



Be

SHAPING THE FUTURE

**Annual Report
on the Remuneration Policy
and on fees paid**

At 31 December 2019



Annual Report on the Remuneration Policy and on fees paid

pursuant to art. 123-ter of Italian Legislative Decree 58/1998
at 31 December 2019

*Report approved by the Board of Directors di Be Think Solve Execute S.p.A.
at the meeting held on 12 March 2020, available on the website www.be-tse.it*

Registered office:

Rome - Viale dell'Esperanto, 71 - 00144 Rome.

Share capital: Euro 27,109,164.85, fully paid up. Rome Register of Companies Tax code and VAT number 01483450209

Introduction

This report (the “**Report**”), approved by the board of directors (the “**Board of Directors**”) of Be Think, Solve, Execute S.p.A. (“**Be**” or the “**Company**”) on 12 March 2020, on the proposal of the Company’s appointments and remuneration committee (the “**Appointments and Remuneration Committee**”) which met on 10 March 2020, has been drawn up in accordance with the provisions of art. 123-ter of Italian Legislative Decree 58/98 (the “**Consolidated Law on Finance**”) and of art. 84-quater of the regulation adopted by Consob with resolution no. 11971/99 (the “**Issuers’ Regulation**”) and in accordance with Attachment 3A, Diagrams 7-bis and 7-ter, to the Issuers’ Regulation.

The remuneration policy (the “**Remuneration Policy**”) for 2020 has been adopted by the Company in compliance with the provisions set forth in the regulations on related party transactions adopted by Consob with resolution no. 17221 of 2010 (the “**Consob RPT Regulations**”), as implemented in the procedure adopted in this regard by the Company, available on the Company’s website.

The Report is organised into the following sections:

- (a) Section I, which illustrates the Remuneration Policy drawn up by the Company on the remuneration of the members of the Board of Directors and of the Board of Statutory Auditors of Be (the “**Board of Statutory Auditors**”), of general managers and of executives with strategic responsibilities (where said exist) and the procedures used for the adoption and implementation of said policy; Section I also illustrates the way in which the Remuneration Policy contributes to company strategy, to pursuing the Company’s long-term interests and sustainability. In compliance with the provisions of art. 123-ter, paragraphs 3-bis and 3-ter, of the Consolidated Law on Finance, Section I will be submitted to the binding vote of the Shareholders’ Meeting convened on first call for 22 April 2020, and on second call for 23 April 2020;
- (b) Section II, which by name for the members of the Board of Directors and the Board of Statutory Auditors, the general directors and jointly for executives with strategic responsibilities (where said exist):
 - a. provides an adequate description of the items that comprise the remuneration, including the amounts envisaged in the event that the office of the same is terminated or their employment with the company is terminated, illustrating the consistency with the Company’s remuneration policy for the year under analysis;
 - b. analytically illustrates the fees paid in 2019 (the “**Financial Year**”), under any title and in any form, by the Company and by subsidiary and associated companies, which relate to activities performed in previous years to that of reference and also indicating the fees to be paid in one or more future years for activities performed in the Financial Year, if possible indicating an estimated amount for components that cannot objectively be quantified in said Financial Year;
 - c. illustrates how the Company has taken into account the vote expressed last year on the second section of the remuneration report.

In compliance with the provisions of art. 123-ter, paragraph 6, of the Consolidated Law on Finance, Section II will be submitted to the binding vote of the Shareholders’ Meeting convened on first call for 22 April 2020, and on second call for 23 April 2020.

The Report also contains an indication of the equity investments held in the Company’s share capital by members of the Board of Directors and of the Board of Statutory Auditors, as well as by spouses that are not legally separated and by children (minors), directly or through subsidiaries, trust companies or third parties, in compliance with the provisions of art. 84-quater, paragraph 4, of the Issuers’ Regulation.

This Report is made available to the public at the Company’s registered office, through the authorised transmission and storage mechanism SDIR-NIS/NIS-Storage and on the Company’s website at the following link: <https://www.be-tse.it> section “*Investor Relations - Corporate Governance*”.

1. Section One

1.1. Process for the preparation, approval and implementation of the Remuneration Policy

The following main parties/bodies are involved in the preparation, approval and implementation of the Remuneration Policy:

- the Shareholders' Meeting;
- the Board of Directors;
- the Appointments and Remuneration Committee;
- the Executive Directors;
- the Board of Statutory Auditors.

The Company has not engaged any independent experts to draw up the Remuneration Policy.

Shareholders' Meeting

As regards remuneration, the Shareholders' Meeting:

- establishes the fee of each member of the Board of Directors; it may also establish, pursuant to the articles of association, a total amount for the remuneration of all Directors. Said fees are established at a sufficient amount to attract, maintain and motivate people with the professional qualities required to successfully manage the Company. The Shareholders' Meeting also establishes the fee of each member of the Board of Statutory Auditors;
- votes on the annual report on remuneration and fees paid, approved by the Board of Directors on the proposal of the Appointments and Remuneration Committee;
- receives adequate information on the implementation of remuneration policies;
- resolves on any remuneration plans based on shares or other financial instruments addressed to Directors, employees and consultants, including therein any executives with strategic responsibilities, pursuant to art. 114-bis of the Consolidated Law on Finance.

Board of Directors

The Board of Directors:

- establishes an Appointments and Remuneration Committee within the Board. A committee member must possess adequate knowledge and experience in financial matters and pay policies; the assessment of the party's competences is made by the Board of Directors at the time of appointment;
- on the proposal of the Appointments and Remuneration Committee, draws up the remuneration policy for members of the Board of Directors and of the Board of Statutory Auditors. The remuneration policy establishes the guidelines that all corporate bodies involved must comply with when establishing the remuneration of management and control body members and specifically of executive Directors, of other Directors in specific positions, as well as general directors and executives with strategic responsibilities, where said exist. These guidelines are illustrated herein;
- approves the annual report on remuneration policy and fees paid to be submitted to the Shareholders' Meeting;

- on the proposal of or following the opinion of the Appointments and Remuneration Committee, it establishes, on the basis of the guidelines established by the remuneration policy and, in any event, following the opinion of the Board of Statutory Auditors, the remuneration of the executive Directors and of other Directors with specific positions; it prepares, with the assistance of the Appointments and Remuneration Committee, any remuneration plans based on shares or other financial instruments and submits them to the approval of the Shareholders' Meeting pursuant to art. 114-bis of the Consolidated Law on Finance;
- implements any remuneration plans based on shares or other financial instruments on the mandate of the Shareholders' Meeting.

Appointments and Remuneration Committee:

In accordance with the provisions of art. 2.2.3, paragraph 3, letter n) of the regulations for the markets organised and managed by Borsa Italiana S.p.A. ("**Borsa Italiana**"), applicable to issuers with shares traded on the electronic stock market organised and managed by Borsa Italiana, STAR Segment, as well as in compliance with the provisions of art. 6 of the code of self-regulation for listed companies, adopted by the corporate governance committee of Borsa Italiana (the "**Code of Self-Regulation**"), the Board of Directors has established the internal Appointments and Remuneration Committee, which performs the committee functions for appointment set forth in Principle 5 of the Code of Self-Regulation, and the committee functions for remuneration set forth in Principle 6 of the same code.

Functions

The Appointments and Remuneration Committee:

- submits proposals or provides opinions to the Board of Directors on the remuneration of the executive and non-executive Directors and of other Directors in specific positions, as well as on correctly identifying and setting adequate performance objectives, which permit the variable component of their pay to be calculated;
- makes proposals to the Board of Directors on the adoption of the remuneration policy;
- assists the Board of Directors in preparing and implementing any remuneration plans based on shares or other financial instruments;
- periodically assesses the adequacy and the effective implementation of the remuneration policy, and uses information provided by executive Directors if the assessment regards the remuneration of executives with strategic responsibilities, where said exist;
- makes any manner of proposal on remuneration to the Board of Directors;
- monitors the application of the decisions adopted by the Board of Directors relating to remuneration, assessing, inter alia, the effective achievement of performance targets;
- reports to the shareholders on how it exercises its functions; to this end, the attendance of the Chairperson of the Appointments and Remuneration Committee or of another committee member at the Annual Shareholders' Meeting.

Composition and functioning

In a resolution dated 9 May 2013, the Board of Directors in office at that time, established that the Appointments and Remuneration Committee:

- (i) was to be convened on the initiative of the Chairperson of said Committee:
 - a. when the same retained it necessary or when the other two members requested a meeting;
 - b. with notice to be sent, also by fax or e-mail, to the individual members of the Committee, to the Chairman of the Board of Statutory Auditors, or to another Auditor designated by the same, and to the Chairman of the Board of Directors, at least 5 days before the meeting, containing a summary of the items to be discussed, it being understood however, that even if not sent notice, the Committee would be considered legally constituted with the presence of all of its members and of the Chairman of the Board of Statutory Auditors, or by the other Auditor designated by the same;
- (ii) was to meet at the registered office or elsewhere, as long as in a European Union country, specifying that Committee meetings could be held also by video or teleconference, on condition that all attendees can be identified, are able to follow the discussion and to intervene in real time in the debate on the items on the agenda, and to receive, transmit and see documents, and that examining documents and passing resolutions is guaranteed to take place at the same time;
- (iii) would be validly constituted with the presence of the majority of members in office and resolve on the basis of an absolute majority, but in any event, with the favourable vote of the Independent Director, if only one independent member has been appointed to the Committee;
- (iv) draw up minutes on its activities and resolutions, signed by the Chairperson of the Committee and by another member in attendance;
- (v) would approve on the basis of an absolute majority, but in any event, with the favourable vote of the Independent Director, if only one independent member has been appointed to the Committee, any further rules needed for its functioning.

These rules also apply to the current Appointments and Remuneration Committee, the work of which is coordinated by the Chairperson of said Committee.

Following the appointment of the Board of Directors currently in office, approved by the Shareholders' Meeting on 27 April 2017, on the same date the Board of Directors renewed the composition of the Appointments and Remuneration Committee, appointing the independent Director Cristina Spagna (who acts as the Chairperson of said Committee), the non-executive Director Claudio Berretti and the independent Director Davide Dattoli as members of the same.

During the Financial Year, the Appointments and Remuneration Committee met four times. The meetings lasted an average of 40 minutes and the attendance level was 83%. More specifically, the attendance level of Cristina Spagna was 100%, that of Claudio Berretti was 100% and that of Davide Dattoli was 50%. During said meetings, the Committee, inter alia, (a) established whether the objectives relating to the payment of the variable part of remuneration of executive Directors for 2018 had been achieved; (b) assessed the adequacy, the overall coherence and the effective implementation of the remuneration policy adopted by the Company; (c) expressed its opinion on the report on remuneration pursuant to art. 123-ter of the Consolidated Law on Finance and on the annual report on corporate governance and ownership structure pursuant to art. 123-bis of the Consolidated Law on Finance; (d) assessed the activities performed in Financial Year 2019 and those planned for 2020 and lastly e) acknowledged the recommendations for corporate governance of the Corporate Governance Committee.

Minutes were regularly drawn up of meetings of the Committee in office. The Committee Chairperson informs the Board of Directors, at the first possible meeting, on the meetings of said Committee and on the matters that were discussed, in accordance with the provisions of the implementing criteria 4.C.1, lett. d) of the Code of Self-Regulation.

Non-members may also attend Committee meetings, without voting rights, on the invitation of the Committee and with regard to specific items on the agenda. The Statutory Auditors also attend these meetings, again without voting rights.

Directors must refrain from attending meetings of the Appointments and Remuneration Committee in which proposals are made to the Board of Directors regarding their remuneration.

Executive Directors

The executive Directors:

- provide the Appointments and Remuneration Committee with all useful information so that the same may assess the adequacy and effective application of the remuneration policy, with specific regard to the remuneration of executives with strategic responsibilities, where said exist;
- establish the remuneration of executives with strategic responsibilities, where said exist, on the basis of the guidelines established by the remuneration policy.

Board of Statutory Auditors

With regard to remuneration, the Board of Statutory Auditors plays an advisory role insofar as it issues the opinions required by the law in force; specifically, the Board of Statutory Auditors issues an opinion on proposals for the remuneration of executive Directors and of other Directors in specific positions; when issuing its opinion, the Board of Statutory Auditors verifies the coherence of the proposals with the remuneration policy.

1.2. Purpose, principles and process for the definition and approval of the Remuneration Policy

The purpose of the Remuneration Policy is to attract, motive and retain resources, who possess the professional qualities required to successfully pursue the Company's objectives. Another purpose of the Remuneration Policy is to align the interests of management with those of its shareholders, pursuing a primary objective of creating value in the medium-long term, by establishing a strong link between pay and individual performance. Furthermore, the Remuneration Policy contributes to company strategy, to pursuing the Company's long-term interests and its sustainability.

The Remuneration Policy is submitted to the approval of the Board of Directors by the Appointments and Remuneration Committee. When drawing up said Policy, the Appointments and Remuneration Committee has the faculty to access information and to involve the company functions needed to perform its tasks. It involves the Company's Human Resources and Organisation Management and also uses the services of independent experts in this field, to the extent of that approved by the Board of Directors and that envisaged by the Code of Self-Regulation.

On the proposal of the Appointments and Remuneration Committee, the Board of Directors draws up and adopts the Remuneration Policy within its organisation and as part of internal regulations, and specifically, establishes the content relating to the remuneration policy for members of management and control bodies and incentive plans. Furthermore, with regard to establishing the remuneration of Directors in specific positions, the Board of Directors takes the prior opinion of the Board of Statutory Auditors into consideration. Once the Board of Directors has examined and approved the Remuneration Policy, it submits it to the binding vote of the Shareholders' Meeting.

The Remuneration Policy is based on the following criteria and principles:

- the balancing of the fixed and variable component, as a function of Be's objectives and long-term interest, with a view to avoiding conduct that does not create long-term value for the

Company and its shareholders. In particular, the variable part of remuneration of executive Directors accounts for a significant percentage of the total remuneration of the same, also with relation to the fixed component, specifically for a percentage of 70%;

- the measurability of the variable component of remuneration, a large share of which is linked to the achievement of specific objectives and to the Company's performance, according to financial parameters that can be clearly perceived by the market, such as EBT. The pre-establishment and the measurability of the objectives play a key role in the payment of the variable component;
- coherence with the long-term objectives pursued by the Company, including non-financial ones, guaranteed by the manner in which the variable part of the remuneration of executive Directors is paid, based on defined thresholds and limits; contribution to company strategy and to the Company's sustainability;
- provision of graduated objectives, which enable the value of management to be assessed and rewarded. In fact, if all performance objectives are reached, the entire maximum amount of variable remuneration will be paid; on the contrary, if none of the performance objectives are achieved, no variable remuneration will be paid.

The gross annual fixed component of remuneration of non-executive Directors and Statutory Auditors, on the other hand, is not linked to the achievement of economic results and instead, reflects the commitment required of each of the same for the fulfilment of their role.

Without prejudice to the resolution approved by the Board of Directors on 16 October 2019 (with the favourable opinion of the Appointments and Remuneration Committee that met on the same date) with regard to the calculation of variable remuneration for Executive Directors based on the change of the Group's EBT, as better illustrated in Paragraph 1.4 below, no changes to the Remuneration Policy were made with respect to that adopted for FY 2019.

In the light of the specific characteristics of the pay packages envisaged, in particular for executive Directors as illustrated in Paragraph 1.4 of this report, the Board of Directors has decided not to set in place any contractual arrangements whereby the Company could request the return of all or part of the variable components of remuneration paid, or withhold deferred amounts, established on the basis of figures that were later found to be incorrect.

To define Be's remuneration policy, reference was not made to the remuneration policies of other companies.

1.3. The remuneration of Directors

Board in Office

At a session held on 27 April 2017, the Shareholders' Meeting appointed the following as Directors:

- Carlo Achermann - *Executive Chairman*;
- Stefano Achermann - *Chief Executive Officer*;
- Paola Tavigliani - *Non-Executive Director, Independent Board Member*;
- Claudio Berretti - *Non-Executive Director*;
- Gianluca Antonio Ferrari - *Non-Executive Director, Independent Board Member*;
- Cristina Spagna - *Non-Executive Director, Independent Board Member*;
- Umberto Quilici - *Non-Executive Director, Independent Board Member (resigned on 19.07.2017)*;
- Davide Dattoli - *Non-Executive Director, Independent Board Member*;
- Anna Lambiase - *Non-Executive Director, Independent Board Member*.

At the meeting held on 19 July 2017, the Board of Directors acknowledged the resignation for personal reasons of Umberto Quilici, an Independent Director of the Company and, on the basis of the waivers written for the potential position received by each of the “remaining” candidates on the list on which the candidature of Umberto Quilici was submitted, the Board therefore resolved on the appointment by co-option pursuant to art. 2386 of the Italian Civil Code, of Alberto Mocchi as Independent Director of the Company, who will remain in office until the Shareholders’ Meeting convened to approve the financial statements for the year at 31 December 2017. On 26 April 2018, the Shareholders’ Meeting resolved - pursuant to art. 2386 of the Italian Civil Code and art. 15 of the Articles of Association, without the application of list votes - the appointment of Claudio Roberto Calabi as Director.

At the meeting held on 27 April 2017, the Shareholders’ Meeting resolved to give a total annual fee of Euro 20,000.00 to each Director, to be calculated on a pro rata basis with relation to the period of the financial year for which each member of the Board of Directors held the relative office. Said fee does not take into account any further emoluments (for example, those relating to positions held within the Board of Directors, namely the positions of member or Chairperson of internal board committees), which have been approved by the Board of Directors, following consultation with the Board of Statutory Auditors, in addition to the total annual fee established for each Director by the Shareholders’ Meeting, pursuant to art. 2389, paragraph 3 of the Italian Civil Code.

More specifically, also at the meeting held on 27 April 2017, the Board of Directors resolved to pay Directors holding the position of Chairperson of the Appointments and Remuneration Committee and Chairperson of the Control and Risk Committee an annual amount of Euro 10,000.00 in addition to the above-mentioned fee of Euro 20,000.00. With regard to the remuneration resolved for Executive Directors, please refer to Paragraph 1.4 below.

No specific fee is envisaged for participation in Committees - with the exception of the Chairpersons of the Control and Risk Committee and Appointments and Remuneration Committee - or for the performance of specific assignments not associated to operational mandates; the remuneration of Directors therefore already covers the commitment related to participation in the Committees established within the Board of Directors and reflect the commitment required.

A variable component of the fee linked to the economic results of the Company is not envisaged for non-executive Directors. An insurance policy is in place as regards the third-party liability of management bodies (in addition to general managers and to executives with strategic responsibilities, where said exist) when exercising their functions, for the purpose of holding the beneficiaries and the Company harmless from charges resulting from the relative compensation, with the exclusion of malice and gross negligence.

1.4. The Remuneration of Executive Directors

From a legal and statutory perspective, the remuneration of the Company’s executive Directors is established on the basis of the procedures set forth in art. 2389, paragraph 3 of the Italian Civil Code, which envisages that “The remuneration of directors in specific positions in compliance with the articles of association is established by the board of directors, subject to the opinion of the board of statutory auditors” as well as in compliance with following specific criteria applied:

- the coherence between the elements underlying the calculation of the fee and the objectives set;

- the correct balance between the fixed component and the variable component as a function of the strategic objectives and the risk management policy of the Company, also considering the business segment in which it operates and the characteristics of the business it is actually engaged in;
- the fixed component should be sufficient to remunerate the contribution of the executive Director if the variable component is not paid due to failure to reach the performance objectives set by the Board of Directors;
- the advance establishment of performance objectives, namely of economic results and of any other specific objectives to which the payment of the variable components is linked, measurable and related to the creation of value for the shareholders over a medium-long term horizon, in this specific case, 36 months;
- the link between the variation of the results achieved and the variation of the remuneration guaranteed through a remuneration scale which varies from a minimum (usually zero) and a maximum related to a scale of objectives;
- the delay in the payment of the annual variable component of remuneration of several months with respect to the time of accrual in order to allow proper company risk management to be carried out with regard to the Company's Remuneration Policy.

From a remuneration policy perspective, the remuneration of executive Directors is usually comprised by the following components:

- **an annual gross fixed component;**
- **a variable component** linked to pre-set, measurable objectives, related to the creation of value for the shareholders over a time horizon usually not less than 12 months and up to 36 months. Given the nature of the company's business, the Board of Directors, on one hand, decided that a time horizon of twelve months enables targets to be set that are sufficiently coherent with the trends of the market in which the Company operates and in line with a prudential risk management policy, and, on the other hand, it also decided that, in terms of a criterion that is less linked to the economic cycle and more to the sustainability and stability of performance, as well as in keeping with the recommendations on the variable remuneration of directors and top managers of listed companies, a significant part of the variable component should be linked to medium-long term objectives (thirty-six months). The payment of the variable component is delayed with respect to the time of accrual - as subject to the approval of the annual financial statements by the Shareholders' Meeting - in order to allow proper company risk management to be carried out with regard to the Company's Remuneration Policy.

When establishing the remuneration and the components of the same, the Board of Directors takes the following into account (i) the specific content of the delegations of power assigned to individual executive Directors and/or (ii) the functions and the role actually fulfilled by individual executive Directors within the Company, thus ensuring that the proportion of the variable component is consistent with the nature of the tasks assigned to the same and defined by the Board of Directors on the basis of the following criteria:

- establishment of the target profit margin (EBT), as defined at the time of approval of the annual budget, setting a minimum threshold for the result to be achieved - below which the objective is not considered to have been reached - and a maximum threshold;
- establishment of any additional specific objectives for the executive Directors and/or the other Directors in specific positions, who hold specific roles within the organisation of the Be group's operations (the "**Group**");
- quantification of the bonus up to a maximum set amount, dependent on to what extent the objective is achieved.

With regard to the variable components of remuneration of executive Directors, the Appointments and Remuneration Committee proposes the objectives to the Board of Directors

and the following year checks performance to verify whether the objectives set the previous year were achieved.

In accordance with the above principles, by a resolution of the Board of Directors of 16 October 2019 (approved following the favourable opinion of the Appointments and Remuneration Committee, which met on the same date), the 2020 variable incentive plan was linked to the achievement of the pre-defined profit target (target annual or 3Y EBT) of the whole Group, according to pre-established amounts and the fee divided into equal parts, an annual quota - or short-term component - and a multi-year quota - or medium-term quota - allocated to a specific fund and released on achievement of the EBT target of the 2020-2022 Business Plan.

More specifically, it has been established that no amount will be recognised as variable remuneration for Executive Directors if the cumulative 3Y EBT is under Euro 30 million. If the cumulative 3Y EBT is equal to or over Euro 30 million, a variable amount will be paid, proportional to the rise in said EBT parameter. If the 3Y EBT is equal to or over Euro 70 million, said variable amount will be a fixed sum, and will not be subject to any further proportional increases, even if the EBT parameter rises.

It should be noted that, prior to the afore-mentioned resolution of the Board of Directors of 16 October 2019: (i) the 2019 variable incentive plan was linked to the achievement of a pre-set profit target (EBT) for the whole Group and the remuneration was calculated according to a performance scale of 80-120 (below 80% of target EBT, the remuneration is zero); and (ii) the variable medium-long term incentive plan was linked to the achievement of at least 80% of the target EBT of the 2017-2019 Business Plan, with remuneration calculated according to a performance scale of 80-120 (and therefore, with remuneration of zero for below 80% of the target EBT).

From an accounting perspective, the remuneration of executive Directors is recognised in the financial statements of the year in which the Directors served, both as regards the annual gross fixed component and the variable component, unless there are conditions precedent which defer payment.

The Appointments and Remuneration Committee and the Board of Directors may respectively assess and approve the payment of any further fees to be awarded to Executive Directors for other positions held by the same on the boards of directors of Group companies.

1.5. Non-monetary benefits

In line with market practice, certain benefits may be enjoyed by executive Directors, such as insurance cover, also for death and disablement, supplementary health plans, as well as the award of a company car for private and business use, under the conditions envisaged in individual contracts and in the applicable collective contracts.

1.6. Board of Statutory Auditors

Board of Statutory Auditors in Office

The Shareholders' Meeting held on 26 April 2018 appointed:

- Giuseppe Leoni - *Chairman of the Board of Statutory Auditors*;
- Stefano De Angelis - *Standing Auditor*;
- Rosita Natta - *Standing Auditor*;
- Biones Ferrari - *Alternate Auditor*;
- Roberta Pirola - *Alternate Auditor*.

In the same session, the Shareholders' Meeting resolved to award each Standing Auditor a total annual fee of Euro 15,000.00, with an additional 50% for the Chairman of the Board of Statutory Auditors.

The remuneration of the Board of Statutory Auditors reflects the commitment required, the importance of the position held as well as the size and business of the Company, in accordance with the provisions of art. 8.C.4 of the Code of Self-Regulation.

An insurance policy is in place as regards the third-party liability of control bodies when exercising their functions, for the purpose of holding the beneficiaries and the Company harmless from charges resulting from the relative compensation, with the exclusion of malice and gross negligence.

1.7. General managers and executives with strategic responsibilities

At 12 March 2020, the Group had a General Manager, namely Mr. Stefano Achermann, who holds this position in the Group company Be Consulting S.p.A.

The remuneration of the executive Directors is generally comprised by a fixed component and a variable component. Executive Directors who are also executives with strategic responsibilities (where said exist) relating to Be or to other Group companies by employment contracts, receive post-employment benefits pursuant to the law, under art. 2120 of the Italian Civil Code.

1.8. Indemnity for resignation, dismissal or termination of employment contract

At the date of this Report, as both Chief Executive Officer of Be and Chief Executive Officer and general manager of Be Consulting S.p.A., Mr. Stefano Achermann has entered into a non-competition agreement in the event that his directorship position ends, or his contract of employment is terminated, for whatever reason, unless the same is terminated for just cause and on the initiative of the Company. In the event of the above-mentioned termination of his employment contract, the Company has undertaken to pay him an amount corresponding to one year of fixed salary. For a period of 12 months subsequent to the termination of employment, Mr. Stefano Achermann has undertaken not to personally, or indirectly, or through third parties (whether physical or legal persons) - throughout Italy and in a competitive segment or for a competitor - engage in any form of business activity, an employee or independently, that is identical to, similar to or, in any event, resembles the activities performed during his terms in office as a director and/or employee of the Group. In the event that this non-competition agreement is infringed, the beneficiary must return the above-mentioned amount as a penalty for said action, without prejudice to the Company's right to claim further damages.

Notwithstanding the above, as at the date of this Report, there are no agreements in place between Be and the members of its Board of Directors that envisage the payment of an indemnity in the event of resignation, dismissal and/or revocation without just cause or in any form of termination of the employment contract following a takeover bid.

1.9. Share-based incentive plans

At the date of this Report, no share-based incentive plans are envisaged for executive or non-executive Directors, or for the head of the internal audit function or the executive in charge of preparing the company's accounting documents.

1.10. Clause for the maintenance of financial instruments in the portfolio

At the date of this Report, the Company has not entered into agreements that envisage clauses for the maintenance of financial instruments in the portfolio after their acquisition.

1.11. Insurance cover, social security or pension arrangements other than mandatory ones

In line with the best market practices, as indicated in paragraphs 1.3 and 1.6 above, the Company has drawn up a Directors & Officers policy for the members of the Board of Directors and of the Board of Statutory Auditors.

1.12. Remuneration policy adopted with regard to independent directors, participation in committees and the performance of specific assignments. Deferred payment systems

At the date of this Report, the Company has not adopted any remuneration policy with regard to independent Directors. For deferred payment system relating to the variable part of the remuneration of executive Directors, refer to Paragraph 1.4.

For the remuneration policy relating to participation in committees, see Paragraph 1.3 above.

1.13. Executive in charge of preparing the company's accounting documents

The incentive mechanisms in place for the executive in charge of preparing the company's accounting documents reflect the tasks assigned.

1.14. Aspects of the remuneration policy that may be waived in exceptional circumstances and the relative procedural conditions on the basis of which the waiver may be applied

The Company is not in favour of waiving aspects of its Remuneration Policy, even in exceptional circumstances. Consequently, no aspects of the Remuneration Policy may be waived, therefore no procedural conditions have been established for the application of said waivers.

2. Section Two

2.1. Fees in 2019 relating to members of management and control bodies, general managers and other executives with strategic responsibilities (*amounts in EUR/thousands*)

Name and Surname	Position in Be S.p.A	Term in office	End of term in office	Fixed fees	Fee for attendance of committees		Non-monetary benefits	Other fees	Total	Fair value of equity fees	Indemnity at end of office or on termination of employment
						Variable non-equity fees <i>Bonus and other incentives</i>					
Stefano Achemann	Chief Executive Officer	01/01/2019 - 31/12/2019	Approval of financial statements at 31/12/2019	1,000.00 ⁽¹⁾		1,572.00 ⁽⁵⁾	32.03		2,604.03		
Carlo Achemann	Executive Chairman	01/01/2019 - 31/12/2019	Approval of financial statements at 31/12/2019	600.00 ⁽²⁾		983.00 ⁽⁶⁾	40.62		1,623.62		
Claudio Beretti	Non-Executive Director	01/01/2019 - 31/12/2019	Approval of financial statements at 31/12/2019	20.00					20.00		
Cristina Spagna	Non-Executive Director Independent Board Member	01/01/2019 - 31/12/2019	Approval of financial statements at 31/12/2019	20.00	10.00 ⁽⁴⁾				30.00		
Davide Dattoli	Non-Executive Director Independent Board Member	01/01/2019 - 31/12/2019	Approval of financial statements at 31/12/2019	20.00					20.00		
Gianluca Antonio Ferrari	Non-Executive Director Independent Board Member	01/01/2019 - 31/12/2019	Approval of financial statements at 31/12/2019	20.00					20.00		
Paola Annunziata Lucia Tagliavini	Non-Executive Director Independent Board Member	01/01/2019 - 31/12/2019	Approval of financial statements at 31/12/2019	20.00	10.00 ⁽³⁾				30.00		
Anna Lambiase	Non-Executive Director	01/01/2019 - 31/12/2019	Approval of financial statements at 31/12/2019	20.00					20.00		
Claudio Calabi	Non-Executive Director Independent Board Member	01/01/2019 - 31/12/2019	Approval of financial statements at 31/12/2019	20.00					20.00		
Giuseppe Leoni	Chairman Board of Statutory Auditors	01/01/2019 - 31/12/2019	Approval of financial statements at 31/12/2020	22.50					22.50		
Stefano De Angelis	Standing Auditor	01/01/2019 - 31/12/2019	Approval of financial statements at 31/12/2020	15.00					15.00		
Rosita Francesca Natta	Standing Auditor	01/01/2019 - 31/12/2019	Approval of financial statements at 31/12/2020	15.00					15.00		

Note that, where not indicated, fees from subsidiaries of Be S.p.A. are not received, namely the same are paid back, insofar as they are absorbed in fees allocated pursuant to art. 2389, paragraph 3 of the Italian Civil Code. The breakdown of the fees paid to individual directors is shown below:

- (1) Gross remuneration for the position of Chief Executive Officer of which Euro 450,000.00 for the position of Chief Executive Officer and General Manager of subsidiaries
- (2) Gross remuneration for the position of Executive Chairman of which Euro 250,000.00 for the position of Executive Director of subsidiaries
- (3) Additional remuneration for the position of Chairman of the Control and Risk Committee
- (4) Additional remuneration for the position of Chairman of the Appointments and Remuneration Committee
- (5) of which Euro 295,000.00 for 2019 Bonus and Euro 1.277 million for 2017-2019 medium-term Bonus
- (6) of which Euro 185,000.00 for 2019 Bonus and Euro 798,000.00 for 2017-2019 medium-term Bonus

2.2. Monetary incentive plans for members of the management body, general managers and other executives with strategic responsibilities

Name and Surname	Position in Be	Plan	Bonus for the year			Bonus for previous years			Other Bonuses
			Payable/Paid	Deferred	Deferment period	No longer payable	Payable/Paid	Still deferred	
Carlo Achermann	Executive Chairman	Annual/Three-Yearly 2017-2019 BoD 2 August 2017	417.00 Target-based incentive for Annual Quota + Multiyear Quota - relating to 2019 - which may be paid in 2020 following confirmation of results achieved and the approval of the 2019 consolidated financial statements of Be Group				566.00 Target-based incentive for Multiyear Quota - relating to 2017 + 2018 - which may be paid in 2020 following confirmation of results achieved and the approval of the 2019 consolidated financial statements of Be Group		
Stefano Achermann	Chief Executive Officer	Annual/Three-Yearly 2017-2019 BoD 2 August 2017	666.00 Target-based incentive for Annual Quota + Multiyear Quota - relating to 2019 - which may be paid in 2020 following confirmation of results achieved and the approval of the 2019 consolidated financial statements of Be Group				906.00 Target-based incentive for Multiyear Quota - relating to 2017 + 2018 - which may be paid in 2020 following confirmation of results achieved and the approval of the 2019 consolidated financial statements of Be Group		
Total			1,083.00				1,472.00		

2.3. Equity investments held by members of management and control bodies, by general managers and by other executives with strategic responsibilities in companies with listed shares and in companies controlled by the same

Name and Surname	Position	Term in office	Company	No. of shares held at 31/12/2018	No. of shares purchased	No. of shares sold	No. of shares held at 31/12/2019
Stefano Achermann	Chief Executive Officer	01/01/2019 - 31/12/2019	Be S.p.A.	21,290,397 ⁽¹⁾			21,290,397 ⁽¹⁾
Carlo Achermann	Executive Chairman	01/01/2019 - 31/12/2019	Be S.p.A.				
Claudio Beretti	Non-Executive Director	01/01/2019 - 31/12/2019	Be S.p.A.				
Anna Lambiase	Non-Executive Director	01/01/2019 - 31/12/2019	Be S.p.A.				
Cristina Spagna	Non-Executive Director Independent Board Member	01/01/2019 - 31/12/2019	Be S.p.A.				
Davide Dattoli	Non-Executive Director Independent Board Member	01/01/2019 - 31/12/2019	Be S.p.A.				
Gianluca Antonio Ferrari	Non-Executive Director Independent Board Member	01/01/2019 - 31/12/2019	Be S.p.A.	104,166			104,166
Paola Annunziata Lucia Tagliavini	Non-Executive Director Independent Board Member	01/01/2019 - 31/12/2019	Be S.p.A.				
Claudio Calabi	Non-Executive Director Independent Board Member	01/01/2019 - 31/12/2019	Be S.p.A.				
Giuseppe Leoni	Chairman Board of Statutory Auditors	01/01/2019 - 31/12/2019	Be S.p.A.				
Rosita Francesca Natta	Standing Auditor	01/01/2019 - 31/12/2019	Be S.p.A.				
Stefano De Angelis	Standing Auditor	01/01/2019 - 31/12/2019	Be S.p.A.				

⁽¹⁾ Of which 7,771,132 are held directly and 13,519,265 are held indirectly through iFuture Power in Action S.r.l. (iFuture), a company in which Stefano Achermann holds 70% of share capital

At the Shareholders' Meeting held on 18 April 2019, no observations or comments from shareholders to be included in this Report were recorded.