



UNIEURO S.P.A.: RESOLUTIONS OF THE BOARD OF DIRECTORS OF 27 OCTOBER 2020

- **Proposal of Performance Share Plan 2020-2025 approved**
- **Proposal to delegate a share capital increase for the plan approved**
- **Proposed authorisation to purchase and dispose of treasury shares, also to service the plan, approved**
- **Shareholders' Meeting called for 17 December 2020**

Forlì, 27 October 2020 - The Board of Directors of Unieuro S.p.A. (MTA: UNIR) ("**Unieuro**" or the "**Company**"), leader in the distribution of consumer electronics and household appliances in Italy, held today under the chairmanship of Stefano Meloni, examined and approved, on the proposal of the Remuneration and Appointments Committee, the guidelines and essential terms of the new incentive plan called "Performance Share Plan 2020-2025" (the "**Plan**") to be submitted for approval to the shareholders' meeting convened for December 17, in single call (the "**Meeting**").

The total number of Unieuro shares to service the entire Plan will be proposed in a maximum of 900,000, resulting from

- (i) a specific free capital increase, to be carried out also on several occasions, pursuant to article 2349 of the Italian Civil Code, for the execution of which the Board of Directors will be granted a specific proxy and/or
- (ii) treasury shares resulting from purchases made pursuant to articles 2357 and 2357-ter of the Italian Civil Code.

In this regard, the Board resolved to submit for approval to the Meeting:

- (i) the granting of a proxy to the Board of Directors to increase the share capital free of charge for a period of five years from the date of the resolution, even on several occasions for a maximum amount of Euro 180,000 to be charged in full to capital through the issue of a maximum of 900,000 new ordinary Unieuro shares with no express indication of their par value; and
- (ii) the authorization to purchase a maximum number of 2,000,000 ordinary shares of the Company representing at today's date 10% of the share capital of the same, for a period of eighteen months from the date of any resolution approving the proposal by the Meeting, and, without time limits, to the disposal of ordinary shares of the Company, to be used, if necessary, also to service share incentive plans.

It should be noted that, at the time of the adoption of the remuneration policy¹ approved by the Company's Shareholders' Meeting of 12 June 2020, the Board of Directors had deemed



it appropriate to postpone the definition of a long-term incentive plan based on financial instruments. Such a decision was taken in accordance with the principles of responsibility and sustainability that inspire the Company's choices, considering the emergency situation for the spread of the Covid-19 epidemic and its impact on the pursuit of long-term interests. In particular, the Board of Directors had specified its intention to submit a performance shares plan for approval by the Shareholders' Meeting by December 2020, if the conditions linked to the impact of the pandemic had allowed it.

In light of the above, the Board of Directors will submit the Plan to the Shareholders' Meeting convened for 17 December 2020 in single call, in Forlì, which will be also requested to preliminarily approve, pursuant to art. 123-ter, paragraphs 3-bis and 3-ter of Legislative Decree No. 58 of 24 February 1998 ("TUF"), a new remuneration policy to be adopted for the fiscal year 2020/2021 for directors, statutory auditors and executives with strategic responsibilities of Unieuro, which - in particular - includes the Plan among the variable components of the remuneration of directors and executives with strategic responsibilities of the Company.

Proposal of Performance Share Plan 2020-2025

Below is a summary of the essential information on the Plan pursuant to Article 84-bis, paragraph 3 of the regulation adopted by Consob resolution No. 11971 of 14 May 1999, as subsequently amended (the "Issuers' Regulation").

Description of the beneficiaries of the Plan

The Plan is intended for executive directors and/or executives with strategic responsibilities and/or employees of the Company or Group companies.

In particular, a maximum of 45 subjects, with reference to the first cycle, not yet identified by name, intended as personnel who have a working relationship with the Company and/or the Group and fall into one of the following categories:

- a) personnel having the qualification of manager at the Company and/or the Group Companies;
- b) personnel with the qualification of an employee at managerial level (or higher) at the Company and/or the Group Companies.

The beneficiaries will be identified by the Board of Directors, with the abstention of the Director who from time to time is included among the beneficiaries, subject to the opinion of the Remuneration and Appointments Committee, having regard to the importance of the respective position held within the Company and/or the Group and taking into account the function they perform in the value creation process.



The names of the beneficiaries and the other information provided for in paragraph 1 of Schedule 7 of Annex 3A to the Issuers' Regulation will be provided in the manner and within the terms indicated under art. 84-bis, paragraph 5 of the Issuers' Regulation.

Essential elements relating to the characteristics of the financial instruments on which the Plan is based

The Plan provides for the free allocation to each of the beneficiaries of rights to receive ordinary shares of Unieuro (the "**Shares**") based, inter alia, on the achievement of certain performance objectives and specific vesting conditions, which reflect the most important variables related to the creation of value for the Group.

The free allocation of these Shares will be made in 2023 (1st cycle), 2024 (2nd cycle) and 2025 (3rd cycle).

The actual allocation of the Shares for each of the three cycles will be carried out as resulting from the relevant resolution of the Board of Directors, based on the degree of achievement of the performance objectives and, in general, on the permanence of the vesting conditions.

It is also provided that the aforesaid rights confer the right to the receipt by each beneficiary of a cash bonus, based on any cash dividends distributed and paid by the Company up to the allotment date. This bonus shall be payable jointly, and subject to the delivery of the shares relating to each cycle of the Plan, provided that the specific vesting conditions are met.

Reasons motivating the Plan

The Plan is one of the instruments used by the Company and the Group to integrate the remuneration package of key figures through variable components linked to the achievement of certain performance objectives, according to the best market practices.

In particular, the Company believes that a share-based incentive plan, with a five-year duration and specific performance objectives, is the most effective incentive tool and best suited to the interests of the Company and the Group. Therefore, the Plan has the following objectives:

- (i) focus the attention of the beneficiaries on factors of strategic interest of the Company and to direct key resources towards strategies aimed at pursuing medium-long term results;
- (ii) increase the loyalty of beneficiaries and encourage their stay with the Company by developing retention policies aimed at increasing the loyalty of key resources;
- (iii) align the interests of beneficiaries with those of shareholders, with a view to developing confidence in the growth of the Company's value; and



- (iv) ensure that the overall remuneration of the beneficiaries of the Plan remains competitive while developing policies of attraction towards talented managerial and professional figures.

The illustrative report of the Board of Directors and the information document relating to the Plan shall be made available to the public within the deadline for publication of the notice of call of the Shareholders' Meeting in accordance with the procedures and terms laid down in Articles 114-bis and 125-ter, paragraph 1, of TUF, and 84-bis and 84-ter of the Issuers' Regulation.

Proposal to delegate a share capital increase for the Plan

In order to ensure a sufficient number of shares to be allocated to the beneficiaries of the Plan, if the performance objectives and other conditions laid down in the Plan are achieved, the Board of Directors resolved to submit for approval by the Meeting in extraordinary session the granting of a proxy to the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, to freely increase the share capital for a period of five years from the date of the resolution, even on several occasions, pursuant to Article 2349 of the Italian Civil Code, for a maximum amount of Euro 180,000 to be charged in full to the share capital through the issue of a maximum of 900,000 new ordinary shares of Unieuro with no express indication of their nominal value, with a consequent amendment to Article 6 of the By-laws in force.

Proposal of authorization to purchase and dispose of treasury shares

The Board of Directors also resolved to submit to the Shareholders' Meeting the request for authorization to purchase a maximum number of 2,000,000 ordinary shares of the Company representing, as at today, 10% of the Company's share capital, for a period of eighteen months from the date of the Shareholders' meeting resolution approving the proposal, and, without time limits, to the disposal of ordinary shares of the Company pursuant to Articles 2357 and 2357-ter of the Italian Civil Code, Article 132 of TUF and Article 144-bis of the Issuers' Regulation.

The authorization to purchase and dispose of treasury shares is required, in general, in order to seize any opportunities that the market may offer in the future, and in particular to allow the Company to carry out the transactions listed below:

- (i) dispose of and/or use treasury shares, in line with the strategic guidelines that the Company intends to pursue, in the context of extraordinary transactions; and/or
- (ii) purchase treasury shares with a view to medium and long term investment or, in any case, take advantage of market opportunities also through the purchase and resale of the shares whenever it is deemed appropriate both on the market (with

- regard to disposal) and in the so-called over-the-counter markets or even outside the market provided that at market conditions and in compliance with the applicable laws and regulations; and/or
- (iii) acquire treasury shares to be used, where appropriate, to serve existing and future equity incentive plans, including long-term ones; and/or
 - (iv) execute agreements with individual directors, employees and/or collaborators of the Company or its subsidiaries, which are not included in the incentive plans; and/or
 - (v) carry out market liquidity support activities, where necessary and in accordance with the provisions in force (including the purposes contemplated in market practice), so as to facilitate the smooth conduct of trading and avoid abnormal price movements; and/or
 - (vi) initiate programs for the purchase of treasury shares for the purposes provided for in Article 5 of the Regulation (EU) No. 596/2014 on market abuse (“MAR”) - i.e. the reduction of the share capital, the fulfilment of obligations deriving from debt instruments convertible into shares or share option programs or other allocations of shares to employees or members of the management and control bodies of the Company or its associated companies or any other purpose that should be contemplated by this provision in the version pro tempore in force - and/or for the purposes contemplated by the market practices admitted under Article 13 MAR, in accordance with terms and modalities that may be resolved upon by the Board of Directors.

As of today, neither the Company nor its subsidiaries hold shares in the Company. The purchases will be made at price conditions in accordance with the provisions of Article 3, paragraph 2, of Delegated Regulation (EU) 2016/1052. In any case, purchases shall be made at a price not less than 10% lower and not more than 10% higher than the reference price recorded by the stock on the stock exchange on the day preceding each individual transaction.

Call of the Shareholders' Meeting

Lastly, the Board of Directors convened the Ordinary and Extraordinary Shareholders' Meeting for 17 December 2020 in single call, at 3:00 PM CET in Forlì at the Maltoni Scozzoli Notary's Office, Via Mentana 7, to resolve upon the proposals illustrated above.

All the documents that will be submitted to the aforesaid Shareholders' Meeting will be made available to the public, within the terms provided by the law, at the registered office of Unieuro S.p.A. Via Giovanni Schiaparelli, 31, 47122 Forlì, on the Company's website at "Unieurospa.com / Corporate Governance / Shareholders' Meetings / Shareholders' Meeting



December 2020" and at the storage mechanism "eMarket STORAGE", available at www.emarketstorage.com.

It should be noted that, in order to minimize the risks connected with the ongoing health emergency, the Company decided to avail itself of the option provided for in Article 106, paragraph 4, of Decree Law No. 18 of 17 March 2020, providing that the attendance at the Shareholders' Meeting by those entitled to shall occur exclusively through the designated representative of the Company.

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Unieuro S.p.A.

Unieuro is the Italian leader in the distribution of consumer electronics and household appliances, thanks to an omnichannel approach that integrates directly operated stores (about 250), affiliated stores (about 260) and the unieuro.it digital platform. The company is based in Forlì, has a central logistics hub in Piacenza and has a staff of about 5,000 employees. Listed on the STAR segment of the Italian Stock Exchange since 2017, Unieuro reported revenues exceeding Euro 2.4 billion in the fiscal year ended at 29 February 2020.

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¹ See the first section of the "Report on remuneration policy and remuneration paid 2019/20" of Unieuro S.p.A..