number of independent directors, other than the Chairman, must be at least three. For the purposes of the declarations of independence provided for by the Corporate Governance Code, it should be noted that the Board of Directors has

adopted the following non-exhaustive quantitative and qualitative parameters for assessing circumstances that may compromise or appear to compromise independence:

- a) if they are a significant shareholder of the Company;
- b) if they are, or have been in one of the preceding three financial years, an executive director or employee:
 - of the Company, a strategic company or a company under common control;
 - of a significant shareholder of the Company;
- c) if, directly or indirectly (e.g. through subsidiaries or companies of which they are an executive director, or as partner in a professional firm or consulting company), they have, or have had in any of the preceding three financial years:
 - with the Company or its subsidiaries, or its executive directors or top management;
 - with a party who, also together with others through a shareholders' agreement, controls the Company; or with the relevant executive directors or top management, if the parent company is a company or entity;
 - a significant commercial, financial or professional relationship as defined below;
- d) if they receive, or have received in one of the previous three financial years, from the Company, one of its subsidiaries or the parent company, significant remuneration in addition to the fixed remuneration for the office and to that provided for participation in the committees recommended by the Corporate Governance Code or provided for by the regulations in force;
- e) if they have been a Director of the Company for more than nine financial years, even if not consecutive, in the last twelve financial years;
- f) if they hold the office of executive director in another company in which an executive director of the Company holds the office of director;
- g) if they are a partner or director of a company or entity belonging to the network of the company appointed for the statutory audit of the Company;
- h) if they are a close member of the family (meaning parents, children, spouse not legally separated and life partners) of a person in one of the situations referred to above.

The Board considers a significant commercial, financial or professional relationship to be one whose total value exceeds: (i) 5% of the annual turnover of the Company or entity of which the Director has control or of which they are an executive director, or of the professional firm or consulting Company of which they are a partner; and/or (ii) 5% of the annual costs incurred by the Group that are attributable to the same type of contractual relationships or assignments of a similar nature.

In the case of a Director who is also a partner of a professional firm or of a consulting company, the Board of Directors shall assess the significance of the professional relationships that may influence their position and role within the firm or the consulting Company or that otherwise relate to significant transactions of the Company and the Group, even independently of quantitative parameters.

The Board of Directors believes that significant additional remuneration with respect to the fixed remuneration for the office and the remuneration for participation in the Board committees should be understood as remuneration for professional or consulting services in excess of Euro 150,000 per annum, without prejudice, however, to the discretion of the Board of Directors in assessing the specific situation, taking into account the best interests of the Company, the significance of the relationship and the likelihood of it affecting the independence of the Director holding the relationship.

It should also be remembered that pursuant to Art. 147-ter, paragraph 1-ter, of the TUF, at least two-fifths of the directors must be elected from among those belonging to the least represented gender.

In relation to the **procedures for submitting lists** for the election of new Directors, it is noted that:

- a) the lists presented by Shareholders must be filed at the Company's registered office in Pesaro (PU), Via della Meccanica 16, by the twenty-fifth day prior to the date of the Shareholders' Meeting (by **Thursday 4 April 2024**) called to resolve on the appointment of the members the Board of Directors. The lists will be made available to the public at the registered office, on the Company's website at www.biessegroupp.com in the “Investor Relations/Servizi per gli investitori/Assemblea 29/04/2024”, as well as at the authorised storage mechanism linfo at www.linfo.it, at least twenty-one days before the date of the shareholders' meeting (**Monday, 8 April 2024**), without prejudice to the publication of the lists in accordance with the law.

Lists can be filed by sending by a certified email to investor@biesse.com from a certified email box pursuant to Art. 144-sexies, paragraph 4-ter of the Issuers' Regulation (within the same terms as mentioned above).

- b) each Shareholder may only present or participate in the presentation of one list. Shareholders who belong to a shareholders' agreement, as defined by Art.122 of the TUF, as well as the parent, subsidiaries and companies subject to joint control, may submit or participate in submitting only one list. Memberships and votes expressed in violation of the prohibition referred to in this paragraph will not be attributed to any list. Each candidate may only be on one list. Failure to comply will mean ineligibility. Only those Shareholders who, either alone or together with others, hold shares representing at least 2.5% of the share capital with voting rights in the ordinary Shareholders' Meeting are entitled to present lists;
- c) Shareholders must send, together with the lists or even after the filing, provided that within the deadline for the publication of the lists (**Monday, 8 April 2024**), the appropriate communication proving their ownership of shares on the date of filing the list itself. Together with each list, within the respective terms indicated above, the declarations must be filed with which the individual candidates accept their candidacy and certify, under their own responsibility, the non-existence of causes of ineligibility and incompatibility, as well as the existence of the regulatory and statutory requirements prescribed for the respective offices. Along with the declarations, curriculum vitae covering the personal and professional characteristics must be filed for each candidate – with a list of positions held at other companies – with a possible indication of suitability to qualify as independent. Each person entitled to vote may vote for only one list. It should also be noted that the Directors must possess the requisites established by law, also in relation to gender equality, and by the relevant regulations and Corporate Governance Code, as previously indicated;
- d) Shareholders other than those who hold, even jointly, a controlling or relative majority shareholding must also submit a statement certifying the absence of connecting relationships provided for by law with the latter. Therefore, shareholders who intend to submit lists are invited to take into account the recommendations contained in the CONSOB Communication DEM/9017893 of 26 February 2009.

Shareholders are invited to appoint the Company's Board of Directors, by voting in favour of one of the lists of candidates for the position of members of the Biesse Board of Directors, which will be presented and published in compliance with the provisions mentioned above.

Finally, the Shareholders are reminded that, pursuant to art. 16 of the Articles of Association, “[...] *The first candidate on the candidate list receiving the most shareholder votes is appointed Chairman of the Board of Directors.* [...]”.

In relation to the remuneration of the new Directors, the outgoing Board proposes that the convened Shareholders' Meeting determines a sum of remuneration for the Directors equal to € 1,570,000.00 plus benefits and

reimbursement of expenses, where applicable, for each year the Board remains in office, which will subsequently be divided among the Directors pursuant to Art. 2389 of the Italian Civil Code, taking into consideration the principles set out in the Company's Remuneration Policy and the Remuneration Committee's recommendations on this matter.

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The Board of Directors, therefore, submits the following proposed resolution on the **fifth item** on the agenda of the ordinary session to the called Shareholders' Meeting:

“The Ordinary Shareholders' Meeting of Biesse S.p.A.,

resolves

- *to determine the number of members of the Board of Directors at seven”*

The Board of Directors, therefore, submits the following proposed resolution on the **seventh item** on the agenda of the ordinary session of the called Shareholders' Meeting:

“The Ordinary Shareholders' Meeting of Biesse S.p.A.,

resolves

- *to establish the annual gross remuneration for the members of the Board of Directors as € 1,570,000.00, without prejudice to the right of the Board itself to establish the remuneration for individual Directors pursuant to Art. 2389 of the Italian Civil Code;”*

8. APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS

9. APPOINTMENT OF THE CHAIRMAN OF THE BOARD OF STATUTORY AUDITORS

10. DETERMINATION OF THE REMUNERATION OF THE MEMBERS OF THE BOARD OF STATUTORY AUDITORS

Dear Shareholders,

with the approval of the Financial Statements as at 31 December 2023, the term of office of the Board of Statutory Auditors currently in office will expire and the Shareholders' Meeting convened in the first call for 29 April 2024 and, if necessary, for 30 April 2024 in the second call, is then called to resolve on (i) the appointment of the Board of Statutory Auditors; (ii) the appointment of the Chairman of the Board of Statutory Auditors and (iii) the determination of the compensation of the members of the Board of Statutory Auditors.

8. APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS

The appointment of the Board of Statutory Auditors will take place with the list voting mechanism, in accordance with the provisions of Art. 19-bis of the Articles of Association, which is shown below (the section relating to the procedures for appointing the Board of Statutory Auditors).

19 bis) The Board of Statutory Auditors comprises three Standing Statutory Auditors and two Alternate Statutory Auditors elected by the Shareholders' Meeting, which also sets down the wages to be paid to said Statutory Auditors. The minority is entitled to elect one Standing Statutory Auditor and one Alternate Statutory Auditor. The Board of Statutory Auditors is appointed based on the list presented by the shareholders, in which the candidates must be listed in numerical order. The number of candidates cannot exceed the number of candidates to be elected.

Shareholders from voting syndicates will only be entitled to present a single list. The list consists of two sections: one for candidates for the office of Standing Statutory Auditor, the other for candidates for the office of Alternate Statutory Auditor.

To ensure gender balance within the Board of Statutory Auditors, the less represented gender must have a number of members equal to that established by the applicable laws and regulations. Therefore, both sections of the lists must contain several candidates belonging to the less represented gender equal to that required by the aforementioned legislation.

Only those Shareholders who, either alone or together with others, are the owners of voting Shares representing at least 2% (two percent) of the voting capital at the Ordinary Shareholders' Meeting are entitled to present lists or the different minimum quota established by Consob with the Regulation.

No Shareholder, nor the Shareholders in the same group, may present more than one list, nor may he vote for different lists even through a nominee or trust company. If this rule is broken, the vote of the Shareholder in question will not be taken into account for any of the candidate lists filed. Each candidate may only be on one list. Failure to comply will mean ineligibility. Candidates who already hold the office of Statutory Auditor in five other listed companies, except controlling and controlled companies of the Company or who do not meet the integrity and professionalism requirements established by the applicable legislation, cannot be included in the lists.

For the purposes of Art.1, paragraph 2, letters b) and c), and paragraph 3 of Ministerial Decree No. 162 dated 30 March 2000 on the subject of the professional requirements for members of the Board of Statutory Auditors of listed companies, the subjects and sectors strictly pertaining to those of interest to the Company are intended to comprise commercial and Company law, business economics, financial and statistical sciences, and all the other subjects of the same or similar nature, although with different names, whereas the sectors strictly connected or relating to those in which the Company operates are understood to comprise the production, distribution and sale

of machines and tools, automation systems, software and precision components. Statutory Auditors leaving office may be re-elected.

The lists presented must be filed at the Company's registered office at least twenty-five days before the date set for the Shareholders' Meeting and will be made publicly available, in the manner provided for by law and the Consob Regulation, at least twenty-one days before the Shareholders' Meeting.

The professional curriculum vitae of each candidate must be filed together with each list along with the declarations with which each candidate accepts candidacy and certifies, under his own responsibility, that there is no cause of ineligibility or incompatibility, and that the legal and statutory requirements for the respective positions are met. Where lists do not meet the above requirements, they will not be considered presented.

A Statutory Auditor is elected as follows: two Standing Statutory Auditors and one Alternate Statutory Auditor are selected, in the consecutive order in which they are listed, from the candidate list that obtained the highest number of votes in the Shareholders' Meeting; the names of one Standing Statutory Auditor and another Alternate Statutory Auditor are selected from the candidate list with the second highest number of shareholder votes, according to the sequential order in which they appear in the list. The Standing Statutory Auditor will assume the role of Chairman. If there is a tie among two or more candidate lists, the Statutory Auditors appointed will be those most senior in age.

Should the foregoing mechanism fail to produce a composition of the Board of Statutory Auditors that complies with the gender balance required by law, instead of appointing the last candidate in numerical order on the list that received the highest number of votes, the next available candidate, in numerical order, from the same list belonging to the less represented gender will be appointed as a Standing Statutory Auditor or Alternate Statutory Auditor. [...]."

The powers, duties and term of office of the Statutory Auditors are those established by law.

All members of the Board of Statutory Auditors must meet the eligibility, integrity and professionalism requirements established by law and other applicable provisions as well as by the Company's Articles of Association.

All members of the Board of Statutory Auditors, and therefore the candidates, must meet the independence requirements established by Art. 148, paragraph 3, of the TUF. In addition, the Corporate Governance Code for listed companies approved by the Corporate Governance Committee, to which the Company adheres, also requires that all members of the supervisory body meet the independence requirements set out in Recommendation 7 for directors.

Where individuals, pursuant to the law or regulations, are ineligible or lose eligibility or do not possess the necessary requisites, they cannot be elected Statutory Auditors, and if elected they lose their office.

With regard to professionalism requirements, please note that at least one Standing Auditor and one Alternate Auditor must be registered in the register of statutory auditors.

The requirement referred to in Art. 1, paragraph 2, letters b) and c), and paragraph 3 of the decree of the Ministry of Grace and Justice No. 162 of 30 March 2000, exists if the professionalism acquired respects respectively: (i) the business sector of the company; (ii) the legal, economic, financial and technical-scientific matters, relating to the sectors referred to in letter (i) above. In addition to the other cases provided for by law, those who hold the office of Statutory Auditor in more than 5 (five) Italian companies listed on Italian regulated markets cannot be elected as Statutory Auditors and if elected, they lose their office. The additional provisions on the limits of the accumulation of offices envisaged by Art. 144-terdecies of the Issuers' Regulation apply.

Please note that, pursuant to Art. 148, paragraph 1-bis, of the TUF, at least two-fifths of the Statutory Auditors must be elected from among those belonging to the least represented gender. If the application of the gender

distribution criterion does not result in an integer number of components, this number is rounded down to the lower unit.

The lists must contain a number of candidates not exceeding the number of members to be elected, listed in numerical order. Each candidate may only be on one list. Failure to comply will mean ineligibility.

In relation to the procedures for submitting lists for the election of the members of the Board of Statutory Auditors, please note that they must be filed at the Company's registered office in Pesaro (PU), Via della Meccanica 16, by the twenty-fifth day prior to the date of the Shareholders' Meeting (**Thursday, 4 April 2024**); The lists will be made available to the public at the registered office, on the Company's website at www.biessegroupp.com in the “*Investor Relations/Servizi per gli investitori/Assemblea 29/04/2024*”, as well as at the authorised storage mechanism linfo at www.linfo.it, at least twenty-one days before the date of the shareholders' meeting (**Monday, 8 April 2024**), without prejudice to the publication of the lists in accordance with the law.

lists can be filed by sending by a certified email to investor@biesse.com from a certified email box pursuant to Art. 144-sexies, paragraph 4-ter of the Issuers' Regulation.

As required by Art. 19-bis of the Articles of Association above, only those Shareholders who, either alone or together with others, hold shares representing at least 2% of the share capital with voting rights in the ordinary Shareholders' Meeting are entitled to present lists. Shareholders must send, together with the lists or even after the filing, provided that they are within the deadline for the publication of the lists (**Monday, 8 April 2024**), the appropriate certification proving their ownership of shares. Where lists are submitted by certified email, a copy of a valid identity document of the presenters must also be sent.

In the event that within the deadline for filing the aforementioned lists, only one list has been filed or only lists presented by shareholders who are connected to each other, notice will be given without delay and consequently lists may be presented up to the third following day (**Sunday, 7 April 2024**) by Shareholders who alone, or together with other Shareholders, hold shares representing at least 1% of the share capital with voting rights in the ordinary Shareholders' Meeting. Each Shareholder has the right to vote for one list only.

Shareholders other than those who hold, even jointly, a controlling or relative majority shareholding must also submit a statement certifying the absence of connecting relationships provided for by law with the latter. Shareholders who intend to submit lists are invited to take into account the recommendations contained in the CONSOB Communication DEM/9017893 of 26 February 2009.

9. APPOINTMENT OF THE CHAIRMAN OF THE BOARD OF STATUTORY AUDITORS

As stated in the previous paragraph, Art. 19-bis of the Articles of Association stipulates that, for the appointment of the Chairman of the Board of Statutory Auditors, the remaining Standing Auditor, who shall also assume the office of Chairman, and the other Alternate Auditor shall be taken from the second list that obtained the highest number of votes at the Shareholders' Meeting, in the progressive order in which they appear in the sections of the list.

That said, to allow the appointment of the Chairman of the Board of Statutory Auditors even in the event that a single list should be submitted, Shareholders are invited to submit proposals for resolutions regarding the Standing Auditor candidate, among those on the above-mentioned list, to be appointed as Chairman of the Board of Statutory Auditors for this hypothesis.

10. DETERMINATION OF THE REMUNERATION OF THE MEMBERS OF THE BOARD OF STATUTORY AUDITORS

With regard to the determination of the compensation of the members of the Board of Statutory Auditors, Art. 19-bis of the Articles of Association requires that the fee of the Board of Statutory Auditors be established by the Shareholders' Meeting.

It is therefore proposed that the convened Shareholders' Meeting should determine the fees for the Statutory Auditors on the basis of the proposals that may be formulated by the Shareholders (also together with the list) and in accordance with the terms and procedures indicated in the notice of call.

* * * *

All this being said, the Board of Directors invites Shareholders to resolve, based on the applicable legal and regulatory provisions and the Articles of Association, on the appointment of the Board of Statutory Auditors and the Chairman of the Board of Statutory Auditors and to determine the compensation of the members of the Board of Statutory Auditors.

Pesaro, 20 March 2024

The Chairman of the Board of Directors