



Shareholders' Meeting of April 8, 2021

REPORTS ON MATTERS ON THE AGENDA

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SHAREHOLDERS' MEETING CALL NOTICE

Dear Shareholders,

the agenda for the Shareholders' Meeting scheduled for April 8, 2021 at 11:00 AM, called through notice published on the company website www.basicnet.com/contenuti/dati/finanziari/assembleeazionisti.asp on March 5, 2021 and in the "il Giornale" newspaper on March 6 comprises:

1. Statutory Financial Statements at December 31, 2020, accompanied by the Directors' Report, the Auditors' Report and the Board of Statutory Auditors' Report. Resolutions thereon.
2. Allocation of the 2020 net profit. Resolutions thereon.
3. Remuneration Report: resolutions relating to the First Section as per Article 123-ter, paragraph 3-ter, of Legislative Decree No. 58/1998.
4. Remuneration Report: resolutions relating to the Second Section as per Article 123-ter, paragraph 6, of Legislative Decree No. 58/1998
5. Authorisation of the purchase and disposal of treasury shares. Resolutions thereon.

Report of the Board of Directors on point 1 of the Agenda

1. Separate Financial Statements at December 31, 2020, accompanied by the Directors' Report, the Auditors' Report and the Board of Statutory Auditors' Report. Resolutions thereon.

Dear Shareholders,

we propose the following:

RESOLUTION

the Shareholders' Meeting of BasicNet S.p.A., having reviewed the 2020 results, the Directors' Report and having noted the Board of Statutory Auditors' Report and that of the Independent Audit Firm EY S.p.A.,

RESOLVES

to approve the Directors' Report and the Financial Statements at December 31, 2020, in relation to each individual part and in its entirety.

Turin, March 2, 2021

for the Board of Directors

The Chairman

Marco Daniele Boglione

Report of the Board of Directors on point 2 of the Agenda

2. Allocation of the result for the year. Resolutions thereon.

Dear Shareholders,

we propose the allocation of the net profit of Euro 4,739,596.08 as follows:

-	reserve for unrealised exchange gains	Euro	112,241.04
-	to each of the 52,404,851 ordinary shares in circulation (excluding the 8,588,751 treasury shares held at March 2, 2021), a dividend of Euro 0.06 before withholding taxes for an amount of	Euro	3,144,291.06
-	to retained earnings the residual amount, equal to	Euro	1,483,063.98

The dividend will be paid from April 21, 2021, with record date of April 20, 2021 and coupon date (No. 14) of April 19, 2021.

We also propose that, if at the dividend coupon date the number of shares with dividend rights is lower than indicated above due to any share buy-backs by the company, the relative dividend will be allocated to retained earnings, as will any rounding made on payment.

We propose therefore the following:

RESOLUTION

the Shareholders' Meeting of BasicNet S.p.A.:

RESOLVES

to approve the proposal for the allocation of the Net Profit of Euro 4,739,596.08 and the dividend proposal.

Turin, March 2, 2021

for the Board of Directors

The Chairman

Marco Daniele Boglione

Report of the Board of Directors on point 3 of the Agenda:

3. Remuneration Report: resolutions relating to the First Section as per Article 123-ter, paragraph 3-ter, of Legislative Decree No. 58/1998.

Dear Shareholders,

in accordance with Article 123-ter, paragraph 3-ter of Legislative Decree 58/1998, we submit to voting the first section of the Remuneration Report.

The Remuneration Report, approved by the Board of Directors on March 2, 2021 and published on the company website www.basicnet.com/contenuti/datifinanziari/assembleeazionisti.asp, consists of two sections:

- (i) the first section which outlines the company's remuneration policy, with regards to the financial year 2021, subject to Article 2402 of the Civil Code, for the remuneration of members of the control boards;
- (ii) the second section which outlines the remuneration paid to members of the administrative and auditing bodies, to the General Managers and to the Managers with strategic responsibilities during the year under consideration.

Where agreeing with the content of "Section I" of the Annex, we invite you to pass the following resolution:

"The Shareholders' Meeting,

- noting the Remuneration Report prepared by the Board of Directors in accordance with Article 123-ter of the Consolidated Finance Act and the indications of Article 84-quater of the Issuers' Regulation;
- having examined "Section I" relating to the Company's remuneration policy

resolves

to approve "Section I" of the Remuneration Report prepared by the Company.

Turin, March 2, 2021

for the Board of Directors

The Chairman

Marco Daniele Boglione

Report of the Board of Directors on point 4 of the Agenda:

4. Remuneration Report: resolutions relating to the Second Section as per Article 123-ter, paragraph 6 of Legislative Decree No. 58/1998.

Dear Shareholders,

pursuant to Article 123-ter, paragraph 6 of Legislative Decree 58/1998, we submit for your approval the second section of the Company's Remuneration Report, which illustrates the remuneration paid to the administrative and auditing bodies, General Managers and Executive with strategic responsibilities in the year of reference.

As already illustrated at matter 3 on the Agenda, the second section is an integral part of the Remuneration Report, approved by the Board of Directors at the meeting of March 2, 2021 and published on the company website www.basicnet.com/contenuti/datifinanziari/assembleeazionisti.asp.

Given that, in accordance with Article 123-ter, paragraph 6 of the Consolidated Finance Act, the Shareholders' Meeting must express a non-binding opinion (in favour or against) concerning the second section of the Remuneration Report, we propose a favourable vote on "Section II", adopting the following resolution:

"The Shareholders' Meeting,

- noting the Remuneration Report prepared by the Board of Directors in accordance with Article 123-ter of the Consolidated Finance Act and the indications of Article 84-quater of the Issuers' Regulation;
- having examined "Section II" relating to the remuneration paid to members of the administrative and auditing bodies, General Managers and Executives with strategic responsibilities in the year of reference

resolves

to approve "Section II" of the Remuneration Report".

Turin, March 2, 2021

for the Board of Directors

The Chairman

Marco Daniele Boglione

Report of the Board of Directors on point 5 of the Agenda:

5. Authorisation to purchase and utilise treasury shares. Resolutions thereon.

Dear Shareholders,

This report was prepared by the Board of Directors in compliance with Article 125-*ter* of Legislative Decree No. 58 of February 24, 1998 (“CFA”), in addition Articles 73 and 84-*ter* of Consob Regulation No. 11971/1999 and amendments and supplements (“Issuers’ Regulation”), to outline and submit for the approval of the Shareholders’ Meeting the request for authorisation to purchase and dispose of treasury shares, in accordance with Articles 2357 and 2357-*ter* of the Civil Code, Article 132 of the CFA and Article 144-*bis* of the Issuers’ Regulation, all in view of the rationale and according to the means and terms outlined below.

We remind you that the previous authorisation to purchase and dispose of treasury shares was approved by the Shareholders' Meeting held on June 26, 2020, which expires on the approval of the financial statements at December 31, 2020, with no time limit with regard to the authorisation to dispose of treasury shares.

1. RATIONALE UNDERLYING THE AUTHORISATION REQUEST

As in the past, the Board of Directors considers it beneficial to request the Shareholders’ Meeting for authorisation to carry out any purchase or disposal of treasury shares.

The proposal for the authorisation to purchase and dispose of treasury shares is submitted in order to - also in compliance with the equal treatment of Shareholders and the applicable regulation - to enable the Company to have available a portfolio of treasury shares to be used to assist projects of developing upon the strategic guidelines under which share swap or disposal opportunities are presented or as a guarantee for financing operations or to tap into any future opportunities to grow the value of the Company, all within the limits of the applicable regulation and, where applicable, market practices endorsed by the competent oversight authority, in accordance with Article 13 of Regulation (EC) No. 596/2014 (“MAR”).

2. MAXIMUM NUMBER, CATEGORY AND NOMINAL VALUE OF THE SHARES TO WHICH THE AUTHORIZATION REFERS

We propose the approval, as per Articles 2357 and 2357-*ter* of the Civil Code, to authorise the Board of Directors (or parties identified by it individually):

- the purchase, on one or more occasions, of a maximum number of ordinary shares at a nominal Euro 0.52 each, which, taking account those already held by the Company, does not exceed the legal limits;
- the sale of treasury shares in portfolio and those acquired under the authorising motion of the present report.

The transactions may be carried out also partly.

3. INFORMATION USEFUL FOR ESTABLISHING THE MAXIMUM LIMIT TO WHICH AUTHORISATION REFERS

The share capital of BasicNet S.p.A. amounts to Euro 31,716,673.04, comprising 60,993,602 shares of a nominal value of Euro 0.52 each.

At the preparation date of the present Report, the Company holds 8,588,751 treasury shares, comprising 14.081% of the share capital. The subsidiaries of BasicNet S.p.A. do not hold parent company shares.

The purchase and utilisation operations of treasury shares will be carried out in compliance with Article 2357 and subsequent of the Civil Code and Article 132 of Legislative Decree 58/98: in such an amount that, at any given time these shares do not exceed overall 20% of the share capital, while also within the limits of the retained earnings and available reserves of the last financial statements approved, with the consequent setting up, in accordance with Article 2357-ter, paragraph 3 of the Civil Code, of an undistributable reserve of an amount of the treasury shares from time to time acquired.

The amount of profits and available reserves shall be assessed at the time of undertaking purchases.

4. DURATION OF AUTHORISATION

The purchase authorisation is requested until the date for the Shareholders' Meeting for the approval of the 2021 Annual Accounts. The Board of Directors may proceed with the authorised operations on one or more occasions and at any time, to an extent which may be freely established in compliance with the applicable rules and considered to be in the interest of the company.

The authorisation for the utilisation of treasury shares is requested without time limit.

5. MINIMUM AND MAXIMUM PURCHASE PRICE

It is proposed that purchases are undertaken - in compliance with the conditions established by Article 5 of Delegated Regulation (EC) No. 596/2014 and Article 3 of the Commission of March 8, 2016 and the further applicable rules - at a unitary price of not more than 15% above or below the listed share price on conclusion of the trading session preceding its transaction.

With regards to the consideration for the disposal of treasury shares, such shall be established by the Board of Directors, also in compliance with the applicable regulation and according to the criteria and conditions that take account of the execution methods employed, the movement in the price of the share in the period preceding the transaction and in the best interest of the company.

The maximum financial commitment is Euro 10,000,000.

6. MANNER TO EXECUTE PURCHASE AND DISPOSAL TRANSACTIONS

Purchases may be made on one or more occasions, in compliance with the principle of the equal treatment of shareholders, as per Article 132 of the CFA and according to the means set out at Article 144-*bis*, paragraphs 1 and 1-*bis* of the Issuers' Regulation):

- (i) through purchases on the regulated market, in accordance with the operating means established by the management company (Borsa Italian S.p.A.) regulations which do not permit the direct linking of a purchase trading proposal with a corresponding pre-determined sales proposal (Article 144-*bis*, paragraph 1, letter b) of the Issuers' Regulation);

- (ii) according to the means established by market practices, as permitted by Consob, as per Article 13 MAR;
- (iii) the conditions indicated in Article 5 MAR and in the relative enacting rules, where applicable.

Where convenient for the Board of Directors, purchases may be made according to methods differing from those indicated above, as long as permitted and/or compatible with the applicable legislative and regulatory rules, taking account of the need to comply with the principle of the equal treatment of shareholders.

It is proposed that disposals may be undertaken according to any means considered necessary or beneficial to achieve the purposes underlying the transaction, and therefore also outside the market or as part of corporate transactions; all in compliance with the applicable legal and regulatory provisions, and with approved market practices where applicable.

PROPOSAL

Dear Shareholders,

in light of that stated above, we propose the following motion:

“The Shareholders’ Meeting of BasicNet S.p.A.,

- taking account of the provisions of Article 2357 and subsequent of the Civil Code, 132 of Legislative Decree No. 58/1998 (“CFA”) and 144-*bis* of Consob Regulation No. 11971/1999 and subsequent amendments and additions (“**Issuers’ Regulation**”);
- noting the illustrative report of the Board of Directors, prepared in accordance with Article 125-*ter* CFA and 73 Issuers’ Regulation (the “**Report**”);
- having reviewed the Illustrative Report prepared by the Board of Directors and the proposals contained therein;
- acknowledging the opportunity to grant authorisation for the purchase and disposal of treasury shares for the purposes and according to the means indicated in the Report;

RESOLVES

- i) to authorise, in accordance with Article 2357 of the Civil Code, the Board of Directors to purchase, on one or more occasions, a maximum number of ordinary shares of a nominal Euro 0.52 each, whose nominal value, taking account of those already held by the company, not exceeding the legal limits, for a period beginning from the date of the present Shareholders’ Meeting and extending until the date of the Shareholders’ Meeting for the approval of the 2021 Annual Accounts. The maximum outlay is Euro 10,000,000; the purchases may be made:
 - in order to enable the Company to have available a portfolio of treasury shares to assist projects developing upon the strategic guidelines under which share swap or disposal opportunities are presented or as a guarantee for financing operations, or to tap into any future opportunities to grow the value of the Company, all within the limits of the applicable regulation and, where applicable, market practices endorsed by the competent oversight authority, in accordance with Article 13 of Regulation (EC) No. 596/2014 (“MAR”).
- ii) to grant to the Board of Directors the broadest range of powers to execute the purchase transactions, according to the means indicated in the Report, at a unitary price of not more than 15% above or below the listed share price on conclusion of the trading session preceding its transaction; all in compliance with the applicable legal and regulatory provisions, including where applicable, permitted market practice;

- iii) to authorise the Board of Directors to dispose of, without time limit, the shares held in portfolio, on one or more occasions (and also before completing the purchases), for the purposes illustrated in the Report and according to the means permitted by the applicable regulation, with the faculty of the Board of Directors to establish on a case by case basis, considering the purposes pursued, the terms, means and conditions to utilise the treasury shares;
- iv) to grant to the Board of Directors and, on its behalf the Chairperson and Chief Executive Officer in office, separately and with the faculty to sub-delegate, all powers necessary to adopt any executive and procedural provisions concerning these motions.

Turin, March 2, 2021

for the Board of Directors

The Chairman

Marco Daniele Boglione

***REMUNERATION POLICY AND
REPORT***

***Prepared in accordance with Articles 123-ter
of the Consolidated Finance Act
and 84 quater of the Issuers' Regulations***

Website: www.basicnet.com

Approval date of Report: March 2, 2021

Directors	The members of the Board of Directors of BasicNet S.p.A.
Self-Governance Code	The Self-Governance Code of listed companies approved in July 2015 by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A. with which BasicNet S.p.A. declares compliance.
Remuneration Committee	The Remuneration Committee set up within the Board of Directors of BasicNet S.p.A. in accordance with the Self-Governance Code.
Board of Directors	The Board of Directors of BasicNet S.p.A.
Senior Executives	Those persons entrusted with the power and responsibility - directly or indirectly - for the planning, management and control of company operations according to the definition as per Annex 1 of the Consob Regulation concerning related party transactions adopted with motion No. 17221 of March 12, 2010, as subsequently supplemented.
Statutory Auditors	The members of the Board of Statutory Auditors of BasicNet S.p.A.
Connected Persons	the spouse, partner equivalent to a spouse (civil union partner or de facto cohabitee), supported children (even where not cohabiting), relatives and in-laws cohabiting for at least one year, the companies controlled by the Directors, Statutory Auditors or Senior Executives.
Group	BasicNet and its subsidiaries in accordance with Article 93 of the CFA.
BasicNet or Company	BasicNet S.p.A.
Remuneration Policy or Policy	The policy adopted by the company in relation to the remuneration of the members of the Board of Directors and Senior Executives of the company.
Issuers' Regulation	The Regulations promulgated by Consob with resolution no. 11971 of May 14, 1999 on the matter of issuers, as amended.

Consolidated Finance Act or CFA

Legislative Decree No. 58 of 24 February 1998.
Consolidated Finance Act.

Related Parties Regulation

The Regulation issued by Consob with motion No. 17221 of March 12, 2010 on related party transactions, as subsequently amended and supplemented.

Relationship

This remuneration policy and report prepared in accordance with Article 123-*ter* of the CFA and 84-*quater* of the Issuers' Regulation, as well as in accordance with the recommendations of the Self-Governance Code.

Introduction

This Report, prepared in accordance with Article 123-*ter* of the CFA and Article 84 of the Issuers' Regulation, illustrating the Remuneration Policy of the Company, was approved by the Remuneration Committee on February 26, 2021 and by the Board of Directors on March 2, 2021.

The Remuneration policy and report consists of two sections:

- Section I): outlines the remuneration policy of the Board of Directors, Senior Executives and the Board of Statutory Auditors, subject to that outlined in Article 2402 of the Civil Code, in addition to the procedures utilised for the adoption and implementation of this policy. Section I will be submitted to the binding vote of the shareholders at the Shareholders' Meeting called for April 8, 2021 for the approval of the 2020 Annual Accounts, as provided by paragraph 3-*bis* of Article 123-*ter* of the Consolidated Finance Act.
- Section II): outlines in detail the remuneration of the Directors, Statutory Auditors and Senior Executives, in addition to their remuneration for 2020, breaking down each of the relative items. Section II will be subject to the advisory vote of the Shareholders' Meeting called for April 8, 2021.

This document is available for consultation, at the registered office, on the company website www.basinet.com, 2021 Shareholders' Meeting section, in addition to the centralised authorised storage mechanism lInfo, www.linfo.it.

SECTION 1

- a. **Boards or parties involved in the preparation and approval of the remuneration policy, specifying the respective roles, in addition to the Boards or parties responsible for the correct implementation of the policy.**

The bodies involved in the preparation, approval and implementation of the remuneration policy are the following:

- the Shareholders' Meeting, which:
 - on appointment sets the annual remuneration of each Director, in addition to the right of the Chairman and certain other Executive Directors, to receive post-employment benefits;
 - decides, on appointment and for the entire duration of mandate, the annual remuneration of the Statutory Auditors, in accordance with Article 2402 of the Civil Code;
 - expresses, in accordance with Article 123-ter, paragraph 3-bis of the CFA, a binding vote on Section I of the Remuneration Policy and Report, drawn up by the Board of Directors, according to the time period set by the policy itself, and however every three years and on any amendments to the policy. The Shareholders' Meeting of April 9, 2020 approved the document expressing as follows:
 - votes in favour: 25,477,228, equal to 93.4% of those attending the shareholders' meeting;
 - votes against: 2,098,423, equal to 7.6% of those attending the shareholders' meeting;
 - expresses, in accordance with Article 123-ter, sixth paragraph of the CFA, a non-binding vote on Section II of the Remuneration Policy and Report, drawn up by the Board of Directors. As a result of the votes, the Shareholders' Meeting of April 9, 2020, expressed a positive opinion with:
 - votes in favour: 25,477,228, equal to 93.4% of those attending the shareholders' meeting;
 - votes against: 2,098,423, equal to 7.6% of those attending the shareholders' meeting;
- the Board of Directors which:
 - on the proposal of the Remuneration Committee, approves the remuneration policy, taking into account the vote cast by the Shareholders' Meeting on the second Section of the Report (Article 123-ter of CFA paragraph 4 b-bis) and approves any amendments to the remuneration policy;
 - establishes, on the proposal of the Remuneration Committee, and after consultation with the Board of Statutory Auditors, the remuneration of Executive Directors, in line with the remuneration policy, including any leaving indemnities, where not already approved by the Shareholders' Meeting.

The Board of Directors has appointed the Chairperson of the Board of Directors, who may delegate such duties to the Vice Chairperson responsible for each operating function(.com), the remit in terms of remuneration for Executives and other Personnel of the company and of the Group, also with regards to any bonus mechanisms, as identified within the budget of each“.com”;
 - approves the Remuneration Policy and Report to be submitted to the Shareholders' Meeting;

- the Chairman of the board of directors, which:
 - exercises executive powers on human resources;
- the Remuneration Committee which:
 - draws up for the Board proposals regarding the remuneration policy, taking account of the vote expressed by the Shareholders' Meeting on the second Section of the Report (Article 123-ter of the CFA, paragraph 4 b-bis);
 - periodically assesses, and when preparing the Annual Remuneration Report, the adequacy of the general policy adopted for the remuneration of executive directors and directors holding specific offices;
 - presents to the Board proposals for the remuneration of Executive Directors and for the Senior Executives, where identified by the Group;
 - defines the procedural conditions under which the exception to remuneration policies may be applied and specifies the elements of the policy from which exceptions may be made, in the cases provided for in paragraph 3-bis of Article 123-ter of the CFA;
- The Related Parties Committee, which:
 - intervenes in cases where the allocation of remuneration does not comply with the remuneration policy most recently approved by the Shareholders, i.e. in the case of proposals to allocate extraordinary bonuses or additional remuneration components to the Directors or Senior Executives;
- the Board of Statutory Auditors, which:
 - draws up the opinions required under the applicable regulation with regards to the remuneration proposals of Senior Directors as per Article 2389 of the Civil Code;
- the Independent Audit Firm, which:
 - verifies that the Directors have prepared the second section of the Report, as required by the new paragraph 8-bis of Article 123-ter of the CFA.

b. Involvement of a Remuneration Committee or another Committee on the issue of remuneration. Composition (with the distinction between Non-Executive and Independent Directors), duties and procedures; and any additional measures to avoid or manage conflicts of interest.

The Remuneration Committee was appointed at the Board meeting of April 19, 2019. The Committee currently in office comprises the Non-Executive Directors Carlo Pavesio – Chairman, and Daniela Ovazza, and the Non-Executive and Independent Directors Elisa Corghi, Renate Hendlmeier and Adriano Marconetto.

The Board, on appointment, considered that the knowledge and experience of the Independent Directors and the Non-Executive Directors called to sit on the Committee guarantees its proper functioning.

The Committee shall meet on the call of the Chairperson, whenever he deems it appropriate, or when requested by the Chairperson and Vice Chairperson or the Board of Statutory Auditors. The work of the Committee is overseen and coordinated by the Chairperson.

The Remuneration Committee may access the necessary information and departments for the discharge of their duties.

The proposals of the Remuneration Committee are reported in the minutes of the Remuneration Committee and fully reported in the minutes of the Board of Directors meetings at which they are drawn up.

The Remuneration Committee presents proposals or expresses opinions to the Board of Directors on the remuneration of Executive Directors and Senior Executives of the Group and periodically assesses the adequacy of the remuneration policy within the Company's strategy.

The Committee transfers to the Related Parties Committee for prior examination any proposals for the allocation of remuneration that do not comply with the remuneration policy most recently approved by the Shareholders, before submitting them to the Board of Directors. Each proposal is adopted in full compliance with the criteria of transparency and independence, taking note of the declarations of the parties who may have an interest with regard to specific decisions of the Committee.

c. how the company has taken into account the compensation and working conditions of its employees in determining its remuneration policy

BasicNet's remuneration policy is determined by taking into consideration aspects of the compensation and working conditions of the Company's employees. Both respond to the aim of attracting, retaining and motivating Human Resources with the necessary skills to oversee and develop the company's activities and to lay the foundations for medium to long-term growth. In line with BasicNet's philosophy, employees' working conditions play a decisive role, alongside compensation, in fostering a sense of belonging to the Group and building corporate identity, which in turn is recognized as a critical success factor for the pursuit of the Company's long-term interests and sustainability. Consistently and as a demonstration of the centrality of the human factor in the company's strategy, employees work in the BasicVillage, designed to put the person at the centre, who can enjoy a series of services and recreational spaces. BasicNet grants its employees certain access privileges (e.g., the gym) and provides basic services (e.g., delivery person for private errands, Amazon package pickup, free parking) facilitators for employees.

d. Details of independent experts involved in the preparation of the remuneration policy

No independent experts were involved in the preparation of the remuneration policy, but the Remuneration Committee at the beginning of the year used the advisory services of a leading consulting firm on Human Capital issues, Mercer, to assess the appropriateness of certain remuneration (Chairperson and Chief Executive Officer) by carrying out a comparative survey of the remuneration of the Chairman (founding entrepreneur) with executive positions and the Chief Executive Officer in comparable listed companies.

e. Purpose of the remuneration policy, its underlying principles, its duration, and, in the event of a review, a description of the changes from the remuneration policy last submitted to the shareholders' meeting and how such review takes into account the votes and evaluations cast by shareholders at that meeting or thereafter.

BasicNet S.p.A.'s remuneration policy, described below, has been prepared with reference to the year 2021, in line with the expiry of the term of office of the directors in office. The purpose of the remuneration policy, in continuity with previous years, is to establish in the Company's interest a

remuneration that is adequate to attract, retain and motivate Directors and Senior Executives with the professional qualities required to successfully oversee the management of the Company and the Group and to align the interests of the Human Resources with the pursuit of the priority objective of creating value for all the Stakeholder in the medium to long term.

BasicNet's Human Resources management philosophy is centred on fostering a sense of belonging to the Group. This sense of belonging is fostered and expressed by the workplace itself: a Village, characterized by the coexistence of offices, residences, stores and services, and areas of aggregation. From the philosophy follows the principles underlying the remuneration policy:

- (i) fixed remuneration remunerates not sufficiently, but adequately, the performance of the Directors, Senior Executives and the Boards;
- (ii) the loyalty and protection of the Group's resources, providing incentives for them to stay, through the development of internal professional growth, a working environment organized with an eye to following the principles of human living (residence, work and leisure) with the desire to satisfy the "basic" needs of the individual, and the recognition of employee benefits (e.g. free parking, the possibility of taking advantage of discounts and privileges at the gym, purchases of company products and access to museums, home delivery of meals in the case of smart working, help desk for online parcel collection, delivery service for private errands);
- (iii) the lack of ex-ante provision for the recognition of variable remuneration upon the achievement of individual performance targets, with the aim of incentivizing teamwork and a sense of belonging to BasicNet, maximizing the focus of resources on the company's objectives, promoting the exchange of experience and dialogue between the managerial resources of the various Group companies in order to achieve objectives, as well as the process of problem solving and timely activation to overcome short-term obstacles, ensuring flexibility and adaptability to changing operating contexts. This principle, which entails the non-adoption of ex-ante defined incentive systems, is consistent with the Group's corporate culture, which constitutes BasicNet's distinctive and deep-rooted mark of success.

Exceptionally and on a non-recurring basis, the Board of Directors, having consulted with the Remuneration Committee (or the Chairperson, or the Vice Chairperson responsible for each operational function, the .com's, with reference to the other Human Resources of the Group), may grant some form of bonus to Executive Directors and/or Senior Executives (or to the other Human Resources of the Group), in the form of one-off payments, in relation to their specific contribution to the achievement, or the achievement, of particular strategic or management results or, even more exceptionally, with the aim of retaining resources, thus rewarding and recognising talent.

An increase in annual compensation has been provided for some Executive Directors for 2021, considering the expanded areas of responsibility resulting from investments concluded in 2020 and the strategic projects launched during the same year.

The policy, as anticipated, is in continuity with previous years, even considering the overwhelmingly favourable vote cast by the 2020 Shareholders' AGM attendees (93.4%).

f. Description of the fixed and variable remuneration component policies, particularly in relation to the weighting in terms of overall remuneration and the distinction between the short and medium-to long-term variable components.

The remuneration structure establishes:

- a fixed remuneration, commensurate with responsibilities and deemed appropriate to remunerate the skills, experience and commitment associated with the position held by each Director/Senior Executive. The fixed component is adequate to remunerate the performance of the Director/Senior Executive according to the responsibilities of his or her office, regardless of the additional component or bonus, if any; the Group's remuneration philosophy does not provide for any contractually agreed variable remuneration component in the remuneration structure;
- subject to the non-existence of any variable remuneration components in the Group remuneration contractual structure, the Board of Directors, on the proposal of the Remuneration Committee, and having consulted the Related Parties Committee, reserves the right to establish any additional one-off remuneration. The same power is granted to the Chairperson, or the Vice Chairpersons responsible for each operational function (.com's), with reference to the other Human Resources of the Group. During 2020, one-off bonuses were awarded as further illustrated in Section II, to which reference is made, in part due to the pervasive effort required of senior management to promptly and proactively address the impacts of the pandemic.

g. Policy in relation to non-monetary benefits.

In addition to the fixed component, a number of non-monetary benefits may be conferred, such as, for example purposes, life or health insurance policies for Executive Directors and Senior Executives. In addition, the Chairperson of BasicNet S.p.A., for the duration of mandate, is granted use of a property located within the "BasicVillage" in Turin called "Foresteria – loft People on the move." The Company provides Human Resources with the use of Company-owned vehicles, including for non-exclusive private use.

h. With reference to the variable components, a description of the performance and financial and non-financial objectives, and where appropriate taking into account the criteria relating to corporate social responsibility, on the basis of which they are assigned, distinguishing between short-term and medium/long-term variable components, and information on the link between the change in results and the change in remuneration.

The Group has not initiated target-based compensation plans based on the achievement of financial and non-financial performance targets.

i. Criteria used to assess the performance objectives underlying the allocation of shares, options, other financial instruments or other variable components of remuneration, specifying the extent of the variable component to be paid according to the level of achievement of the objectives

The Group has not launched any incentive plans based on the allocation of financial instruments of any kind upon achievement of performance targets.

- j. **Information highlighting the contribution of the remuneration policy, and in particular the policy on variable remuneration components, the company's strategy, the pursuit of long-term interests and the sustainability of the company.**

The structure of fixed remuneration is aimed at determining the assumption of behaviours oriented towards the development of the activity and the medium-long term results and to assign responsibilities, allowing the reorientation of actions and behaviours in the face of unexpected events or opportunities without rigidity or the encouragement of individualistic behaviours that are believed to be encouraged by the contractualization of predetermined and specific objectives to which variable fees are linked. The fixed salaries awarded are considered to be in line with market salaries and the actual effort required, such that they do not require supplementation with variable components to be considered fair. This remuneration strategy creates participation and tension in the achievement of the company's results by nurturing the sense of belonging to the group which, as highlighted above, is the pillar of BasicNet's strong identity and corporate culture, which in turn drives the company's sustainability.

- k. **Vesting periods, any systems of deferred payment and indexing of deferred payments and the criteria utilised for the determination of these periods and, if established, ex-post correction mechanisms of the variable component (malus or clawback).**

This provision is not applicable to the Group's remuneration policies. There are no contractual clauses which permit the company to request the repayment, in full or in part, of the variable component of the remuneration paid, determined on the basis of figures which subsequently are manifestly erroneous in the view of the fact, and also outlined in the previous point e) that any additional remuneration is awarded ex-post.

- l. **Clauses for the maintenance in portfolio of financial instruments after their acquisition: maintenance periods and criteria utilised for the establishment of this period.**

This provision is not applicable to the Group's remuneration policies.

- m. **Policy relating to benefits on termination of office, with specification of the circumstances giving rise to such rights and any link between this benefit and the Company performance.**

The Board, on the indication of the Shareholders' Meeting, and where the Meeting itself has not decided, establishes the amount of Termination Indemnity through an annual allocation, also provided through a leading insurance company, on behalf of the Company, of an insurance policy, related to an annual constant premium of an amount equalling the amount of the post-employment benefit, in favour of the Chairperson or other Executive Directors.

The Board may approve an indemnity in the case of the early termination of the mandate to the Chairperson or other Executive Directors.

The Board of Directors has the power to enter into non-competitive agreements with some Executive Directors for a period following the termination of their appointment.

The Termination Indemnity (approved by the Shareholders' Meeting) and any early termination indemnity recognizes and remunerates today the centrality of BasicNet's founder and (executive) Chairman to the sustainability of the Company. While a generational changeover is underway in the interest of business continuity, strongly desired by the Chairman himself, there is no doubt that the Chairman still plays a role in the design of the vision and in inspiring, guiding and coordinating the actions and behaviours for its achievement.

n. Insurance coverage, social security or pension payments, other than obligatory payments.

Insurance coverage, social security or pension payments, other than the obligatory payments, are not provided for, with the exception of any non-monetary benefits represented by life or supplementary health policies.

A third-party D&O - Directors' & Officers' Liability - civil liability policy covers the Directors, Statutory Auditors and Executives for circumstances relating to the exercise of their functions, excluding incidences of fraud. This concerns insurance cover (structurally not consisting of consideration) signed independently of the company for the benefit of all Group Directors and Statutory Auditors in office.

o. Remuneration policy in relation to: (i) Independent Directors; (ii) Committee attendance and (iii) the discharge of specific offices (Chairperson, Vice Chairperson).

Independent directors do not receive compensation that differs from the remuneration for their office paid to the other members of the Board of Directors.

The remuneration of the Control and Risks Committees is decided by the Board of Directors on the proposal of the Remuneration Committee, having consulted the Board of Statutory Auditors. The remuneration of the Remuneration Committee is decided by the Board of Directors, having consulted the Board of Statutory Auditors. There is no additional remuneration for Committee Chairpersons.

The Chairman receives significantly higher remuneration than the other directors in view of the powers delegated and the importance of the specific and autonomous role compared to that of the other directors (executive and non-executive), and thus in view of the powers, duties and responsibilities entrusted to the Chairperson's office. The Vice Chairperson does not benefit from any particular remuneration other than that of the other directors, as not assigned any particular management powers.

p. Remuneration policy established using the policies of other companies as a benchmark, and the criteria utilised for the choice of these companies.

For the setting of the remuneration policy, BasicNet did not refer to the remuneration policies of other companies.

q. Exceptions from the remuneration policy in the presence of exceptional circumstances, and subject to the provisions of Regulation No. 17221 of March 12, 2010, any further procedural conditions under which departures may be applied.

Given the lack of ex-ante definition of variable remuneration components and mechanisms for their recognition, the assignment of any bonuses or additional fixed remuneration components, including the assignment of non-monetary benefits to Directors and Senior Executives, represents a departure from the remuneration policy. This departure is exercised by the Board of Directors, on the proposal of the Remuneration Committee, in compliance with the Related Parties policy, after consultation with the Board of Statutory Auditors.

Remuneration of the Board of Statutory Auditors

The remuneration policy for the Board of Statutory Auditors provides for a fixed fee approved by the Shareholders' Meeting upon appointment. The remuneration takes into account the responsibilities and

commitment of the members of the Board of Statutory Auditors and any in-depth analysis of the quantification of the commitment required, submitted by the outgoing Board of Statutory Auditors in view of the Shareholders' Meeting called to determine the remuneration of the Board.

There are no variable compensation components in favour of the Board of Statutory Auditors.

A third-party D&O - Directors' & Officers' Liability - civil liability policy covers the corporate boards and the Executives for circumstances relating to the exercise of their functions, excluding incidences of fraud. This concerns insurance cover (structurally not consisting of consideration) signed independently of the company for the benefit of all Group Directors and Statutory Auditors in office.

SECTION 2

First Part

The remuneration of the Directors, Statutory Auditors and Senior Executives is detailed below.

The Board of Directors and the Board of Statutory Auditors at the date of this report comprised:

Board of Directors

Name and Surname	Office held on the Board	Office held on the Committees	
		Remuneration Committee	Committee Control, Risks and Related Parties Committee
Marco Boglione	Chairperson		
Daniela Ovazza	Non-Executive Vice Chairperson	Member	
Federico Trono	Chief Executive Officer		
Alessandro Boglione	Executive Director		
Lorenzo Boglione	Executive Director		
Veerle Bouckaert	Manager of the company - Non-executive Director		
Paola Bruschi	Executive Director		
Elisa Coghi	Independent and Non-Executive Director	Member	Member
Cristiano Fiorio	Independent and Non-Executive Director		Member
Francesco Genovese	Manager of the company - Non-executive Director		
Alessandro Jorio	Manager of the company - Non-executive Director		
Renate Hendlmeier	Independent and Non-Executive Director	Member	Chairperson
Adriano Marconetto	Independent and Non-Executive Director – Lead Independent Director	Member	Member
Carlo Pavesio	Non-Executive Director	Chairperson	

Board of Statutory Auditors

Name and Surname	Office held on the Board
Maria Francesca Talamonti	Chairperson
Sergio Duca	Statutory Auditor
Alberto Pession	Statutory Auditor
Giulia De Martino	Alternate Auditor
Maurizio Ferrero	Alternate Auditor

Within the BasicNet Group, the Board of Directors has identified two executive directors, in the persons of the Chairperson of BasicItalia S.p.A., who is also the CEO of BasicVillage S.p.A. and BasicAir s.r.l., and the General Manager of the subsidiary Kappa Europe S.A.S., who is also the CEO of BasicAir s.r.l. Information on the total remuneration received by them during the year is provided at an aggregate level, since BasicNet is a "small" company pursuant to Article 3, paragraph 1, letter f) of Regulation No. 17221 of March 12, 2010.

The fees reported in Part Two of this Section refer to the 2020 financial year.

- **Remuneration of the members of the Board of Directors**

The Shareholders' Meeting of April 19, 2019 resolved to grant an annual fee of Euro 20 thousand, for each of the Directors, in line with the previous mandate.

- **Remuneration of the Executive Directors**

The Board of Directors met on April 19, 2019, following the Shareholders' Meeting that appointed the new members of the Board of Directors, in accordance with the powers granted, on the proposal of the Remuneration Committee and with the favourable opinion of the Board of Statutory Auditors, and resolved to grant:

- to the **Chairman of the Board of Directors** Marco Daniele Boglione:

- (a) a fee of Euro 1 million on an annual basis, gross of withholding taxes;
- (b) as per the Shareholders' Meeting motion, as per the previous three-year period, an annual allocation of Euro 500 thousand as Termination Indemnity, proposing the assignment, from a leading insurance company, in the name of the company, of an insurance policy, related to an annual constant premium of an amount equal to the amount of the termination indemnity approved and the assignment as beneficiary of the capital guaranteed on maturity of the policy the same insured Director, or persons indicated by him in the case of death, granting to these parties the right to receive any gains from the insurance policy, to be considered as supplements of the above-stated indemnity;
- (c) a "term-life constant capital" life policy for an insured capital amount of Euro 1.5 million;
- (d) in continuity with the previous three years, the use of the property unit located within the BasicVillage and called "Foresteria - Loft People on the Move" and the recognition of the related expenses, with a normal value of Euro 85 thousand Euro per year;
- (e) in continuity with the previous three years - on conclusion of office, or of duties, for revocation, except for just cause, or resignation for just cause - an all-inclusive indemnity, which according to the time of interruption of mandate (the "Event") during the three-year period, will amount to: (i) an amount equal to the difference between the overall remuneration

indicated above at letters a), b) and c), matured at the date of the Event, and the overall remuneration indicated above on an annual basis, in addition to a fixed sum of Euro 2 million, gross of withholding taxes, where the Event takes place during 2019; (ii) an amount equal to the overall remuneration indicated above at letters a), b) and c), matured at the date of the Event, in addition to a fixed sum of Euro 1.750 million, gross of withholding taxes, where the Event occurs during 2020; and (iii) an amount equal to the overall remuneration indicated above at letters a), b) and c), matured at the date of the Event, in addition to a fixed sum of Euro 1.5 million, gross of withholding taxes, where the Event occurs during 2021 or on a subsequent date until the conclusion of mandate;

- to the **Chief Executive Officer**, Federico Trono, a remuneration of Euro 240 thousand on an annual basis, gross of withholding taxes, in addition to the gross annual remuneration as executive of the Company; he receives no remuneration for his role as a director of BasicItalia S.p.A.;

- to the other **Directors with delegated powers**:

- 1) to the Director, Paola Bruschi, a remuneration of Euro 40 thousand per year for the position of Executive Officer for Financial Reporting at BasicNet S.p.A., a remuneration of Euro 2 thousand as a member of the Supervisory Board of BasicItalia S.p.A., in addition to the annual gross remuneration as executive of the Company;
- 2) to Lorenzo Boglione, a gross annual remuneration of Euro 100 thousand for the office of Chief Executive Officer of BasicTrademark S.r.l., in addition to the gross annual remuneration as executive of the Company; He does not receive remuneration for his roles in other Group companies (Chairman of BasicAir s.r.l., Chairman of TOS s.r.l., Vice Chairman for business development of Basic Properties America Inc, and Director of Kappa Europe S.A.S.);
- 3) to Alessandro Boglione, a gross annual remuneration of Euro 100 thousand for the office of Chief Executive Officer of BasicItalia S.p.A., in addition to the gross annual remuneration as executive of the Company; He does not receive remuneration for his roles in other Group companies (Chairman of Kappa Europe S.A.S., Chairman of BasicRetail s.r.l., Chairman of BasicNet Asia Ltd.)

- **Remuneration for members of Committees**

Each member of the Remuneration Committee and the Related Parties Committee receives a fixed fee of Euro 5 thousand gross annually, determined at the Board of Directors' meeting of April 19, 2019 (in continuity with the previous mandate).

- **Non-monetary benefits**

Non-monetary benefits are indicated in the previous paragraph with regard to the remuneration of the Chairperson of the Board of Directors.

- **Termination Indemnity**

The termination indemnity attributed to the Chairperson of the Board of Directors is indicated in the previous paragraph with regard to remuneration.

- **Indemnity of the Directors in case of dismissal or termination of employment following a public purchase offer.**

The indemnities due in the event of resignation, dismissal or termination of employment following a takeover bid are indicated in the preceding paragraph on remuneration of the Chairperson of the Board of Directors.

- **Exceptions to the Remuneration Policy**

In the first few months of 2020, the Chairperson, within the scope of the power received from the Board, which granted him powers in terms of remuneration for the Executives and other Resources of the Company and the Group, including with reference to any reward mechanisms, from time to time identified within the budget of each ".com", paid to some top executives of BasicNet, one-off bonuses with reference to the strong results of the Group reported in 2018 (year in which no bonuses had been distributed), in 2019 and the first two months of 2020.

Subsequently, in the case of Group executives who are members of the Board of Directors, the proposal for the award of the bonus was submitted to the Board by the Remuneration Committee, having heard the opinion of the Related Parties Committee.

The Board of Directors meeting in April 2020, resolved, with the favourable opinion of the Board of Statutory Auditors, to grant one-off bonuses to the directors Lorenzo Boglione, Alessandro Boglione, Veerle Bouckaert and Alessandro Jorio, for the reasons individually specified below, on the strength of the 2018 and 2019 results, and taking into account the centrality of the roles they have assumed in the crisis context determined by the Covid-19 pandemic, participating in the so-called "crisis unit".

- to the Director Lorenzo Boglione, for his significant and decisive contribution to the achievement of commercial sales and development of the licensees, a bonus of Euro 70 thousand;
- to the Director Alessandro Boglione for his significant and decisive contribution to the achievement of BasicItalia's commercial sales and the successful conclusion of the acquisition of Kappa Europe, a bonus of Euro 70 thousand;
- to the Director Veerle Bouckaert, Head of Group Legal Affairs, for the results achieved in his role of coordinating the team responsible for monitoring the licensees' compliance with the Group's contracts, a bonus of Euro 40 thousand;
- to the Director Alessandro Jorio, Creative Director of the Group, for his extraordinary contribution of creativity and genius, combined with generosity and dedication to the company that make him a positive driving force of team spirit, a bonus of Euro 40 thousand;
- for completeness, it should be noted that another 12 managers were recipients of bonuses based on the final results for 2019, for an overall total of Euro 230 thousand.

Change in trends relating to the remuneration and compensation paid by the Company compared to 2019

Remuneration paid to members of the Administrative and Control Boards

When comparing remuneration paid in 2020 versus 2019, it should be noted that for some directors, 2019 was the year of appointment: the remuneration is therefore accrued as of the date of the Shareholders' AGM of April 19, 2019. For better appreciation of the change in trends related to remuneration paid by the

Company between the two years, the second column of the table below assumes 2019 remuneration is paid for the full calendar year.

Name Surname	Change 2019/2020	Change 2019/2020 eliminating the fraction of a year with respect to remuneration
Marco Boglione Chairman & Chief Executive Officer	2.6%	2.6%
Federico Trono Vice Chairman & Chief Executive Officer (1) (2)	50.3%	28.3%
Lorenzo Boglione Executive Director and Chief Executive Officer of BasicTrademark S.r.l. (1) (2)	52.2%	52.2%
Alessandro Boglione Executive Director and Chief Executive Officer of BasicItalia S.p.A. (1) (2)	52.2%	52.2%
Paola Bruschi Executive Director (1)	6.6%	6.6%
Veerle Bouckaert - Director - (1) (2)	94.7%	42.7%
Francesco Genovese - Director - (1)	50.6%	0.4%
Alessandro Jorio - Director - (1) (2)	99.7%	39.8%
Other independent, non-executive Directors	--	--
Board of Statutory Auditors	--	--

(1) Including executive compensation

(2) Including the one-off bonus granted (see -Exceptions to Remuneration Policy- Section 1)

Results of the company

Indicator (1)	Change 2019/2020	Change 2018/2019 (2)
Consolidated revenues	-20.6%	11.8% (3)
EBITDA	-75.3%	28.7%
Consolidated net profit	-59.2%	13.6%

- (1) Figures taken from the consolidated financial statements of BasicNet S.p.A. Group.
- (2) The 2020 performance was heavily impacted by the effects of the Covid-19 pandemic. At the same time, the performance does not capture the importance of the strategic results achieved in 2020 that will contribute to the foundation of the Company's sustainability in the coming years, such as the early purchase of the minorities of Kappa Europe, the repurchase of the Kappa brand in Japan and the completion of the purchase of the property "Basic Village" in Milan.
In recognition of the fact that the change in some of the 2020 remuneration reflects one-off compensation based on the year 2018, reference should be made to the change from the previous year.
- (3) Like-for-like change without considering the acquisition of Kappa Europe's majority stake in January 2019

Average remuneration, calculated on a full-time equivalent basis, of employees other than members of administrative and control boards

The average remuneration of BasicNet S.p.A.'s employees, other than members of the administrative and control boards, is down 8% in 2020 compared to 2019. The trend in annual remuneration per individual employee is upward: the decrease is due to the lower labour costs deriving from use of the Covid social security scheme.

Excluding the social security scheme, average employee remuneration would have increased 3.5% over 2019.

	Change 2019/2020
Average remuneration (1)	-8%
Average salary gross of social security scheme	+3.5%
Average number	222

- (1) Includes gross annual remuneration and bonuses quantified with reference to the year of maturity. The figure is expressed with reference to the employees of the Parent Company, BasicNet S.p.A.

The Company has not received the considerations that led shareholders to vote against the remuneration policy in the previous Shareholders' AGM.

Second part

Table 1 – Remuneration paid to Directors, Statutory Auditors, General Managers and other Senior Executives.

The following table breaks down the remuneration of Directors, Statutory Auditors, General Managers and, at an aggregate level, other Senior Executives. Separate indication is provided of remuneration received from subsidiaries and/or associated companies. All parties which during the year have held the above offices are included, even if for a portion of the year. Remuneration concerns that accrued in the year. Termination indemnity is indicated for the period in which it matured, even if not paid, for those terminated during the year or for those reaching the end of mandate and/or contract.

Name and Surname	Office held	Period of office	Concl. of office	Fixed Remuneration	Remuneration for committee participation	Bonuses and other incentives	Profit sharing	Non-monetary benefits	Other remuneration	Total	Benefits on conclusion of office
Directors											
Marco Boglione (1)	Chairperson	01/01/2020-31/12/2020	approv. 2021 accounts								
(I) Remuneration from Company preparing the accounts				1,020,000				107,071	500,000	1,627,071	
(II) Remuneration from subsidiaries and associates											
Total				1,020,000	-			107,071	500,000	1,627,071	
Daniela Ovazza (2)	Vice Chairperson	01/01/2020-31/12/2020	approv. 2021 accounts								
(I) Remuneration from Company preparing the accounts				20,000	5,000					25,000	
(II) Remuneration from subsidiaries and associates											
Total				20,000	5,000					25,000	
Federico Trono (3)	Chief Executive Officer	01/01/2020-31/12/2020	approv. 2021 accounts								
(I) Remuneration from Company preparing the accounts				389,475						389,475	
(II) Remuneration from subsidiaries and associates											
Total				389,475	-	-				389,475	
Lorenzo Boglione (4)	Director	01/01/2020-31/12/2020	approv. 2021 accounts								
(I) Remuneration from Company preparing the accounts				111,512		70,000				181,512	
(II) Remuneration from subsidiaries and associates				100,000						100,000	
Total				211,512	-	70,000				281,512	
Alessandro Boglione (5)	Director	01/01/2020-31/12/2020	approv. 2021 accounts								
(I) Remuneration from Company preparing the accounts				111,512		70,000				181,512	
(II) Remuneration from subsidiaries and associates				100,000						100,000	
Total				211,512	-	70,000				281,512	
Veerie Bouckaert (6)	Director	01/01/2020-31/12/2020									
(I) Remuneration from Company preparing the accounts				104,474		40,000				144,474	
(II) Remuneration from subsidiaries and associates				10,000						10,000	
Total				114,474	-	40,000				154,474	
Paola Bruschi (7)	Director	01/01/2020-31/12/2020	approv. 2021 accounts								
(I) Remuneration from Company preparing the accounts				199,528						199,528	
(II) Remuneration from subsidiaries and associates				2,000						2,000	
Total				201,528	-	-			-	201,528	
Elisa Corghi (8)	Director	01/01/2020-31/12/2020	approv. 2021 accounts								
(I) Remuneration from Company preparing the accounts				20,000	10,000					30,000	
(II) Remuneration from subsidiaries and associates											
Total				20,000	10,000		-			30,000	
Cristiano Fiorio (9)	Director	01/01/2020-31/12/2020	approv. 2021 accounts								
(I) Remuneration from Company preparing the accounts				20,000	5,000					25,000	
(II) Remuneration from subsidiaries and associates											
Total				20,000	5,000		-			25,000	
Francesco Genovese (10)	Director	01/01/2020-31/12/2020	approv. 2021 accounts								
(I) Remuneration from Company preparing the accounts				79,698						79,698	
(II) Remuneration from subsidiaries and associates											
Total				79,698		-				79,698	
Renate Hendlmeier (11)	Director	01/01/2020-31/12/2020	approv. 2021 accounts								
(I) Remuneration from Company preparing the accounts				20,000	10,000					30,000	
(II) Remuneration from subsidiaries and associates											
Total				20,000	10,000		-			30,000	
Alessandro Jorio (12)	Director	01/01/2020-31/12/2020	approv. 2021 accounts								
(I) Remuneration from Company preparing the accounts				119,584		40,000				159,584	
(II) Remuneration from subsidiaries and associates											
Total				119,584		40,000				159,584	
Adriano Marconetto (13)	Independent Director	01/01/2020-31/12/2020	approv. 2021 accounts								
(I) Remuneration from Company preparing the accounts				20,000	10,000					30,000	
(II) Remuneration from subsidiaries and associates											
Total				20,000	10,000		-			30,000	
Carlo Pavesio (14)	Independent Director	01/01/2020-31/12/2020	approv. 2021 accounts								
(I) Remuneration from Company preparing the accounts				20,000	5,000					25,000	
(II) Remuneration from subsidiaries and associates											
Total				20,000	5,000		-			25,000	
Grand total				2,467,783	45,000	220,000	-	107,071	500,000	3,339,854	-
Number 2 Strategic Executives											
(I) Remuneration from Company preparing the accounts				80,449						80,449	
(II) Remuneration from subsidiaries and associates				356,903						356,903	
Total				437,352			-			437,352	

- (1) Remuneration including the Euro 20,000 allocated by the Shareholders' Meeting, of the Euro 1,000,000 remuneration as Executive Chairman of the company. "Non-monetary benefits" relate to a "term-life constant capital" life policy for an insured capital amount of Euro 1.5 million and for Euro 22,065 the use of the residential unit located at the "BasicVillage" called "Foresteria – Loft People on the Move" and the relative expenses, of a normal value of Euro 85 thousand annually.
"Other remuneration" relates to the annual allocation of Termination Indemnity.
- (2) Compensation for participation in committees as a member of the Remuneration Committee.
- (3) Remuneration including the Euro 20,000 allocated by the Shareholders' Meeting, of the Euro 240,000 remuneration as the company's CEO and remuneration as an executive of the company.
- (4) The remuneration in BasicNet is inclusive of the Euro 20,000 allocated by the Shareholders' Meeting and remuneration as an executive of the company. The remuneration in other companies is received as Chief Executive Officer of Basic Trademark S.r.l..
- (5) The remuneration in BasicNet is inclusive of the Euro 20,000 allocated by the Shareholders' Meeting and remuneration as an executive of the company. The remuneration in other companies is received as Chief Executive Officer of BasicItalia S.p.A.
- (6) The remuneration in BasicNet is inclusive of the Euro 20,000 allocated by the Shareholders' Meeting and remuneration as an executive of the company. The remuneration in other companies is received as Executive Director of Basic Trademark S.r.l..
- (7) The remuneration of BasicNet includes Euro 20,000 allocated by the Shareholders' Meeting, the remuneration as an executive of the company and for the position of Executive Officer for Financial Reporting and as the Director in charge of the internal control and risks management system, allocated by the Board of Directors meeting of April 19, 2019 of Euro 40,000. The other remuneration is received as a member of the Supervisory Board of the subsidiary BasicItalia S.p.A.
- (8) Remuneration for participation in committees as a member of the Remuneration Committee (Euro 5,000) and the Control and Risks and Related Parties Committee (Euro 5,000).
- (9) Remuneration for participation in committees as a member of the Control and Risks and Related Parties Committee (Euro 5,000).
- (10) Remuneration including compensation as an executive of the company
- (11) Remuneration for participation in committees as a member of the Remuneration Committee (Euro 5,000) and Chair of the Control and Risks and Related Parties Committee (Euro 5,000).
- (12) The remuneration in BasicNet is inclusive of the Euro 20,000 allocated by the Shareholders' Meeting and remuneration as an executive of the company.
- (13) Remuneration for participation in committees as a member of the Remuneration Committee (Euro 5,000) and the Control and Risks and Related Parties Committee (Euro 5,000).
- (14) Remuneration for participation in committees as Chairperson of the Remuneration Committee (Euro 5,000).

Name and Surname	Description of office			Fixed Remuneration	Remuneration for committee participation	Bonuses and other incentives	Profit sharing	Non-monetary benefits	Other remuneration	Total	Benefits on conclusion of office
	Office held	Period of office	Concl. of office								
Maria Francesca Talamonti	Chairperson	01/01/2019-31/12/2019	approv. 2021 accounts								
(I) Remuneration from Company preparing the accounts				36,000						36,000	
(II) Remuneration from subsidiaries and associates											
Total				36,000						36,000	
Sergio Duca	Statutory Auditor	01/01/2019-31/12/2019	approv. 2021 accounts								
(I) Remuneration from Company preparing the accounts				24,000						24,000	
(II) Remuneration from subsidiaries and associates											
Total				24,000						24,000	
Alberto Pession (15)	Statutory Auditor	01/01/2019-31/12/2019	approv. 2021 accounts								
(I) Remuneration from Company preparing the accounts				24,000						24,000	
(II) Remuneration from subsidiaries and associates				16,200						16,200	
Total				40,200						40,200	

(15) Remuneration from subsidiaries and associates received as Statutory Auditor of the subsidiaries BasicVillage S.p.A. (Euro 4,200) and BasicItalia S.p.A. (Euro 12,000) appointed by the Shareholders' Meeting of April 19, 2019.

Table- 2 Investments held by the members of the Board of Directors and Control Boards and by Senior Executives

Name	Office	Investee	Number of shares held at end of 2019	Number of shares purchased	Number of shares sold	Number of shares held at end of 2020
Marco Boglione(*)	Chairperson	BasicNet	20,517,733			20,517,733
Lorenzo Boglione	Director	BasicNet	21,580			21,580
Alessandro Boglione	Director	BasicNet	14,604			14,604
Renate Hendlmeier	Director	BasicNet	2,000			2,000
Carlo Pavesio	Director	BasicNet	100,000			100,000

(*) of which 20,206,065 shares held through the subsidiary BasicWorld S.r.l. and 311,668 held directly.

*

SHAREHOLDERS' MEETING REGULATION

Article 1

The present regulation applies to the Ordinary and Extraordinary Shareholders' Meeting. It is filed at the registered offices and available to Shareholders and all those with the right to attend the Shareholders' Meeting.

The amendments to the present Regulation were approved by the Ordinary Shareholders' Meeting.

Article 2

Those holding shares in accordance with applicable legislation and the by-laws, or their proxies or representatives, may attend and speak at the Shareholders' Meetings.

Proof of personal identity is required for attendance at the Shareholders' Meeting. Unless otherwise indicated in the Call Notice, the personal identification and the verification of the right to attend takes place at the location of the Shareholders' Meeting at least one hour before the time fixed for the meeting.

Attendees are assured the possibility to follow and take part in the discussion and to exercise their right to vote using the technical methods established on each occasion by the Chairperson.

Those leaving the location of the meeting for whatever reason must communicate such to the Company personnel in charge of the meeting.

Article 3

The Company staff may assist at the Shareholders' Meeting, in addition to Directors and staff of companies belonging to the Group. On the invitation, and however with the consent of the Chairperson, professionals, consultants, financial analysts, university students and qualified and accredited journalists may follow the business of the Meeting, without the right to intervene and vote.

Persons accredited to follow the meeting must report for identification by the Company's appointees at the entrance of the premises where the Meeting is to be held and collect a special badge to be exhibited upon request.

Article 4

The Chairperson directs the business of the Shareholders' Meeting. The Chairperson of the Shareholders' Meeting utilises assistants to verify the voting rights of those attending the Meeting and the propriety of proxies granted.

The Chairperson is assisted by the secretary, appointed by the Shareholders' Meeting on the proposal of the Chairperson, or where necessary or considered beneficial, by a notary. The secretary and the notary may utilise the assistance of trusted persons, also non-shareholders.

The Shareholders' Meeting may be subject to audio/video recording, both for transmission/projection to the rooms of the Shareholders' Meeting or in order to assist the Board in the minute taking and preparation of responses.

The information provided to the Shareholders' Meeting by the Corporate Boards may be communicated also through the company website.

For the management of the voting procedures, the Chairperson of the Shareholders' Meeting may appoint one or more tellers from among attending shareholders, in the number considered most appropriate.

Under the direction of the Chairperson of the Shareholders' Meeting, a sheet of attendees is prepared, in which those who attend on their own behalf, by proxy or in another manner established by law, are indicated, specifying the number of shares held.

Where the necessary number of attendances for the constitution of the Shareholders' Meeting is not reached, the Chairperson of the Shareholders' Meeting, following a lapse of time considered adequate after the time fixed for the beginning of the Shareholders' Meeting, announces such to the attendees, declaring the meeting void and postponing the handling of the matters on the Agenda to the subsequent call.

The business of the Shareholders' Meeting may be suspended if the Chairperson of the Shareholders' Meeting considers such correct, and with the consent of the meeting, for a period of not greater than three hours. Audio and/or video recording and transmission equipment are not permitted in the rooms of the Shareholders' Meeting without the prior consent of the Chairperson of the Meeting.

Article 5

In handling the matters on the Agenda, the Chairperson, with the consent of the Meeting, may follow a different Agenda from that posted on the Call Notice.

Similarly, a single discussion on two or more points on the Agenda may be held.

The matters are handled by the Chairperson and, on his or her invitation, by the Directors, by the Statutory Auditors, by the employees of the Company and/or the subsidiaries, in addition to any external experts invited. Except where the Chairperson considers it opportune or where a specific request is presented, approved by the Shareholders' Meeting, the documentation which is filed in advance is not read, which is made available to interested parties as indicated in the Call Notice.

The Chairperson, taking account of the subject matter and importance of the individual items on the Agenda, may establish at the start of the meeting the time to be allotted to each speaker, which must not be less than 10 minutes. Following this period, the Chairperson of the Shareholders' Meeting may invite the speaker to conclude his/her contribution within five minutes.

The Chairperson of the Shareholders' Meeting may remind speakers to comply with the time limits for speaking established in advance and to keep to the matters stated in the Agenda.

Those with voting rights have the right to take the floor on each of the matters under discussion. Those who have already made a contribution may request to take the floor for a second occasion on the same matter only to make a reply or to formulate a voting proposal. Those who wish to take the floor must request such in writing from the Chairperson of the Shareholders' Meeting or the secretary, indicating the matter on the Agenda which the contribution concerns. The request may be presented until the Chairperson of the Shareholders' Meeting has declared the discussion on the matter closed.

The Chairperson and, on his or her invitation, the Directors, Statutory Auditors, employees of the Company and/or subsidiaries, in addition to any external experts invited, respond to orators at the end of all contributions under discussion, or after each contribution, taking account also of any questions drawn up by shareholders before the Shareholders' Meeting, which have not been responded to by the Company.

Article 6

The voting at the Meeting is made by open ballot.

The Chairperson of the Shareholders' Meeting adopts the appropriate measures for the orderly carrying out of votes. The Chairperson of the Shareholders' Meeting may require, according to the circumstances, that the voting on a particular issue is carried out immediately after the closure on the discussion on the issue, or at the end of the discussion of all matters on the Agenda.

The vote must be clear, by the raising of hands or in another matter indicated by the Chairperson at the time of voting, also through the use of technical instruments which support the counting of votes. The votes expressed in a manner other than that indicated by the Chairperson of the meeting are void. If the vote is not unanimous, the Chairperson, on a case by case basis, invites those abstaining and those voting against, if a lesser number than those in favour, to declare or make known, also through the method or instrument indicated, their intention in relation to the vote.

Following the vote and the necessary counting with the support of the tellers and the secretary, the Chairperson proclaims the results of voting.