



Report on the Remuneration Policy 2024 and Compensation paid in 2023

Approved by the Board of Directors on 14 March 2024

Biesse is an international company that manufactures integrated lines and machines for the processing of wood, glass, stone, plastic, composite materials and materials to come.

Founded in Italy in 1969 and listed on the STAR segment of the Italian Stock Exchange, we support the business evolution of our clients operating in the furniture, housing & construction, automotive and aerospace sectors. International development has been taking place since the end of the 80s with the opening of the first office abroad and is now confirmed as one of the group's assets. Offices abroad are the key to operating in markets considered strategic, in full respect and enhancement of local specificities and cultures.

As of 31 December 2023, the group operates through 12 production campuses, more than 20 showrooms, through which it reaches over 160 countries and exports more than 80% of its production. As of 31 December 2023, the group had approximately 4,400 employees and collaborators worldwide.

www.biessegroup.com

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Introduction

This Report, approved by the Board of Directors of Biesse S.p.A. on 14 March 2024, on the proposal of the Remuneration Committee, is divided into two sections:

- SECTION I illustrates the policy (the "Remuneration Policy" or the "Remuneration Policy") adopted by Biesse with reference to the members of the Board of Directors and, without prejudice to the provisions of Article 2402 of the Civil Code the Statutory Body, the other "Key Management Personnel" identified by the Board of Directors of Biesse (hereafter the "KMP"), describing the general principles, the bodies involved and the processes adopted for its approval, review and implementation, including the measures to avoid or manage any conflicts of interest. The Remuneration Policy has a duration of one year, until the Shareholders' Meeting called to approve the financial statements for the year ended 31 December 2024; Section I of the Report, in compliance with the provisions of the TUF, is subject to the binding vote of the Ordinary Shareholders' Meeting, called to approve the Financial Statements as at 31 December 2023;
- SECTION II shows the remuneration paid in the financial year 2023 by the Company and its subsidiaries or affiliated companies, by name, for the members of the Board of Directors (executive and non-executive), the Statutory Auditors and, in aggregate form, for the other KMP. Section II, in compliance with the provisions of the TUF, is subject to the consultative vote of the Ordinary Shareholders' Meeting, called to approve the Financial Statements for the year 2023.

It should be noted that the current Board of Directors, on the date of approval of this Report, will end its term of office with the next Shareholders' Meeting to approve the Financial Statements as at 31 December 2023 and that the new Board of Directors will be responsible for determining the remuneration of Directors holding special offices and the remuneration of non-executive Directors for participation in Board committees.

The remuneration of the Directors holding special offices and the remuneration of the non-executive Directors for their participation in the Board committees referred to in the First Section of this Report have been determined by the current Board of Directors. In this sense, their representation in the following paragraphs is to be understood as a guideline of the Remuneration Policy for 2024, defined in compliance with the prerogatives of the Shareholders' Meeting and the Board of Directors that will be appointed for the 2024-2026 term.

The text of this Report is made available to the public, at the Company's registered office and in the Governance section of the Company's website (www.biessegroup.com), no later than the twenty-first day prior to the date of the Shareholders' Meeting called to approve the Financial Statements for the year 2023, in accordance with the provisions of current legislation.

The regulations relating to the incentive plans in place can be found in the Investor Relations - Corporate Governance section of the Company's website.

Letter from the Chair of the Remuneration Committee

Shareholders,

I am pleased to present to you, on behalf of the Remuneration Committee and the Board of Directors, Biesse's Report on the remuneration policy and compensation paid (hereinafter also the "Report"), approved by the Board of Directors on 14 March 2024.

The Report aims to provide a complete picture of the results of the application of the remuneration policy in relation to the performance of the Biesse Group in 2023 and the new incentive plans (MBO 2024, LTI 2024-2026) that will accompany Biesse in the coming years.

The 2023 financial year was characterised by a complex macroeconomic environment: on the one hand, the continuation of the Russian-Ukrainian conflict and the new war front in the Middle East and, on the other, inflationary tensions and the consequent monetary policy interventions by central banks have generated a slowdown in the main European economies.

Despite this context, the Biesse Group closed 2023 by reaching the turnover and EBIT targets of 99% and 94% respectively and exceeding the target of all the other targets of the short-term incentive plan. With regard to the medium/long-term incentive plan (LTI 2021-2023) – which was based on the objectives of the strategic plan defined in the unpredictable context of Covid and post-Covid and which has come to an end – the Group exceeded its turnover and NIC/Turnover targets, reaching the EBITDA margin target of 98%. As a result, the access thresholds for both short-term and medium-long term variable remuneration were exceeded, resulting in the final balance of incentives in line with the company's existing remuneration policy.

While in line with the Remuneration Policy approved at the last Shareholders' Meeting, in 2023 Biesse - with the advice of Willis Towers Watson (WTW) - implemented initiatives to improve its remuneration policies, so as to make it possible to attract, enhance and retain people with the necessary skills to achieve the Group's strategic objectives. In fact, processes have been introduced, among others, to measure the complexity of company roles and salary benchmarking tools with the external market, to ensure constant comparison with market trends and best practices, an aspect that is particularly important in a period characterised by high labour market turbulence.

In addition, the Company, again with the advice of WTW, has implemented an external assessment process on its Report, approved at the last Shareholders' Meeting of 26 April 2023 with 98% of votes in favour; It has therefore been revised both in terms of structure and content, in compliance with market best practices in the field of disclosure.

The main innovations of the Report that we bring to your attention today are the result of the processes mentioned above and the commitment of Biesse and the Remuneration Committee to listen to the indications received from Proxy Advisors and investors, with a view to continuous improvement.

With regard to the 2024 Remuneration Policy, which we are submitting to the vote of the Shareholders' Meeting, it has been drawn up in accordance with the Corporate Governance Code to which Biesse adheres. The main changes concern:

- the definition of the Remuneration Policy on an annual basis, instead of every three years as applied in the past, in order to be able to respond more flexibly to a particularly volatile macroeconomic and business context and to submit an up-to-date situation to the Shareholders' Meeting for an annual vote;

- reference to a rigorous and up-to-date market benchmark for the remuneration of the Chairman, the Board of Directors, the Chief Executive Officer and General Manager and Key management personnel;
- a new medium-to-long-term Incentive Plan (LTI 2024-2026), based on metrics that reflect Biesse's industrial and financial performance with respect to the objectives of the strategic plan, in continuity with the previous plan;
- the introduction of a specific ESG indicator linked to the reduction of tonnes of CO₂eq in the short-term incentive system for the Chief Executive Officer and General Manager and management, in line with Biesse's focus on sustainable success. In this regard, I would like to point out that the Company is working on a more articulated set of ESG indicators for future inclusion in the medium-long term plan as well.

The main changes in terms of information concern:

- the introduction of an ad hoc section for the Chief Executive Officer and General Manager, containing more detail with reference to the description of the remuneration package and the objectives assigned for 2024 as part of the incentive systems;
- greater comprehensiveness, in particular with regard to the link between corporate performance and bonus payouts in both Section I and Section II;

Finally, the Report aims to facilitate the Reader's access to essential information, including through greater use of graphs and tables for a clearer visualisation of relevant data.

With regard to the information on remuneration paid with reference to the 2023 financial year, which we submit to the advisory vote of the Shareholders' Meeting, the Report contains all relevant details and comments.

At the end of our three-year term of office, I would like to take this opportunity to extend special thanks to my colleague on the Committee, Rossella Schiavini, as well as to the Statutory Auditors, for their significant contribution to the effective conduct of the Committee's work.

Confident that the progress made so far will be appreciated, I thank you in advance for your support for the presented report.



Federica Ricceri
Chair of the Remuneration Committee

Summary of the Remuneration Policy and main changes

Remuneration Policy 2024

Our Remuneration Policy is based on clear and shared principles, defined to guide compensation programmes and the decisions that derive from them. Each remuneration measure is defined on the basis of the following principles:

Shared objectives	Attractiveness as an employer	Equality	Transparency
to direct managerial action towards the creation of sustainable value	to be competitive in attracting and retaining key staff	to eliminate any discrimination based on gender, age, ethnicity or social and cultural background	to clarify the principles and systems governing remuneration



Purpose of the 2024 Policy


Although the Policy has been defined with a view to continuity with the past and in compliance with current regulatory requirements, some changes have been made, with a view to greater disclosure and better representation of information, with the ultimate aim of greater clarity for all stakeholders.

The Policy has therefore been updated taking into account the results of the shareholders' meeting, the indications of shareholders and proxy advisors, as well as market best practices, with a view to continuous improvement. Specifically:

- an ad hoc section has been defined for the Chief Executive Officer containing a description of the remuneration package and the objectives assigned for 2024 as part of the incentive systems;
- the Company submits to the Board of Directors for approval a new medium-long term plan covering a three-year vesting period (2024-2026), given the closure of the previous 2021-2023 plan;
- the peer groups used for the benchmarks on the remuneration of the Chairman, the Chief Executive Officer and the DRS are explained in detail;
- with regard to ESG objectives, a specific KPI has been introduced in the short-term variable incentive system (MBO) of the Chief Executive Officer and management: this is a target linked to the reduction of tons of CO₂eq.

Executive Summary

Component	Purpose/Characteristics	Criteria and conditions of implementation	Attributed values/benefits
 Fixed remuneration	<p>Adequately compensates the skills, professionalism and contribution required from the role-holder, with the objective of supporting motivation and staff retention.</p>	<p>Fixed compensation determined by the Board of Directors (Article 2389 of the Italian Civil Code), when distributing the compensation determined by the Shareholders' Meeting</p>	<p>Chair: € 1,200,000 Chief Executive Officer and General Manager: € 1,000,000 (annual fixed remuneration for the role € 150,000, plus remuneration for the executive relationship and compensation for the non-competition agreement) KMP: commensurate with the role and the delegated powers; there may be annual merit-based adjustments (continuity of individual performance) or adjustments based on the upgrading of roles and responsibilities in line with the Policy and the pay mix.</p>
 Incentives Short-term variable (MBO – Management by Objectives)	<p>Paid annually in monetary form, this is an instrument used to motivate and guide the actions of Management over the short term, in line with the corporate objectives determined by the Board of Directors.</p> <p>The amount of the annual short-term incentive depends on the role of the employee, and on the company and individual performance.</p>	<p>Recipients: CEO/GM, KMP, top level of management and other key figures within the organisation.</p> <p>CEO/GM indicators:</p> <ul style="list-style-type: none"> • GROUP EBIT (weight 40%) • Turnover (weight 25%) • NIC/Turnover (weight 25%) • CSR INDEX (weight 10%) <p>KMP: Business (Turnover, Backlog, Material Mix, NIC/Turnover); profitability (EBIT); financial institutions (DSOs, DSIs); cost containment (capex); ESG (CSR index) Award of incentive: the nominal value of the target incentive is determined on the basis of the role held. Vesting of incentive: annual results.</p>	<p>Chair: not provided for</p> <p>CEO/GM Target: 50% fixed component CEO/GM Cap: 65% fixed component</p> <p>KMP target: reflects the level of authority and role held (maximum 35% of gross annual salary)</p> <p>Disbursement of the incentive: based on the results achieved in the previous year.</p>

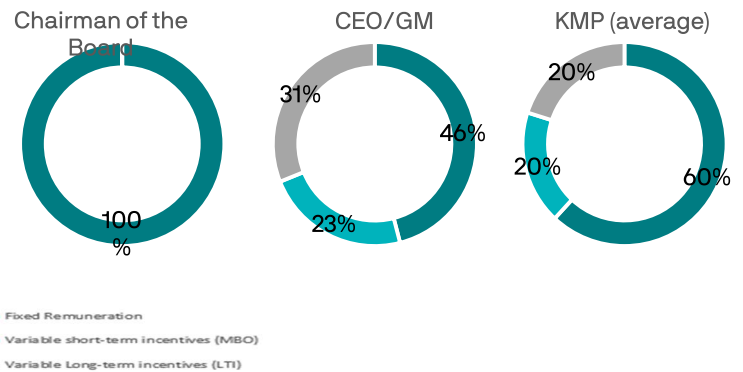
Component	Purpose/Characteristics	Criteria and conditions of implementation	Attributed values/benefits	
 Variable long-term incentives (LTI – Long Term Incentive)	<p>A monetary plan reserved for role-holders who have the most direct responsibility for the business results, it guarantees greater alignment between the interests of shareholders and the actions of Management.</p>	<p>Three-year incentive plan (LTI) with a three-year vesting period and forecast based on the results achieved in the two-year period. Recipients: CEO/GM, first level of management Indicators: EBITDA Margin (50%); Turnover (25%); NIC/Turnover (25%). Award of incentive: the nominal value of the target incentive is determined on the basis of the role held. Vesting of incentive: average results over the three years during the vesting period, measured on a linear scale compared to the defined target.</p>	<p>Chair: CEO/GM Target: not provided for CEO/GM Cap: 67% fixed component¹ 100% fixed component</p>	<p>The incentive awarded in case of reaching the minimum performance level will be 40%, the maximum possible incentive is 150% of the nominal value of the individual incentive. In the case of performance below 80% of the target value, the corresponding incentive will be zero.</p> <p>KMP: participate in the same plan as the CEO/GM Target: 33% fixed component, Cap 50% fixed component</p>



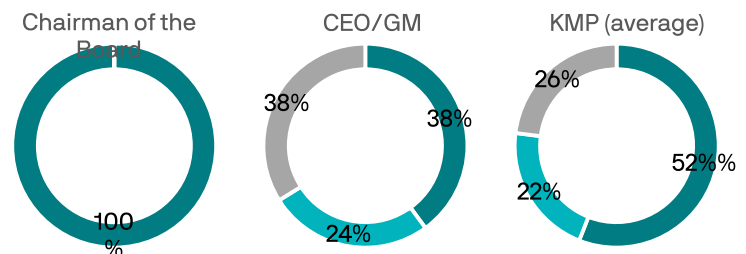
Pay mix

The remuneration of the Chairman of the Board of Directors consists solely of the fixed component, while for the CEO/General Manager the variable component is more emphasised than for the KMP, in line with the executive position held.




Pay mix Target



Pay Mix Maximum



¹ Annual value

Component	Purpose/Characteristics	Criteria and conditions of implementation	Attributed values/benefits
 Benefits	<p>These incentives support the pay package in line with common market practices and the requirements of the applicable national collective agreement ("CCNL"). They include additional extra components, mainly pertaining to social insurance or pensions, in order to ensure guarantee the competitiveness and appreciation of the pay package.</p>	<p>Defined in continuity with the Policy implemented in previous years and in accordance with the provisions of law, regulations and/or collective agreements</p>	<p>Chairman</p> <ul style="list-style-type: none"> • mixed-use company cars • Accidents policy • Healthcare policy • D&O policy <p>CEO/GM and other KMP</p> <ul style="list-style-type: none"> • supplementary pension • supplementary healthcare • forms of insurance cover • mixed-use company cars • free use of accommodation • D&O policy <p>Non-executive directors</p> <ul style="list-style-type: none"> • D&O policy <p>Members of the Board of Statutory Auditors</p> <ul style="list-style-type: none"> • D&O policy
 End-of-service indemnity /Non-competitions agreements	<p>Subscribed or potentially underwritten to contain potential litigation and/or competition risks.</p>	<p>End-of-service indemnity for termination of the office of CEO and of employment contract Scenarios:</p> <ul style="list-style-type: none"> • Revocation of the position and/or dismissal from the executive role without good cause; • Resignation from the position and/or dismissal from the executive role with good cause. <p>KMP: the Company recognises the economic treatment due in accordance with the provisions of the law in force and the applicable national and company collective bargaining agreement.</p> <p>CEO/GM Non-competition Agreements Agreements are in place that provide for the payment of an amount, during employment with the Company, in addition to the fixed remuneration.</p>	<p>End-of-service indemnity CEO/GM: Indemnity equal to the months of fixed remuneration between the date of termination and the end date of the mandate, calculated on the total fixed compensation (compensation for the role, remuneration for the executive relationship and compensation for the non-competition agreement). In the event of non-renewal of the office, the CEO/GM will be granted an indemnity equal to 24 months' salary calculated on the amount of fixed remuneration as described above and on the average of the short-term variable remuneration received in the previous three years, in lieu of any other indemnity provided for by the CCNL applied.</p> <p>KMP: if the contract is terminated, the provisions of the relevant CCNL will apply.</p> <p>Non-competition agreements CEO/GM: € 195,000 The agreement is determined at the rate of 30% of the gross annual salary KMP: in relation to the role held, where applicable, the agreement is determined in a percentage range of the gross annual salary (25%-50%) and is paid in tranches, the last of which at the end of the employment relationship.</p>
 Clawback	<p>Clauses that allow the possibility of requesting the return of variable components of remuneration determined on the basis of data that have subsequently proved to be manifestly incorrect or determined in the presence of fraudulent or negligent conduct on the part of the recipients.</p>		

2023 Results

Summary of 2023 results	Revenue	Adjusted EBITDA ²	Adjusted EBIT ³	Net Profit/Loss
	€785.0 mln -4.6% v 2022	€77.00 mln -14.9% v 2022	€40.35 mln -15.20% v 2022	€12.5 mln -58.80% v 2022

The economic context

Over the course of 2023, global economic activity slowed.

The operating environment was characterised by uncertainty due to the evolving international geopolitical environment and the wars between Russia and Ukraine and, more recently, in the Middle East.

The unwinding of the positive factors supporting consumption in the major advanced economies and the tightening of monetary policy continue to spill over into the global economy, while wage growth remains high and above long-term averages.

Business area

In the fourth quarter of 2023, the index of machine tool orders processed by the Centro Studi & Cultura di Impresa of UCIMU-SISTEMI PER PRODURRE marks a decrease of 31.1% compared to the period October-December 2022. The negative result is the result of a significant drop in order intake on the domestic market, while the average decline abroad is more limited, albeit with large differences between Europe, which is essentially stagnating despite the "disappearance" of the Russian market, the US, which is still growing, albeit at a slower pace, and the Asian markets, which are affected by the uncertainties surrounding the Chinese economy.

The Italian market confirms that it is going through a negative phase, given that user investments have reached very important levels in recent years, effectively saturating the active technology park.

Evolution of 2023

In this context, Biesse has largely met its targets, albeit in a deteriorating scenario.

Biesse Group revenues in 2023 amounted to € 785,002 thousand, down (-4.6%) compared to 2022. This performance was characterised by a slowdown in sales momentum in certain geographic areas, which was partially mitigated by the size of the order book at the beginning of the year.

² Adjusted Gross Operating Margin or Adjusted EBITDA (Adjusted Earnings Before Interest, Taxes, Depreciation and Amortisation): this indicator is defined as Profit (Loss) for the year before income taxes, financial income and expense, foreign exchange gains and losses, depreciation and amortisation of property, plant and equipment and intangible assets, write-downs of fixed assets for impairment tests, allocations to provisions for risks and charges, as well as costs and revenues deriving from transactions considered by Management to be of a non-recurring nature with respect to the Group's core business Biesse.

³ Adjusted Operating result or Adjusted EBIT (Adjusted Earnings Before Interest and Taxes): this indicator is defined as Profit (Loss) for the year before income taxes, financial income and expense, foreign exchange gains and losses, write-downs of fixed assets due to impairment tests, as well as costs and revenues deriving from transactions considered by Management to be of a non-recurring nature with respect to the core business of the Biesse group.

The decline in volumes was also reflected in the operating profitability for the period, as shown by the Adjusted EBITDA, which, excluding one-off costs, amounted to € 77,025 thousand, a decrease of 14.9% compared to the previous year. Similarly, operating profit before non-recurring items ("Adjusted EBIT") in 2023 is € 40,348 thousand, with a negative delta of € 7,226 thousand compared to 2022 and a decrease in the EBIT margin from 5.8% to 5.1%.

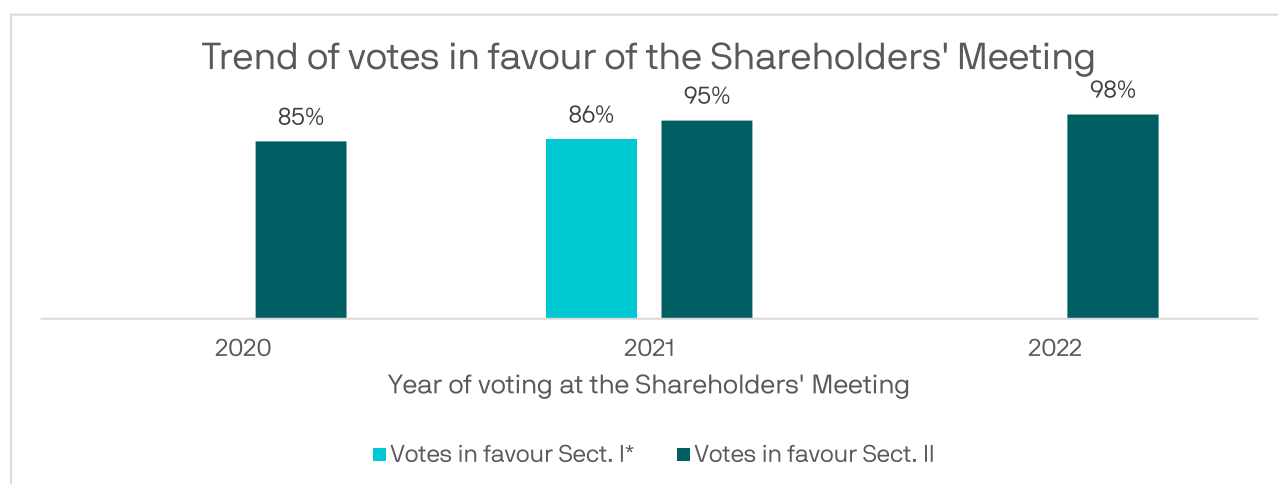
It should also be noted that the economic result of the Biesse Group for the period under review was negatively affected by "non-recurring events" of € 16,180 thousand, mainly attributable to the provision for corporate restructuring of € 12,960 thousand and € 4,030 thousand for the write-down of assets relating to the Russian subsidiary as a result of the increase in the country risk profile.

In relation to the corporate restructuring provision recognised in the year under review, it represents the best estimate of the costs associated with the organisational transformation process that must lead the company to an appropriate size of structure in line with the business model defined as part of the One Company project launched over the last three years.

Shareholders' Meeting vote on the remuneration policy and compensation paid

In a decision made on 26 April 2023, the Shareholders' Meeting approved Section II of the 2022 Report on the Remuneration Policy and compensation paid, with a majority vote equal to 98% of the voting rights present or represented.

Below is a chart summarising the outcome of the Shareholders' Meeting vote with reference to Sections I and II of the Report on the Remuneration Policy and compensation paid.



** where there is no vote, a multi-year policy already approved in previous shareholders' meetings is deemed to be in force*

Economic, social and environmental sustainability⁴

Biesse's sustainability initiatives are driven by a combination of best practice and innovation, involving stakeholders to promote solutions that simplify and inspire our customers' imaginations to improve people's daily lives.

The most important factor in a company's competitiveness is the human capital of the men and women who make up its workforce.

Biesse has been managing the main HR processes in an organised way for some time, but the year 2022 represented an important starting point to redesign and transform them, structuring them in an organic and complete way, according to an integrated perspective that sees the rules, policies and, in some cases, procedures defined at headquarters level, which must be declined and implemented globally, both in Biesse legal entities, as well as at the level of production companies, subsidiaries and foreign clusters.

The progressive definition and awareness of the values that must inspire strategic initiatives, management objectives and the operational actions of all the company's employees is the logical process to follow in the strategic planning of human resources management.

Six core values have been identified for the company's culture, which will be strengthened in the coming years:

International natives	Insightful curiosity	Genuine mastery	Widespread transparency	Heartfelt commitment	Respectful sight
Belonging without borders that enhances the uniqueness of individuals	A constant desire for discovery, which turns into intuition	The original "know-how", the result of a genuine tradition	The honesty of the people, the integrity of the company	Adherence to a common project, lived and strengthened daily	Attention to the environment, society and people

Biesse is committed to promoting the development of people by stimulating curiosity, encouraging innovation and enhancing the uniqueness of individuals by respecting their rights through shared corporate values.

Accordingly, the following positive impacts are identified:

- The company adopts attraction and loyalty policies
- It adopts initiatives dedicated to increasing the well-being of employees in the company
- It carries out social and cultural initiatives to contribute to the territory in which it operates

Biesse also aims to contribute to protecting the surrounding environment through the responsible use of resources and materials and by sharing these principles throughout the supply chain.

Initiatives based on sustainability in the economic, social and environmental spheres are implemented dynamically and incrementally in the Remuneration Policy, also through sustainability KPIs as part of the short-term incentive system.

In fact, the annual incentive plan (MBO plan) of the CEO and management includes a performance indicator linked to the reduction of tons of CO₂eq compared to the 2019 base year.

This objective was identified as part of Biesse's Sustainability Plan for the period 2024-2026, designed to inspire managerial action according to the logic of sustainable growth in the medium to long term.

⁴ Source: Biesse's consolidated non-financial statement prepared pursuant to Legislative Decree no. 254/2016

The goals of the UN Agenda for Sustainable Development are the guiding principles of Biesse's Sustainability Plan (ESG Plan '24-'26); the Company is actively engaged in the implementation of social, environmental and governance initiatives and in the identification of objectives that guide managerial action from an integrated perspective. The future Remuneration Policies will incorporate additional ESG-related objectives to support the Company's incentive plans.

Connection with Biesse's business strategy

The Company's Remuneration Policy has been defined in order to align the variable component with the Company's strategy and to guarantee sustainable performance over the long term.

In application of the Pay 4 Performance principle, the pay packages of the recipients of the Policy are structured in such a way as to give significant weighting to the variable component (linked to the attainment of pre-set objectives) over the fixed component, while still providing a well-balanced pay mix.

Strategic pillars	Strategic actions	Short-term incentives	Medium-long term incentives
Complete portfolio toward Multi-Materiality	<ul style="list-style-type: none"> Extend product portfolio in Lines, Machines & components Redesign products according to new Brand and Product Strategy Full integration of product portfolio in Stone, Glass and other materials (post M&A) 	EBIT Turnover NIC/Turnover CSR Index	EBITDA margin Turnover NIC/Turnover
Re-design Biesse Experience	<ul style="list-style-type: none"> Building a combinable and scalable Brand Experience model Evolve our Business to a data driven approach 		
Geographical Focus	<ul style="list-style-type: none"> Strengthen markets Organisation to expand in key geographies Boost services through new Customer Care 360° 		
Improve efficiency and Supply Chain Evolution	<ul style="list-style-type: none"> Footprint specialisation through HUBS by materials Increase efficiency in Extended Supply Chain 		
Sustainability & People	<ul style="list-style-type: none"> Fair, respectful and responsible approach to Environment and community People as critical factor for strategy success 		

Figure 1 – Strategic Plan for 2024-2026 and remuneration policy

With reference to Article 123-ter, paragraph 3-bis of the TUF, the above model shows the link between the performance targets used in the short and long-term incentive systems and the fundamental guidelines of the 2024-2026 strategic plan, showing the clear and complete link between the Company's strategic plan and its incentive systems.

2024 REMUNERATION POLICY

Section I

1. Governance

In accordance with current legislation, the Remuneration Policy engages various company bodies in various capacities in its preparation, approval and implementation: **The Shareholders' Meeting** (the "Meeting"), the **Board of Directors** (the "Board"), the **Remuneration Committee** (the "Committee"), the **Human Resources Department** (the "HR Department") and the **Board of Statutory Auditors**. These bodies may be involved in any revision of the Remuneration Policy, if necessary.

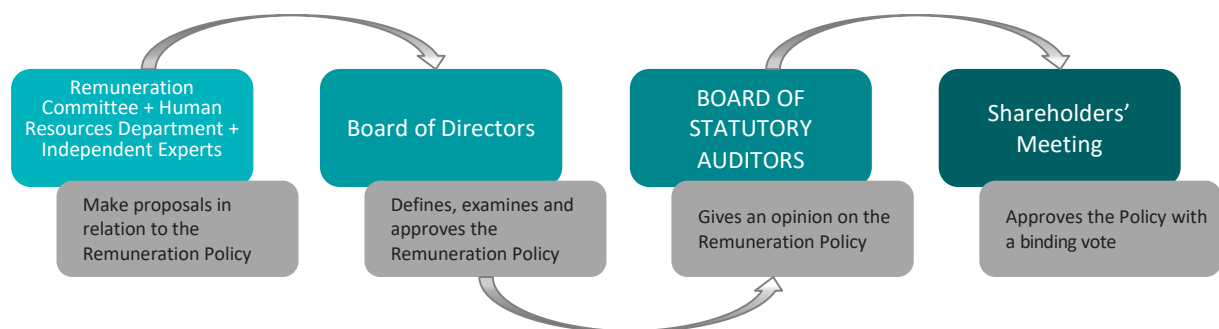


Figure 2 – Process of defining the Remuneration Policy

1.1. Shareholders' Meeting

The Shareholders' Meeting:

- determines the total amount for the remuneration of all directors, including those holding special offices, and the remuneration of statutory auditors;
- expresses its binding vote on the Remuneration Policy adopted by the Company, pursuant to Article 123-ter, paragraphs 3-bis and 3-ter of the TUF;
- expresses its non-binding vote on the second section of the report on the remuneration policy and remuneration paid by the Company, pursuant to Article 123-ter, paragraph 6 of the TUF;
- resolves on any compensation plans based on financial instruments for directors, employees (including executives with strategic responsibilities) and collaborators, pursuant to Article 114-bis of the TUF.

1.2. Board of Directors

The Biesse Board of Directors in office at the date of this Report is composed of the following seven members:

Full name	Office
Giancarlo Selci	Executive Chairman
Roberto Selci	Chief Executive Officer
Massimo Potenza	Co-Chief Executive Officer and General Manager
Alessandra Baronciani	Non-Executive Director
Rossella Schiavini	Independent Non-Executive Director
Federica Ricceri	Independent Non-Executive Director
Ferruccio Borsani	Independent Non-Executive Director

The composition of the Board of Directors, which will be appointed at the meeting of 29 April 2024 for the 2024-2026 term, will be explained in the next Report.

The Board of Directors:

- determines the remuneration of the Directors, including those holding special offices, within the limits of the total remuneration for the remuneration of all the directors established at the Shareholders' Meeting, after having heard the opinion of the Board of Statutory Auditors;
- determines the variable remuneration of the KMP;
- approves the general criteria for the remuneration of KMP;
- examines and approves the Remuneration Policy, on the basis of proposals made by the Committee and Human Resources, and submits it to the Shareholders' Meeting.

It should be noted that no director can attend meetings of the Committee during which proposals are made about his/her remuneration, except in the case of proposals relating to all the members of the Board Committees.

1.3. Remuneration Committee

The Remuneration Committee, which is formed exclusively of independent directors, supports the Board in preparing the short, medium and long-term plans and in supervising the Policy, of which it will periodically assess the adequacy, overall cohesion and concrete application.

The Committee is tasked with providing advice and proposals to the Board in relation to the determination of remuneration for the Executive Directors and those with special responsibilities as well as the key personnel of the Group, and in relation to the appointment/replacement of independent directors and sizing and composition of the Board.

The tasks entrusted to the Remuneration Committee by the management body are as follows:

- Assisting the Board in preparing the Remuneration Policy;
- Making proposals to the Board on the remuneration of the Executive Directors and other directors who hold special offices, as well as setting performance targets related to the variable component of remuneration;
- Monitoring the implementation of the Remuneration Policy and verifying in particular that performance targets have been met;
- Periodically evaluating the adequacy and overall cohesion of the policy of remuneration for directors and top management.

1.3.1. Composition

The Committee comprises two Non-Executive and Independent directors (as defined in the TUF) who have adequate knowledge and experience in this area:

- Chairman Federica Ricceri
- Member Rossella Schiavini

1.3.2. Activities

During 2023, the Committee met five times and all members of the Committee attended all meetings.

The Group Chief HR, Safety & General Affairs Officer and the Group Chief Legal & Corporate Affairs Officer attended all the Committee meetings, the latter in the capacity of Secretary. The Board of Statutory Auditors was invited to attend the Committee meetings, and duly attended all of them.

In particular, in 2023, the Committee proceeded to verify the correct application of the policy in force, expressing a favourable opinion on Section II of the Report on the Remuneration Policy and compensation paid in 2023.

The Committee was also called upon to express its opinion on the replacement with internal mobility of a Manager with Strategic Responsibilities who resigned and on the liquidability of the anticipation of the 2021-2023 LTI Plan, as well as to analyse the short-term (MBO) and medium-long term (LTI) incentive plans.

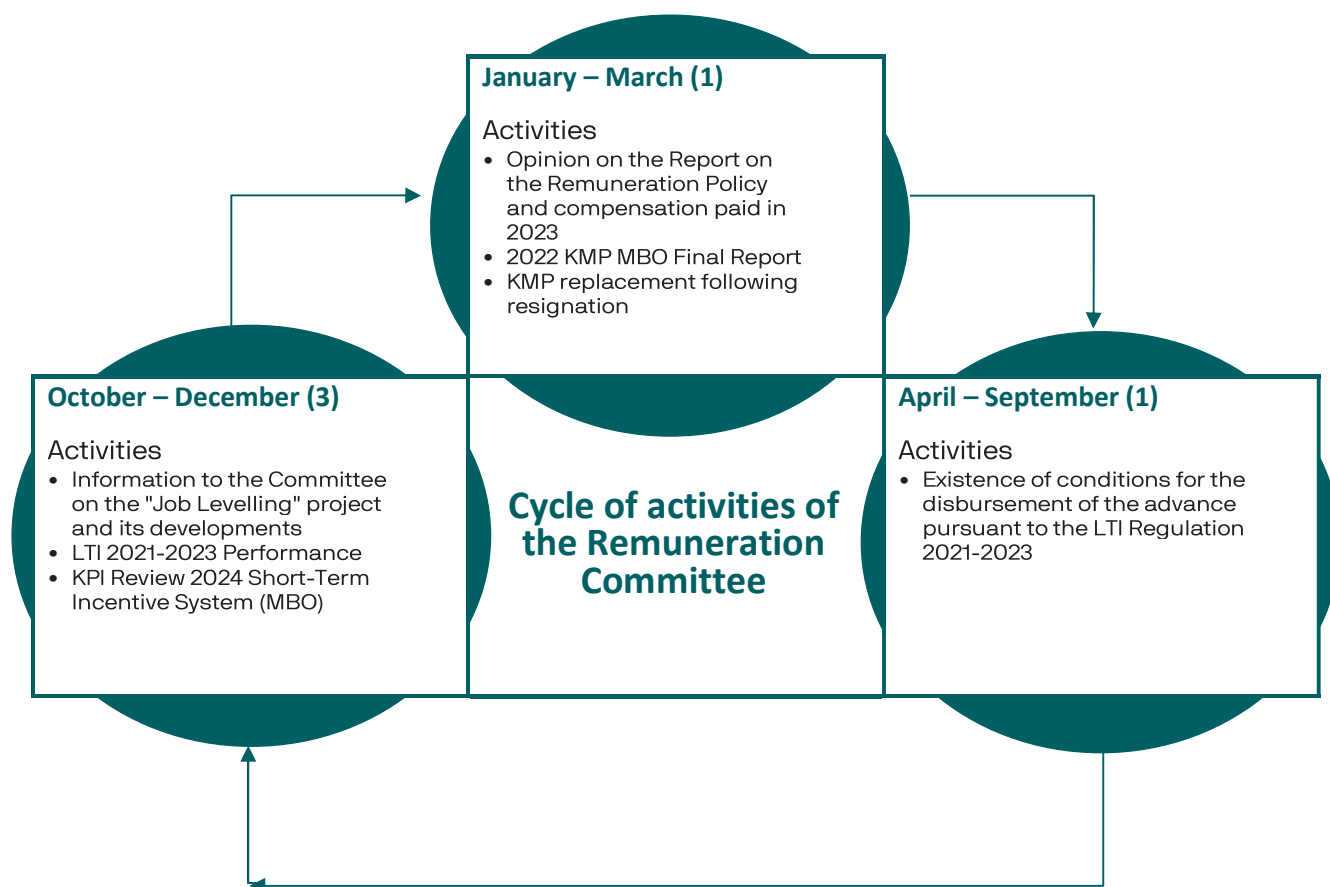


Figure 3 – Cycle of Activities of the Remuneration Committee

1.4. BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors:

- participates in the meetings of the Remuneration Committee and
- expresses the opinions required by the regulations in force, in particular the opinion relating to the remuneration of Directors invested with particular offices pursuant to Article 2389, paragraph 3, of the Italian Civil Code.

1.5. Intervention by independent experts and market benchmarking

Biesse's Remuneration Policy provides for constant monitoring of remuneration practices and general market trends, with reference to remuneration levels, composition and systems, in order to ensure the competitiveness of the remuneration offer and the Company's ability to attract, retain and motivate its people.

Biesse, therefore, in defining its Remuneration Policy, verifies its remuneration structure also on the basis of analyses on market benchmarks carried out by the independent consulting firm Willis Towers Watson.

The choice of peer groups was made by selecting listed companies with dimensions comparable to those of Biesse in terms of revenues, market cap, number of employees; for the CEO's peer group, reference was made to industrial companies, often BTBs, excluding companies in the financial and service sectors. Additional characteristics such as the degree of internationalisation and ownership structure were also taken into account.

<ul style="list-style-type: none"> For the Chairman of the Board of Directors, a peer group has been selected consisting solely of companies in which there is an executive chairman. The same panel of companies was used for the benchmark on the remuneration of the Board of Directors and the Board of Statutory Auditors. The peer group selected is overall comparable to Biesse in terms of the size of the companies included (Revenues, Number of Employees, Market Cap) and consists of the following companies: 		<ul style="list-style-type: none"> For the position of Chief Executive Officer and General Manager of the Company, a peer group has been defined that is overall comparable to Biesse in terms of the size of the companies included and the degree of internationalisation and ownership structure. The panel for the CEO/GM's remuneration benchmark is made up of the following companies: 	
Ariston Holding Brembo Cairo Communication Carel Industries CIR Datalogic Elica	ERG Geox Immsi Intercos KME Group Piovan Salcef Group	Bobst Group Bystronic AG DMG MORI AG Dürr Aktiengesellschaft Elica EuroGroup Laminations F.I.L.A. - Fabbrica Italiana Lapis ed Affini Garofalo Health Care GVS	Industrie De Nora Intercos Interpump Group Krones AG Kuka Piovan SAES Getters Salcef Group Sogefi SOL
<ul style="list-style-type: none"> The "Global Grading System" methodology, internationally certified by Willis Towers Watson, was used to review the remuneration of the KMP. The values contained in the "2023 Executive Survey – Italy" by Willis Towers Watson were used as market references. 			

1.6. Derogations to the Remuneration Policy

In accordance with the provisions of Legislative Decree 49/2019, specific rules apply for temporary derogations from the Remuneration Policy, in cases where there are exceptional circumstances that require such derogations in order to pursue the long-term interests and sustainability of the Group as a whole or to assure its capacity to remain on the market, without affecting the provisions of paragraph 3.1.3.2 with reference to the long-term incentive plan (LTI 2024-2026).

Exceptional circumstances would be:

- extraordinary or unpredictable events occurring nationally or internationally which affect the Group or its industries and/or markets, and which may significantly impact its results;
- substantial changes to the way in which the Group organises its activities following extraordinary operations such as mergers, sales or purchases of companies or business units;
- unexpected events that require the replacement of a strategic role and the rapid negotiation of a pay package that is not fully aligned with the guidelines and principles of the Policy, in order to attract the professional profiles best suited to the fulfilment of objectives;

- the need to make payments other than those regulated in the policy (such as entry bonuses or retention bonuses) in order to attract or retain people with specific expertise or high-level professional ability, to be disbursed only once, upon the occurrence of the circumstance.

In accordance with the reference legislation and in close connection with the specific circumstances, below is a list of the elements of the Remuneration Policy that may be varied:

- a change in the ratio between fixed and variable remuneration;
- a variation in the performance targets and/or respective weightings and/or entry conditions for the incentive plans;
- attribution of one-off bonuses for attraction or retention purposes;
- the award of special indemnities;
- the types of benefit granted.

The process involves the following steps:

The Remuneration Committee:

- 1) verifies the existence of the exceptional circumstances;
- 2) prepares the derogation proposals with the assistance of the HR Department;
- 3) presents the derogation proposals for approval by the Board of Directors;
- 4) presents and justifies the derogation proposals as approved by the Board of Directors, in Section Two of the Remuneration Report which is then put to the vote of the Shareholders' Meeting in the financial year after the year in which the derogation was adopted.

The derogation will be adopted in conformity with the Related Party Transactions Procedure, as approved by the Company and in the version in force from time to time, and with Consob Regulation No. 17221 of 12 March 2010 (Related Party Transactions).



Figure 4 – Derogation approval procedure

2. Purposes, principles and recipients of the Remuneration Policy

The Remuneration Policy proposed for 2024 is designed to attract and retain all the key roles who have the professional profiles needed to reach the set objectives, while at the same time guaranteeing a close link between the interests of Management and those of all the company's stakeholders. The Policy is inspired by the following principles:

Shared objectives

A substantial part of Management's remuneration is aimed at attaining defined objectives over a multi-year period, so that the executive roles are focused on creating sustainable long-term value in line with the expectations of shareholders and of all stakeholders.

The Company's attractiveness as an employer

The pay levels, which are partly set according to the market benchmarks for comparable roles, are set at a level that will attract and retain key roles within the organisation.

Equality

Pay-related decisions are not influenced by differences in gender, age, ethnicity or cultural background. On the contrary, we support and value inclusivity by involving people in the Company's success, in the firm belief that this is the best way to motivate them fully.

In determining the Remuneration Policy for key personnel, the Company consistently takes into account the salaries and working conditions of all employees, in order to avoid any unjustified imbalances.

Transparency

Our governance system is clear and efficient, and hinges on the principle of maximum transparency for all stakeholders, with regard to remuneration.

These principles underpin the new Performance Evaluation and Pay 4 Performance system, which the Biesse Group plans to introduce for management as part of a new salary review process in line with the 2024-2026 strategic plan.

2.1. Recipients

The Remuneration Policy applies to members of the Board of Directors, to the other Key Management Personnel and to the members of the Biesse Group's Board of Statutory Auditors.

As of the reporting date, in its decision of 14 March 2024 the Board of Directors had identified Key Management Personnel as the holders of the following roles, in addition to the Chief Executive Officer.

- Chief Financial Officer
- Chief Strategy & Sustainable Development Officer
- Chief Product Innovation & Development Officer
- Chief Systems & Parts Officer
- Chief Regions EMEA – APAC Officer

3. Information about the Company Remuneration Policy

In preparing this Policy, the Board of Directors took into consideration the principles and recommendations of Article 5 Recommendation 27 of the Code of Corporate Governance, which covers the remuneration of the executive directors and top management, in particular:

- a balancing of the fixed and variable components that is adequate and consistent with the Company's strategic objectives and risk management policy, taking into account the characteristics of the business activity and the industry, while determining that the variable component should represent a significant part of the overall remuneration;
- capping of payments of variable components;
- the performance objectives underlying the payment of variable components are predetermined, measurable and also linked as to a significant part to a long-term time horizon. They are consistent with the Company's strategic objectives and are aimed at promoting the sustainable success of the business – they may include non-financial components where relevant;
- contractual provisions that allow the Company to reclaim all or part of the variable remuneration paid (or to retain deferred sums) if those sums were determined on the basis of data that proved to be manifestly misstated, or in other circumstances identified by the Company;
- clear, predetermined rules about the payment of indemnities for termination of a director's role, which place a cap on the total amount that can be paid by linking it to a certain sum or certain number of years' remuneration. This type of indemnity cannot be paid if the contract was terminated because the results achieved were objectively inadequate.

The remainder of this Report presents the main characteristics of the remuneration packages for the following roles:

- Non-executive directors;
- Executive directors;
- Key Management Personnel;
- Members of the Board of Statutory Auditors.

3.1. Remuneration of the members of the Board of Directors

On 28 April 2021, the Shareholders' Meeting appointed the new Board of Directors for 2021-2023, and set the number of members at 7. At the same time, the Meeting authorised the remuneration of the Directors, setting a maximum of Euro 1,350,000.00 for each financial year during which the Board remains in office; the maximum sum is to be distributed among the directors pursuant to Article 2389 of the Italian Civil Code, as detailed below.

The current distribution of the total emoluments will apply until approval of the financial statements to 31 December 2023. The Meeting called to re-elect the Board at that time will be asked to approve the compensation payable.

In addition to the payments detailed below, the directors will be entitled to the reimbursement of expenses incurred in the performance of their role.

The guidelines of the 2024 Remuneration Policy, within the scope of the prerogatives of the Shareholders' Meeting and the new Board of Directors, are inspired by a principle of continuity with the previous policy. The Remuneration Policy for 2024 may be further detailed due to the expiry of the current Board of Directors and related powers.

3.1.1. Non-executive directors⁵

For non-executive directors, compensation is not linked to the achievement of performance targets. In accordance with the recommendations in Articles 5 and 29 of the Code of Corporate Governance, the fixed component is determined in a way that is consistent with the competencies, professionalism and commitment required in the duties allocated by the Board and the Board committees. The current procedure provides that directors are entitled to the reimbursement of the cost of food and accommodation if they are physically present at the Company's head office to carry out their duties.

The Shareholders' Meeting of 28 April 2021 resolved on the total remuneration of the Directors for the three-year period 2021-2023, divided by the Board, which established a fixed gross annual remuneration for the office of Euro 25,000 for participation in the Board of Directors. The additional remuneration due to non-executive directors for participation in Board Committees is as follows:

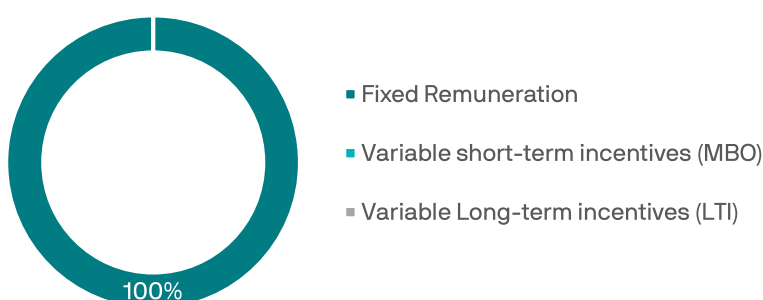
Additional remuneration for participation in Board Committees					
Control and Risks Committee		Remuneration Committee		Related Parties Committee	
Chairman	€ 16,000	Chairman	€ 8,000	Chairman	€ 8,000
Member	€ 6,000	Member	€ 6,000	Member	€ 6,000

⁵ The new Board of Directors, which will be appointed by the Shareholders' Meeting for the 2024-2026 term, will retain the right to determine the breakdown of the total amount resolved by the Shareholders' Meeting.

3.1.2. Chairman of the Board of Directors

The remuneration of the Chairman of the Board of Directors amounts to Euro 1,200,000 and consists exclusively of the fixed component, paid in accordance with Article 2389 of the Italian Civil Code.

Pay mix Chairman BoD



Due to the expiry, with the approval of the 2023 financial statements, of the current Board of Directors, the specific salary of the Chairman who will be appointed by the competent corporate bodies and the related amount will be subject to resolution, in accordance with current legislation, by the bodies themselves in compliance with the general principles contained in this 2024 Remuneration Policy.

3.1.3. Chief Executive Officer and General Manager

The remuneration of the Chief Executive Officer, who also holds the role of General Manager, includes a fixed annual component and a variable component, linked to the achievement of specific performance objectives, including non-economic ones.

The levels of fixed remuneration reflect various indicators such as: the complexity, responsibility and experience required by the role, and the benchmark pay market. The fixed component of a pay package is weighted in a way that is sufficient and congruent to guarantee adequate remuneration, even if the variable component is not paid due to non-attainment of the related targets; this is in order to reduce excessively risk-oriented behaviours and to discourage actions that are only focused on short-term results.

With regard to the variable component, the remuneration package provides that a significant part of the remuneration is linked to the achievement of performance objectives previously indicated and determined in accordance with the guidelines contained in the General Remuneration Policy defined by the Board of Directors.

The remuneration package of the Chief Executive Officer and General Manager is therefore composed as follows:

€					Benefits
Fixed component Gross Annual		Non-competition agreements	Short-term variable component (target)	Medium/long-term variable component (target)	
Gross annual salary	655,000	195,000	500,000	666,667	✓
Remuneration for the office	150,000				

The managerial employment relationship of the CEO, in the role of General Manager, is governed by the CCNL applied and the treatments provided for all Executives are also applied in addition to those listed below.

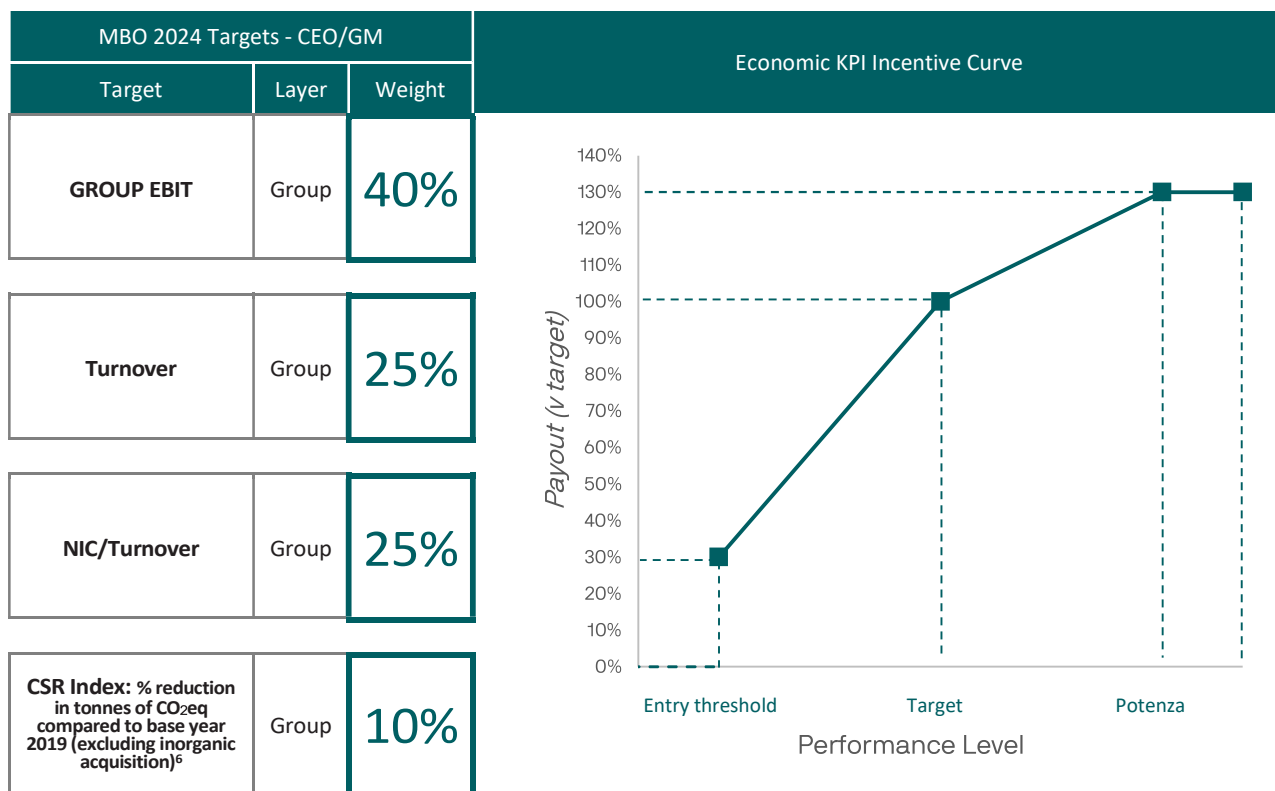
Due to the expiry of the current Board of Directors' expiry, with the approval of the 2023 financial statements, the specific remuneration of the Chief Executive Officer who will be appointed by the competent corporate bodies and the related amounts will be resolved, in accordance with current legislation, by the bodies themselves, in compliance with the general principles contained in this 2024 Remuneration Policy.

3.1.3.1. Short-term incentive (MBO)

The short-term incentive provided for the CEO/GM, due to the powers conferred, is determined by the Board of Directors, with the abstention of the Chief Executive Officer, on the proposal of the Remuneration Committee and after hearing the opinion of the Board of Statutory Auditors.

Access to the incentive is subject to the achievement of predetermined corporate objectives of particular relevance for the Company, proposed ex-ante by the Committee, approved by the Board of Directors and measured ex-post by the Committee.

The following table shows the targets defined for the year 2024:



Connection between performance and incentive

All the targets are measured on the basis of a level of minimum attainment (entry threshold), target and maximum performance:

- If the minimum level is not reached, the share of the bonus linked to the objective will be zero;
- if the objective attainment is between the minimum level and the target value, the bonus will be calculated by linear interpolation;
- if the objective is reached at a value between the target level and the cap, the bonus will be calculated by linear interpolation;
- finally, if the maximum level is exceeded, the bonus will in any case be equal to the cap.

⁶ As indicated in the "Strategic Business Plan 2024-2026", the year 2019 has been identified as the reference baseline as it is not affected or influenced by the effects of the Covid-19 pandemic.

In the case of recruitment during the year, the annual bonus is paid on a pro-quota basis, depending on the months of effective service with the Group during the performance period: a minimum of nine months of service is required for entitlement to the appropriate amount of bonus for the reference year.

The incentive is paid in the year following the year of accrual, based on performance and generally in April, following approval of the draft consolidated financial statements for that year, by the Board of Directors.

3.1.3.2. Long-term incentives (LTI Plan)

The 2021-2023 Plan, described in the 2022-2024 Report published in 2023, has completed its vesting period.

During 2024, and subject to the approval of the Board, the Company will adopt the 2024-2026 Incentive Plan, for which reference should be made to the specific Regulations – made available to the public within the terms and in the manner provided for by law – for any detailed information.

The main features of the 2024-2026 Incentive Plan are described below.

The Plan is a pillar of the Remuneration Policy, and is also a fundamental element in the long-term engagement of the Group's key personnel.

Objectives

The objectives of the LTI Plan are:

- to motivate the participants to achieve long-term results geared towards creating sustainable value over time;
- to align the interests of Management with those of the shareholders, taking into account the interests of the other stakeholders with relevance for the Group;
- to retain the loyalty of the Group's Top Management, by introducing forms of remuneration designed to enhance the Group's retention capability;
- to improve the Group's competitiveness in the labour market, in order to attract the best talent.

Characteristics

The LTI Plan, with a three-year vesting period (2024-2026), is submitted to the Board of Directors for approval on 14 March 2024. The LTI Plan is exclusively monetary in its composition. It involves the payment of cash bonuses depending on the terms, conditions and targets set in the regulations, of which the recipients are informed through a clear, transparent communication process.

The participants are identified by the Board of Directors, with exclusive regard to the pursuit of the Group's interests and taking into account the strategic relevance and potential of the role and any other useful elements. The incentive system is aimed at the CEO/GM and the first line of management.

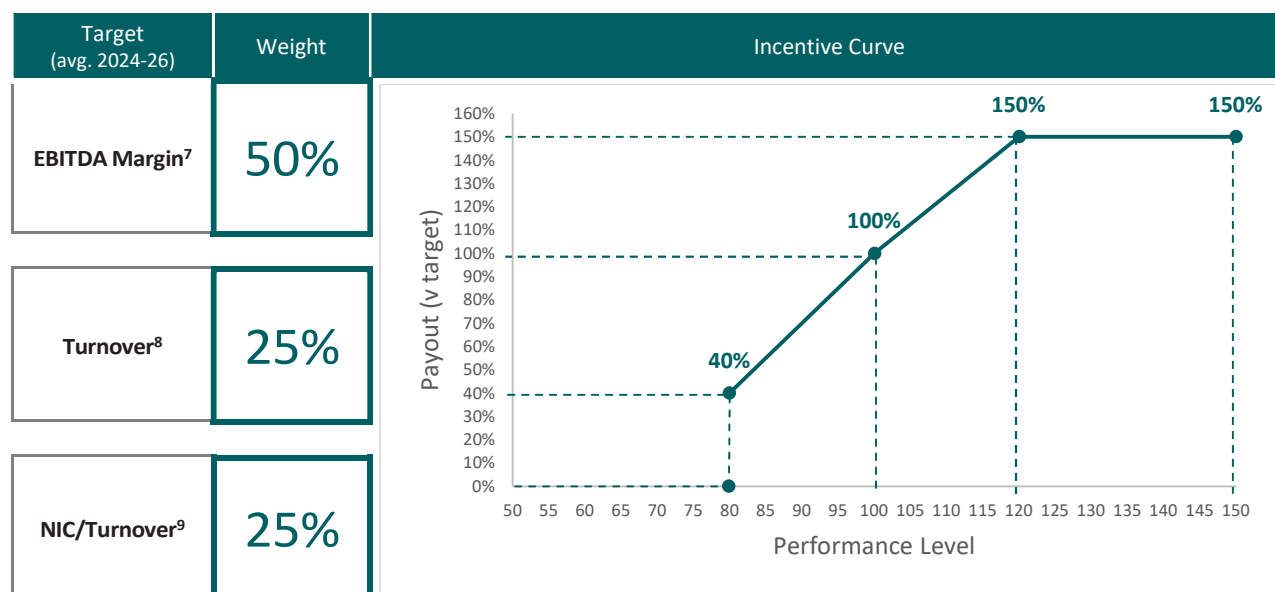
The nominal value of each beneficiary's participation is expressed as a percentage of the fixed remuneration received, which will vary depending on the importance of their role.

The premium payable is subject to the achievement of economic and financial objectives expressed in percentage points and for which there is an access threshold below which the corresponding premium share is zero, a target and a maximum. The final calculation and award of the incentive will vary depending on the extent to which each of the allocated targets has been reached, up to the pre-set cap, above which no further amounts can be awarded (cap).

The Shareholders' Meeting or the Board of Directors may renew the Plan or extend its duration for subsequent periods of three years, by making any amendments or changes necessary to adapt the Plan to the laws in force from time to time, or to the changing needs of the Group.

Reference Key Performance Indicators (KPI) - LTI

The LTI Plan is based on three clearly identifiable, measurable indicators, which are given different percentage weightings:



Connection between performance and incentive

Each of these targets has an entry threshold, a target and a cap, on the basis of which the attainment of results will be measured.

⁷ a profit indicator that highlights the Group's income based only on its operations without considering interest from financial management, taxes (fiscal management), depreciation of assets and amortisation. This target is measured through the average percentage of the Group's consolidated EBITDA in the three-year period;

⁸ a financial indicator that measures the amount of revenues posted during the accounting year, from the sale of goods or services. This KPI considers the Group's consolidated average sales in the three-year period;

⁹ indicates the average ratio between the net invested capital and consolidated sales in the three-year period.

- If the entry threshold – equal to 80% of the attainment of target – is not met, the bonus will not be paid for the individual KPI tied to that result;
- in the event that the target is achieved between 80% and the *target*, 40% of the bonus corresponding to the target plus a maximum of 60 percentage points, calculated by linear interpolation, will be awarded;
- if the target is reached between the target and 120%, 100% of the bonus corresponding to the target will be awarded, plus a maximum of 50 percentage points, calculated by linear interpolation
- if the target is reached by more than 120% of the target, 150% of the bonus corresponding to the target (CAP) will still be awarded.

The performance conditions operate independently from each other, and beneficiaries have the right to receive the corresponding share of the bonus that may accrue in relation to each objective.

The right to payment of the final bonus is subject to the contract of employment being in force on the date on which the entitlement accrues, and also on the date of payout. It must also relate to the same role or position held on the date on which the proposal was accepted.

Without these conditions, the Board of Directors will not quantify the final bonus due to the beneficiary, who will no longer be considered such.

The payout date is the same as the date on which the beneficiaries are paid their salary for the first month after the month in which the Board of Directors approved the consolidated financial statements for the last year of the three-year period.

A portion equal to 50% of the premium may be paid in advance¹⁰ – subject to discussion with the Remuneration Committee – up to one year before the payout date, provided that the payability criteria calculated over the first two years of the three-year period are fully met and without prejudice to any malus/claw back clause.

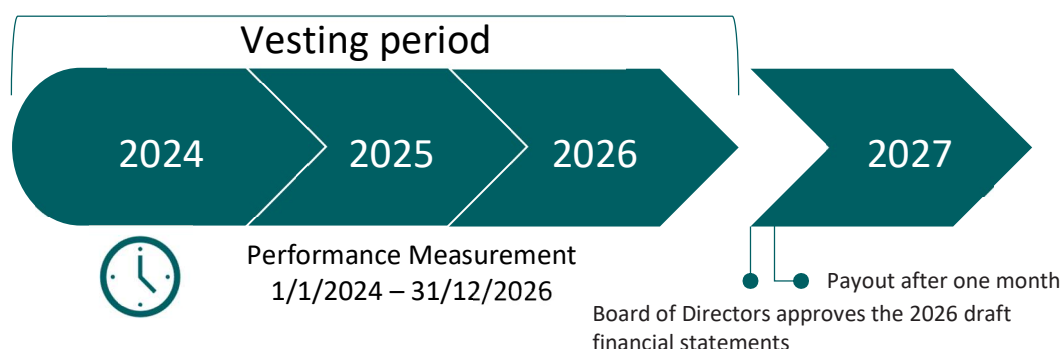


Figure 5 – LTI Plan Deferral Scheme

¹⁰ In the event that the relationship ends before the date of accrual of the right in the event of a Bad Leaver, Biesse will be entitled to withhold the amount paid as an advance from the accruals due to the Beneficiary until the date of termination of the relationship or, in the event of incapacity, obtain its return.

Changes to the Regulations

Paragraph 11.2 of the Regulations of the “Long-Term Incentive Plan 2024-2026” provides that in the case of: (i) extraordinary transactions in the Company’s share capital which are not expressly governed by the Regulations, such as mergers, spin-offs, reductions of share capital including those due to losses, paid, free or cash increases in the Company’s capital offered with or without option rights to shareholders, possibly also through contributions in kind; (ii) events of an extraordinary and/or non-recurring nature and/or not attributable to the typical activity (such as, by way of example, acquisitions and/or disposals of shareholdings and/or business units), considered to be particularly significant, which entail a significant change in the perimeter of the Company and/or the Group; (iii) significant changes in the macroeconomic and/or competitive scenario, extraordinary events with a significant impact beyond the management’s control; (iv) changes in laws or regulations; (v) other events likely to affect the Plan, the Board of Directors shall make any amendments and additions to the Regulations, independently, after hearing the opinion of the Remuneration Committee, that it deems necessary or appropriate in order to adapt the Regulations to the changed situation, while keeping the substantial and economic contents of the Plan unchanged, as far as possible and within the limits allowed by the legislation in force from time to time.

In these cases, the Board of Directors may among other things amend, supplement or reduce: (i) the amount of the Bonus; (ii) the objectives and/or any other terms and conditions of vesting of the Bonus provided for under the Plan.

For more information on the Long-Term Incentive Plan 2024-2026 please refer to the Regulations available at www.biessegroup.com.

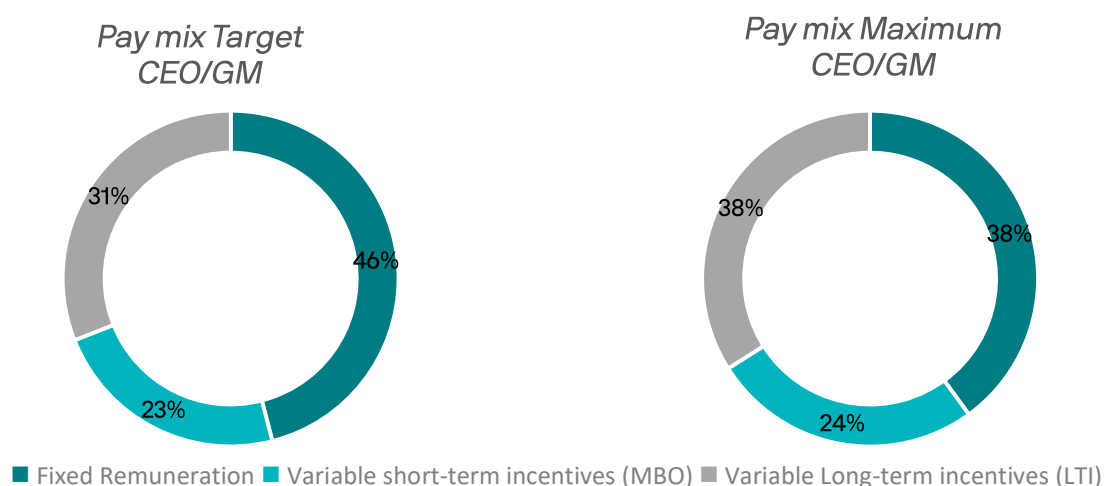
3.1.3.3. Employee severance or termination indemnity

The termination agreement for the role of Chief Executive Officer and General Manager provides for an indemnity equal to the months of fixed remuneration between the date of termination and the end date of the mandate, calculated on the total fixed compensation (compensation for the role, remuneration for the executive relationship and compensation for the non-competition agreement). It is paid in the case of (i) revocation of the position and/or dismissal without good cause; (ii) resignation from the position and/or dismissal from the executive role, with good cause. This indemnity will not be due in the case of (i) resignation from the position and/or dismissal from the executive relationship with good cause; (ii) revocation of the role, or dismissal from the executive relationship with good cause; (iii) physical or mental incapacity due to illness or accident, certified by a doctor appointed by the Company, if the illness results in absence from the role or from the executive relationship for a continuous period of 6 (six) months, or a series of shorter absences that collectively amount to 180 (one hundred and eighty) days during a 12-month period.

In the event of non-renewal of the office at the end of the 2024-2026 term, except in the case of just cause, the Chief Executive Officer and General Manager will be granted an indemnity equal to 24 months' salary calculated on the amount of fixed remuneration and on the average of variable remuneration received in the previous three years, replacing and absorbing any other indemnity provided for by the CCNL applied (i.e. indemnity in lieu of notice, and supplementary allowance).

3.1.3.4. Pay mix CEO/GM

The pay mix of the Chief Executive Officer and General Manager is shown below in the event that the target and maximum performance is achieved:



3.2. Key Management Personnel

As of the date of this Report, the Board of Directors has identified the following five Key Management Personnel:

- Chief Financial Officer
- Chief Strategy & Sustainable Development Officer
- Chief Product Innovation & Development Officer
- Chief Systems & Parts Officer
- Chief Regions EMEA – APAC Officer

The remuneration package for KMP includes a fixed annual component for the managerial or director's relationship with the company, a short-term variable component and a medium-long term variable component. Non-competition agreements may be provided based on the strategic and importance of the role held and benefits.

In addition, Key Management Personnel are entitled to reimbursement of expenses incurred in carrying out their duties.

3.2.1. MBO Plan

The MBO Plan for KMP is aligned in its mechanisms, rules and incentive curves with the Plan for CEO, differing in some KPIs and related weights.

The MBO Plan is managed on the basis of a clear, transparent annual process of communication with all participants. Each participant is awarded the nominal value of the incentive, which is linked to the attainment of the performance targets set each year (at on-target level). The nominal values of the incentive are defined on the basis of the strategic importance of the role, with the objective of balancing out the fixed and variable remuneration components, which depend on the position held by the individual and their potential impact on the company's results.

The final calculation and award of the incentive will vary depending on the extent to which each of the allocated targets has been reached, up to the pre-set cap, above which no further amounts can be awarded. The incentive which can be paid for results falling between the target level and the cap is calculated by linear interpolation.

The annual MBO plan is based on a series of clearly-identifiable, measurable indicators that vary from year to year depending on the targets set in the budget, which are financial in nature and/or pertain to operational efficiency indicators which have different weightings and are independent. They are set for all members of Group Management, compatibly with their department and market.

For 2024, the following targets were set for the first level of management. The targets are weighted according to specific functional responsibilities:

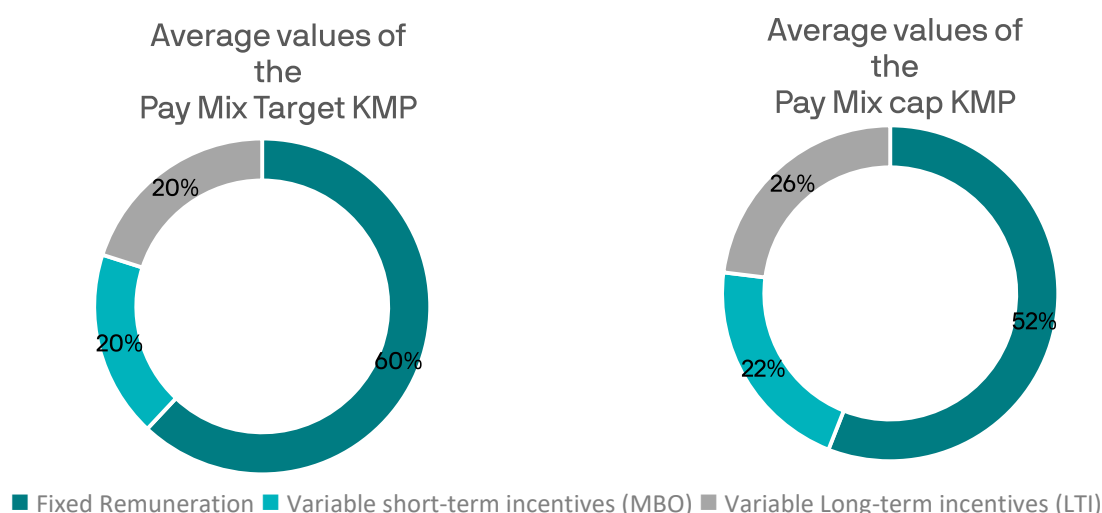
- **EBIT (Earnings Before Interests and Taxes)**, this is a profit indicator that identifies operating results before financial charges and taxes are deducted (min. weighting 40%, max 45%);
- **TURNOVER**, this is an indicator that identifies the consolidated turnover of the Group from the sales of products and services (min. weighting 20% max 30%);
- **NIC/TURNOVER**, indicates the average ratio between net invested capital and consolidated turnover (weight 20%);
- **CAPEX/TURNOVER (Capital Expenditure)**, this indicates the average ratio between the costs incurred by the Company in capital investments or fixed assets, and the consolidated turnover (min. weighting 10% max 20%);
- **BACKLOG**, indicates unfulfilled orders, i.e. the residual value of orders not yet completed, considering the total value of the order, including variations, and the value of what has been processed at the balance sheet date (weight 25%);
- **MATERIAL MIX**, indicates the order entry referred to each material (wood – glass – stone – material) (weight 20%);
- **DSI (Days, Sales in Inventory)**, a financial indicator of the Company's operational efficiency, which allows the calculation, in days, of the average time taken by the Company to convert its stock into sales (weighting 10%);
- **DSO (Days, Sales, Outstanding)**, a financial indicator of the Company's operational efficiency that highlights the number of days on average taken by the company to collect the amount outstanding from the sale (weighting 10%);
- **CSR INDEX**, an indicator that measures the percentage reduction of tons of CO₂ compared to the base year 2019 (weight 10%)

3.2.2. LTI Plan

Upon resolution of the Board, the KMP may be subject to the same medium/long-term incentive plan described above for the Chief Executive Officer. The maximum incidence on fixed compensation can be 50% per year.

3.2.3. Pay mix Key Management Personnel

The average pay mix of Key Management Personnel is shown below in the event of the achievement of the target and maximum performance:



The target and maximum pay mix may vary during the period of validity of the Policy, it being understood that the total weight of the variable target component may not exceed 45% for Executives with Strategic Responsibilities.

3.3. Remuneration of Statutory Auditors

The resolution passed by the Shareholders' Meeting of the Biesse Group, dated 28 April 2021, authorised the remuneration payable to the statutory auditors in the total gross sum of Euro 154,000, distributed as follows:

- Chair: Euro 66,000
- Standing Auditors: Euro 44,000

plus the reimbursement of the cost of food and accommodation if they are physically present at the Company's head office to carry out their duties.

In accordance with Article 2402 of the Italian Civil Code, this compensation, which is not linked to the company's financial results, consists exclusively of a fixed component that reflects the skills, professionalism and commitment of the Board members.

3.4. Benefits

In addition to the fixed and variable components referred to above, the recipients of the Policy are entitled to the benefits listed in the table below.

These benefits will be adapted to the local context, taking into account the characteristics of the market and the reference regulations.

Benefits	Chairman	Chief Executive Officer	Non-executive directors	Key Management Personnel	BOARD OF STATUTORY AUDITORS
Mixed-use company cars	✓	✓		✓	
Accidents policy	✓				
Healthcare policy	✓				
D&O policy	✓	✓	✓	✓	✓
Supplementary pension		✓		✓	
Supplementary healthcare		✓		✓	
Forms of insurance cover		✓		✓	
Free use of accommodation		✓		✓	

3.5. Other components

3.5.1. Non-competition agreements

The Biesse Group may enter into non-competition agreements with its Directors, Key Management Personnel, other executives of the Company or other employees with specific skills or expertise.

The agreement imposes an obligation to refrain from any activity that competes with Biesse for a certain period of time, in a designated geographical area, after termination of the contract of employment. This restriction relates to the Group's industry. The territorial scope may vary depending on the role held by the beneficiary. The role holder receives a cash recompense for this obligation and the amount will depend on the extent of the non-competition obligation, the territorial scope, and the duration.

3.5.2. Claw-back policy

In accordance with Article 5 Recommendation 31 of the Corporate Governance Code, contractual mechanisms are in place that allow the Company to claim back all or part of any variable components already paid – also by means of a set-off against other claims – if those components were determined on the basis of data subsequently found to be inaccurate or caused by fraud or gross negligence on the part of the recipients. Likewise, no remuneration will be paid to individuals who have behaved in breach of company, contractual or legal regulations, or in the event of wilful or grossly negligent conduct to the detriment of the Company.

COMPENSATION PAID IN 2023

Section II – Part One

Introduction

In accordance with the Issuers' Regulation amended by Consob Deliberation No. 21263 of 10 December 2020, this section consists of two parts:

The first part gives an adequate, clear and correct representation of each component of the remuneration paid in 2023, and, after the checks carried out by the Remuneration Committee, of the conformity of those components with the Remuneration Policy and Compensation approved by the Shareholders' Meeting of 27 April 2022.

It also indicates the performances rendered in 2023, compared to the objectives set by the Company's Board of Directors, which will determine the bonuses payable in 2024.

Part Two gives details of the compensation paid in 2023 to the management and supervisory bodies and to key management personnel, the variable bonuses accrued in relation to the incentive mechanisms in which they participate, indicated on an accrual basis, and details of their shareholdings in the Company and its subsidiaries.

The remuneration items reported are consistent with the Policy, valid for the 2022-2024 three-year period, resolved on in 2022 by the Board of Directors and submitted to the binding vote of the Shareholders' Meeting of 27 April 2022, which was approved with a favourable vote of 86% of the voting rights present or represented.

1. Part One - 2023 Implementation of the 2022-2024 Remuneration Policy

the following paragraphs give details of the compensation paid in the reporting year (2023). An explanation of each item and further information can be found in the Tables in Part Two of this Section II.

During 2023, in addition to the General Manager, who also holds the position of Co-Chief Executive Officer, the Company confirmed 5 members of Key Management Personnel in the following roles: Chief Financial Officer; Chief Supply Chain Officer; Product Innovation & Development Officer; HSD Division General Manager; Chief Systems & Services Officer. The data relating to the remuneration of the latter, with the exception of the General Manager who also holds the position of Co-Chief Executive Officer, are provided in aggregate form.

In accordance with the Remuneration Policy in force for the 2023 financial year, the recipients were paid the following items:

Positions	Fixed	Variable		Benefits	Reimbursement of expenses	Employment severance indemnity
		MBO	LTi			
Executive directors holding positions and shareholders with shareholdings over 5%	✓			✓	✓	
Executive directors holding positions	✓	✓	✓	✓	✓	
Non-executive directors	✓					
Key Management Personnel	✓	✓	✓	✓	✓	

1.1. Fixed Remuneration

By resolution of 28 April 2021, the Shareholders' Meeting, following the renewal of corporate offices, set the number of members of the Board of Directors at seven and the total remuneration due to it at Euro 1,350,000 per annum (plus benefits), for each financial year in which the Board remained in office, to be distributed by the Board of Directors among its members.

On the same date, the members of the Board of Statutory Auditors were also appointed, and the total emoluments paid to its members were set at Euro 154,000 plus the reimbursement of expenses.

The total fixed remuneration due to the members of the administrative and supervisory bodies and to Key Management Personnel, paid in the financial year 2023, is shown in Table 1 and depicted below.

Non-executive directors

The non-executive Directors were paid a fixed remuneration of € 25,000.00 each, as determined by the Board of Directors on the basis of the total remuneration set by the Shareholders' Meeting of 28 April 2021, while the Chairmen and members of the Committees were paid the additional remuneration referred to in the table below and reported by name in Table 1.

Control and Risks Committee		Remuneration Committee		Related Parties Committee	
Chairman	€ 16,000	Chairman	€ 8,000	Chairman	€ 8,000
Member	€ 6,000	Member	€ 6,000	Member	€ 6,000

Chairman of the Board of Directors

The Chairman of the Board of Directors was paid the following compensation:

- Fixed remuneration under Article 2389(3) of the Italian Civil Code Euro 100,000

Chief Executive Officer

The Chief Executive Officer was paid the following compensation:

- Fixed remuneration under Article 2389(3) of the Italian Civil Code Euro 1,000,000

Co-Chief Executive Officer

The Co-Chief Executive Officer, who cumulatively holds the additional role of General Manager, was paid the following compensation:

- Fixed remuneration under Article 2389(3) of the Italian Civil Code Euro 100,000
- Remuneration for the role of Executive Euro 600,000

The fixed remuneration received by the Co-Chief Executive Officer therefore amounts to Euro 700,000, an amount including a non-compete agreement with a monthly payment of Euro 15,000, for a total of Euro 180,000 per year.

Key Management Personnel

Key Management Personnel are paid a Gross Annual Salary as Executives of the Company. Aggregated, this amounts to Euro 995,425.55.

The amounts relating to the compensation indicated above have been aggregated in the respective item in Table 1.

Board of Statutory Auditors

- Chair of the Board of Statutory Auditors, remuneration under Article 2402 Italian Civil Code Euro 66,000
- Standing Auditors, individual compensation under Article 2402 of the Italian Civil Code Euro 44,000

1.2. Variable Remuneration

The amounts paid in connection with short-term incentive systems or accrued in connection with the long-term incentive system are shown under the respective headings in Tables 1 and 3B.

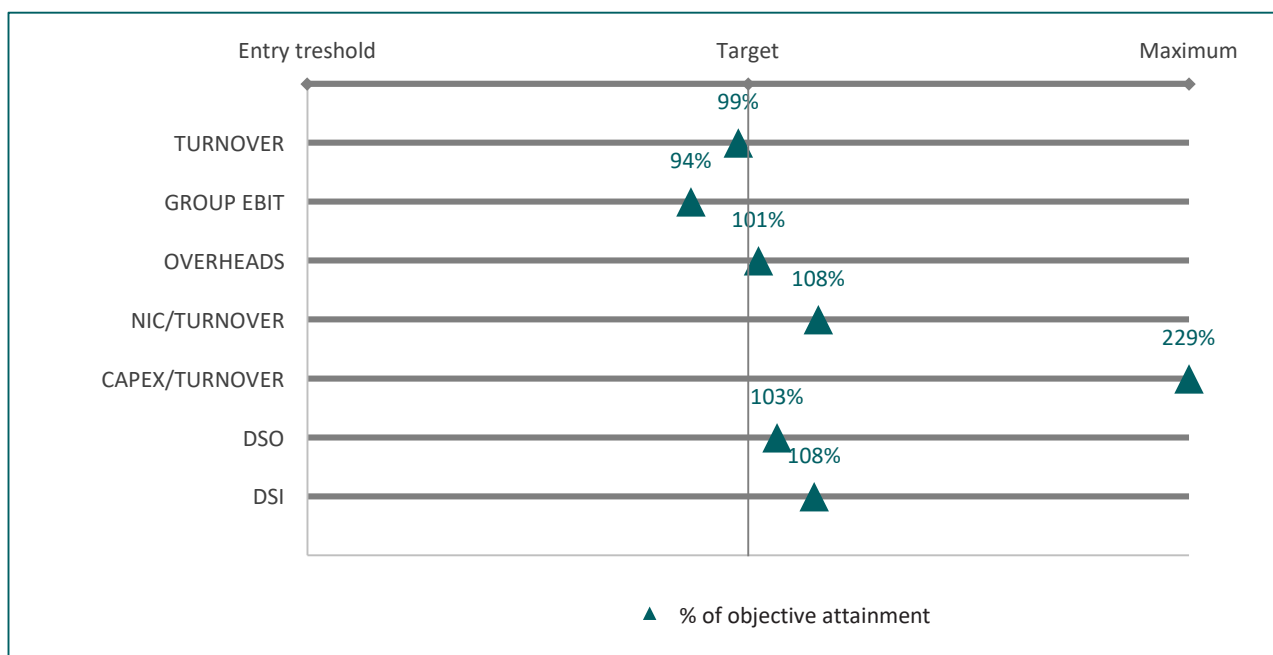
1.2.1. Short-term incentive system (MBO) objectives

In accordance with the 2022-2024 Report on Remuneration Policy, approved by the Shareholders' Meeting of 27 April 2022, the MBO Plan for the Co-Chief Executive Officer and Key Management Personnel is structured around objectives of an economic-financial and strategic-operational nature (One Company Project).

For each objective, within the ranges defined in the Policy, the threshold, target and maximum values for access have been defined, as well as the corresponding pay scales and weightings, weighted according to specific functional responsibilities.

Final balance of the main objectives

The following chart shows the level of attainment of the short-term objectives, compared to the target.

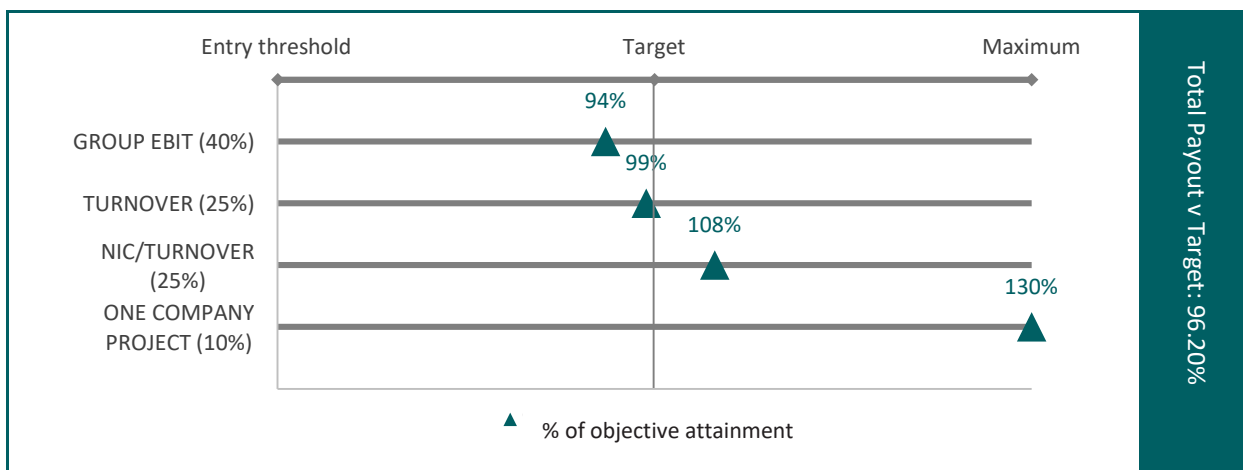


Each recipient is paid the following amounts in relation to the set objectives.

The amounts will be paid after the Board of Directors has approved the draft financial statements for 2023.

Final statement of Co-Chief Executive Officer

The Co-Chief Executive Officer is paid a bonus of Euro 336,787.50, equal to 96.20% of the target incentive, against an overall level of achievement of the objectives equal to 102.10% of the target; The following is evidence of the degree of achievement of the individual objectives assigned in the year in question:



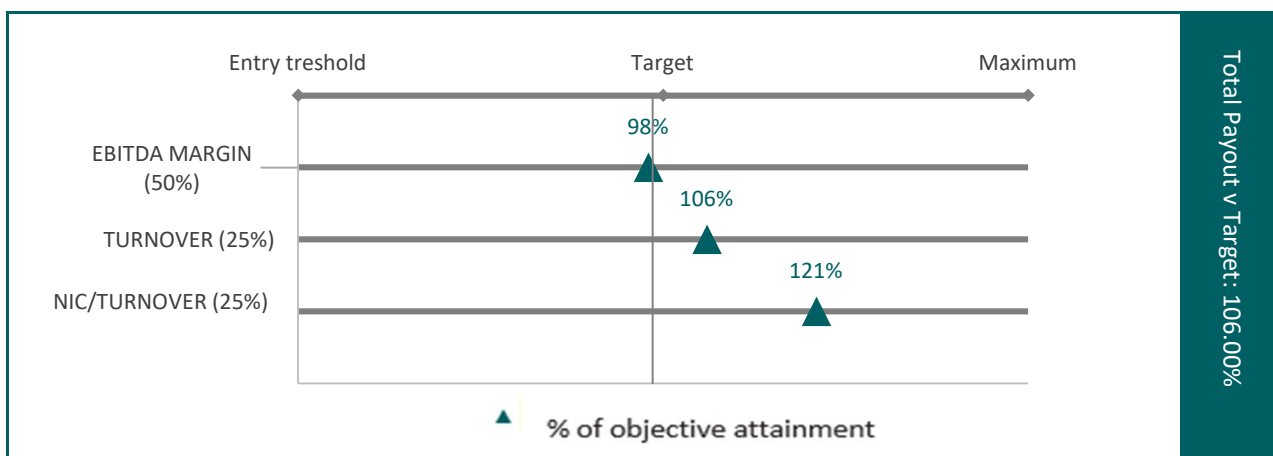
Final statement of Key Management Personnel

To Key Management Personnel Euro 252,547.87. The average level of achievement of targets was 100.20% and the average payout level was 86.90%.

1.2.2. Final statement of the objectives of the long-term incentive system (LTI 2021-2023)

The vesting of the 2021-2023 Long Term Incentive Plan was completed in 2023.

Below is a graph of the level of achievement of the objectives that will determine the payout to the beneficiaries. The percentages highlighted represent the average of the target values set for each year, as determined in the three-year reference plan.



With an overall level of achievement of the objectives equal to 106% of the target, determined on the basis of the weighted weight of the percentage of achievement of each target, verified by the Remuneration Committee and submitted to the Board of Directors for approval, the following amounts were determined as a final bonus (corresponding to 106% of the target bonus)

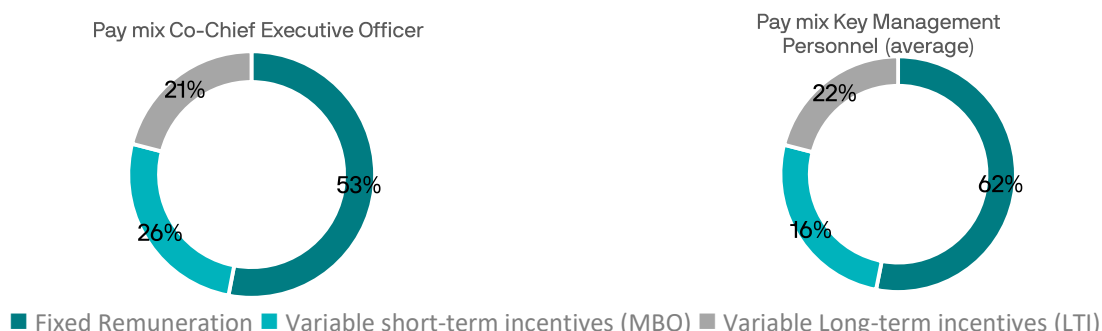
- Co-Chief Executive Officer: Euro 740,250.00
- KMP: Euro 902,462.04

The final bonus will be paid together with the remuneration for the second month following the approval by the Board of Directors of the draft consolidated financial statements for 2023 (10 June 2024), net of the Advance paid in September 2023, in accordance with the provisions of Article 8.3 of the Regulation.

1.2.3. Proportion of fixed and variable components

The information provided above gives an indication of the proportion between fixed and variable in the context of the total remuneration paid to the recipients of the annual and multi-year incentive plans, for which the payments are illustrated in Table 1.

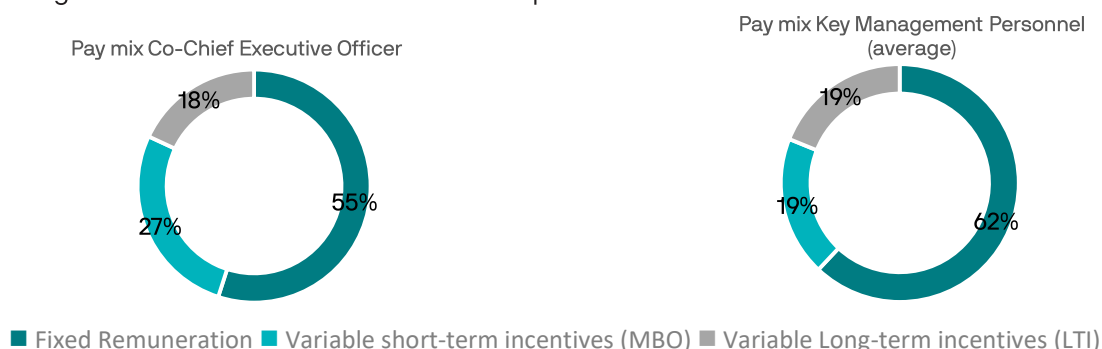
Please note that, as provided for in Section I of the Report for the 2023 financial year, the compensation received by the Chairman of the Board of Directors and the CEO consist only of the fixed component.



The representation considers the value accrued by way of MBO 2023 and the portion accrued by the LTI Plan 2021-2023, both at final value.

The elements of the individual remuneration components are illustrated in Table 1, with detailed information given in Table 3B.

The following representation allows an assessment of the conformity of these elements with the Policy. As is standard practice, the target values of the variable remuneration components have been shown:



1.3. Comparison Information

The tables below give an illustration of the comparison between the remuneration paid for each of the past 5 years against that for the previous year.

The changes have been determined on the basis of the total compensation paid to each individual (for their respective roles).

Persons for whom the information in this section of the Report has been provided by name

Director/Statutory Auditor (role)	2019 v 2018	2020 v 2019	2021 v 2020	2022 v 2021	2023 v 2022
Director/Statutory Auditor (role) Giancarlo Selci (Chairman of the Board of Directors)	0%	0%	-88.25%	0%	0%
Roberto Selci (Chief Executive Officer)	0%	0%	+17.51%	0%	0%
Massimo Potenza (Co-Chief Executive Officer and General Manager)	N/A	N/A	0%	0%	0%
Alessandra Baronciani (Director)	N/A	N/A	N/A	0%	0%
Rossella Schiavini (Independent Member of the Board of Directors)	N/A	N/A	N/A	0%	0%
Federica Ricceri (Independent Member of the Board of Directors)	N/A	N/A	N/A	0%	0%
Ferruccio Borsani (Independent Member of the Board of Directors)	N/A	N/A	N/A	0%	0%
Paolo De Mitri (Standing Auditor)	0%	0%	0%	0%	0%
Giovanni Ciurlo (Standing Auditor)	N/A	N/A	N/A	0%	0%
Enrica Perusia (Standing Auditor)	N/A	N/A	N/A	0%	0%

Key Management Personnel

Key Management Personnel	2019 v 2018	2020 v 2019	2021 v 2020	2022 v 2021	2023 v 2022
	+9%	0%	+22.28%	+10.25%	+3.05%

The percentage changes have been calculated with reference to the fixed remuneration, variable short-term (MBO) and medium-long term (new LTI 2021-2023 Plan); these last figures are considered at target value.

Employees other than the individuals whose remuneration is indicated by name in this Report

Biesse Employees	2019 v 2018	2020 v 2019	2021 v 2020	2022 v 2021	2023 v 2022
	€ 37,925	€ 36,821	€ 35,518	€ 39,614	€ 43,830

The gross annual average remuneration has been calculated by considering the fixed remuneration, the MBO or the Performance bonus among the remuneration components paid in each reference year, depending on which role-based incentive system the employees belong to.

The calculation only considers the employees of Biesse SpA, and not the Group's entire workforce. As a multinational, the Group has other sites in the Americas, Asia and Europe. The differences between the salaries paid in these countries and the remuneration paid in Italy would not have given a correct representation of the average working conditions of the staff of Biesse Spa.

Annual change in the Company's results

Company performance	2019 v 2018	2020 v 2019	2021 v 2020	2022 v 2021	2023 v 2022
Revenue	-5%	-18%	+ 28.2%	+10.8%	-4.6%
EBITDA	-17%	-27%	+42.3%	+13.7%	-14.9%
EBIT	-54%	-79%	+385.7%	+39.7%	-15.2%
Net profit/loss	-70%	-82%	+1292.8%	-11.40%	-58.8%

1.4. Non-monetary benefits

In line with the applicable national collective agreement and company practice, non-monetary benefits were paid to the Chairman of the Board of Directors, the Chief Executive Officer, the Co-Chief Executive Officer and to Key Management Personnel during 2023. The values of these benefits are shown in aggregate form in Table 1.

1.5. Indemnity paid for early termination of the corporate or employment relationship

In 2023, no such indemnities were paid to the directors of the Company or to Key Management Personnel, as there were no early terminations of contract.

1.6. Derogations to the Remuneration Policy and compensation paid

The implementation of the 2023 Remuneration Policy took place without derogations.

1.7. Ex-post adjustments of the variable remuneration component

The Company did not apply any ex post adjustments such as malus or claw-back policies during 2023.

COMPENSATION PAID IN 2023

Section II – Part Two

Table 1: Details of the remuneration received by members of the management and supervisory bodies, general managers and key management personnel (in Euros)

Full name	Office	Period in office during the year 2023	Expiry of term of office: approval of the financial statements to 31/12	Fixed remuneration (Euro)	Remuneration for Committee membership (Euro)	Non-equity variable remuneration (Euro)		Non-monetary benefits (Euro)	Other remuneration (Euro)	Total (Euro)	Fair value of equity remuneration (Euro)	Termination or end-of-service benefits (Euro)
						bonuses and other incentives	Profit sharing					
BIESSE DIRECTORS												
Giancarlo Selci	Chairman	from 01/01/2023 to 31/12/2023	2023									
Remuneration for the Company preparing the financial statements				100,000.00 ¹	N/A	N/A	N/A	6,500.66 ²	N/A	106,500.66	N/A	N/A
Remuneration from subsidiaries and associates				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total				100.000,00				6.500,66		106.500,66		N/A
Roberto Selci				Chief Executive Officer	from 01/01/2023 to 31/12/2023	2023						
Remuneration for the Company preparing the financial statements				1,000,000.00 ³	N/A	N/A	N/A	38,289.12 ⁴	N/A	1.038.289,12	N/A	N/A
Remuneration from subsidiaries and associates				70,000.00 ⁵	N/A	N/A	N/A	N/A	N/A	70.000,00	N/A	N/A
Total				1.070.000,00				38.289,12		1.108.289,12		N/A
Massimo Potenza				Co-Chief Executive Officer and General Manager	from 01/01/2023 to 31/12/2023	2023						
Remuneration for the Company preparing the financial statements				700,000.00 ⁶	N/A	1,511,549.20 ⁷	N/A	3,800.56 ⁸	N/A	2.215.349,76	N/A	N/A
Remuneration from subsidiaries and associates				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total				700.000,00		1.511.549,20		3.800,56		2.215.349,76		N/A
Alessandra Baronciani				Non-Executive Director	from 01/01/2023 to 31/12/2023	2023						
Remuneration for the Company preparing the financial statements				25,000.00 ⁹	N/A	N/A	N/A	N/A	N/A	25.000,00	N/A	N/A
Remuneration from subsidiaries and associates				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total				25.000,00						25.000,00		N/A
Ferruccio Borsani				Independent Director	from 01/01/2023 to 31/12/2023	2023						
Remuneration for the Company preparing the financial statements				25,000.00 ¹⁰	6,000.00 ¹¹	N/A	N/A	N/A	N/A	31.000,00	N/A	N/A
Remuneration from subsidiaries and associates				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total				25.000,00	6.000,00					31.000,00		N/A
Federica Ricceri				Independent Director	from 01/01/2023 to 31/12/2023	2023						
Remuneration for the Company preparing the financial statements				25,000.00 ¹⁰	14,000.00 ¹²	N/A	N/A	N/A	N/A	39.000,00	N/A	N/A
Remuneration from subsidiaries and associates				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total				25.000,00	14.000,00					39.000,00		N/A
Rossella Schiavini				Independent Director	from 01/01/2023 to 31/12/2023	2023						
Remuneration for the Company preparing the financial statements				25,000.00 ¹⁰	30,000.00 ¹³	N/A	N/A	N/A	N/A	55.000,00	N/A	N/A
Remuneration from subsidiaries and associates				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total				25.000,00	30.000,00					55.000,00		N/A

Full name	Office	Period in office during the year 2023	Expiry of term of office: approval of the financial statements to 31/12	Fixed remuneration (Euro)	Remuneration for Committee membership (Euro)	Non-equity variable remuneration (Euro)		Non-monetary benefits (Euro)	Other remuneration (Euro)	Total (Euro)	Fair value of equity remuneration (Euro)	Termination or end-of-service benefits (Euro)
						bonuses and other incentives	Profit sharing					
STATUTORY AUDITORS												
Paolo De Mitri	Chairman	from 01/01/2023 to 31/12/2023	2023									
Remuneration for the Company preparing the financial statements				68,369.61 ¹⁴	N/A	N/A	N/A	N/A	N/A	68,369.61	N/A	N/A
Remuneration from subsidiaries and associates				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total				68,369.61						68,369.61		
Giovanni Ciurlo	Standing Auditor	from 01/01/2023 to 31/12/2023	2023									
Remuneration for the Company preparing the financial statements				45,863.08 ¹⁵	N/A	N/A	N/A	N/A	N/A	45,863.08	N/A	N/A
Remuneration from subsidiaries and associates				N/A	N/A	N/A	N/A	N/A	N/A	0.00	N/A	N/A
Total				45,863.08						45,863.08		N/A
Enrica Perusia	Standing Auditor	from 01/01/2023 to 31/12/2023	2023									
Remuneration for the Company preparing the financial statements				45,783.42 ¹⁶	N/A	N/A	N/A	N/A	N/A	45,783.42	N/A	N/A
Remuneration from subsidiaries and associates				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total				45,783.42						45,783.42		N/A
Full name	Office	Period in office during the year 2023	Expiry of term of office: approval of the financial statements to 31/12	Fixed remuneration (Euro)	Remuneration for Committee membership (Euro)	Non-equity variable remuneration (Euro)		Non-monetary benefits (Euro)	Other remuneration (Euro)	Total (Euro)	Fair value of equity remuneration (Euro)	Termination or end-of-service benefits (Euro)
						bonuses and other incentives	Profit sharing					
KEY MANAGEMENT PERSONNEL (AGGREGATED)												
Remuneration for the Company preparing the financial statements				781,229.90	N/A	1,411,666.19	N/A	22,924.61	N/A	2,215,820.70	N/A	N/A
Remuneration from subsidiaries and associates				214,195.65	N/A	85,097.90	N/A	3,851.51	N/A	303,145.06	N/A	N/A
Total				995,425.55 ¹⁷		1,496,764.09 ¹⁷		26,776.12 ¹⁸		2,518,965.76		N/A

- (1) Remuneration for the position of Chairman of the Board of Directors
(2) Value of fringe benefits (car and accidents policy), shown according to the accruals principle and taxability
(3) Remuneration for the position of Chief Executive Officer
(4) Remuneration for the position of Chairman of the Board of Directors of HSD SpA.
(5) Value of fringe benefits (car, healthcare policy and accidents policy), shown according to the accruals principle and taxability
(6) Remuneration for the position of Co-CEO € 100,000.00 - Fixed remuneration for the role of General Manager € 600,000.00
(7) Bonus from MBO and LTI (see columns "2023 Bonus (€) - Payable/Paid and Deferred" and the column "Bonus for previous years (€) -Payable/Paid" and notes. Table 3B
(8) Value of fringe benefits (accommodation, life and accidents policies), shown according to the accruals principle and taxability
(9) Remuneration for the office of Non-Executive Director
(10) Remuneration for the position of Independent Director
(11) Compensation as member of the Related Parties Committee
(12) Compensation as Chair of the Remuneration Committee € 8,000.00 and as member of the Control and Risks Committee € 6,000.00
(13) Compensation as Chair of the Control and Risks Committee € 16,000.00, Chair of the Related Parties Committee € 8,000.00 and as member of the Remuneration Committee € 6,000.00
(14) Remuneration for the position of Chairman, including documented reimbursement of expenses
(15) Remuneration for the position of Statutory Auditor, including documented reimbursement of expenses
(16) Fixed Remuneration for paid employment € 985,940.63 of which € 204,710.73 was paid by the subsidiary; compensation for duties on the Boards of subsidiaries € 9,484.92
(17) Bonus from MBO and LTI (see columns "2023 Bonus (€) - Payable/Paid and Deferred" and the column "Bonus for previous years (€) -Payable/Paid" and notes. Table 3B
(18) Value of fringe benefits (car, accommodation, life and accidents policies), shown according to the accruals principle and taxability

Table 3A: Incentive plans based on financial instruments other than stock options, or members of the management board, general managers and other key management personnel

			Financial instruments allocated in previous years and non-vested during the year		Financial instruments allocated during the year				Financial instruments vested during the year and not allocated	Financial instruments vested during the year that can be allocated		Financial instruments for the year
Full name	Office	Plan	Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair value at the allocation date	Vesting period	Market price at allocation	Number and type of financial instrument	Number and type of financial instruments	Value at maturity date	Fair value
Massimo Potenza	Co-Chief Executive Officer and General Manager											
Remuneration for the Company preparing the financial statements				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Remuneration from subsidiaries and associates				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Key Management Personnel (in aggregate form)												
Remuneration for the Company preparing the financial statements				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Remuneration from subsidiaries and associates				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total				N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Table 3B: Monetary Incentive Plans for members of the management board, the general managers and other key management personnel

Full name	Office	Plan	Payable/Paid	Deferred	Deferral period	No longer payable	Payable/Paid	Still deferred	
Massimo Potenza	Co-Chief Executive Officer and General Manager								
Remuneration for the Company preparing the financial statements		Long-Term Incentive Plan 2021-2023 of Biesse S.p.A. ¹	350,000.00 ⁹	275,916.66 ³	June 2024 ⁴	N/A	N/A	114,333.34 ⁵	N/A
		MBO ²	336,787.50 ⁶	N/A	N/A	N/A	434,511.70 ⁷	N/A	N/A
Remuneration from subsidiaries and associates			N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total			686.787,50	275.916,66			434.511,70	114.333,34	
Key Management Personnel (in aggregate form)									
Remuneration for the Company preparing the financial statements		Long-Term Incentive Plan 2021-2023 of Biesse S.p.A. ¹	426,696.00 ⁹	280,658.66 ³	June 2024 ⁴	N/A	N/A	195,107.38 ⁵	N/A
		MBO ⁴	225,355.27 ⁶	N/A	N/A	N/A	283,848.88 ⁷	N/A	N/A
Remuneration from subsidiaries and associates		MBO ⁴	27,192.60 ⁶	N/A	N/A	N/A	57,905.30 ⁷	N/A	N/A
Total			679.243,87	280.658,66			341.754,18	195.107,40	

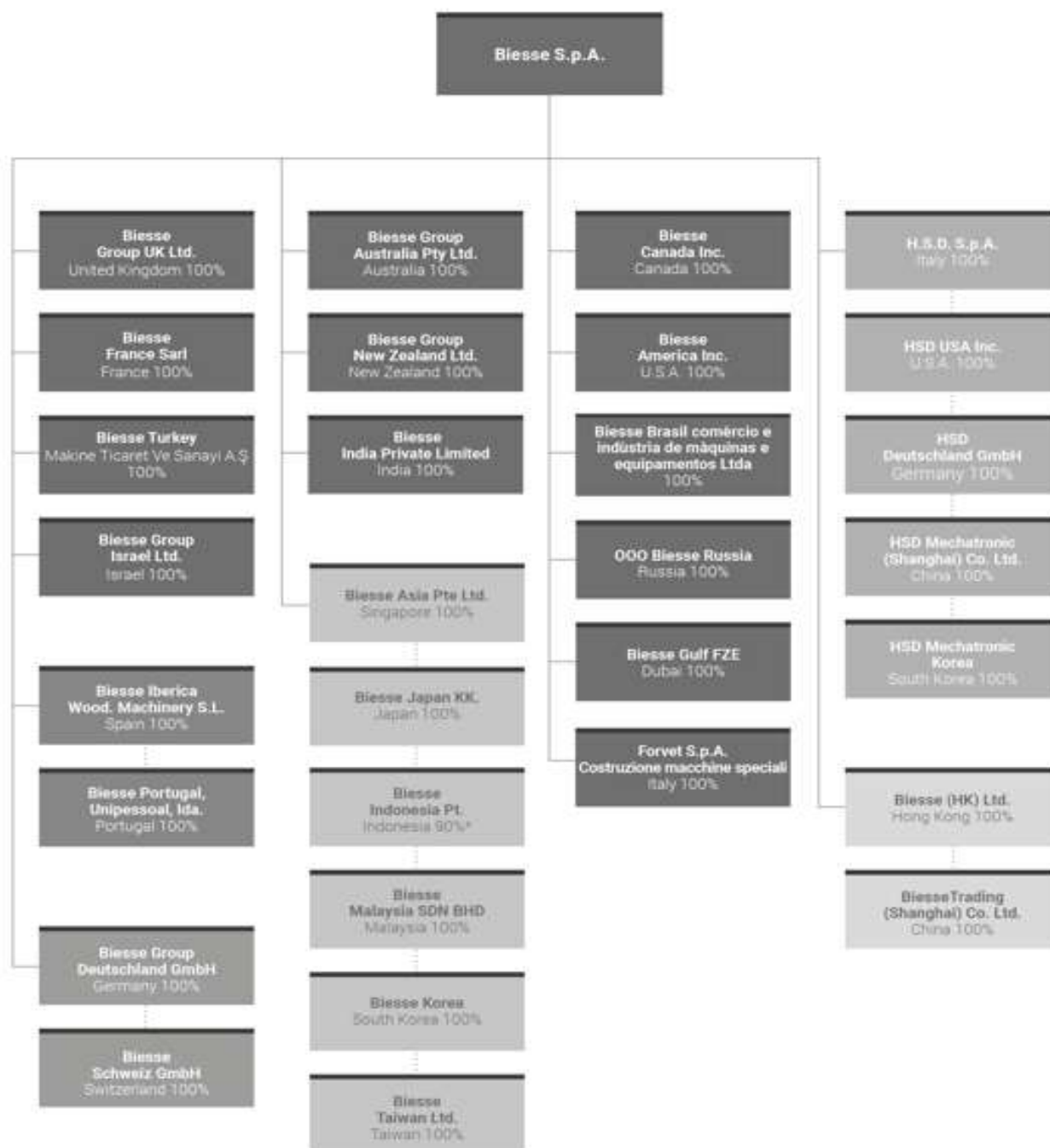
- (1) The Long-Term Incentive Plan 2021-2023 of Biesse S.p.A. is the current medium/long-term incentive plan and provides for a cash bonus payment upon attainment of the financial and performance targets set in the Plan. For more information on the "Long-Term Incentive Plan 2021-2023 of Biesse S.p.A.", please refer to the relevant Regulations available on the website www.biessegroup.com Investor Relations/Corporate Governance/Incentive Plan area
- (2) The MBO is the Biesse Group's short-term incentive plan
- (3) Share of the bonus pertaining to 2023 which can be paid at the end of the three years of the Plan, subject to checking that for each objective, the average results for the three-year period have been attained, compared to the target values for the same period
- (4) The bonus will be paid at the same time as the payment of the salary for the second month after the approval by the Board of the consolidated financial statements on 31 December 2023
- (5) Share of the bonus pertaining to previous years (2021-2022) that may be paid at the end of the three-year period of validity of the Plan, subject to verification, with reference to each objective, of the achievement of results
- (6) MBO for the year 2023, which will be paid in April 2024
- (7) MBO for the year 2022, paid in 2023
- (8) Share of the bonus pertaining to 2023 which can be paid at the end of the three years of the Plan, subject to checking that for each objective, the average results averages of the three-year period compared to the target values of the same period, net of the portion set aside as at 31.12.2022 with reference to a member of KMP who ceased to be KMP in 2023
- (9) Amount of Advance disbursed pursuant to Article 8.3 of the Regulation

Information on shareholdings in the Company and subsidiaries of members of the administrative and supervisory bodies, general managers, other key management personnel and their close relatives

Shareholdings in the Company and subsidiaries of members of the administrative and supervisory bodies, general managers and their close relatives at 31/12/2023:

Surname	Name	Office	Subsidiary	Number of shares held at the end of financial year 2021	Number of shares purchased	Number of shares sold	Number of shares held at the end of financial year 2022
Giancarlo (through Bi.Fin srl)	Selci	Chairman of the Board of Directors	BIESSE S.p.A.	13,970,500	/	/	13,970,500
Roberto	Selci	Chief Executive Officer	BIESSE S.p.A.	0	/	/	0
Massimo	Potenza	Co-Chief Executive Officer	BIESSE S.p.A.	2,050	/	/	2,050
Alessandra	Baroncini	Member of the Board of Directors	BIESSE S.p.A.	0	/	/	0
Rossella	Schiavini	Independent Member of the Board of Directors	BIESSE S.p.A.	0	/	/	0
Federica	Ricceri	Independent Member of the Board of Directors	BIESSE S.p.A.	0	/	/	0
Ferruccio	Borsani	Independent Member of the Board of Directors	BIESSE S.p.A.	0	/	/	0

In addition, Mr Giancarlo Selci, who controls Biesse S.p.A. through Bi.fin Srl, also controls the companies as per the organisational chart below as at 31 December 2023:



* Il restante 10% è detenuto direttamente da Biesse S.p.A.
The remaining 10% is owned directly by Biesse S.p.A.

Shareholdings held in the Company and subsidiaries by other Key Management and by close relatives

With reference to other Key Management Personnel and their close family members, there are no further shareholdings in addition to those already reported by Mr Massimo Potenza.