



Report on Corporate Governance and Ownership Structure

As at 31 December 2014

(pursuant to art. 123-*bis* Consolidated Law on Finance)
(traditional management and control model)

Approved by the Board of Directors of Be Think Solve Execute S.p.A. on 11 March 2015 and available to the public on the website www.be-tse.it

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1. Glossary

Director or Directors	means a member or members of the Board of Directors.
Shareholders' Meeting	means the meeting of the Issuer's shareholders.
Borsa Italiana	means Borsa Italiana S.p.A.
Civil Code	means the Italian Civil Code.
Code/Code of Self-Regulation	means the Code of Self-Regulation for listed companies approved by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A. as amended from time to time.
Board of Statutory Auditors	means the Board of Statutory Auditors of the Issuer.
Board Member or Board Members	means a member or members of the Board of Directors.
Board or Board of Directors	means the Issuer's Board of Directors.
Consob	means the National Commission for Companies and the Stock Exchange (Commissione Nazionale per le Società e la Borsa).
Issuer, Be or the Company	means Be Think Solve Execute S.p.A.
FY or FY 2014	means the Financial year to which this Report refers.
Group	means the group of companies established by Be and by the companies over which Be exercises management and coordination.
Market Regulation Instructions	means the document of instructions for the regulation of the markets organised and managed by Borsa Italiana S.p.A., approved by the Board of Directors of Borsa Italiana S.p.A.
Body or Supervisory Body	means the supervisory body of the Issuer pursuant to Italian Legislative Decree 231/2001.
Consob regulation on related party transactions	means the Regulation issued by Consob with resolution no. 17221 of 12 March 2010 (as subsequently amended) regarding related party transactions.
Consob Issuers' Regulation	means the Regulation issued by Consob with resolution no. 11971 of 1999 (as subsequently amended) regarding issuers.
Consob Markets' Regulation	means the Regulation issued by Consob with resolution no. 16191 of 2007 (as subsequently amended) regarding markets.
Report	means this Report on corporate governance and ownership structure, prepared pursuant to art. 123- <i>bis</i> of the Consolidated Law on Finance.
Statutory Auditor or Statutory Auditors	means a member or members of the Board of Statutory Auditors.
Articles of Association	means the articles of association of the Issuer.
TUF or Consolidated Law on Finance	means Italian Legislative Decree no. 58 of 24 February 1998 (as subsequently amended).

2. Profile of Be S.p.A. Group

The **Be Group**, owned by Data Holding 2007 S.r.l. and IMI Investimenti (Intesa Sanpaolo Group), is one of the leading Italian players in the IT Consulting sector.

Be S.p.A., listed on the MTA Market of Borsa Italiana, performs management and coordination activities for the Group companies pursuant to art. 2497 et seq. of the Civil Code, through control and coordination of operating, strategic and financial decisions of the subsidiaries and through management and control of reporting flows in readiness for preparation of the annual and interim accounting documents.

The coordination of the group envisages the centralised management of treasury services (cash pooling and central account for the management of financial resources), corporate and Internal Audit services. The Parent Company's management and coordination enables subsidiaries to achieve economies of scale and to focus their resources on managing their core businesses.

The Group provides Business Consulting, Information Technology and Professional Services. A combination of specialist skills, advanced proprietary technologies and a wealth of experience enable the Group to work with leading financial and insurance institutions and Italian industry to improve their competitive capacity and their potential to create value. With around 1,000 employees and branches in Italy, Germany, United Kingdom, Switzerland, Austria, Poland, the Ukraine and Romania, in 2014 the Group recorded a total value of production of Euro 98.5 million.

Business segments

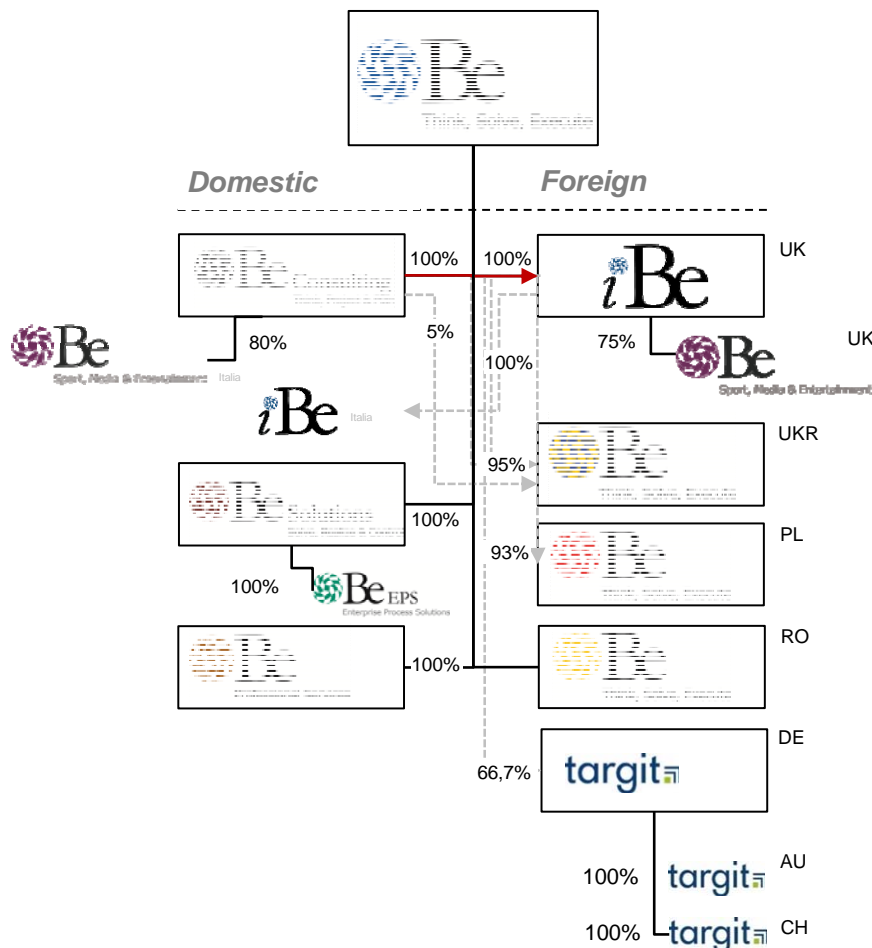
The Group specialises in the IT Consulting segment of the Financial Services sector. The organisation is divided by design into different specialisations: Business Consulting, ICT Solutions and platforms, and ICT Professional Services.

The model is that of a specialised company built around business, functional or process-related systems:

- **Business Consulting** focuses on the capacity to support the financial services industry in implementing business strategies and/or creating important plans for change. Its specialist skills are in constant development in the areas of payment systems, planning & control methods, regulatory compliance, information gathering and corporate governance systems for financial processes and asset management;
- **ICT Solutions**, i.e. the capacity to bring together business skills and technology solutions, products and platforms, creating theme-based business lines also as part of highly specialised segment-leading applications;
- **ICT Professional Services**, i.e. a pool of resources specialised in languages and technology, able to lend its professionalism to supporting critical systems or wide-scale technology upgrade plans.

In 2014, the services provided by the Group were addressed to three main types of customer: financial institutions, such as: *i*) banks and insurance companies ("Finance Area"); *ii*) operators belonging to the utilities sector and to industry ("Industry Area"); *iii*) to a lesser extent, central public administrations ("CPA") and other domestic public organisations and local public administrations ("LPA").

The following chart shows the Group structure at 31 December 2014.



(*) The above chart does not include the subsidiary A&B S.p.A., 95% owned by the Parent Company Be S.p.A. and the remaining 5% by private shareholders. This company provided services for local public administration and is currently inactive. It also does not include To See S.r.l., wholly owned by Be Consulting S.p.A.

3. Corporate Governance

Introduction

This Section has been drawn up pursuant to and for the purposes set forth in article 123-bis, paragraph 1, of the Consolidated Law on Finance. Note that: (i) the information required by said art. 123-bis, paragraph 1, letter i), of the Consolidated Law on Finance is illustrated in the report on remuneration published pursuant to art. 123-ter of the Consolidated Law on Finance; and that (ii) the information required by art. 123-bis, paragraph 1, letter l), of the Consolidated Law on Finance is illustrated in the chapter of the Report on the Board of Directors.

System of Governance

In compliance with that envisaged by art. 123-*bis* of the Consolidated Law on Finance and by the Market Regulation Instructions, on the occasion of the Shareholders' Meeting convened to approve the financial statements, Be draws up an annual report on its system of governance, indicating the level of compliance with the principles and the recommendations contained in the Code of Self-Regulation and with international best practices.

In line with the Articles of Association, the management and control model adopted by the Company is characterised by the presence of the following Bodies/Committees:

- Shareholders' Meeting;
- Board of Directors;
- Board of Statutory Auditors;
- Appointments and Remuneration Committee;
- Control and Risk Committee;
- Supervisory Body;
- Independent Auditors.

The Company's Articles of Association were amended in 2012/2013/2014, at the time of the (i) Extraordinary Shareholders' Meeting held on 17 July 2012 to resolve on the divisible share capital increase against payment, for a total maximum amount (including the share premium) of Euro 12,500,000.00 (twelve million, five hundred thousand/00) to be made within 31 (thirty-first) of December 2013, with the consequent amendment of articles 5, (share capital), 15 (Management Body), and 19 (Board of Statutory Auditors) of the Articles of Association, the latter two articles in order to ensure the compliance of the same with the provisions dictated by law no. 120 of 12 July 2011 and subsequent prescriptions dictated by art. 144-undecies of Consob resolution no. 11971 of 14 May 1999 introduced by Consob resolution dated 8 February 2012; (ii) the Extraordinary Shareholders' Meeting held on 22 December 2012, to resolve on the amendment of article 1 (company name), of the Articles of Association; (iii) meeting of the Board of Directors held on 22 March 2013, in order to execute the share capital increase approved by the Shareholders' Meeting held on 17 July 2012, with the amendment of art. 5 (share capital) of the Articles of Association; and (iv) Extraordinary Shareholders' Meeting held on 12 June 2014 to resolve, among the other items on the agenda, on the amendment to art. 15 of the Articles of Association (Management Body).

Information on the Company's governance structure and on the implementation of the recommendations of the Code of Self-Regulation is illustrated below.

4. Information on ownership structure(pursuant to art. 123-*bis*, paragraph 1, Consolidated Law on Finance)

4.1 Share capital structure

At 31 December 2014 Be S.p.A.'s issued and fully paid-up share capital totalled Euro 27,109,164.85 divided into 134,897,272 ordinary shares with no face value indicated pursuant to art. 2346, paragraph 3 of the Civil Code;

- the shares may be freely transferred¹ and there are not restrictions on voting rights;
- there are no categories of shares other than ordinary shares, nor are there shares that do not represent the Issuer's share capital;
- the Company has not issued convertible or exchangeable bonds or bonds with warrants, nor has it issued securities that grant special rights;
- the Company does not directly or indirectly hold treasury shares in the portfolio, nor through subsidiaries, trust companies, other parties or other third parties on its behalf;
- there are no restrictions to the transfer of the Company's shares pursuant to art. 12-*bis*, paragraph 1, letter b), of the Consolidated Law on Finance.

4.2 Significant shareholders

At 31 December 2014, as indicated in disclosures made pursuant to art. 120 of the Consolidated Law on Finance and in relation to notices received in accordance with internal dealing regulations, the Company's main shareholders were the following¹:

SIGNIFICANT SHAREHOLDERS			
Declarant	Direct shareholder	% of ordinary share capital	% of voting share capital
Data Holding 2007 S.r.l.	Data Holding 2007 S.r.l.	33.43	33.43
Intesa Sanpaolo Group	Imi Investimenti	20.69	20.69
	Intesa Sanpaolo	0.02	0.02
	Cassa di Risparmio del Veneto	0	0
	Cassa di Risparmio di Forlì e della Romagna	0	0
	Total Intesa Sanpaolo Group	20.71	20.71
Stefano Achermann	Stefano Achermann	5.76	5.76
Carlo Achermann	Carlo Achermann	2.96	2.96
	Float	37.13	37.13
Total	100%		

¹ Note that Data Holding 2007 has pledged the Be shares it holds as collateral for both shareholder loans granted to the same and for loans granted to several of its own shareholders in order, in turn, to indirectly fund Data Holding 2007. Under the agreements between the debtor and the secured creditors, the voting rights relating to the pledged shares continue to be held by Data Holding 2007, even if the obligations of the guarantee are not honoured.

Data Holding 2007 S.r.l., with a 33.43% interest in the share capital, exercises working control over the Issuer pursuant to art. 93 of the Consolidated Law on Finance.

The Company is not aware of any agreements between shareholders pursuant to art. 122 of the Consolidated Law on Finance.

The Articles of Associations do not contain provisions on takeover bids pursuant to articles 104, paragraph 1-*ter* or 104-*bis*, paragraph 1, of the Consolidated Law on Finance.

As at the date of this Report, there are no share-based arrangements in place with employees.

4.3 Change of control clauses

Be is part of a loan agreement signed with GE Capital on 2 February 2005, which at 31 December 2014, has a residual debt of Euro 1,825 thousand. This agreement envisages that there may not be any changes regarding the situation of control (or changes to the type of company, reductions of share capital, mergers, spin-offs or concentrations) for the duration of the loan, without the prior consent of GE Capital, which may not unreasonably deny the above. According to the terms of the loan agreement in question, changes to the above-mentioned clauses could lead to the termination of the agreement in GE Capital's favour. If even just one of the financial covenants is not complied with from the financial year ending 31 December 2012, GE Capital has the right to terminate the loan in question.

As regards 2014, all of the above covenants were respected.

4.4 Delegations to increase share capital and authorisation to purchase treasury shares

The Extraordinary Shareholders' Meeting held on 17 July 2012 resolved to update the resolutions of the previous Shareholders' Meeting held on 28 April 2011, which delegated the Board of Directors to increase the Company's share capital through the issue of ordinary shares, without option rights, in order to pursue the following Group business projects:

- a) acquisitions, with an obligation to reinvest the price to be paid, of future stakes in the share capital of companies that are considered strategic to pursuing the Group's business projects in the best way possible;
- b) the payment, with a reinvestment obligation, of the balance of share capital quotas of companies already fully acquired and subsequently incorporated by merger into Group companies wholly owned by the Parent Company, and to be acquired,

by changing the amount of the nominal share capital increase and the number of issuable share securities. More specifically: as regards increasing the amount of nominal share capital, establishing the same as the maximum percentage permitted by art. 2441, paragraph 4 of the Civil Code (corresponding to 10% of subscribed and fully freed-up capital) which will be ascertained as at the date on which the Board of Directors passes a subsequent resolution/s to increase share capital and the consequent issue of new shares, excluding options rights, and as regards the number of issuable share securities, delegating the Board of Directors to establish the extent of the same at the time of a subsequent resolution/s executing the increase, to such an extent that the maximum threshold for the increase of nominal share capital is met, and in any event respected, as ascertained above. The Shareholders' Meeting held on 17 July 2012 extended the term of execution of the delegated share capital increase to 31 December 2014.

4.5 Management and coordination

The Issuer is not subject to the management and coordination of any company.

5. Compliance (pursuant to art. 123-bis, paragraph 2, letter a), Consolidated Law on Finance)

Be's system of governance currently in force, is in line with the principles of the Code of Self-Regulation.

On 31 July 2014, the Board of Directors decided to resolve upon the revocation of the internal code of self-regulation adopted by the Board of Directors on 21 December 2012, confirming that the Company will now comply with the principles and recommendations of the Code of Self-Regulation, accessible to the public from the web page:<http://www.borsaitaliana.it/comitato-corporate-governance/codice/2014clean>.

Note that neither the Issuer nor its strategically relevant subsidiaries are subject to legislation that is not Italian, which influences the corporate governance structure of the Issuer.

6. Board of Directors

6.1 Appointment and replacement

The Company's Shareholders' Meeting resolves on the appointment of the Directors.

More specifically, the Articles of Association (art. 15), as amended by the Extraordinary Shareholders' Meeting held on 12 June 2014, envisages the following.

“The Company is managed by a Board of Directors comprised, alternatively, by 9 (nine), 11 (eleven) or 13 (thirteen) members, according to the resolution made by the Shareholders' Meeting at the time of appointment of the members of the Board of Directors. To this end, Shareholders attending and eligible to vote at the shareholders' meeting will be given the opportunity to choose between the three possible compositions of the Board of Directors and the composition that is voted by the highest percentage of ordinary share capital will be considered approved.

The appointment of the Board of Directors is made by the Shareholders' Meeting on the basis of lists submitted by the Shareholders, according to the procedure set forth in the following paragraphs, unless there are different and further provisions envisaged by mandatory laws or regulations.

All Directors must meet the requirements of eligibility, professionalism and honourability envisaged by the law and by other applicable provisions. Pursuant to art. 147-ter, paragraph 4, of Italian Legislative Decree 58/98 and subsequent amendments and supplements (the Consolidated Law on Finance), at least two Directors must meet the requirements of independence requested therein. The Directors appointed must immediately inform the Company if they no longer meet the above-cited requirements of independence or honourability, as well as in the event of their ineligibility or incompatibility. The failure to meet the requirements of independence as defined above by a Director does not lead to the dissolution of the Board, if said requirements are met by a minimum number of Directors, who must meet them in accordance with the law in force or according to the codes of conduct to which the Company has stated to observe.

A list for the appointment of Directors may be submitted by Shareholders who, alone or jointly with others, at the time of registration set forth in the following paragraph, hold a shareholding corresponding to at least the minimum established by Consob pursuant to article 147-ter, paragraph 1, of the Consolidated Law on Finance.

Lists are submitted to the registered office at least twenty-five days before the date of the Shareholders' Meeting that will resolve on the appointment of the Directors.

The lists envisage a number of candidates that does not exceed 13 (thirteen), each of which corresponding to a consecutive number. Each list must contain and expressly indicate, with a consecutive number not exceeding nine, at least two Independent Directors pursuant to art. 147-ter, paragraph 4, of the Consolidated Law on Finance. Each list must also expressly indicate, if relevant, all Directors that meet the requirements of independence envisaged by the codes of conduct drawn up by the company which manages regulated markets or by trade associations. If mandatory criteria regarding gender are applicable, each list that includes at least three candidates must contain a number of candidates of the least-represented gender that is at least equal to the minimum required by the rule in place on each occasion.

The lists must also contain, also an appendices: (i) information relating to the identity of the Shareholders that submitted them; (ii) exhaustive information on the personal and professional characteristics of the candidates; (iii) a declaration of the candidates containing their acceptance of the candidature and a statement that they meet the requirements of independence, where indicated as Independent Directors pursuant to art. 147-ter of the Consolidated Law on Finance or as Independent Directors pursuant to the above-cited codes of conduct. The ownership of the percentage of share capital required for the submission of the list is established on the basis of the shares that are registered in the name of the Shareholder or, collectively of the Shareholders, who has/have submitted the list on the day on which this is registered at the Company, with reference to the share capital subscribed at the same date. The relative statement may be sent to the Company also subsequent to the registration of the list as long as the Company receives it within the term envisaged for the publication of the lists by the Company.

The lists are made available to the public, by the Company, at the registered office, on the website and using other methods envisaged by the law and regulations in force, at least twenty-one days before the date of the Shareholders' Meeting on first and second call. The lack of one of the above-cited appendices or failure to submit the statement confirming ownership of the percentage of share capital required to submit the list will result in the inefficacy of the registration of the list, which will be considered as never having been submitted. In the event in which a number of lists are submitted, the same must not be related to one another in any way, even indirectly. Therefore, each Shareholder may not submit or contribute to submitting more than one list, even through a third party or a trust company. Furthermore, Shareholders that are considered as related pursuant to the applicable provisions of the law or of regulations in force at the time, may not submit or contribute to submitting more than one list. If these rules are infringed, the vote of the Shareholder will not be taken into account for any of the lists submitted. A candidate may only appear on one list, otherwise he/she will be considered ineligible.

For the election of the members of the Board of Directors, the following procedure will be adopted:

(a) if only one list is submitted, the members of the Board of Directors will all be taken from said list;

(b) if two or more lists are submitted:

i. from each of the lists (the Other Lists) that have obtained, respectively, the second, the third and the fourth highest number of votes, as long as not related in any way, even indirectly, between them and/or with the list that obtained the highest number of votes (the Majority List), the candidate indicated with the first number of each of the Other Lists will be extracted, it being hereby understood that in this way a number of directors of between a minimum of one (if only two lists are submitted) and a maximum of three (if four or more lists are submitted) will be extracted;

ii. the remaining members of the Board of Directors will be extracted from the Majority List, the number of which was previously established by the Shareholders' Meeting; within these numerical limits, the candidates indicated on the list in consecutive order will be elected.

In the case of equal votes between one or more lists, in order to establish the ranking of the same lists, the Shareholders' Meeting will vote again, voting only on said lists.

For the purpose of the above, the highest number of votes means the votes that represent the highest number of shares.

If, by virtue of the application of that envisaged in the paragraphs above, the minimum quorum of the less-represented gender applicable on each occasion is not respected:

(a) in place of the last candidate of the more-represented gender on the Majority List, the next candidate of the less-represented gender of the same list will be considered elected, or if this is not possible and in any event if this is not sufficient to ensure compliance with the minimum quorum of the less-represented gender;

(b) in place of the candidate that belongs to the more-represented gender taken from the first of the Other Lists, the first candidate of the less-represented gender according to the consecutive order not elected from said other List will be considered elected. This replacement procedure will continue until such time as the composition of the Board of Directors complies with the pro tempore rule regarding gender equality in force at the time. If said procedure does not guarantee the latter indicated result, the replacement will be made on a resolution of the Shareholders' Meeting by a majority vote, following the submission of candidates belonging to the less-represented gender.

If, following the application of the above procedure, the minimum number of Independent Directors envisaged by the law has not been appointed, the missing Independent Director or, depending on the case, the missing Independent Directors, will be elected as follows:

(a) in place of the non-independent candidates taken from the Majority List as last in consecutive order, the first independent candidates that have not been elected from the same list will be elected, or if this is not possible and in any event if this is not sufficient to ensure the election of the required number of Independent Directors;

(b) in place of the non-independent candidate taken from the first of the Other Lists, the first candidate according to the consecutive order not elected from said list will be considered elected.

This replacement procedure will continue until such time as Board of Directors is comprised by a number of Independent Directors corresponding at least to the minimum envisaged by the law, or by regulations, instructions or codes of conduct drawn up by the company that manages the market in which the company's shares are admitted, to which the company is obliged or to which the company declares to observe. If said procedure does not guarantee the latter indicated result, the replacement will be made on a resolution of the Shareholders' Meeting by a majority vote, following the submission of candidates that meet the cited requirements.

The Directors do not have to be shareholders and have a term of office of three financial years, ending on the date of the Shareholders' Meeting convened to approve the financial statements drawn up for the last financial year of their term of office. They may be re-elected.

If during the year, one or more of the Directors leaves the Board, as long as the majority is comprised by Directors appointed by the Shareholders' Meeting, the provisions of art. 2386 of the Civil Code will be applied, according to which:

(a) the Board of Directors will proceed with the replacement based on those belonging to the same list as the departed Director and the Shareholders' Meeting will resolve, by the legal majority, respecting the same criteria;

(b) if there are no unelected candidates remaining on the afore-mentioned lists or there are no candidates with the requirements requested, or in any event, if for some reason it is not possible to meet the provisions of letter (a), the Board of Directors will provide for the replacement, and the Shareholders' Meeting will subsequently resolve, on a legal majority, without list votes.

In any event, the Board of Directors and the Shareholders' Meeting will provide for the appointment in order to ensure the presence of a number of Independent Directors corresponding to at least to the minimum envisaged by the law, or by regulations and relative pro tempore instructions in force or codes of conduct drawn up by the company that manages the market in which the company's shares are admitted, to which the company is obliged or to which the company declares to observe.

If there is no longer a majority of Directors, the entire Board of Directors will be considered dissolved, and will be re-established according to the procedure envisaged by article 15 herein.

The Board of Directors elects a Chairman from its members, which must be one of the members of the Board taken from the Majority List, pursuant to article 15 herein, and the terms of office of the same will be the full term of office as Director.

The validity of the resolutions of the Board of Directors are subject to the provisions of art. 2388 of the Civil Code, without prejudice to the fact that resolutions on the following topics:

- (i) any matter regarding investments and/or disinvestments for an amount exceeding Euro 10,000,000 or, if lower, to an amount corresponding to 20% of the Company's Statement of Financial Position assets, as stated on the last approved financial statements;
- (ii) approval of the Company's budget and business plan (which must include the plan of investments and the financial plan);
- (iii) proposals for amendments to the Articles of Association, to be submitted to the Shareholders' Meeting, will be adopted as valid with the favourable vote of a number of Board Members corresponding to the number of Board Members in attendance minus 1 (one) person. [...].

Note that, given the structure and the limited size of the Group, as well as the type of business in which it is engaged, the Board of Directors has not adopted succession plans for executive directors, retaining that the replacement procedures adopted are adequate to assure continuity and certainty to the company's operations.

6.2 Composition

Following the expiry of the three-year mandate awarded to the Board of Directors appointed by a resolution of the Shareholders' Meeting on 29 April 2010, at a meeting held on 23 April 2013, on the basis of the two lists registered, pursuant to the Articles of Association in force at the time, one by the shareholder Data Holding 2007 S.r.l., owner - at the time the list was submitted - of an interest corresponding to 34.20% of share capital, and one by the shareholder Imi Investimenti S.p.A., owner - at the time the list was submitted - of an interest corresponding to 22.06% of share capital, given the need to increase the level of professionalism within the Board with specific regard to independent directors, the Shareholders' Meeting resolved to increase the number of members of the Board of Directors from seven to nine and to appoint, as members of the Board of Directors until the date of approval of the financial statements for the year ending 31 December 2015, the following people:

[candidates taken from the majority list submitted by Data Holding 2007 S.r.l.]

- Adriano Seymandi
- Claudio Berretti
- Stefano Achermann
- Carlo Achermann
- Giovanni Linari
- Nadia Moauro
- Umberto Quilici
- Anna Zattoni

[candidate taken from the majority list submitted by Imi Investimenti S.p.A.]

- Bernardo Attolico

86,132,424 ordinary shares took part in the voting, corresponding to 72.21% of share capital, of which 30,898 (corresponding to 0.03% of shares admitted to the vote) voted against the motion; there were no abstentions.

On 3 March 2014, Consob sent a notice to Be of the opening of administrative proceedings in which the company is charged, as jointly liable with its statutory auditors, with infringement of certain provisions of the Consolidated Law on Finance (art. 149 paragraph 5 of the Consolidated Law on Finance), regarding the compliance with the Articles of Association of the increase in the number of directors

from seven to nine and the procedure to appoint two directors, made following the Shareholders' Meeting resolution on 23 April 2013.

The Company promptly contacted Consob to illustrate its justification and rationale behind its actions, and in order to allow:

(i) first of all, the Company itself to set in place rules for the appointment of its management body that are simpler and more flexible, therefore eliminating any doubt as to their interpretation as regards the faculty of the Shareholders' Meeting to establish the number of the same, choosing between 9, 11 or 13 by majority vote before the election of the Board Members; and

(ii) at the same time, encouraging the appointment of a Board of Directors, whose composition complies with that required by the law, by the Code of Self-Regulation, by the applicable provisions set forth in the Consob Markets' Regulation as well as by the relative instructions,

during the Extraordinary Shareholders' Meeting held on 12 June 2014, the Shareholders resolved to change article 15 of the Articles of Association regarding the election and composition of the Company's Board of Directors and, following the approval of said proposal by the Shareholders' Meeting, the resignation of the entire Board of Directors, submitted on 29 April 2014, became effective, by virtue of the proposed amendments to the Articles of Association.

Subsequent to the amendment of the Articles of Association, the ordinary session of the Shareholders' Meeting held on 12 June 2014, resolved, in accordance with the new provisions set forth in the previously-cited art. 15 of the Articles of Association, to establish the number of Board members as 9, appointing the current members of the Board of Directors with a term in office until the date of approval of the financial statements for the year ending 31 December 2016, as follows:

[candidates taken from the majority list submitted by Data Holding 2007 S.r.l.]

- Antonio Taverna
- Stefano Achermann
- Carlo Achermann
- Claudio Berretti
- Cristina Spagna
- Anna Zattoni
- Anna Lambiase
- Umberto Quilici and

[candidate taken from the majority list submitted by Imi Investimenti S.p.A.]

- Bernardo Attolico

As mentioned, the appointment procedure was conducted in accordance with the new art. 15 of the Articles of Association, as amended by the extraordinary session of the above-cited Shareholders' Meeting held on 12 June 2014, namely through the submission of 2 lists of candidates for the post of director, one submitted by Data Holding 2007 S.r.l.² holder of 45,101,490 ordinary shares of the Company, corresponding to 33.43% of share capital, and one submitted by the shareholder IMI Investimenti S.p.A.³, holder of 45,101,490 ordinary shares of the Company, corresponding to 22.06% of share capital. The list submitted by Data Holding 2007 S.r.l. obtained the favourable vote of 57,567,030

² The candidates included on the list submitted by Data Holding 2007 S.r.l. are as follows: Antonio Taverna; Stefano Achermann; Carlo Achermann; Claudio Berretti; Cristina Spagna; Anna Zattoni; Anna Lambiase; Umberto Quilici; Rosanna Pellerino; Lucia Secchiaroli; Floriana Vitale; Massimo Piantodosi and Luca Savini Zangrandi.

³ The candidates included on the list submitted by IMI Investimenti S.p.A. are as follows: Bernardo Attolico; Giovanni Ferrari; Simona Bonfiglioli; Massimiliano Boschini; Amedeo Giovanni Maria Nodari; Veronica Giani; Giada Castaldini; Giovanni Frigieri; and Marco Mencagli.

shares representing 42.674% of share capital, while the list submitted by IMI Investimenti S.p.A. obtained the favourable vote of 29,756,468 shares representing 22.06% of share capital.

The table below contains the list of the members of the Board of Directors currently in office and the list of the latest Company Board Members to have left their office following resignations tendered at the time of the appointment of the new management body on 12 June 2014 in accordance with the above.

Board of Directors													Control and Risk Committee		Appointments and Remuneration Committee	
Position	Members	Year of birth	Date of first appointment *	In office since	In office until	List **	Exec.	Non-Exec.	Indep. Code	Indep. Consolidated Law on Finance	No. of other positions ***	(*) Note 1	(*) Note 1	(**)	(*) Note 1	(**)
Chairman	Antonio Taverna	1945	12 June 2014	12 June 2014	Approval of Financial Statements 2016	M	X				3	6/6 days				
Chief Executive Officer	Stefano Achermann • ◇	1969	24 April 2010	12 June 2014	Approval of Financial Statements 2016	M	X					6/6				
Director	Carlo Achermann	1944	24 April 2010	12 June 2014	Approval of Financial Statements 2016	M	X					6/6				
Director	Claudio Berretti	1972	18 May 2007	12 June 2014	Approval of Financial Statements 2016	M		X			4	6/6			1/1	M
Director	Bernardo Attolico	1963	10 May 2012	12 June 2014	Approval of Financial Statements 2016	m		X				5/6	4/4	M		
Director	Cristina Spagna	1971	12 June 2014	12 June 2014	Approval of Financial Statements 2016	M		X	X	X		5/6			1/1	P
Director	Umberto Quilici	1946	23 April 2013	12 June 2014	Approval of Financial Statements 2016	M		X	X	X	2	6/6	4/4	P	1/1	M
Director	Anna Zattoni	1970	23 April 2013	12 June 2014	Approval of Financial Statements 2016	M		X	X	X		5/6	4/4	M		
Director	Anna Lambiase	1967	12 June 2014	12 June 2014	Approval of Financial Statements 2016	M		X			1	6/6				

DIRECTORS WHO LEFT THE BOARD DURING THE FINANCIAL YEAR UNDER ANALYSIS																
	Name Surname											Note 2	Note 2		Note 2	
Chairman	Adriano Seymandi	1945	21 October 2008	23 April 2013	12 June 2014	M	X					6/6				
Director	Stefano Achermann	1969	24 April 2010	23 April 2013	12 June 2014	M	X					6/6				
Director	Carlo Achermann	1944	24 April 2010	23 April 2013	12 June 2014	M	X					6/6				
Director	Claudio Berretti	1972	18 May 2007	23 April 2013	12 June 2014	M		X			4	5/6			3/3	M
Director	Bernardo Attolico	1963	10 May 2012	23 April 2013	12 June 2014	m		X				6/6				
Director	Giovanni Linari	1955	23 April 2013	23 April 2013	12 June 2014	M		X	X	X		6/6			3/3	P
Director	Umberto Quilici	1946	23 April 2013	23 April 2013	12 June 2014	M		X	X	X	2	6/6	4/4	P		
Director	Anna Zattoni	1970	23 April 2013	23 April 2013	12 June 2014	M		X	X	X		6/6	4/4	M	3/3	M
Director	Nadia Moauro	1956	23 April 2013	23 April 2013	12 June 2014	M		X				5/6	3/4	M		
No. of meetings held during the year under analysis: 12										Appointments and Remuneration Committee: 4	Control and Committee: 8	Risk				

Indicate the quorum required for the submission of the lists by minorities for the election of one or more members (pursuant to art. 147-ter Consolidated Law on Finance): 2.5%

NOTES

The symbols indicated below must be entered in the "Position" column:

• This symbol indicates the director in charge of the risk management and internal control system.

◊ This symbol indicates the main person in charge of the management of the issuer (Chief Executive Officer or CEO).

○ This symbol indicates the Lead Independent Director (LID).

* The date of first appointment of each director means the date on which the director was appointed for the first time (ever) to the Board of Directors of the issuer.

** This column indicates the list from which each director was taken ("M": majority list; "m" minority list; "BoD": list submitted by the BoD).

*** This column indicates the number of positions as director or statutory auditor held by the person in question in other companies listed on regulated markets, including those abroad, in financial, banking, insurance companies or in companies of a relevant size. In the Report on corporate governance, the positions are indicated in full.

(*). This column indicates the attendance of the directors at meetings of the BoD and of committees respectively, (indicate the number of meetings attended with respect to the total number of meetings that the same could have attended; e.g. 6/8; 8/8 etc.).

(**). This column indicates the position of the board member within the Committee: "C": Chairman; "M": Member.

Note 1: the total number of meetings refers to those held between 12 June 2014 and 31 December 2014.

Note 2: the total number of meetings refers to those held between 1 January 2014 and 12 June 2014 (exclusive).

The key information regarding the professional experience of the members of the Board of Directors currently in office is illustrated below:

Antonio Taverna

Born in 1945, he has been Chairman of the Board of Directors since June 2014. He is a consultant and a chartered accountant, a sessional professor at the Faculty of Economics of Carlo Cattaneo University. He has acted official receiver for companies in compulsory administration pursuant to art. 70 of the Consolidated Law on Banking; he has held positions of independent Board Member and Statutory Auditor. Until June 2007, he was a senior partner with PricewaterhouseCoopers, where he held management and coordination positions in the Italian organisation for the Financial Services and SME, auditing and extraordinary finance sectors. He was the official receiver of the Delta banking group. At present, in addition to his position as Chairman of the Board of Directors, Mr. Taverna holds the following positions (i) Independent Board Member of Ferroli S.p.A.; (ii) Chairman of the Board of Statutory Auditors of MPS Leasing&Factoring; (iii) Standing Auditor of Anima Holding; (iv) Chairman of the Board of Statutory Auditors of Anima SGR; and (v) Chairman of the Board of Statutory Auditors of AREL Research Agency, founded by Nino Andreatta. He is a member of the Supervisory Board of AIAF.

Stefano Achermann

Born in Rome on 10 June 1969, he has a degree in economics and was in charge of Guidelines and Systems for the Capitalia Group and Chairman of Capitalia Informatica until 2007, as well as holding various posts in the same group. In the past, he was the co-founder and Chief Executive Officer of E-Finance Consulting Reply and between 1999 and 2001, he worked with McKinsey&Company. At the date of this Report, in addition to being the Chief Executive Officer of Be, Mr. Achermann is also the Chief Executive Officer of Be Consulting S.p.A. (of which he is also General Manager), Be Solutions S.p.A., Be Professional Services S.p.a. and of Be Enterprise Process Solutions S.p.A.. Mr. Achermann is also a member of the Board of Directors of iBe tse Ltd. (previously Bluerock Consulting Ltd.).

Carlo Achermann

Born in Rome on 1 February 1994, after graduating in Economics and Business, he worked for the IRI Group (Cementir S.p.A.) until June 1979. He was a member of the Board of Directors of Società Europa Tessile S.p.A. between July 1979 and 1988 as well as Chief Executive Officer of Kashiyama Italia S.p.A.. Between 1979 and 1992, he held various positions in Italy and Europe on behalf of the Kashiyama group. In 1992 he founded E*Finance Consulting, which was sold in 2001 to the Reply group, for which he then became head of the Finance market. In 2007, he started to work with the group, where he held the position of Board Member of the Parent Company. At the date of this Report, in addition to his position as Director, with a mandate for Be's Finance, he also holds the following positions (i) Chairman of the Board of Directors of Be Consulting S.p.A.; (ii) Director of Be Solutions S.p.A.; (iii) Director of Be Professional Services S.p.A.; and (iv) Director of iBe Tse Ltd. (previously Bluerock Consulting Ltd.).

Claudio Berretti

Born in Florence on 23 August 1972, resident in Milan. He graduated in Business Economics. He won a study grant awarded by Banca Commerciale Italiana and a European Community study grant for work projects abroad. Prior to his current position, he worked with "Federtessile" in Milan, Fiat UK Ltd and Magneti Marelli UK, and from 1995 to date with Tamburi Investment Partners, a company that specialises in consultancy for extraordinary financial transactions and in investments in listed and unlisted companies. Since 2004, he has been the General Manager of Tamburi Investment Partners.

In addition to the position of Board Member of Be, he holds the following other positions: (i) general manager and executive director of Tamburi Investment Partners S.p.A.; (ii) Board Member of Be Consulting S.p.A.; (iii) Board Member of Be Solutions S.p.A.; (iv) Board Member of Data Holding 2007 S.r.l.; (v) Board Member of Venice Shipping & Logistic S.p.A.; (vi) Board Member of Bolzoni S.p.A.; (vii) Board Member of Noemalife S.p.A.; (viii) Board Member of Monrif S.p.A.; (ix) Board Member of Oubitaly S.d.; (x) Board Member of Clubsette S.r.l.; and (xi) Sole Director of Tipo S.r.l..

Cristina Spagna

A graduate in Pedagogy from the University of Turin in 1994, between February 1996 and January 1999, she worked for a company that specialises in Personnel research and selection Start International Account HR, and, later between January 1999 and December 2001, she held the position of HR Manager at Fujitsu Siemens. At present, she is the managing director and chairman of the board of directors of Kilpatrick Executive Search Milano, where she is in charge of the following business areas: executive search headhunting; business development; new market development and supervision of foreign subsidiaries; executive coaching; and the organisation and definition of corporate strategies.

Anna Zattoni

With a degree in Mechanical Engineering awarded in 1996 by the University of Bologna, she has worked with leading strategic consulting firms such as Boston Consulting Group (Milan) and with leading foreign companies such as Pfizer Italy and Vodafone. At present, in addition to her role as director with Be, she is also the General Manager of ValoreD.

Anna Lambiase

With a degree in Economics and Business awarded in 1993 by the University of Pavia, she obtained the qualification as chartered accountant in 1995. She also obtained a master in finance from the same University of Pavia and a master in e-business from the Polytechnic of Milan. After extensive experience in Corporate Finance and in listing procedures, she worked as CFO for Poligrafica San Faustino, a company listed on the STAR segment, and in 2001 founded IR Top, a leading company in Italy in strategic consulting on Investor Relations for listed companies. In 2010, she founded VedoGreen, which specialises in providing funding to green companies, through which she became the inventor, promoting partner and CEO of GreenItaly1, the first SPAC (Special Purpose Acquisition Company) focused on the green economy, listed on the Italian AIM market. She has written numerous publications and articles on IPOs, corporate governance, corporate disclosures, financial statements and company assessments and she is a teacher at the Academy, the training centre of Borsa Italiana LSE Group, for the main courses in financial communication, IR and corporate disclosure.

Umberto Quilici

Born in Lucca in 1946, he graduated in Physics from the University of Milan (1969).

He has developed his professional and managerial career in companies such as Italsiel, Logica Generali Systems and Data Management, where he has held the positions of General Manager and CEO. In 1997, he became the Central Manager of Credito Italiano, with responsibility for defining and implementing the Group's new ICT strategy. In this role he worked with the Group's IT company (Ugis) as CEO and Chairman throughout its development until December 2007. He has also held the position of member of the board of directors and Chairman in numerous companies of the Unicredit Group, including Bipop Carire. At present, in addition to the role of director in Be, he is a member of the board of directors of Unicredit Business Integrated Solutions (Ubis), for which he chairs the Internal Control and Risk Committee. He is also a member of the Boards of Esprinet and SIA.

Bernardo Attolico

Born in New York on 19 January 1963, he held professional roles at the Bank of Tokyo (Tokyo and London) between November 1987 and 1989 in the capital markets division. Between October 1989 and 1992, he was in charge of marketing investment banking products in Italy, Greece and Turkey for Yamaichi International (London). Between 1992 and 1997, he worked with Barclays de Zoete Wedd (London), and later with Credit Suisse First Boston (London), between 1998 and 2000 as Italian Coverage Director, and between 2001 and 2002, as Managing Director and Head of Investment Banking in Italy. Between 2003 and 2005, he held the position of Managing Director, Investment Banking, Senior Banker Responsible for Relations with Corporate Customers at Deutsche Bank (Milan). Lastly, between

2006 and 2013, he was the senior partner of Insec, a company that operates in the business of consulting and management of private equity transactions based on club deals.

Note that the number of Independent Directors, with relation to the total number of Board members, is in line with the provision set forth in Application Criterion 3.C.3 of the Code of Self-Regulation.

Note also that the present composition of the Board of Directors is in line with the provisions contained in art. 147-*ter* of the Consolidated Law on Finance as regards the balance between genders in the composition of management bodies of listed companies.

All of the members of the Board of Directors meet the requirements of honourability set forth in art. 2 of the Regulation of the Italian Ministry of Justice no. 162/2000, as referred to by art. 147-*quinquies* of the Consolidated Law on Finance, and there are no situations of ineligibility or disqualification envisaged by art. 2382 of the Civil Code or, depending on the case, by art. 148, paragraph 3, of the Consolidated Law on Finance, as referred to by art. 147-*ter*, paragraph 4 of the same Law. Furthermore, the independent Directors, Cristina Spagna, Anna Zattoni and Umberto Quilici have stated that they meet the requirements of independence envisaged by article 148, paragraph 3 of the Consolidated Law on Finance, and by article 3 of the Code of Self-Regulation. The Board of Directors has made the annual assessment to ensure that the above requirements of independence are still met.

The purpose of the presence of three independent directors is to provide greater protection to good corporate governance, achieved through discussion and dialogue between all directors. The contribution of the independent directors also enables the Board of Directors to verify that cases of potential conflict of interests between the Company and the majority shareholder are assessed with an adequate degree of independence.

The management and control positions held as at 31 December 2014 by each director of Be in other companies listed on regulated markets, including those abroad, in Group companies, financial, banking, insurance companies or in companies of a relevant size, are shown in the table below.

2014 Table of Positions in addition to those held in Be at the date of this Report

<u>Board Member</u>	<u>Position</u>	<u>Company</u>	<u>Be Group</u>	<u>Minority interests</u>
Antonio Taverna	<i>Chairman of the Board of Statutory Auditors</i>	Anima SGR	NO	NO
	<i>Chairman of the Board of Statutory Auditors</i>	MPS leasing & Factoring	NO	NO
	<i>Standing Auditor</i>	Anima Holding	NO	YES
	<i>Independent Board Member</i>	Ferrolì S.p.A.	NO	NO
Stefano Achermann	<i>CEO and General Manager</i>	Be Consulting S.p.A.	YES	NO
	<i>Chief Executive Officer</i>	Be Solutions S.p.A.	YES	NO
	<i>Chief Executive Officer</i>	Be Enterprise Process Solutions S.p.A.	YES	NO
	<i>Chief Executive Officer</i>	Be Professional Services S.p.A.	YES	NO
	<i>Executive Director</i>	iBe tse Ltd. (previously Bluerock Consulting Ltd.)	YES	NO
Carlo Achermann	<i>Chairman of the Board of Directors</i>	Be Consulting S.p.A.	YES	NO
	<i>Board Member</i>	Be Solutions S.p.A.	YES	NO
	<i>Board Member</i>	Be Professional Services S.p.A.	YES	NO
	<i>Executive Director</i>	iBe tse Ltd. (previously Bluerock Consulting Ltd.)	YES	NO
Claudio Berretti	<i>General Manager and Board Member</i>	Tamburi Investment Partners S.p.A.	NO	YES
	<i>Board Member</i>	Bolzoni S.p.A.	NO	YES
	<i>Board Member</i>	Noemalife S.p.A.	NO	YES
	<i>Board Member</i>	Be Consulting S.p.A.	YES	NO
	<i>Board Member</i>	Be Solutions S.p.A.	YES	NO
	<i>Board Member</i>	Monrif S.p.A.	NO	YES
Cristina Spagna	<i>CEO and Chairwoman of the Board of Directors</i>	Kilpatlick Executive Search Milano	NO	NO
Anna Zattoni	<i>General Manager</i>	Valore D	NO	NO
Anna Lambiase	<i>Chief Executive Officer</i>	IR Top Consulting	NO	NO
	<i>Chief Executive Officer</i>	VedoGreen	NO	NO
	<i>Managing Director</i>	GreenItaly1 S.p.A.	NO	YES
Umberto Quilici	<i>Board Member</i>	Unicredit Business Integrated Solutions (Ubis)	NO	NO
	<i>Board Member</i>	Esprinet	NO	YES

According to that envisaged by the Code of Self-Regulation in article 1.C3, as regards the opinion of the Board of Directors as to the maximum number of positions as director or statutory auditor in listed, financial, banking or insurance companies, or in companies of a relevant size, note that the Board has

not adopted any general criteria, but has made an assessment of the compatibility of the above-indicated positions with the assignments entrusted to the respective directors by Be and has issued a positive opinion, retaining that said positions are compatible with the efficient performance of the role assigned to each individual Board Member, also taking into account their participation in the committees established within the Board.

In order to maintain adequate knowhow of the business sector in which the Company operates, whenever retained necessary, the Board Members receive information and updates on the sector in which the Issuer operates and on the relative legislation, also by means of material drawn up by the Company.

Other relevant resolutions of the Shareholders Meeting and Board of Directors

On 29 April 2014, the Shareholders' Meeting approved the Consolidated Financial Statements for the year ending 31 December 2013, resolving to allocate Euro 1,024,407 of the profit for the year as Euro 51,220 to the Legal Reserve and the remaining Euro 973,187 to the Extraordinary Reserve.

The Board of Directors, at a meeting held on the same date, unanimously resolved to convene an ordinary and extraordinary session of the Shareholders' Meeting, in order to change article 15 of the articles of association regarding the composition and election of members of the management body. The Board of Directors had decided to make this amendment, given certain findings and doubts raised by Consob on the correct interpretation of the current wording of the Articles of Association and its application at the time of appointment of the current Board, and particularly to provide the Company with rules for the appointment of a Board of Directors that encourage the appointment of a board comprised of an adequate number of independent directors, in line with the recommendations of the Code of Self-Regulation issued by Borsa Italiana S.p.A., continuing to ensure the presence of an adequate number of executive directors on the Board.

During the board meeting, all directors also considered it appropriate to resign from their respective offices to allow shareholders to immediately appoint a new Board of Directors in line with the new statutory rules. The effectiveness of these resignations was, however, subject to approval by the Be Shareholders' Meeting of the proposed amendments to article 15 of the articles of association.

6.3 Role of the Board of Directors

The point of reference for the company's organisation is the Board of Directors, which is functionally responsible for strategic and organisational matters and for ensuring that the necessary controls are in place to monitor the Company's performance.

Frequency and conduct of Board Meetings

The following paragraphs contain information on meetings of the Board of Directors:

- in FY 2014, the Board of Directors met 12 times (specifically: 6 times before the resignations of the previous Directors and 6 times following the appointment of the new Board of Directors approved by the Shareholders' Meeting on 12 June 2014);
- the average length of the meeting held during the FY was 1 hour and 56 minutes; in FY 2015, at the date of this Report, 2 meetings of the Board of Directors have already taken place and at least a further 4 meetings have already been planned;
- the completeness and timeliness of information provided prior to a board meeting is guaranteed by sending a notice of call containing a brief indication of the items to be discussed at least seven days before the meeting, in the majority of cases, and at least two days before the meeting in urgent cases, in accordance with that envisaged by the Articles of Association. The Articles of Association also envisage that, if a notice of call is not sent, a Board meeting may be legitimately held with the

presence of the majority of its members and the majority of the members of the Board of Statutory Auditors, only on condition that all members of the Board of Directors and of the Board of Statutory Auditors with a right to attend have been informed of the meeting and of the items on the agenda and any absent members have communicated in writing that they will not oppose the discussion of the items on the agenda;

- meetings are convened in accordance with the terms envisaged, by sending a registered letter, telegram, fax or e-mail message to each Director and Standing Auditor, with confirmation of the receipt of the notice of call;
- meeting of the Board of Directors may be held also by video or tele-conference, on condition that this is noted in the notice of call and on condition that all attendees can be identified, are able to follow the discussion and to intervene in real time and that examining documents and passing resolutions is guaranteed to take place at the same time;
- Board meetings are held with the participation of the Board secretary, as well as, where retained appropriate, corporate functional heads and external consultants involved in the items on the agenda, with a view to providing all Board Members with the in-depth analysis needed to acquire adequate information on the Company's operations.

Parties external to the Board may also attend Board meetings, if invited. More specifically, we draw attention to the attendance of the executive in charge of preparing the company's accounting documents, whose presence contributes to the appropriate analysis of the items on the agenda, in addition to the Statutory Auditors.

Powers awarded

To exercise the functions for which it is exclusively responsible for, and listed in art. 1 of the Code of Self-Regulation and for the ordinary and extraordinary management of the Company, the Board of Directors is awarded, under art. 17 of the Articles of Association, the widest and unlimited powers for the ordinary and extraordinary management of the Company, with the sole exclusion of resolutions which the law reserves to the Shareholders' Meeting. Directors will be reimbursed the expenses they have incurred relating to their position and the Shareholders' Meeting may award the same fees, profit-sharing schemes and may enter into additional policies in their favour for the duration of their term in office. The Board of Directors also has the following faculties:

- the decision to merger in the cases set forth in articles 2505 and 2505-*bis* of the Civil Code;
- the opening and the closing of secondary offices;
- the reduction of the share capital if a shareholder withdraws;
- the amendment of the Articles of Association to legislative provisions;
- the transfer of the registered office within the Province;
- policy-making and periodically checking the adequacy and the effective functioning of the internal control system, ensuring that the main company risks have been identified and are adequately managed;
- examining and approving relating party transactions, as defined by IAS 24 and by CONSOB resolutions no. 17221 of 12 March 2010 and subsequent amendments.

Pursuant to art. 2381 of the Civil Code and as resolved in the Board of Directors' meeting held on 18 June 2014, without prejudice to the power awarded to the Chairman and to the CEO, on joint signature, to take measures that are the responsibility of the Board of Directors, if the same are urgent, in the Company's interest, with the obligation to report back to the Board at the next meeting of the same, the Board of Directors has exclusive powers relating to the following:

- the definition of strategic and organisational policies for the company and the group (including therein plans and budgets);
- agreements with operators in the same business, other domestic or foreign companies or groups, of strategic relevance beyond standard operations;
- share capital increases, incorporation, transformation, listing on the Stock Exchange, mergers, spin-offs, liquidations, entering into shareholder agreements, relating to direct subsidiaries;
- the purchase, exchange and sale of real estate, as well as leases for a term exceeding nine years;
- financial sale or purchase transactions, medium and long term, exceeding Euro 2,500,000 per transaction;
- issue of guarantees for amounts exceeding Euro 2,500,000 per transaction;
- acquisition and disposal, also through the exercise or waiver of option rights, assignment, usufruct, pledges and any other conveyance, also as regards joint ventures, relating to equity investments in companies or subjecting the same investments to restrictions;
- sale, assignment, rental, usufruct and any other conveyance, also as regards joint ventures, or subjecting the company or divisions of the same to restrictions;
- concluding, amending, settling, permitting novation, renewing, extending (also tacitly), reaching agreement on any dispute regarding payables exceeding Euro 1,500,000;
- hiring, transferring, suspending and dismissing executives whose annual gross salary exceeds Euro 170,000.00, establishing the conditions, qualifications, category and level, determining remuneration, fees and awards.

Activities performed

In 2014, the Board of Directors performed the activities and tasks envisaged by the Code of Self-Regulation, specifically:

- the Board of Directors regularly examined the performance of the Group's operations, the quarterly results, the general policies relating to human resource management, significant transactions, related party transactions, taking into consideration the information received from delegated bodies and comparing the results recorded with those planned;
- the Board of Directors assessed the adequacy of the organisational, administrative and general accounting structure of the Issuer and of subsidiaries with strategic relevance, with specific reference to the internal control system and to the management of conflicts of interest, after obtaining the opinion of the Control and Risk Committee, and also on the basis of assessment made by the Company's head of the internal audit function;
- The Board of Directors examined and gave prior approval for transactions - considered significant from a strategic, economic or equity perspective for the Issuer - of the Issuer and its subsidiaries.

The Issuer decided not to establish specific criteria to identify transactions that are considered significant from a strategic, economic, equity or financial perspective for the Company itself, as said criteria are established individually for each of the transactions at the time the same are approved.

At the date of this Report, the Shareholders' Meeting has not authorised departures from the non-competition clause.

6.4 Delegated bodies

A) Chairman of the Board of Directors

By a resolution of the Board of Directors on 18 June 2014, the Chairman, Antonio Taverna, who is entrusted with the legal representation of the Company by law and according to the Articles of Association, as well as the company signature, was invested with the powers indicated below:

- a) to manage institutional relations, relations with Consob and the Bank of Italy, and the internal audit function, through the company functions he is responsible for;
- b) to take any measures, with the joint signature of the CEO, that are the responsibility of the Board of Directors, if the same are urgent, in the Company's interest, with the obligation to report back to the Board at the next meeting of the same.

B) Chief Executive Officer

By a resolution of the Board of Directors on 18 June 2014, the Chief Executive Officer, Stefano Achermann, was invested with the following powers:

- a) to manage, direct and administer the operations of the Company and of subsidiaries involved in the production of goods and services, consistent with the corporate purpose and the achievement of the same;
- b) to establish the Company's strategic policies, its policy on alliances, acquisitions and disposals to be submitted to the Board of Directors, undertaking the necessary transactions with subsidiaries, associates or investee companies;
- c) to manage all of the Company's own activities through the company functions he is responsible for and specifically, human resources and trade union relations, quality control and customer satisfaction, strategic planning and investor relations, legal and corporate affairs, administration and the financial statements, financial and treasury activities and control and management;
- d) to implement the resolutions of the Board of Directors by taking the measures, also as regards extraordinary administration, resolved upon by the Board;
- e) to resolve upon and to take all measures that are included in the ordinary management of the Company, by undertaking the necessary transactions with subsidiaries, associates or investee companies, as far as is necessary or useful with a view to fulfilling the responsibilities indicated in letter a) above;
- f) the liability of Employer (Italian legislative Decree 81/08 et seq.), of "Data Controller" (Italian Legislative Decree 196/03) as well as "Executive in charge of Security".

The assignments and the powers awarded above are also expressly intended to include, by way of example, but not limited to such, the following powers, which may be exercised by the Chief Executive Officer, with a single signature, unless otherwise envisaged in point 29 below and with the faculty to sub-delegate, and in any event without prejudice to (i) the powers reserved to the Board of Directors, and (ii) the obligation to report to the Chairman and to coordinate with the same to report to the whole Board (pursuant to art. 2381, paragraph 5 of the Civil Code) on company performance:

1. to represent the Company before any ordinary or special judicial or administrative authority, in any proceeding and at any level or jurisdiction, also on the occasion of revocation or cessation, with the power to decide, propose and sign any declaration, application, exception, appeal, opposition, defence and any document of any nature; to file and to re-file lawsuits and to waive the same, to submit claims, to bring civil action in criminal proceedings, to represent Group companies in criminal proceedings as the injured party, to refer any disputes that may arise to arbitration or amicable composition for settlement, either on the basis of a clause in the contract itself or a separate submission agreement, appointing the arbitrators and seeing to all the formalities also

relating to the consequent decision of the arbiters; to represent the Company in insolvency proceedings; to conciliate or settle disputes in a court of law; to submit or refer oaths; to submit and respond to questions and enquires also as regards civil fraud; to make and demand legal deposits giving receipt and discharge thereof; to perform all of the above all through special proxies, with the power to appoint lawyers and proxies, issuing the relative general or special powers of attorney for litigation on behalf of Group companies and to elect domicile, as well as to appoint special proxies to represent the Company;

2. to perform any transaction at the department of motor vehicles and/or the relative public motor vehicle register relating, inter alia, to the transfer of ownership of motor vehicles, to update certificates and to sign the relative contracts and documents on behalf of the Company;
3. opening and closing current bank and post office accounts and making transactions on the same; drawing bank cheques, requesting bankers' drafts, payment orders or credit orders, within the limits of the sums that are available, making payments of company debts of any amount or nature, in any form; issuing, signing and endorsing drafts agreed with Italian and foreign customers to cover the Company's supplies; in general performing any transaction relating to amounts, securities, receivables, commercial bills, currency etc.;
4. signing Company correspondence;
5. supervising the performance of the companies directly or indirectly controlled by the Company, reporting to the Board of Directors on the activities performed by the same and on transactions considered important from an economic, financial or equity perspective;
6. making proposals to the Company's Board of Directors regarding any changes to the organisational structure of companies directly or indirectly controlled by the Company, also by means of extraordinary transactions on share capital, with a view to assuring the Group's operational unity, as well as technical and administrative policies;
7. to handle relations and to represent the Company before the Bank of Italy as regards all financial, currency and other type of transaction;
8. to handle relations with - and to represent the Company before - Consob, Borsa Italiana and any other public or independent authority;
9. to handle relations with banks and/or investment firms;
10. to represent the Company in Italy and abroad before any body and/or office of the European Union, the state administration, territorial and non-territorial bodies, public and private offices, trade and trade union organisations, customs offices, post and telegraph offices;
11. to represent the Company, by submitting applications, petitions, appeals and claims to the judicial and administrative authorities, and to any other public and/or independent authority, such as by way of example, the antitrust authorities, the authority for the protection of personal data, the Italian communications authority, the electricity and gas authorities, with the power to take legal action and appear before the court, also appointing lawyers and proxies for litigation;
12. to represent the Company before Chambers of commerce and the offices of company registers, requesting, depositing and/or collecting any certificate, declaration, document, deed in general, as well as letters, registered letters, insured letters, parcels, valuables, securities, goods etc. at/from the same, as well as from other public or private administrative, financial and postal offices; to enter into any contract with public and/or private entities to obtain the utilities needed to attain the corporate purpose;
13. to represent the Company before the general management, the registry office, the technical tax offices, the district tax offices, VAT offices, municipal offices, including those responsible for local taxes and, in general, before central and local financial administrations and public territorial entities,

to sign and submit appeals, income tax returns of the Company, substitute tax declarations and any other declaration envisaged by tax legislation; to submit appeals against any deed and/or order issued by the above-cited financial administrations before the tax commissions and any other competent judging body, to submit appeals and counter-appeals, to accept and sign the relative settlements, agreeing on all of the terms, including economic terms; to sign statistical reporting forms, and any other document required for transactions related to international trade, exports, imports and the transit of goods;

14. to submit applications and to file any paperwork with a view to obtaining financial and/or tax benefits, from community, primary and secondary national legislation and/or from legal provisions issued by territorial public bodies and/or by other public bodies;
15. as regards bank transactions and financial transactions in general, negotiating and obtaining, from banks and credit institutions, loans and credit facilities in Euro or in a foreign currency, that may be used in any form up to a maximum of Euro 2,500,000; opening and closing current bank and post office accounts and making transactions on the same; organising the approval and the use of credit lines; negotiating and defining funding and borrowing conditions and means also in the interests of subsidiaries controlled directly or indirectly; obtaining (bank or insurance) sureties, endorsements, guarantees in general for the obligations undertaken by the Company with third parties and in the interests of the former; issuing or arranging the issue of unsecured guarantees from banks and financial companies in the Company's interest for the continuation of its operations; drawing bank cheques, requesting bankers' drafts, payment orders or credit orders, within the limits of the sums that are available; endorsing, negotiating and issuing receipts for cheques and money orders originated by the Company or endorsed to the same; obtaining the relative amounts of the same, challenging the same; cashing and discounting bills and drafts originated by the company or endorsed to the same, and issuing receipts; obtaining the return on the same, challenging the same; opening and closing bank and post office accounts, making payments into and withdrawals from the same, issuing receipts; cashing amounts, as well as money orders, cheques, bills and securities at banks, collecting receivables and valuables from any party and for any reason due to the Company; making payments of company debts of any amount or nature, in any form; issuing, signing and endorsing drafts agreed with Italian and foreign customers to cover the Company's supplies; in general performing any transaction relating to amounts, securities, receivables, commercial bills, currency etc.;
16. again with regard to financial transactions, signing finance lease contracts, on condition that the lease of the goods relates to the corporate purpose, with a term not exceeding nine years and a maximum amount of Euro 2,500,000; performing factoring transactions, signing the relative contracts, establishing the receivables to be assigned, the price of the assignments, establishing the conditions of the factoring arrangement, agreeing on pacts and clauses, as a real or binding right;
17. representing the Company vis-à-vis insurance and reinsurance companies, submitting claims for damages, overseeing appraisals, accepting settlements, agreeing on all of the terms, including economic terms;
18. participating and competing in public tenders in general, announced by any public and/or private, international, Community, national and/or local entity, and in judicial auctions, representing the Company at each stage of the relative proceedings, signing applications, petitions and correspondence;
19. finalising, amending, resolving and allowing novation, renewals, extensions (including tacit renewals), settling all disputes relating to the following purchase agreements: a) purchase agreements regarding the Company's movable assets and property, directly or indirectly related to the company business (excluding the equity investments that would be registered as long-term investments for which a specific resolution of the Board is required), including the equipment for the Company's plant, office furniture, raw materials, motor vehicles and any other type of movable

asset subject to registration; b) lease contracts with a term not exceeding nine years, for the lease, loan for use, of movable assets and real estate; c) service provision agreements, sub-agreements and any type of supply agreement; shipment agreements for the transport of people and/or items by land, air or sea; d) insurance and reinsurance contracts for any risk and any amount; e) mandate, commission or agency agreements (with or without representation), distribution, brokerage, deposit and/or consignment stock, advertising, sponsorship, general consulting agreements; f) contracts relating to software and/or hardware; g) contracts relating to intangible assets relating to intellectual property; h) any other purchase contract. The power set forth in point 19) above, may be exercised with a single signature for contracts with amounts equal to but not exceeding Euro 1,500,000.

20. as regards safety in the workplace, accident prevention and environmental protection (also of the work environment), performing all that is necessary, including allocating tasks and appointing delegates responsible for this area, which also act as proxies, to ensure full compliance with health and safety legislation in the workplace and the protection and safeguarding of the environment and the health of workers; representing the company in relations with third parties, including consultants, and with the administrative and judicial authorities, within the powers awarded in this point; organising and overseeing the provision of the utmost information to workers (dependent, auxiliary and/or external) on any general or specific risks they may be exposed to during the performance of their work, informing the same of the essential rules of prevention, safety and hygiene by means of posters containing extracts of the same displayed in the workplace and in any event using any suitable means that may promote and ensure immediate awareness; drawing up and implementing adequate internal rules on protection, safety and hygiene for the workplace, in compliance with legislative provisions; ensuring, checking and demanding, also in application of regulations and the law, that everyone complies with legislative and internal provisions regarding safety, protection and environmental and food hygiene, but using everything made available to the same; ensuring and overseeing that all safety devices and means of personal protection are always used and are in a good state of repair, using specific personnel to check this, who must report any non-fulfilments as necessary; continuously checking that all plant, equipment and other articles meet legal requirements, updating the same to new technologies in safety, hygiene and ecology and to that required by fire prevention laws; handling compliance of an administrative nature relating to ecology and to health and safety in the workplace;
21. representing the Company with regard to labour inspection agencies, trade unions, labour offices, social security and/or national insurance entities; ensuring that the compulsory ledgers and the documents required by labour and social security laws and regulations are properly kept; signing and submitting declarations, communications, certifications for legal purposes as regards social security and/or welfare, as well as relating to insurance against accidents in the workplace, handling and/or settling disputes agreeing on all terms, including economic ones;
22. hiring, transferring, suspending and dismissing personnel of any category or level, with the exclusion of executives whose annual gross salary exceeds Euro 170,000.00, establishing the conditions, qualifications, category and level, determining remuneration, fees and assignments; drawing up work training contracts and consulting contracts; appointing and dismissing agents, sub-agents, commissioners, door-to-door salespeople, representatives and in general commercial staff for the sale of the Company's products and services in Italy and abroad;
23. requesting sole ownership certificates in general (with no exceptions or exclusions) and certificates for patents, industrial inventions and utility models, extensions and addendums, in Italy or abroad, and protecting the Company's intellectual property rights; requesting the registration of trademarks, however constituted, in Italy and abroad, fulfilling any consequent requirement;
24. participating in public auctions, tenders and private invitations also for supplies to public administrations, making commitments and acting in the name of the company when guaranteeing the relative documents and/or any agreements related to the same;

25. participating in all public sessions of awarding commissions for public auctions, tenders and private invitations, negotiated procedures announced by central and local public administrations, and by any public or private body or entity. Performing all actions and transactions that are instrumental, supplemental or in any event consequential to those indicated in the points above;
26. appointing and dismissing general and special proxies, establishing their powers within the scope of his own and any fee due; assigning, changing and withdrawing consulting and professional collaboration assignments;
27. representing the Company in the ordinary and extraordinary shareholders' meetings of investee companies and/or entities, with all relevant powers of representation and authorisation, and, to this end, establish assignees or delegates in accordance with the law;
28. opening or closing branches, offices, deposits, agencies and representation offices in Italy and abroad that are not secondary offices;
29. taking any measures, with the joint signature of the Chairman, that are the responsibility of the Board of Directors, if the same are urgent, in the Company's interest, with the obligation to report back to the Board at the next meeting of the same.

By virtue of the powers awarded by the Board of Directors, the Chief Executive Officer, Mr. Stefano Achermann, is considered the person in charge of company management. It should also be noted that there are not interlocking situations relating to Mr. Stefano Achermann.

Pursuant to art. 18 of the Articles of Association, the Chairman of the Board of Directors has the power to sign on behalf of the Company and to legally represent the same before third parties and the courts. To the extent of the delegation, Mr. Stefano Achermann, Chief Executive Officer, also has the power to sign on behalf of the Company and to represent the same.

C) Information to the Board

At least every quarter, the Chief Executive Officer provides adequate information to the Board of Directors on the general performance of operations and on its foreseeable outlook, as well as on significant transactions, in terms of size or characteristics performed by the Company and its subsidiaries.

At meetings of the Board of Directors, the Directors report to the Board of Statutory Auditors promptly and at least every quarter, on the activities performed and on transactions considered significant from an economic, financial and equity perspective, performed by the Company and by subsidiaries, with a view to enabling the Board of Statutory Auditors to assess whether the transactions approved and set in place are compliant with the law and with the Articles of Association and are not manifestly imprudent or go against the resolutions passed by the Shareholders' Meeting, or are such that they compromise the integrity of shareholders' equity.

More specifically, the Directors report on transactions in which they have an interest, on their own behalf or on behalf of third parties and on any atypical, unusual or related party transactions.

6.5 Other Executive Directors

The following Be Board Directors hold executive positions in the Group's main companies:

- Stefano Achermann, CEO of Be Consulting S.p.A., Be Solutions S.p.A., Be Professional Services S.p.A. (previously Be Operations S.p.A.), and Be Enterprise Process Solutions S.p.A.; as well as Board member of iBe Tse Ltd (previously Bluerock Consulting Ltd.).

- Carlo Achermann, Chairman of Be Consulting S.p.A. and Board member of Be Solutions S.p.A., Be Professional Services S.p.A. (previously Be Operations S.p.A.), as well as Executive Board member of iBe Tse Ltd (previously Bluerock Consulting Ltd.).

6.6 Independent Directors

Within the Board of Directors, 3 (three) Board members are Independent Directors: Umberto Quilici, Cristina Spagna and Anna Zattoni.

The Independent Directors have confirmed that they meet the requirements of independence required by art. 15 of the Articles of Association and envisaged by the law in force, and in particular, by art. 148, paragraph 3 of the Consolidated Law on Finance (as referred to by art. 147-ter, paragraph 4, of the Consolidated Law on Finance) and by art. 3 of the Code of Self-Regulation.

The Board of Directors has made the annual assessment to ensure that the above requirements of independence are still met by each Non-Executive Director, specifying the assessment criteria applicable, applying the criteria mentioned by the Application Criteria of the Code of Self-Regulation 3C.1 and 3C.2. and the Board of Statutory Auditors has, in turn, checked the correct application of the criteria adopted by the Board.

The Independent Directors met during the year in the absence of the other Directors, at meetings of the Control and Risk Committee and of the Appointments and Remuneration Committee, of which the same are members.

The elected Directors have stated their suitability to be considered independent and have undertaken to maintain said independence for the duration of their term in office and, if they no longer meet said requirements, to resign.

6.7 Lead Independent Director

As the requirements set forth in the Application Criterion of the Code of Self-Regulation 2.C.3 are not met, the Board does not have a Lead Independent Director.

7. Treatment of privileged information

Following the opinion of the Control and Risk Committee and on the proposal of the Chief Executive Officer, the Board of Directors has adopted a procedure to manage and process privileged information and for the circulation of announcements and information to the general public, with a view to ensuring that each announcement and each market disclosure, to Consob and to Borsa Italiana, is made after a process which simultaneously guarantees the timeliness and correctness of the same.

The procedure, which was last updated on 1 July 2014, and is available on the webpage http://www.be-tse.it/export/sites/default/en/investor/AumentoDiCapitale/pdf/BE_Policy_Info_Privilegiate_1_Luglio_2014.pdf, establishes the tasks and the responsibilities of the functions involved, identifies criteria, procedures and the timing of the different procedural stages, established the appropriate levels of decision-making for the circulation of announcements and of information, dictates to this end provisions addressed to providing an exhaustive and timely flow of information within the companies that are part of the Group, as well as between the same and the listed Parent Company, with a view to complying with disclosure obligations, regarding price sensitive matters, vis-à-vis the market and the bodies that control the market.

In line with that envisaged for market abuse, the Company has also adopted its own internal procedure on internal dealing, drawn up on the basis of articles 152-*sexies* et seq. of the Consob Issuers' Regulation. Under this procedure, a series of relevant parties, meaning those that have regular access to privileged information and the power to take management decisions that may impact the development and the prospects of the Company itself, as well as those closely related to the same, are subject to a market disclosure obligation as regards transactions performed on the listed financial instruments issued by the Company. The internal dealing procedure envisages thresholds and terms for communication to the market and relative penalties in line with that established by Consob provisions on the matter, and also contains a provision regarding the so-called "black-out periods".

During the year, as the requirements were not met, the Company did not make any announcements relating to internal dealing.

8. Board Committees (pursuant to art. 123-*bis*, paragraph 2, letter d), Consolidated Law on Finance)

In compliance with that envisaged by the Code of Self-Regulation, the Board of Directors has established two internal committees: the Control and Risk Committee and the Appointments and Remuneration Committee.

The Committees represent a part of the Board of Directors, whose objective is to offer advice and make proposals, with a view to improving the functioning and the policy-making ability of the Board of Directors.

9. Appointments and Remuneration Committee

a) Composition and functioning

The Company has the support of an Appointments and Remuneration Committee (hereinafter, for the rest of this paragraph 9, the "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.⁴ and was established in accordance with the conditions envisaged by the Code of Self-Regulation. During the first half of 2014, the Committee comprised Board members Claudio Berretti, Giovanni Linari and Anna Zattoni (the former, Executive Director; the latter two Independent Directors), appointment by a resolution dated 9 May 2013.

Following the appointment of the new Board of Directors on 12 June 2014, on 18 June 2014, the Board renewed the composition of the Committee appointing the Independent Director, Cristina Spagna (who chairs the Committee), the Non-Executive Director Claudio Berretti and the Independent Director Umberto Quilici as members of the same.

In a resolution dated 9 May 2013, the Board of Directors established that the Committee:

- 1) was to be convened on the initiative of the Chairperson of the Committee:
 - when the same retained it necessary or when the other two members requested a meeting;

⁴ The Board of Directors decided not to establish an internal committee for proposals of appointment alone, as to date it has not encountered the need for this, and believes that combining the functions of appointing and remunerating Directors in a single committee is more efficient.

- 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 (five) 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;
- 2) 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;
- 3) 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;
- 4) draw up minutes on its activities and resolutions, signed by the Chairperson of the Committee and by another member in attendance;
- 5) 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.

Given the type of activity the Appointments and Remuneration Committee is engaged in, the Company decided not to allocate this Committee with a set spending budget, preferring to consider spending requirements at the time the same arise.

b) Functions of the Committee

As resolved by the Board of Directors at the meeting held on 18 June 2014, following the recommendations set forth in Principle 5 of the Code of Self-Regulation, as regards appointments, this Committee has the following functions:

- 1) to provide opinions to the Board of Directors regarding the size and composition of the same and to make recommendations regarding the professional figures whose presence within the Board is retained necessary, as well as on the topics set forth in Principles 1.C.3 and 1.C.4 of the Code of Self-Regulation;
- 2) to propose candidates to the Board of Directors for the post of Director in the event of co-option, or when an Independent Director needs to be replaced.

With regard to remuneration, in line with that envisaged by Principle 6 of the Code of Self-Regulation, the Committee:

- 1) periodically assesses the adequacy, the overall coherence and the effective implementation of the Remuneration Policy for Directors and Executives with strategic responsibilities, using, for the latter, information provided by CEOs; makes proposals to the Board of Directors on these matters;
- 2) submits proposals or provides opinions to the Board of Directors on the remuneration of the Executive Directors and of other Directors in specific positions, as well as on setting performance objectives correlated to the variable component of said remuneration; monitors the application of the decisions adopted by the Board, checking in particular whether performance objectives have actually been achieved.

In 2014, the Committee held 4 meetings (specifically: 3 times before the resignation of the previous Directors and once following the appointment of the new Board of Directors at the Shareholders' Meeting held on 12 June 2014) which lasted 73 minutes on average, in which it, in particular: (i) ascertained the accrual of the variable components for 2013 or relating to specific incentive plans specifically approved for Directors; (ii) incorporated the indications of the Shareholders' Meeting as regards the remuneration of Directors; (iii) made proposals on the remuneration of Directors in specific positions pursuant to art. 2389, third paragraph of the Civil Code. The members of the Committee all attended the meetings held. Minutes were drawn up of Committee meetings. In 2015, 2 Committee meetings have already taken place and at least a further 2 meetings have already been planned.

Non-members also attended Committee meetings, without voting rights, on the invitation of the Committee and with regard to specific items on the agenda.

The Statutory Auditors also attended these meetings, again without voting rights.

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

In the performance of its functions, the Committee was able to access the information and liaise with the company functions required to fulfil its assignment.

10. Remuneration of Directors

As regards remuneration, the Articles of Association envisage that the Shareholders' Meeting awards the Board of Directors, for the term of its mandate, an emolument, which may be formed by a fixed part and a variable part, the latter proportional to the achievement of certain objectives and/or to the economic results recorded by the Company.

With regard to the variable part of the remuneration, the Consob Markets' Regulation, in order to qualify for the STAR segment, requires that the Company appoints an internal Remuneration Committee and that a significant part of the remuneration of the Executive Directors and of top management is incentive-based.

With regard to the remuneration of Directors for FY 2014, please refer to the content of the report on remuneration published pursuant to art. 123-ter of the Consolidated Law on Finance.

Indemnity for directors in the event of their resignation, dismissal or the termination of the employment contract following a takeover bid (pursuant to art. 123-bis, paragraph 1, letter i) of the Consolidated Law on Finance)

At the date of this Report if the employment contract with the Chief Executive Officer, Mr. Stefano Achermann, is terminated, the Company will pay the same an indemnity corresponding to one year of fixed salary.

11. Control and Risk Committee

The Board of Directors has established a Control and Risk Committee (hereinafter, for the whole of this paragraph 11, the "Committee") envisaged by Principles 7.P.3, lett. a) no. (ii) and 7.P.4. of the Code of Self-Regulation, in order to ensure that its assessments, decisions relating to the internal control and risk management system, as well as those regarding the approve of periodic financial reports are supporting

by adequate preparatory work, as well as a function of that envisaged for the “related party” Regulation approved by the Company.

11.1 Composition and functioning

In compliance with that envisaged by application criterion 5.C.1. lett. a) and by Principle 8.P.4 of the Code of Self-Regulation, with a resolution passed on 9 May 2013, the Board of Directors changed the composition of the Committee by appointing new members elected by the Shareholders’ Meeting on 23 April 2013, namely board members Umberto Quilici (Independent Director and Chairman of the Committee), Nadia Moauro (Non-Executive Director) and Anna Zattoni (Independent Director). The qualification of Independent Director was assessed at the time of the appointment by the Board of Directors. This Committee was appointed with a term of office until the date of the Shareholders’ Meeting held to approve the financial statements for FY 2015.

Following the appointment of the new Board of Directors approved by the Shareholders’ Meeting on 12 June 2014, on 18 June 2014, the Board renewed the composition of the Committee appointing Anna Zattoni (Independent Director), Umberto Quilici (Independent Director), who is the Committee Chairman, and Bernardo Attolico (Non-Executive Director) as members of the same.

To discuss the matters it is responsible for and relating to FY 2014, the Committee met 8 times (specifically: 4 times before the resignations of the previous Directors and 4 times following the appointment of the new Board of Directors approved by the Shareholders’ Meeting on 12 June 2014). The meetings lasted an average of 79 minutes. Minutes were drawn up of Committee meetings. In 2015, 2 Committee meetings have already taken place and at least a further 4 meetings have already been planned.

In order to fulfil the tasks assigned to it, the Committee:

- is assisted by the internal audit function;
- accesses the information needed and involves the relative company functions to fulfil its tasks;
- may request the assistance of external professionals, within the limits of the budget established by the Board of Directors, in particular for the advance assessment of related party transactions, which are then submitted to the approval of the Board of Directors.

In meetings held in 2014, the Committee verified:

- a) with the executive in charge of preparing accounting documents, any problems that arose and the procedures adopted to generate financial information, as well as the activities performed with related parties with regard to the interim financial statements for the first half of the year and the third quarter of 2014 and with representatives of the independent auditors regarding the half-year report;
- b) with the head of the internal audit function, the state of progress of the 2014 audit plan, examining the periodic reports produced by the internal audit function as regards the assessment of the internal control and risk management system and the results of the specific checks envisaged by the plan.

At the meetings held in 2014, the Committee also specifically focused on the following:

- the criteria and the outcome of applying the impairment testing procedure to the value of the capital invested by subsidiaries;
- the quarterly and annual results, with a view to assessing the correct use of accounting standards and their coherence in terms of the preparation of the consolidated financial statements;
- the periodic meetings and the work plan drawn up by the Head of the internal audit function;

- the reports on activities performed drawn up by the Director in charge of the risk management and internal control system; and
- the assessment of the adequacy of the company risk management and internal control system.

At the meeting held on 15 May 2014, the Committee approved the adoption of the Company's new procedure for related party transactions, a procedure that incidentally had already been amended during the meeting held on 23 January 2014 and recently amended and adopted in its current format by the Board of Directors, after the approval of the Committee, on 1 July 2014.

In a resolution dated 9 May 2013, the Board of Directors established that the Committee:

- (i) was to be convened on the initiative of the Chairperson of the Committee:
 - when the same retained it necessary or when the other 2 (two) members requested a meeting;
 - with notice to be sent, also by fax or e-mail, to the individual members of the Committee and 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 (five) days before the meeting, it being understood however, that even if not notified, 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 of the Company or elsewhere, as long as in a European Union country, specifying that meetings of the Control and Risk Committee 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 Chairperson;
- (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 Chairperson, any further rules needed for its functioning.

On a proposal of the Committee, formulated at the meeting held on 23 October 2013, in a resolution passed on 24 October 2013, the Board of Directors added to the rules for the functioning of the Committee with reference to the previous point (iv) in the following terms:

- (iv) draw up minutes on its activities and resolutions, signed by the Chairperson of the Committee and by another member in attendance or invited to the meeting. It is hereby understood that the other member or attendee who, jointly with the Chairperson, draws up and signs the minutes of each meeting, may attend the meeting from a venue other than that in which the Chairperson of the Committee is present, as long as at least one other member of the Committee is present in the same place or another person invited to attend the activities of the Committee.

These rules also apply to the current Committee.

Non-members also attended Committee meetings, without voting rights, on the invitation of the Committee and with regard to specific items on the agenda.

The Statutory Auditors also attended these meetings, again without voting rights.

Given the type of activity the Committee is engaged in, the Company decided not to allocate this Committee with a set spending budget, preferring to consider spending requirements at the time the same arise.

11.2 Functions assigned to the Control and Risk Committee

In a resolution passed on 18 June 2014, the Board of Directors decided that the Committee, in line with that envisaged by Principle 7 of the Code of Self-Regulation, with regard to identifying and assessing risks, should substantially provide advice and make proposals to the Board. The task of the Committee is to provide support, by means of adequate prior analysis, to the assessments and decisions of the Board of Directors regarding the internal control and risk management system, as well as those relating to the approval of periodic financial reports.

The Board has expressly resolved that the Committee, in assisting the Board of Directors:

- a) should assess, together with the executive in charge of preparing the company's accounting documents and following consultation with the Board of Statutory Auditors, the correct use of accounting standards and, in the case of groups, their coherence for the preparation of the consolidated financial statements;
- b) should provide opinions on specific aspects relating to identifying the company's main risks;
- c) should examine the periodic reports regarding the assessment of the risk management and internal control system, and in particular those drawn up by the internal audit function;
- d) should monitor the autonomy, adequacy, effectiveness and efficiency of the internal audit function;
- e) may request the internal audit function to conduct audits on specific areas of operation, promptly also informing the Chairman of the Board of Statutory Auditors;
- f) should report to the Board, at least every six months, at the time of the approval of the annual and interim financial statements, on the work performed as well as on the adequacy of the risk management and internal control system.

The Committee has been assigned the tasks, functions and powers envisaged by Consob Regulation on related party transactions, in line with that envisaged by the same regulation and as confirmed by the procedure adopted by the Company regarding related party transactions.

12. Risk management and internal control system

12.1 Key principles

When drawing up strategic, business and financial plans, the Board of Directors establishes the nature and the level of risk that is compatible with the strategic objectives of the Issuer.

With the assistance of the Control and Risk Committee, the Board of Directors establishes the guidelines of the internal control system, so that the main risks to which the Company and its subsidiaries are exposed may be correctly identified, as well as adequately measured, managed and monitored, also establishing to what extent said risks permit the business to be managed in accordance with the strategic objectives identified.

The Be Group's Internal Control and Risk Management System (hereinafter "ICRM System") complies with the principles of the Code of Self-Regulation. The ICRM System is comprised by a set of rules, procedures and organisational structures which seek to make a proactive contribution - through an adequate process to identify, measure, manage and monitor the main risks - to safeguarding the Be Group's assets, to running the Group in an efficient and effective manner in line with the business strategies established by the Board of Directors, to the reliability, accuracy and dependability of financial information and, more generally, to complying with legislative and regulatory provisions in force. This System, as an integral part of business activities, involves and applies to the entire organisational

structure of the Be Group: from the Board of Directors of Be and of the companies controlled by the same, to Group Management and employees.

More specifically, the Be Group has an internal control system to oversee the process through which financial disclosures are prepared, which is part of the wider Internal Control and Risk Management System. The aim of this system is to guarantee that administrative-accounting processes are adequately managed and to ensure, with reasonable certainty, the reliability of financial disclosures and the ability of the financial statement preparation process to produce timely and reliable accounting and financial information, according to the accounting standards adopted.

The risk management system must not be considered separately from the internal control system with regard to the financial disclosure process; both are elements of the same system.

The structure and operating procedures of the internal control system for financial disclosure adopted by the Issuer are briefly illustrated below, with specific reference to its structure and to the roles and functions involved.

The internal control system for financial disclosure is defined as the set of activities that seek to identify and assess the actions or the events, the presence or absence of which could partially or totally compromise achieving the objectives of dependability, accuracy, reliability and timeliness of financial disclosures.

As part of a wider process to update the company's framework of provisions, and also taking into account the reorganisation of the Group, in 2013 the Company continued work to rationalise the accounting and administrative procedures which support the financial statement formation process. The procedures were revised on the basis of:

- a mapping of the administrative and accounting processes of all Group companies, identifying the supervisory mechanisms/relative organisational responsibilities able to meet the need for transparency in financial statements and of operations in general, both as regards Italian Law 262/2005 and with reference to other legislative provisions relating to Corporate Governance (Italian Legislative Decree 231/2001, Italian Legislative Decree 196/03 etc.);
- a risk analysis (made for each company/business process) to complete, add to/update that already conducted in previous years, based on international best practices (ERM - Enterprise Risk Management and CRSA – Control Risk Self Assessment) in order to identify and assess the areas of risk in which events could occur, which would compromise the reliability of financial disclosures;
- the auditing of the main business processes to check the effective implementation of existing controls.

The assessment model envisages the following macro-steps:

- risk identification and assessment;
- assessment of the adequacy of control activities;
- check the functioning of the control system;
- monitoring and development of the control system.

The responsibility for the implementation, application and maintenance of the ICRM System are identified and circulated within the organisation. More specifically, the Be Group's control model currently envisages the involvement, in addition to the Board of Directors, the CEO and the Control and Risk Committee, which was illustrated extensively in the paragraphs above, of the following:

- the Director in charge of the Risk Management and Internal Control System, delegated to check the correct functioning and the overall adequacy of the ICRM System;

- the Head of Internal Audit, Risk and Compliance function, whose task is to check the implementation and suitability of the ICRM System;
- the Executive in charge of preparing the company's accounting documents, tasked with implementing the administrative-accounting procedures that discipline the formation of periodic financial disclosures;
- the Board of Statutory Auditors, whose task is to supervise compliance with the principles of correct management and the adequacy of the ICRM System;
- the Supervisory Body, whose task is to supervise the adequacy of the organisational solutions adopted to implement the ICRM System and in particular with regard to the Organisational Model pursuant to Italian Legislative Decree 231/2001.

12.2 Director in charge of the Internal Control and Risk Management System

This is the Chief Executive Officer, Mr. Stefano Achermann, who oversees the functioning of the internal control system, as well as coordinates all parties involved in the ICRM System. The CEO implements the guidelines defined by the Board of Directors, seeing to the design, creation and management of the internal control and risk management system and continuously checks the adequacy and effectiveness of the same. The CEO has ensured that the system has been adapted to meet changing operating conditions and the legislative and regulatory framework. For this task, Mr. Stefano Achermann is assisted by the Control and Risk Committee and by the Head of the Internal Audit function.

The Risk Analysis exercise conducted in 2014 and in previous years, enabled the main risks relating to the Group's main business processes to be identified, with specific reference to legislative compliance and to strategic, operational and financial risk, taking the characteristics of the business the Company is engaged in into account. These risks were brought to the attention of the Board by means of the periodic reports of the Head of the Internal Audit function.

Based on the results of the Risk Analysis exercise, the procedural framework was updated and the internal control system was adapted, checking overall adequacy in terms of the legislative and regulatory framework and its efficiency and effectiveness with a view to changing operating conditions.

The Director in charge of the ICRM system reported promptly to the Control and Risk Committee (or to the Board of Directors) with regard to any problem or critical issue that emerged as part of his work or which he became aware of, so that the Committee (or the Board) could take the necessary measures.

12.3 Internal Audit

Be's Board of Directors has outsourced internal auditing to Cogitek S.r.l. until the end of its term of office. Since 1 October 2014, the Internal Audit function has been internalised, with Mrs Simona Pastorino appointed as Head of the Internal Audit function. Mrs Pastorino's remuneration was established in line with company policy.

The Company has also entered into a co-sourcing agreement with a specialised consulting company, Operari S.r.l., to provide support to the internal audit function to the end of FY 2016, selected by the Board of Directors on the proposal of the Control and Risk Committee, from a series of parties that had submitted economic bids for the role and the functions requested.

As part of the audit plan, on the mandate of the Control and Risk Committee, the responsibility for the "independent" assessment of the operations of the internal control system for financial disclosure has been allocated to the internal audit function.

On the basis of the instructions received from the Executive in charge of preparing the company's accounting documents, the internal audit function conducts compliance tests on the effective application of the administrative-accounting processes of the Parent Company and of Group companies and, by means of a specific plan of operations, organises the activities of these companies, establishing the procedures to check the effectiveness of the controls.

The control method adopted is based on international best practices and the extent of the controls depends on an assessment of the level of risk relating to each financial statement item and to the related administrative-accounting and management processes.

The internal audit function seeks to verify the effective application of existing processes and to share the results of testing any improvement measures identified with the Manager/Person in charge of accounting and corporate disclosure for each Group company, in order to enable timely and adequate plans of action to be drawn up.

The overall results of testing are summarised in a report drawn up by the internal audit function to enable the Executive in charge of preparing the company's accounting documents and the CEO and the Director in charge of the internal control system to assess the adequacy of the administrative-accounting processes adopted to prepare the financial statements for the year, the half-year condensed financial statements and the consolidated financial statements.

Furthermore, in line with the audit plan approved by the Board of Directors, in FY 2014, the following activities were performed for the Parent Company and/or for the main subsidiaries:

1. auditing activities relating to management/operational processes and legislative compliance envisaged by the audit plan;
2. checking and monitoring activities required by the Supervisory Body set forth in Italian Legislative Decree 231/01;
3. verifying compliance of the content of disclosure documents sent to Consob and to the market as regards related parties with the legal and regulatory provisions; correct management of Be's privileged information and of internal dealing as required by the Board of Statutory Auditors;
4. checks pursuant to Italian Law 262/05 regarding the application of tests relating to administrative and accounting processes for the formation of the financial statements;
5. monitoring plans of action - shared with top management - for auditing activities conducted in previous periods.

The Head of the Internal Audit function has direct access to all information needed to fulfil the relevant assignment; the Company decided not to allocate the Head of the Internal Audit function with a set spending budget, preferring to consider spending requirements at the time the same arise.

Note that the above activities were carried out between 1 January 2014 and 30 September 2014 by Cogitek S.r.l., while in the last quarter, internal auditing was conducted internally with the assistance of Operari S.r.l.

12.4 The Head of the Internal Audit function

In a resolution passed on 25 September 2014, the Board of Directors appointed Mrs Simona Pastorino as Head of the Internal Audit function, tasked to verify that the internal control system is functional and adequate. The appointment of Mrs Pastorino was made on the proposal of the Director in charge of the Internal Control and Risk Management System, following the approval of the Control and Risk Committee and after consultation with the Board of Statutory Auditors.

The Head of the Internal Audit function reports to the Chairman of the Board of Directors and to the Control and Risk Committee, is independent to operational heads, including that of the Administration and Finance area, has direct access to all information needed to fulfil her assignment and reports periodically on her activities to the Chairs of the Board of Statutory Auditors, of the Control and Risk Committee, of the Board of Directors and of the Supervisory Body.

The Head of the Internal Audit function verifies, both on a continuous basis and based on specific requirements and in compliance with international standards, the implementation and the suitability of the Internal Control and Risk Management System, through an audit plan, at least once a year, approved by the Board of Directors, based on a structured process to analyse and prioritise the main risks.

Since 1 October 2014, the new Head of the Internal Audit function has carried out the following activities:

- receipt and analysis of documentation and of the Final Audit Report as support for the activities carried out between 1 January 2014 and 30 September 2014 by the previous internal audit function;
- review of the method adopted for Risk Analysis by the previous internal audit function, with a view to adopting, from now on, the method to classify and assess risks proposed by the new company specialised in auditing;
- preparation of a new audit plan, on an annual basis, based on the risk assessment resulting from the Risk Analysis exercise, in response to changes made in terms of activities, programmes, systems and control of the organisation. The proposed plan is submitted to the examination and ratification of the various control bodies of the Group, with a view to its formal approval by the Board of Directors;
- fulfilment in the new audit plan of the requests received from the Board of Statutory Auditors and the Supervisory Body pursuant to Italian Legislative Decree 231/01;
- performance, coordination and review of the auditing activities prepared by the co-sourcer for the audits relating to the last quarter of 2014, envisaged in the audit plan approved by the Board of Directors in March 2014;
- provision of assistance to the Executive in charge of preparing the company's accounting documents, for auditing activities pursuant to Italian Law 262/05 regarding the application of tests relating to administrative and accounting processes for the formation of the financial statements;
- periodic assessment of the reliability of the Group's internal control system, by assessing its effectiveness and efficiency, and relative reporting to the Control bodies for the necessary examination and comments.

12.5 Executive in charge of preparing the company's accounting documents

The main task of the Executive in charge of preparing the Be Group's accounting documents, is to implement the administrative-accounting procedures that discipline the formation of periodic company financial disclosures, monitoring the application of the same and, jointly with the CEO, issuing a statement confirming fulfilment of the above and the "reliability" of the financial documentation circulated.

At a meeting held on 23 April 2013, Be's Board of Directors appointed Mrs Manuela Mascarini, Head of the Be Group's Administration and Finance function, as Executive in charge of preparing the company's accounting documents, replacing Mr. Vincenzo Pacilli.

With regard to the appointment by the Board of Directors, Mrs Manuela Mascarini was formally awarded all the powers required to correctly perform the tasks required by law.

To this end, the same has the express power to access and to request any information retained relevant both as regards the Company and as regards subsidiary or investee companies; the power to request the assistance, for the activities within her responsibility, of other Company and Group corporate functions, and of their respective resources, as well as of consultants for outsourced Functions; the power to promote the adoption of company procedures or directives, also as regards Group companies, to the extent that this is of use and necessary for the correct recognition of the economic, equity and financial situation of the Company and of the Group.

12.6 Board of Statutory Auditors

In addition to the supervisory and control functions envisaged by art. 149 of the Consolidated Law on Finance, the Board of Statutory Auditors oversees the process of financial disclosure and the effectiveness of the internal control and risk management system, also in the role of “Committee for internal control and auditing” pursuant to Italian Legislative Decree 39/2010 (hereinafter “Italian Legislative Decree 39/2010”).

On 17 July 2012, the Extraordinary Shareholders’ Meeting amended art. 19 (Board of Statutory Auditors) of the Articles of Association to comply with the provisions dictated by Italian Law no. 120 of 12 July 2011 and subsequent prescriptions dictated by art. 144-undecies of the Consob Issuers’ Regulation introduced by Consob Regulation dated 8 February 2012, establishing that, for the election of the Board of Statutory Auditors, each list has to contain a number of candidates of the less-represented gender at least equal to the minimum quota applicable on each occasion (both as regards the position of Standing Auditor and that of Alternate Auditor). If, due to the election of the Minority Auditor, the minimum quota of the less-represented gender applicable on each occasion is not respected (both as regards the position of Standing Auditor and that of Alternate Auditor) in place of the last candidate of the more-represented gender on the Majority List, the next candidate of the less-represented gender of the same list will be considered elected. The same criteria must be respected and applied also if members of the bodies are replaced.

The Board of Statutory Auditors: i) assesses the proposals of the independent auditors for the award of the assignment of auditing and formulates a justified proposal to the Shareholders’ Meeting as regards the appointment, or revocation of the external auditing firm; ii) supervises the work of the independent auditing firm assigned to audit the accounts and to provide advisory services, other audits or certifications; iii) makes recommendations to the Board of Directors on the settlement of disputes between management and the independent auditing firm regarding financial disclosures; iv) approves procedures regarding: (a) the receipt, filing and treatment of reports received from the Company regarding accounting matters, the internal accounting control system or auditing; (b) the confidential or anonymous receipt from Company employees of reports regarding suspicious accounting or auditing matters; (v) approves procedures for the prior authorisation of non-auditing eligible services, identified analytically, and examines the disclosure on the performance of authorised services; vi) evaluates requests for the assistance of the firm assigned to auditing the financial statements with regard to non-auditing eligible services and expresses its opinion in this regard to the Board of Directors; vii) examines the periodic correspondence of the independent auditing firm regarding: (a) the key accounting criteria and practices to be adopted; (b) the alternative accounting treatment envisaged by generally accepted accounting standards, analysed with management, the consequences of using said alternative treatment and the relative information, as well as treatment considered preferable by the external auditor; (c) any other relevant written correspondence between the external auditor and management; viii) examines the reports of the Chairman of the Board of Directors regarding any significant weakness in the planning or performance of internal controls, that are reasonably able to have a negative impact on the ability to record, process, summarise and circulate financial information and relevant shortcomings in internal controls; ix) examines the reports of the Chairman of the Board of Directors regarding any fraud that has involved management personnel or those in key positions within the internal control system.

In performing its functions, the Board of Statutory Auditors is assisted by Company structures, specifically by the internal audit unit and by the Administration and Finance function.

12.7 Organisational Model pursuant to Italian Legislative Decree 231/2001 and Supervisory Body

On 12 March 2014, the Board of Directors approved the update of the Organisational Model pursuant to Italian Legislative Decree 231/2001.

Be's Organisation, Management and Control Model is comprised of the following:

- General part - which mainly covers the following aspects:
 - Summary of Italian Legislative Decree 231/01;
 - Supervisory Body;
 - Formation and circulation of the Model (internal and external);
 - Disciplinary system.
- Special Part A - regarding offences envisaged by articles 24 and 25 of Italian Legislative Decree 231/01 committed to the detriment of Public Administrations;
- Special Part B - regarding the corporate offences set forth in art. 25-*ter* and the administrative offences and unlawful acts of the abuse of privileged information and market manipulation set forth in art. 25-*sexies*;
- Special Part C - regarding offences infringing accident prevention and occupational health and safety laws (art. 25-*septies*);
- Special Part D - regarding the offences of receipt, laundering and use of money, assets or benefits of illegal origin (art. 25-*octies*);
- Special Part E - regarding IT offences and the unlawful processing of information (art. 24-*bis*);
- Special Part F - regarding offences relating to organised crime (art. 24-*ter*) and the transnational offences set forth in art. 10 of Italian Law no. 146 of 26 March 2006;
- Special Part G - regarding offences relating to the abandonment and uncontrolled deposit of waste and waste water on and in the soil (art. 25-*undecies*).
- Special Part H - regarding the conduct of corporate bodies, managers, employees, as well as consultants and partners involved in sensitive processes relating to contracts or arrangements with private third parties (Italian Law no. 190 of 6 November 2012).

On 31 July 2014, the Board of Directors approved the following updates to the model:

- addition of a new offence (Art. 609-*undecies* of the Code of Criminal Procedure - Solicitation of minors), introduced by Italian Legislative Decree no. 39 of 4 March 2014, as part of the category of offences against the individual;
- clarifications on offences of “failure to report conflicts of interest” (art. 2629-*bis* of the Civil Code) and “obstructing the exercise of the functions of Public Supervisory Authorities” (art. 2638 of the Civil Code), which had previously been considered as offences not at risk;
- clarifications, as part of instrumental processes, regarding “Management of Related Party Transactions” and “Management of Partnerships”;

- clarifications regarding offences against the environment (update and clarifications following a specific audit recently completed);
- various minor adjustments.

The Organisation, Management and Control Model also takes into account the new offence added by the legislator through Italian Legislative Decree no. 109 of 16 July 2012, regarding the employment of illegally staying third country nationals, implementing Directive 2009/52/EC.

The following are appendices and integral parts of Be's Organisational Model:

- Code of Ethics;
- Be's organisational structure;
- Powers and system of delegation;
- Protocols;
- Reporting flow to the Supervisory Body;
- List of "Relevant Parties" pursuant to the Code of Internal Dealing.

The updated version of Be's Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001, approved by the Board of Directors on 31 July 2014, is available on the Company's website (<http://www.be-tse.it>) in the Investor Relations/Corporate Governance section.

Be's Supervisory Body is a collegial body.

Up until July 2014, the Body was comprised of two external members, Sandro Ridolfi, Chairman, and Marco Battistella, and an internal member, Eugenio Fabris, Be's Head of Human Resources. In a resolution passed on 31 July 2014, the Board of Directors appointed Andrea Cell as an (external) member of the Supervisory Body to replace Mr. Battistella, following the resignation of the latter. In a resolution passed on 25 September 2014, following the resignation of the other two members, Mssrs Ridolfi and Fabris, the Board appointed Francesca Flego and Iole Anna Savina, the latter as Chairperson, to the Supervisory Body, both of whom are external to the Group.

The Supervisory Body Meets at least one a quarter and reports to the Board of Directors. The mandate of the current Supervisory Body has been assigned for up until the date of the Shareholders' Meeting convened to approve the financial statements for FY 2015.

The Supervisory Body has its own internal regulations, and works on the basis of a specific supervisory programme, drawn up according to the following main areas of intervention:

- monitoring the updating of the Model;
- supervising the effectiveness of the Model;
- attending to the relevant information flows.

With regard to the option of reporting presumed infringements of the Model, or with regard to any unlawful conduct, the Supervisory Body has set in place dedicated channels (also through a dedicated e-mail box) to facilitate the flow of communication.

In 2014, the Supervisory Body met regularly and minutes were taken for all minutes and filed by the same Body, which also held periodic discussions with the Head of the Internal Audit function.

Furthermore, with a view to fruitful collaboration, meetings were also held with the Board of Statutory Auditors and with the Control and Risk Committee for a reciprocal and necessary exchange of information.

At the date of this Report, the Board of Directors did not feel it necessary to assign the functions of the Supervisory Body to the Board of Statutory Auditors. By contrast, in Group companies Be Solutions S.p.A., Be Consulting S.p.A., Be Professional Services S.p.A. and Be Enterprise Process Solutions S.p.A., the supervisory body is the Board of Statutory Auditors of the same.

12.8 Independent Auditors

The independent auditors are tasked with auditing the accounts, assessing the reliability of the financial statements and expressing an opinion on the compliance of said financial statements with the relevant legislative framework.

On 10 May 2012, the Shareholders' Meeting resolved to assign the legal auditing of the accounts for 2012-2020 to independent auditors Deloitte & Touche S.p.A..

12.9 Coordination between parties involved in the Internal Control and Risk Management System

At the date of this Report, the Issuer had not yet assessed the adoption of procedures for the coordination of the various parties involved in the ICRM System, as it retained the bodies and the various functions to be sufficiently and efficiently integrated, with no overlaps of tasks.

13. Directors' interests and related party transactions

On 12 March 2010, through resolution no. 17221, Consob issued the Regulation for Related Party Transactions, which provides the general principles which Italian companies with shares listed on regulated Italian markets (or markets of other EU countries) and with a significant extent of shares issued to the public, must comply with in order to guarantee the transparency and substantial and procedural correctness of related party transactions performed directly or indirectly through subsidiaries.

Some of the objectives of the rules dictated with regard to related party transactions are as follows:

- to strengthen the role of the Independent Directors in ensuring that transactions are performed in the interest of the company, requiring at the very least the application of the requirements of independence set forth in art. 148 of the Consolidated Law on Finance, and, for companies which comply with a code of self-regulation, the more stringent requirements envisaged therein;
- to protect minority shareholders and other stakeholders from any abuse that may be triggered by transactions that have a potential conflict of interest, performed with related parties (including by way of example, mergers, acquisitions, disposals, reserved share capital increases, etc.).

With resolution no. 17389 of 23 June 2010, Consob approved detailed amendments and corrections to the Consob Regulation for Related Party Transactions, establishing the dates of 1 October 2010 for the application of the transparency rule for significant transactions, 1 December 2010 for the adoption of the regulation by the Boards of Directors of relevant companies and 1 January 2011 for the application of the new regulation.

13.1 Regulation on Related Party Transactions

In a meeting held on 11 November 2010, in order to implement Consob regulation on related party transactions, the Board of Directors established guidelines, specifying the (quantitative and/or qualitative) criteria to be used to identify transactions which, given their specific importance in economic, equity or financial terms, or for reasons of opportunity, must be examined and approved by the Board.

In compliance with that envisaged by the Consob Regulation on Related Party Transactions, the Board of Directors therefore (i) following the approval of the Control and Risk Committee (in its role as Committee for Related Party Transactions) adopted an actual internal procedure for related party transactions (last amended on 1 July 2014), which establishes the rules and the principles to be observed in order to ensure the transparency and substantial and procedural correctness of the related party transactions performed by Be, directly or through companies directly and/or directly controlled by the same, and (ii) as illustrated earlier in this Report, assigned the Control and Risk Committee the functions and the tasks of the Committee for Related Party Transactions comprised by two Independent Directors (Umberto Quilici and Anna Zattoni), and by one Non-Executive Director (Bernardo Attolico). The most important aspects of the procedure are as follows:

(a) the classification of “Related Party Transactions” as Transactions of Greater Importance (meaning those in which the relevance index of the counter value or of the asset or of the liabilities surpasses the threshold of 5%), Transactions for Smaller Amounts (meaning related party transactions for amounts not exceeding Euro 50,000.00 (fifty thousand) if the related party is a natural person, or transactions for amounts not exceeding Euro 100,000.00 (one hundred thousand) if the related party is a legal person), and Transactions of Lesser Importance (a residual category which encompasses related party transactions that are not Transactions of Greater Importance or Transactions for Smaller Amounts);

(b) the rules for transparency and market disclosure, in the case of Transactions of Greater Importance, requiring the publication of a specific disclosure document;

(c) the particularly important role played by the Control and Risk Committee (in its capacity as Committee for Related Party Transactions) in the procedure to assess and approve related party transactions.

This Committee is assigned the task of guaranteeing the substantial correctness of transactions with related parties, by issuing an opinion on the interest of the Company in performing a specific transaction as well as on the reasonableness and correctness of the relative conditions. In the case of transactions classified as Transactions of Lesser Importance, the Company may proceed with the transaction in any event, even if the opinion of the Committee is negative. In this case, within fifteen days of the closure of each quarter of the year, a disclosure must be made to the public of the transactions approved in the relative quarter, despite said negative opinion, with an indication of the reasons for the disagreement with the opinion of the Committee for Related Party Transactions.

In the case of transactions classified as Transactions of Greater Importance, the approval of which is reserved exclusively to the Board of Directors, the Committee plays an even wider role insofar as it is required to intervene during negotiations relating to the transaction, and to this end must receive a complete and timely flow of information from the delegated bodies and the parties in charge of conducting the negotiations, and is able to request additional information of the same and to make observations. Furthermore, if the opinion of the Committee is negative, the Board of Directors may: (i) approve the Transaction of Greater Importance taking the findings reported by the Committee into full consideration, or, alternatively (ii) approve the Transaction of Greater Importance despite the advice against it, or in any event, without considering the findings of the Committee, on condition that the performance of the transaction is authorised by the Shareholders’ Meeting pursuant to that envisaged by art. 6.8 of the procedure; or, lastly (iii) not to approve the Transaction of Greater Importance and therefore not to execute the same.

The above procedure for related party transactions is available on the Company's website http://www.betse.it/export/sites/default/it/investor/CorporateGovernance/pdf/Regolamento_Partii_Correlate_versione_1_Luglio_2014.pdf.

To ensure the proper functioning of the procedure for related party transactions, the Board of Directors decided that it was not necessary to adopt further operating solutions to identify and manage situations in which a Director has an interest, on his/her own behalf or on behalf of third parties, as situations of this nature are assessed individually by the Chief Executive Officer.

13.2 Disclosures to the Market and to the Board of Statutory Auditors

Without prejudice to price sensitive disclosures and to the periodic disclosures required by art. 154-ter of the Consolidated Law on Finance, the procedure adopted by Be for related party transactions requires market disclosure for Transactions of Greater Importance, within 7 days of the approval of the transaction or from the signature of the contract, and within 15 days in the case of a number of combined transactions with the same related party.

The announcement to the market must be made by means of the publication of a disclosure document, drawn up in compliance with Appendix 4 of the Consob Issuers' Regulation.

Pursuant to art. 150 of the Consolidated Law on Finance, the Directors report on a quarterly basis to the Board of Statutory Auditors on related party transactions performed in the quarter (including therein delegated transactions), as well as - on the end-date of the quarter - on the current status of transactions, whose execution, due to their characteristics, is time-delayed or periodic.

More specifically, the Board of Directors, represented by the Chief Executive Officer or by another person specifically delegated, illustrates relevant information regarding individual transactions they are aware of to the Board of Statutory Auditors.

As indicated above, in the eight meetings held in 2014, the Control and Risk Committee examined the situation of relationships and transactions with related parties. Minutes were taken of the same.

14. Appointment of statutory auditors

The Company's Articles of Association (art. 19) envisages that, without prejudice to situations of ineligibility and/or incompatibility envisaged by law, persons who already hold the position of Statutory Auditor in more than five companies whose shares are listed on regulated markets, with the sole exclusion of companies that directly or indirectly control the Company, or are controlled by the same, may not be elected Statutory Auditors, equally those who do not meet the requirements of honourability and professionalism required by the laws in force may not be elected Statutory Auditors.

If the same no longer meet said requirements, the Statutory Auditor loses his/her position.

The Board of Statutory Auditors is elected by the Shareholders' Assembly, which votes on a list basis, according to the following procedure.

Only shareholders who alone or together with other shareholders, represent at least 2.5% of shares with voting rights in the Ordinary Shareholders' Meeting or, if lower, a different percentage established by Consob in its regulations, may submit a list.

Each shareholder, as well as shareholders belonging to the same group (meaning the controlling party, even if not an enterprise pursuant to art. 2359 of the Civil Code and the subsidiaries of the same party), or who are part of a shareholders' agreement pursuant to art. 122 of the Consolidated Law on Finance, may not submit, either directly or through a third party or a trust company, more than one list, as this

will result in the inadmissibility of all of the lists submitted in infringement of this paragraph, regardless of the order of submission.

The list is comprised of two sections, one for candidates to the office of standing auditor, the other for candidates to the office of alternate auditor; candidates are listed in each section by means of consecutive numbers.

Each candidate may only appear on one list only, otherwise he/she will be considered ineligible.

Where, with reference to the mandate in question on each occasion, mandatory criteria regarding the division between genders (male and female) are applicable, each list that includes at least three candidates must contain a number of candidates of the less-represented gender that is at least equal to the minimum quota applicable on each occasion (both as regards the position of Standing Auditor and that of Alternate Auditor).

The lists must be registered pursuant to articles 148, paragraph 2, and 147-*ter* of the Consolidated Law on Finance.

Lists for which the provisions of paragraphs six, seven, eight, nine and ten have not been observed, will be considered as not having been presented.

Statements of each candidate, accepting the candidature and confirming, under their own responsibility, subject to forfeiture, the non-existence of causes for ineligibility and incompatibility, as well as the fulfilment of the requirements envisaged by law, must be registered with each list submitted.

All those with voting rights may only vote for one list.

Two Standing Auditors and one Alternate Auditor will be appointed from the list that obtains the higher number of votes, according to the consecutive number with which the candidates are listed on the same, in the respective sections.

One Standing Auditor and one Alternate Auditor will be taken from the list that obtains the highest number of votes, from the lists submitted and voted by minority shareholders, as long as not related, pursuant to the law and regulations, to shareholders that have submitted or voted for the list illustrated in the previous paragraph, and in the consecutive order with which they appear on the list, in the respective sections.

If, due to the application of that envisaged in the previous paragraph, any minimum quota of the less-represented gender applicable on each occasion to members of this body is not respected (both as regards the position of Standing Auditor and that of Alternate Auditor) in place of the last candidate of the more-represented gender on the Majority List, the next candidate of the less-represented gender of the same list will be considered elected.

The Chairman of the Board of Statutory Auditors is appointed by the Shareholders' Meeting from the Statutory Auditors elected by minority shareholders.

In the case of equal votes between the lists, the entire Shareholders' Meeting will vote again on the lists that obtained the same number of votes.

If a single list is submitted for voting, or if a single list is admitting for voting, or if lists are not submitted by minority shareholders, prompt notice will be given of this circumstance, according to the procedures envisaged by the law in force, in order for lists to be submitted up until the fifth day after the term envisaged for their registration at the Company's registered office.

In this case, the percentage of voting rights required to submit a list is half the original one.

In the event that a Statutory Auditor leaves, until the end of the term of office of the other Statutory Auditors, where possible, the first Alternate Auditor on the same list as the one leaving will take over, unless, to respect any minimum gender quotas that may be applicable, a different Alternate Auditor on the same list may be necessary.

If in neither case, the minimum gender quota that may be applicable is not respected, a Shareholders' Meeting must be convened to appoint a Statutory Auditor of the less-represented gender.

If it is not possible to appoint one or more Statutory Auditors using the method of voting for lists, the Shareholders' Meeting will resolve according to the legal majority.

Meetings of the Board of Statutory Auditors may be held by video or teleconference, on condition that all attendees can be identified with certainty, are able to follow the discussion and to intervene in real time in the debate on the items on the agenda, and to transmit and see documents. Once said requirements are fulfilled, the meeting of the Board of Statutory Auditors is considered to be held in the place in which the member chairing the meeting and the person taking the minutes are located, in order to enable the minutes to be transcribed to the relevant register and signed.

15. Composition and functioning of the Board of Statutory Auditors (pursuant to art. 123-bis, paragraph 2, lett. d), Consolidated Law on Finance)

The Board of Statutory Auditors oversees compliance with the law and with the deed of incorporation, as well as respect of the principles of correct management in the performance of business activities; it checks the adequacy of the organisational structure of the internal control system and of the Company's administrative-accounting system.

Furthermore, pursuant to article 19 of Italian Legislative Decree 39/2010, the Board of Statutory Auditors performs the functions assigned to it in its capacity as "Committee for internal control and auditing". In this capacity, the Board of Statutory Auditors oversees:

- the financial disclosure process;
- the effectiveness of the internal control system, the internal auditing system and if applicable, the risk management system;
- the independent auditing of annual accounts and of consolidated accounts;
- the independence of the independent auditor or the independent auditing firm, specifically with regard to the provision of non-auditing services to the entity subject to independent auditing.

As already envisaged by the Consolidated Law on Finance and currently regulated by art. 13 of Italian Legislative Decree no. 39/2010, the Board of Statutory Auditors makes a justified proposal to the Shareholders' Meeting regarding the assignment of the independent auditors and the fee to be paid to the same. Furthermore, pursuant to art. 19, paragraph 1, letter c) and d), of the cited decree, the Board of Statutory Auditors oversees the independent auditing of the accounts, verifying that legislative provisions regarding the nature and the entity of services other than auditing provided to the Group directly and through companies belonging to its network are respected. The outcome of supervisory activities is stated in a Report prepared in accordance with art. 153 of the Consolidated Law on Finance.

The Board of Statutory Auditors is formed by a Chairperson, two Standing Auditors and two Alternate Auditors, which remain in office for three years and may be re-elected.

The members of the Board of Statutory Auditors were elected on the basis of a single list submitted by Data Holding 2007 S.r.l.

This list included the following candidates:

Standing Auditors

- 1) Stefano De Angelis - Chairman

2) Daniele Girelli

3) Andrea Mariani

Alternate Auditors

1) Barbara Cavalieri

2) Susanna Russo

The candidates that appeared on the single list submitted were elected with 44,411,061 ordinary shares, with no opposing votes. The share capital present with voting rights at the time of said resolution corresponded to 64.198% of the entire share capital. The Chairman Stefano De Angelis was elected by the Shareholders' Meeting with 44,411,061 ordinary shares, with no opposing votes. The share capital present with voting rights at the time of said resolution corresponded to 64.198% of the entire share capital.

The Board of Statutory Auditors, appointed with a resolution of the Shareholders' Meeting dated 10 May 2012 and in office until 31 December 2014, is comprised as follows:

Board of Statutory Auditors									
<i>Position</i>	Members	Year of birth	Date of first appointment *	In office since	In office until	List **	Independent Code	Attendance of Board meetings ***	No. of other positions ****
Chairman	Stefano De Angelis	27/07/60	10/05/2012	10/05/12	Approval of 2014 Financial Statements	M	yes	13/13	07
Standing Auditor	Daniele Girelli	16/05/60	04/11/1998	10/05/12	Approval of 2014 Financial Statements	M	yes	12/12	13
Standing Auditor	Andrea Mariani	20/03/71	10/05/2012	10/05/12	Approval of 2014 Financial Statements	M	yes	13/13	24
Alternate Auditor	Barbara Cavalieri	13/02/69	29/04/2009	10/05/12	Approval of 2014 Financial Statements	M	yes		2
Alternate Auditor	Susanna Russo	13/01/61	10/05/2012	10/05/12	Approval of 2014 Financial Statements	M	yes		1
-----STATUTORY AUDITORS WHO LEFT THE BOARD DURING THE FINANCIAL YEAR UNDER ANALYSIS-----									
	Surname Name								
Number of meetings held during the year under analysis: 13									
Indicate the quorum required for the submission of the lists by minorities for the election of one or more members (pursuant to art. 148 Consolidated Law on Finance):									

NOTES

* The date of first appointment of each statutory auditor means the date on which the auditor was appointed for the first time (ever) to the Board of Statutory Auditors of the issuer.

** This column indicates the list from which each statutory auditor was taken (“M”: majority list; “m” minority list).

*** This column indicates the attendance of the statutory auditors at meetings of the Board of Statutory Auditors (indicate the number of meetings attended with respect to the total number of meetings that the same could have attended; e.g. 6/8; 8/8 etc.).

**** This column indicates the number of positions as director or statutory auditor held by the person in question pursuant to art. 148-*bis* of the Consolidated Law on Finance and the relating implementing provisions contained in the Consob Issuers’ Regulation. The full list of positions is published by Consob on its website pursuant to art. 144-*quinquiesdecies* of the Consob Issuers’ Regulation.

The key information regarding the professional experience of the members of the Company's Board of Statutory Auditors is illustrated below:

Stefano De Angelis

Born in Rome on 27 July 1960, after obtaining a degree in economics and business studies, he worked as a chartered accountant for "Studio Vaglio Dottori Commercialisti" in Rome, where he was involved, in particular, in insolvency proceedings and tax and accounting matters. In 1990, he founded the "Studio De Angelis Dottori Commercialisti"; an expert in tax, commercial - corporate consulting, administrative and accounting audits, tax planning and financial statement analysis. From 2000, he has been a partner of "Coccia De Angelis & Associati Studio Legale e Tributario" (from 2012 "Coccia De Angelis Pardo & Associati Studio Legale e Tributario"). He has been registered as a Chartered Accountant and Accounting Expert in Rome since 1988. He has been enrolled on the Register of Legal Auditors since 1995. He has been a court-appointed expert in Rome since 1993. He is a member of the Technical Control Commission (COM.TE.C.) for the Italian Basketball Federation (F.I.P.), as regards the accounts and financial statements of professional Companies in League Series A since 2003.

Daniele Girelli

Born in Mantua on 16 May 1960, he received the qualification of chartered accountant in 1984 from the Board of Auditors of Mantua, and works from his own office in Mantua. He has been registered as a Chartered Accountant and Accounting Expert in Mantua under registration number 156/A, on the Register of Legal Auditors of the State General Accounting Office - Ministry for the Economy and Finance - under number 28298 since 1995 and he is a court-appointed expert in Mantua.

Andrea Mariani

Chartered Accountant, Legal Auditor, Court-Appointed Expert, Graduated in Economics from the Università Cattolica del Sacro Cuore in Milan, he works as a Senior Partner of Studio Rocco & Associati in Milan and has developed his professional expertise in domestic and international corporate and tax consultancy for enterprise, Corporate Groups, Banks, Private Equity Funds and Trust Funds. He has written numerous publications on extraordinary corporate transactions and the management of generational change, as well as a speaker at conventions and seminars. A Member of the Scientific Committee of the Anti-Money Laundering Study Centre "Piero Luigi Vigna", and a member of ANTI and of the Confédération Fiscale Européenne.

Barbara Cavalieri

She has worked professionally on a regular basis with the Law and Tax Office "Di Tanno e Associati" in Rome, focusing on the domestic and international corporate tax, banking and financial sector. From December 2000 to July 2001, she was seconded to Sanpaolo IMI Management Limited in London and is the Chairperson/standing auditor of boards of statutory auditors in medium-large companies as well as a member of boards of directors. In 1993, she worked with the National Association of Plant Manufacturers and with the "Chambre Syndicale des Entreprises d'Équipement Électrique de Paris et de sa Région", focusing on the organisation of labour. In the same year, she worked in an educational capacity with Prof. Francesco Chiappetta at the High School of the Ministry of Telecommunications.

Susanna Russo

She has worked as a Chartered Accountant since 1990. As a partner of her own professional association, she specialises in corporate and tax consultancy, tax disputes, legal auditing of accounts and financial statements.

All members of the Board of Statutory Auditors meet the requirements of honourability and professionalism envisaged by art. 148 of the Consolidated Law on Finance and by the Regulation of the Ministry of Justice no. 162/2000.

The management and control positions held as at 31 December 2014 by each Standing Auditor of Be in other companies listed on regulated markets, including those abroad, in Group companies, financial, banking, insurance companies or in companies of a relevant size, are shown in the table below.

2014 Table of Positions in addition to those held in Be at the date of this Report

<u>Standing Auditor</u>	<u>Position</u>	<u>Company</u>	<u>Be Group</u>	<u>Minority interests</u>
Stefano De Angelis	<i>Chairman of the Board of Statutory Auditors</i>	Be Consulting S.p.A.	YES	NO
	<i>Standing Auditor</i>	Be Solutions S.p.A.	YES	NO
	<i>Chairman of the Board of Statutory Auditors</i>	Be Enterprise S.p.A.	YES	NO
	<i>Standing Auditor</i>	Be Professional Services S.p.A.	YES	NO
Andrea Mariani	<i>Standing Auditor</i>	Tamburi Investment Partners S.p.A.	NO	YES
Daniele Girelli	<i>Standing Auditor</i>	Be Enterprise S.p.A.	YES	NO
	<i>Chairman of the Board of Statutory Auditors</i>	A&B S.p.A.	YES	NO
	<i>Chairman of the Board of Statutory Auditors</i>	Banca Popolare di Mantova S.p.A.	NO	NO
	<i>Standing Auditor</i>	Immsi S.p.A.	NO	YES

Note that no member of the Board of Statutory Auditors has family ties to the members of the Board of Directors or other Company executives.

The Board of Statutory Auditors has verified that its members fulfil the requirements of independence, applying all of the criteria envisaged by the Code of Self-Regulation with regard to the independence of Directors.

During the year, 13 meetings of the Board of Statutory Auditors were held, with an average duration of 2 hours and 18 minutes. For the current year, at least 9 meetings of the Board of Statutory Auditors are planned, of which 3 have already been held in 2015.

In order to maintain adequate knowhow of the business sector in which the Company operates, whenever retained necessary, the Statutory Auditors receive information and updates on the sector in which the Issuer operates and on the relative legislation, also by means of material drawn up by the Company.

At the time of their appointment, the members of the Board of Statutory Auditors have stated, under their own responsibility, to meet the requirements of independence envisaged by the applicable legislative and regulatory standards. Mr. Girelli has been a Standing Auditor of BE for nine years; therefore, as regards his office within the Board of Statutory Auditors of Be, the recommendation set forth in application criterion 3.C.1, point e), of the Code of Self-Regulation, as referred to by criterion 8.C.1. of the same code. As Mr. Girelli meets the requirements of independence envisaged by art. 148, paragraph 3 of the Consolidated Law on Finance, and given his extensive professional experience, which has proven to be valuable to the Company, the Board of Statutory Auditors assessed that all of its members continue to meet the requirements of independence.

Pursuant to point 8.C.3 of the Code of Self-Regulation, a Statutory Auditor who, on his own behalf, or on behalf of third parties, has an interest in a specific transaction of the Issuer, must promptly and exhaustively inform the other Statutory Auditors and the Chairman of the Board of Directors of the nature, terms, origin and extent of his interest.

The Board of Statutory Auditors has overseen the independence of the independent auditors, verifying that legislative provisions regarding the nature and the entity of services other than auditing provided to

the Issuer and to its subsidiaries by the same independent auditors and by entities belonging to its network have been respected.

In conducting its activities, the Board of Statutory Auditors has coordinated with the Control and Risk Committee, the Supervisory Body and with the internal audit function.

16. Relations with Shareholders

The Company has an institutional website, www.be-tse.it and a specific section relating to financial information (Investor Relations), which is easy to find and can be accessed through a direct link from the home page of the website, provides information regarding the Issuer that is important to its Shareholders, so that the latter are aware of how to exercise their rights. More specifically, the specific section of the website contains press releases, quarterly accounts, interim reports, financial statements, documents registered with Consob or Borsa Italiana, the Articles of Association, regulations for Shareholders' Meetings, the organisational model pursuant to Italian Legislative Decree 231/01.

The person in charge of handling relations with shareholders is the Investor Relator, currently Manuela Mascarini.

In compliance with that envisaged by Application Criterion 11.C.2 of the Code of Self-Regulation, the establishment of a corporate office to handle shareholder relations was evaluated, but - given the characteristics of the Company - it was decided that all matters regarding corporate information and managing relations with shareholders could be effectively and efficiently performed by a single manager, the Investor Relator. The Investor Relator is assisted by a company that specialises in strategic consulting and institutional communication.

17. Shareholders' Meetings (pursuant to art. 123-bis, paragraph 2, letter c), Consolidated Law on Finance)

The Articles of Association envisage that Shareholders' Meetings are to be convened by the Board of Directors, by the Board of Statutory Auditors in accordance with the law, or by at least two members of the Board of Statutory Auditors, after notifying the Chairman of the Board of Directors. The Board of Directors will promptly convene a Shareholders' Meeting also on the request of Shareholders, in accordance with the procedures and terms set forth in art. 2367 of the Civil Code.

Shareholders' Meetings may also be held at a venue other than the registered office, as long as in Italy, and convened by means of a notice published pursuant to art. 2366, second paragraph of the Civil Code and art. 125-bis of the Consolidated Law on Finance.

The Ordinary Shareholders' Meeting must be convened at least once a year, within 120 days of the end of the financial year. However, if legal requirements are met, the Ordinary Shareholders' Meeting may be convened within 180 days of the end of the financial year.

Shareholders who, also jointly, represent at least one fortieth of share capital, may add to the items on the agenda, indicating in their application further items to be discussed prepared by the same or may submit proposals for resolutions on items that already appear on the agenda, within the limits and with the procedures envisaged by the law. Those who possess voting rights may individually submit proposals for resolutions to the Shareholders' Meeting. Requests to add to the list of items on the agenda is not permitted for matters on which the Shareholders' Meeting resolves, by law, on the proposal of the directors or based on a draft or a report drawn up by the same, other than the report on the items on the agenda.

Those with voting rights may formulate questions on items on the agenda also before the Shareholders' Meeting, as long as within the terms envisaged for the notice of call, by certified e-mail, using the specific e-mail address of the Company indicated in the notice of call.

The Company is not bound to respond if the relevant information is available on the Company's website in a "Frequently asked questions" format, or whenever it is necessary to protect the confidentiality and the interests of the Company.

The Ordinary Shareholders' Meeting is validly constituted and resolves in first, second and subsequent calls, according to the majorities established by the law.

The Ordinary Shareholders' Meeting is validly constituted according to the majorities established by the law and resolves in first, second and subsequent calls with the favourable vote of shareholders that represent at least 75% of the share capital represented by the Shareholders' Meeting.

The Shareholders' Meeting may also, inter alia, resolve in an ordinary or extraordinary session on the following:

- the appointment and the revocation of members of the Board of Directors and of the Board of Statutory Auditors and on the relative remuneration and responsibilities;
- the approval of the financial statements and the allocation of profit;
- the purchase and the sale of treasury shares;
- amendments to the Articles of Association;
- the issue of convertible bonds or warrants;
- the issue of financial instruments.

As already indicated in paragraph 4.3 of this Report, in compliance with the provisions of art. 2365 of the Civil Code, the Articles of Association envisage that decisions on the following are not resolved by the Shareholders' Meeting but by the Board of Directors:

- the reduction of the share capital if a shareholder withdraws;
- the decision to merger in the cases set forth in articles 2505 and 2505-bis of the Civil Code;
- the transfer of the registered office within the Province;
- the opening and the closing of secondary offices;
- the amendment of the Articles of Association to legislative provisions.

Pursuant to art. 11 of the Articles of Association, "*those who possess voting rights pursuant to art. 83-sexies of the Consolidated Law on Finance may participate in the Shareholders' Meeting. Those who possess voting rights may be represented by another party at the Shareholders' Meeting pursuant to art. 2372 of the Civil Code and 135-novies of the Consolidated Law on Finance. In the notice of call, the Board of Directors will specify the procedure for the electronic notification for delegating votes. The Chairman of the Shareholders' Meeting must establish the right to participate in the same, also with regard to the fulfilment of the provisions regarding representation by proxy*".

The right of each shareholder to take the floor on the items under discussion is guaranteed by the Chairman of the Shareholders' Meeting, who coordinates speakers at the meeting and runs the same. The Board of Directors has reported to the Shareholders' Meeting on the activities performed and planned, and has made efforts to ensure that shareholders have been adequately informed on the necessary matters, so that the same may take decisions, in full knowledge, referred to the Shareholders' Meeting. During the Financial Year: the Shareholders' Meeting convened to approve the financial statements as at 31 December 2013 was attended by the Chairman Adriano Seymandi, the Chief

Executive Officer, Stefano Achermann and Board Member Carlo Achermann, as the other board members had justified their absence. The entire Board of Statutory Auditors was also in attendance, namely the Chairman, Stefano De Angelis, and Standing Auditors Daniele Girelli and Andrea Mariani; the Shareholders' Meeting held on 12 June 2014 was attended by the Chairman Adriano Seymandi, the Chief Executive Officer, Stefano Achermann and Board Members Carlo Achermann and Umberto Quilici, as the other board members had justified their absence. The entire Board of Statutory Auditors was also in attendance, namely the Chairman, Stefano De Angelis, and Standing Auditors Daniele Girelli and Andrea Mariani.

During the year, no significant changes were made to the corporate structure of the Issuer; therefore the Board of Directors did not retain it necessary to assess the opportunity of proposing changes to the Articles of Association relating to the percentages of shares established for the year and the prerogatives set in place to protect minority shareholders.

Each share is entitled to one vote

In order to guarantee that the Ordinary and Extraordinary Shareholders' Meetings are run correctly, the Company complies with a specific regulation (the "**Regulation**"), approved by a resolutions of the Shareholders' Meeting on 28 September 2011, which is available to shareholders at the registered office and on the Company's website http://www.be-tse.it/export/sites/default/it/investor/Assemblee/pdf/2013/Regolamento_Assemblea_2013.pdf.

The right of each shareholder to take the floor on the items under discussion is guaranteed by the following provisions, contained in art. 11 of the Regulation:

- those legally entitled to exercise voting rights may request to take the floor on the items under discussion once only, making observations, requesting information and, if necessary, formulating proposals;
- the request may be made until such time as the Chairman has declared the discussion on the relevant item on the agenda closed;
- the Chairman establishes the manner in which the speaker makes said request, the order of speakers and the maximum amount of time for which they may speak, based on the topic and the importance of the individual items on the agenda;
- those who have requested the floor have the right to briefly respond to questions;
- based on the topic and on the importance of the individual items under discussion, as well as the number of parties requesting the floor, the Chairman establishes the length of time for which a speaker may speak and for questions in order to guarantee that the Shareholders' Meeting can cover all relevant matters in a single meeting;
- before the established length of time for the speech and for questions is over, the Chairman invites the speaker to draw his conclusions.

18. Additional corporate governance practices (pursuant to art. 123-bis, paragraph 2, letter a), Consolidated Law on Finance)

The Issuer has decided not to apply additional corporate governance practices with respect to those already indicated in the point above and contained in the specific obligations envisaged by the law and/or by regulations.

19. Changes since the end of the year under analysis

No changes have occurred since the end of the year under analysis, with the exception of that already reported herein.

Rome, 31 March 2015.

/s/ Antonio Taverna
For the Board of Directors
Chairman
Antonio Taverna