Unieuro S.P.A. registered office in Forli', Palazzo "Hercolani", Via Piero Maroncelli, 10
Share capital euro 4,000,000.00, fully paid-up
Registration number with the companies' register of Forli'-Cesena and tax code No. 00876320409

Report concerning the policy for remuneration and recompense paid

in accordance with Article 123-ter TUF and Article 84-quater Listing Regulations

Traditional management and control model

Issuer: Unieuro S.p.A.

Website https://unieurospa.com/en/ home/
section "*Corporate Governance/Shareholders' Meetings/Meeting 2021*"

Approved by the Board of Directors on 19 May 2021

LETTER TO SHAREHOLDERS FROM THE CHAIRMAN OF THE REMUNERATION AND APPOINTMENTS COMMITTEE

Dear Shareholders,

It is a great pleasure also for this year to present to you, together with the Remuneration and Appointments Committee chaired by me ("**Committee**") the Remuneration Policy of Unieuro S.p.A. ("**Unieuro**" or "**Company**") for the year ending 28 February 2022 as well as the report on recompense paid to Directors, Statutory Auditors and Managers with Strategic Responsibilities during the previous year which ended as at 28 February 2021. We are desirous that this document sets out for all stakeholders and in an exhaustive and transparent manner, the principles that inspire our remuneration policy, the systems and processes that govern it and the outcomes of its application.

The health emergency linked to the Covid-19 epidemic which is still, of course, ongoing, has required that management promptly adopt appropriate measures to deal with a situation characterised by extreme volatility and uncertainty and our ultimate goal has been to ensure sustainability of the business whilst safeguarding the needs and well-being of our collaborators and customers.

The year which recently ended has also been very demanding for our Committee which has worked to consolidate the guidelines of the remuneration policy which was approved at the Shareholders' Meeting of 17 December 2020 in light of the impulses and considerations that emerged during the engagement activity carried out with the principal proxy advisors and institutional investors as well as the analyses of best practices and of shareholders' meeting results. We undertook this with the view to achieving continuous improvement, paying particular attention to the Company's ability to attract, retain and motivate the very best resources so as to support the envisaged development and performance objectives, thus creating value for shareholders.

Therefore, the Company has opted to give full disclosure on the performance indicators on which the second cycle of the 2020-2025 Performance Share Plan shall be anchored and which shall integrate economic-financial indicators with ESG indicators, in line with the indications set forth in the new Corporate Governance Code and in compliance with the requests that arose during the engagement activity undertaken last December. The newly appointed Sustainability Committee, established within the Board of Directors in November 2020, has been involved in defining the relative KPIs, and its input has significantly contributed to the design of the variable remuneration component.

The ESG indicators confirm Unieuro's attention to sustainable development issues in the interest of all corporate stakeholders, side-by-side with the "Net Promoter Score", a criterion based on customer satisfaction which, again for this year, is within the performance indicator tools on which the Company's MBO system is based.

The Remuneration Policy further takes into account the corporate reorganization implemented by the appointment of a General Manager, Bruna Olivieri, and the redefinition of the category of Managers with Strategic Responsibilities.

Last but not least, also mindful of the recent changes introduced by Consob in the area of disclosure, the Policy further improves transparency levels by providing more details on the connection between remuneration policy, people management and development and the broader corporate strategy; this latter has the aim of revitalising the elaboration and subsequent presentation to the market of an new Industrial Plan.

This Report is presented concurrently with the proposal, formulated by the Board of Directors, that the remuneration be adjusted. Such proposal factors in the recommendation made by the Chairman of the Corporate Governance Committee so as to ensure that remuneration of the members of the Board of Statutory Auditors and that of the Board of Directors takes into account the additional commitment that has been - and that shall be - required of them in light of the changed socio-economic context and dynamism of Unieuro's ownership structure.

Being satisfied with the results that have been achieved, we therefore present our Report that evidences the commitment of the Committee to show in a clear and transparent manner the results of last year's remuneration policy and the strategy that the Company is desirous to adopt in this regard for the coming year, which we submit is coherent with the objective to ever-increasingly align the interests of management with those of all Company stakeholders.

Having said that, together with Directors Catia Cesari and Pietro Caliceti, to whom I give my personal thanks for their constant and precious commitment as Committee members, I thank you again for the support that I trust you will continue to provide in relation to the Remuneration Policy which is presented for your approval.

Marino Marin
CHAIRMAN OF THE REMUNERATION AND APPOINTMENTS COMMITTEE

Summary

DEFINITIONS and GLOSSARY

Articles of Association	The articles of association of the Company approved at the extraordinary Shareholders' Meeting of 12 December 2016, as subsequently amended, and which entered into force on the Trading Start Date.
Board/Board of Directors	The Company's board of directors.
Board of Statutory Auditors	The Company's Board of Statutory Auditors.
Borsa Italiana	Borsa Italiana S.p.A., with its registered office at Piazza degli Affari 6 – Milan.
Civil Code	The Italian Civil Code.
Corporate Governance Code	The Corporate Governance Code for listed companies approved in January 2020 by the Corporate Governance Committee (and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria), applicable from the first financial year starting after 31 December 2020 and, thus as of Financial Year 2022.
Consob Related Parties Regulation	The Regulation on related-party transactions approved by Consob with Resolution no. 17221 of 12 March 2010, as subsequently amended and integrated.
Executive Directors	Directors entrusted with specific operative or managerial powers including any specific duties allocated to him/her by the Board of Directors.
Financial Period 2021 or FY2021	The Company's financial period from 1 March 2020 to 28 February 2021.
Financial Period 2022 or FY2022	The Company's financial period from 1 March 2021 to 28 February 2022.
Independent Directors	Directors possessing the independence requisites laid down by TUF and the Corporate Governance Code.
Instructions to the Stock Market Regulations	The Instructions to the Regulations of the Markets Organised and Operated by Borsa Italiana S.p.A.
Issuer/Company /Unieuro	Unieuro S.p.A., with its registered office in Forlì, via Maroncelli No. 10.
Listing Regulation	The listing Regulation approved by Consob with Resolution no. 11971 of 14 May 1999, as subsequently amended and integrated.

Long Term Incentive Plan 2018-2025 or Stock Option Plan	The long-term incentive plan that pays a bonus in financial instruments.
Managers with Strategic Responsibilities	Company managers that hold the powers and responsibilities, directly or indirectly, for planning, management and control of Company activities, according to the definition provided in Appendix 1 to the Consob Regulations on related-party transactions adopted by resolution no. 17221 of 12 March 2010 as subsequently amended and integrated.
MTA – STAR Segment	The Mercato Telematico Azionario (Electronic Stock Exchange) - STAR Segment, organised and managed by Borsa Italiana S.p.A.
Non-Executive Directors	Directors not entrusted with any specific operative or managerial powers nor having been allocated any specific duties by the Board of Directors.
2020-2025 Performance Share Plan	The 2020-2025 Performance Share Plan which provides for the grant of rights on a gratuitous basis and conditional on achievement of certain performance objectives, which entitle the Beneficiary to be allocated Company ordinary shares, again on a gratuitous basis.
Report	This report concerning the policy for remuneration and recompense paid.
Self-Regulation Code	The Self-Regulation Code for listed companies approved in March 2006 by the Corporate Governance Committee (and promoted by Borsa Italiana SpA, ABI, Ania, Assogestioni, Assonime and Confindustria), as last amended in July 2018 and in force until the end of the 2021 Financial Period.
Shareholders' Meeting/Meeting	The Company shareholders' meeting.
Stock Market Regulations	The Regulations of the Markets Organised and Operated by Borsa Italiana S.p.A..
Trading Start Date	The first day on which the shares of Unieuro were traded on the MTA – STAR Segment (as defined above), i.e. 4 April 2017.
TUF	The Italian Consolidated Finance Act (*Testo Unico della Finanza*) by way of Legislative Decree No. 58 of 24 February 1998 as subsequently amended and integrated.

SECTION I

EXECUTIVE SUMMARY

Below is a table that summarises the main elements of the Remuneration Policy of Unieuro S.p.A. and the remuneration of Managers with Strategic Responsibilities as at the date of this Report.

Component	Purpose	Conditions of implementation	Amounts / Value
Fixed Remuneration	Enhance managerial and professional skills, experience and the contribution required in relation to the position.	Defined in relation to the characteristics, responsibilities and any powers bestowed on the role and taking into account market references to ensure competitiveness.	**CEO/ CSO**[1] € 350,000.28 Component determined on the basis of the current management relationship, the Chief Executive Officer having waived his right to the compensation granted to him by the Board pursuant to art. 2389 c.3 Civil Code. **GM** [2] € 300,000 From 1 March 2021, subject to approval by the Shareholders' Meeting of this Policy. **CFO**[2] € 300,000
Short-term variable remuneration	Promote the achievement of annual business objectives, with the aim of motivating the management, maintaining an alignment with the Company strategy, interests and	The short-term variable remuneration is subject to a gateway condition that determines its access: Indeed, in order to trigger the bonus, an EBITDA of at least 70% of the EBITDA target set for the year must be reached.	**CEO/ CSO** **GM** **CFO**

[1] **CEO**: Chief Executive Officer / **CSO**: Chief Strategy Officer
[2] **GM**: General Manager / **CFO**: Chief Financial Officer

	sustainability of the Company also through the provision of an ESG performance objective (Net Promoter Score).	1) EBITDA* 70% Measurement of performance: Target 100% (annual budget target) EBITDA threshold: 80% 2) Net Financial Position** 20% Measurement of performance: Target 100% (annual budget target) Gateway: 70% EBITDA Net Financial Position threshold: 80% 3) Net Promoter Score*** 10% Measurement of Performance: Target 100% (annual budget target) Gateway: 70% EBITDA Net Promoter Score threshold: 80% Cap cumulative max 150% of the amount provided under the individual contract of the manager as a bonus in case of achievement that exceeds 100% of the target. Incentive subject to claw back and malus conditions * EBITDA is Consolidated EBITDA pre-adoption IFRS16 adjusted by (i) non-recurring expense/(income) and (ii) the effects deriving from the adjustment of the costs for guarantee extension services net of the estimated costs for the provision of service assistance, as a consequence of the change in the business model for directly managed assistance services. ** Net Financial Position indicates (Net Financial Debt) / Consolidated Net Cash without incorporating the effects of applying IFRS 16.	From 50% to 150% of the bonus contractually defined on the basis of the target achievement level. Upon reaching 100% of the target: 100% of the contractually defined bonus.

		*** The Net Promoter Score (NPS) measures the customer experience and predicts business growth, it can range from -100 (if each customer is a Detractor) to 100 (if each customer is a Promoter).	
Long-term variable remuneration	Promote the creation of sustainable success in the long term and the achievement of the objectives of the Company's strategic plans, while encouraging loyalty and engagement of management.	**2020-2025 Performance Plan Share:** Long-term variable incentive with three-year performance and share award. • Allocation frequency: annual (rolling plan). • Period of performance: three-year. • Claw back and malus clauses • Lock-up clause for Managers with Strategic Responsibilities • Grant to beneficiaries of the right to receive a cash bonus on any cash dividends distributed and paid by the Company up to the date of allocation. With reference to the 2nd cycle of the plan the performance targets are expressed by: 1) Adjusted EBIT (as defined on page 29) 50% 2) Adjusted Free Cash Flow (as defined on page 29) 25% 3) Objective ESG (as defined on page 30) 25%	**CEO/ CSO** **GM** **CFO** Participation in the 2nd cycle of the 2020 - 2025 Performance Plan Share is envisaged • Minimum performance threshold (**Threshold**) 80% of the target: below which no share will be allocated and upon achievement of which beneficiary will be granted rights to a number of shares equal to 50% of the target award; • target performance threshold (**Target**) at which a base number of shares will be allocated; • maximum performance threshold (**Cap**), 150% of the target, on achievement or exceeding of which the maximum number of shares, equal to 150% of the target premium will be allocated.

Other compensation	Promoting the attraction and retention of managerial resources, ensuring organisational stability and the contribution of key resources. Safeguarding against competition and preventing any disputes related to the termination of the relationship.	**Non-monetary benefits**	**CEO/ CSO** **GM** **CFO** Pursuant to the provisions of the applicable national collective bargaining agreement and the provisions of individual employment contracts: contributions to mandatory social security funds and supplementary medical care coverage, life risk insurance coverage, accident and occupational and non-professional illness and Directors & Officers Liability ("D&O") policy, the use of a company vehicle for personal and business use and, in some cases, the granting of the so-called house allowance.
		Non-compete clause	**CEO/ CSO:** Present Entered into between the Company and the latter as Manager with Strategic Responsibilities. **GM** **CFO** Present (for details see page 41)

		End of term compensation	**CEO/ CSO** **GM** **CFO** Not expressly provided for; the provisions of the applicable law and of the national collective bargaining agreement apply. (for details see page 41)

A. BODIES OR PARTIES INVOLVED IN THE PREPARATION, APPROVAL, REVISION (IF ANY) AND IMPLEMENTATION OF THE REMUNERATION POLICY

The bodies or parties involved in the preparation and approval of the Remuneration Policy are indicated below, with a specification of their respective roles, together with the bodies or parties responsible for the proper implementation of said policy.

The Remuneration Policy is adopted according to a process that involves the Shareholders' Meeting, the Board of Directors and the Remuneration and Appointments Committee, in accordance with the rules and regulations in force and the principles set out in the Corporate Governance Code.

The remuneration of directors assigned with particular duties (including the Chairman and Vice Chairman) is determined by the Board of Directors after consulting of the Remuneration and Appointments Committee, in consultation with the Board of Statutory Auditors. The Shareholders' Meeting may set an overall amount for the remuneration of all the directors, including those assigned with particular duties.

I. Shareholders' Meeting

With regard to remuneration, the Shareholders' Meeting:

- pursuant to Article 2364, paragraph one, No. 3) of the Civil Code, decides the compensation of the members of the Board of Directors and the Board of Statutory Auditors at the time of their appointment and for the entire duration the office is to be held, until such time as different provisions are determined at a Meeting;
- pursuant to Article 123-*ter:* (i) paragraph 3-*bis* and paragraph 3-*ter* TUF, resolves by binding vote on the first section of the Report and (ii) sixth paragraph TUF, resolves by a nonbinding vote on the second section of the Report; and
- pursuant to Article 114-*bis* TUF, resolves on any compensation plans based on shares or other financial instruments.

II. Board of Directors

With regard to remuneration, the Board of Directors:

- sets the remuneration of Directors within the remit of that resolved by the Meeting;
- in accordance with Article 2389, third paragraph Civil Code, sets the remuneration of directors tasked with specific duties, on proposal of the Remuneration and Appointments Committee having listened to the opinion of the Board of Statutory Auditors;
- determines the Remuneration Policy based on the proposal of the Remuneration and Appointments Committee, and is responsible for putting it into effect;
- prepares any compensation plans based on shares or other financial instruments, with the assistance of the Remuneration and Appointments Committee, submitting these plans for the approval of the Shareholders' Meeting in accordance with Article 114-*bis* TUF; and

- implements any compensation plans based on shares or other financial instruments, with the assistance of the Remuneration and Appointments Committee, upon authorisation of the Shareholders' Meeting.

III. Executive Directors

With regard to remuneration, the Executive Directors:

- submit any compensation plans based on shares or other financial instruments to the Remuneration and Appointments Committee, or where appropriate assist the Remuneration and Appointments Committee with drawing up said plans;
- provide the Remuneration and Appointments Committee with all useful information so as to enable the Committee to assess the adequacy and actual implementation of the general remuneration policy, with particular regard to the remuneration of Managers with Strategic Responsibilities.

IV. Board of Statutory Auditors

With regard to remuneration, the Board of Statutory Auditors serves an advisory role, wherein it formulates opinions required by the regulations in force and in particular expresses its opinion on proposals for the remuneration of Executive Directors. In expressing its opinion as mentioned above, it verifies the consistency of proposals put forward with the remuneration policy.

V. Auditing Firm

As provided for by Article 123-*ter*, paragraph 8-*bis* TUF, the auditing firm shall verify that the directors have prepared the second section of the Report.

VI. Remuneration and Appointments Committee

On the topic of remuneration, in line with Recommendation No. 25 of the Corporate Governance Code, the Remuneration and Appointments Committee shall be entrusted with the following tasks, as provided for under the Committee Regulations last amended by the Board of Directors on May 13 2021:

- supporting the Board of Directors in the development of the remuneration policy and the recompense paid; more specifically, the Committee proposes approval of the remuneration report including the remuneration policy referred to in this letter a), to the Board of Directors and its presentation at the Shareholders' Meeting of the Company in conformance with the legislation in force and the Corporate Governance Code;

- giving its opinion on: the remuneration of executive Directors and that of other Directors holding particular offices; the setting of performance objectives related to the variable component of such remuneration; verification of the effective achievement of the performance objectives by said Directors jointly with the Sustainability Committee to the extent that any of the above-mentioned objectives concern ESG indicators;

- monitoring actual application of the remuneration policy pursuant to lett. a); for the purpose of periodically assessing the adequacy and overall consistency of the remuneration policy as concerns directors and managers with strategic responsibilities;

- evaluating and drawing up proposals to the Board of Directors regarding the design of periodic short and medium-long term incentive plans, including those based on share, stock options, public shares and similar such incentive and loyalty plans for the benefit of Company management and employees, also with reference to the suitability of such incentives to achieve the objectives of the plans, giving its opinion on the manner in which to provide the above-mentioned instruments to beneficiaries;

- performing any additional tasks as may be entrusted to it by the Board of Directors, monitoring the application of decisions adopted by the Board of Directors on the subject of remuneration.

Whenever the Remuneration Committee performs consultative and investigative activity on issues pertinent to the area of transactions with related parties, it is preferable that discussion of the matter be undertaken jointly with the committee for transactions with related parties of the Company.

VII. Related Party Transactions Committee

The Related Party Transactions Committee ("**RPT Committee**") shall give opinions on those matters within its area of competency in those cases provided for by law and by the Procedure adopted by the Company on the management of transactions with related parties in implementation of the applicable Consob regulations in force from time to time.

In compliance with the above-mentioned procedure, the Company may adopt any decisions that derogate from or implement the Policy within the requisite limits or in any case to the extent allowed by the applicable laws and regulations in force from time to time.

More specifically, in the event of exceptions to the Policy in exceptional circumstances, as better illustrated in paragraph Q below, the Company shall provide information to the RPT Committee in the manner and within the timelines required by the laws and regulations in force from time to time.

B. REMUNERATION AND APPOINTMENTS COMMITTEE AND ANY OTHER MEASURES FOR AVODING OR MANAGING CONFLICTS OF INTEREST.

On 7 February 2017, the Board of Directors, in conformity with the corporate governance recommendations contained in the Self-Regulation Code, resolved, with effect from the Trading Start Date, to establish a Remuneration and Appointments Committee, approving the regulations for the operation of such committee.

a) Composition of the Remuneration and Appointments Committee

Following the renewal of the entire Board of Directors which occurred at the Shareholders' Meeting held on 18 June 2019, subsequently on 26 June 2019, the Board of Directors moved to appoint the members of the Remuneration and Appointments Committee, and appointed: Gianpiero Lenza (non-executive director), Catia Cesare (director in possession of the requirements of independence indicated by the TUF and by the Self-Regulation Code) and Marino Marin (director in possession of the requirements of independence indicated by the TUF and by the Self-Regulation Code) in the role of Chairman. In light of the resignation presented by Gianpiero Lenza on 23 January 2020 from his office on the Company Board of Directors, the Board of Directors appointed Pietro Caliceti (director in possession of the requirements of independence indicated by the TUF and by the Self-Regulation Code) as a member of the Remuneration and Appointments Committee on 6 February 2020.

On May 6 2021, the Board of Directors assessed whether the Directors belonging to the Remuneration and Appointments Committee satisfy the independence requirements indicated in the Corporate Governance Code.

In accordance with the provisions of said Corporate Governance Code, the Remuneration and Appointments Committee is deemed to be made up of independent directors and its Chairman possesses knowledge and experience in financial matters and remuneration policies.

b) Responsibilities and operating methods of the Remuneration and Appointments Committee

The operation of the Remuneration and Appointments Committee is governed by the relative Regulation approved by the Board of Directors on 7 February 2017 most recently amended on 13 May 2021 to take into account the recommendations set forth in the Corporate Governance Code - which can be consulted on the Issuer's website in the "Corporate Governance" section - with the most important provisions reproduced below.

In view of the Company's organisational needs, its mode of operation and the size of its Board of Directors, the Company has established a single committee for remuneration and appointments pursuant to Articles 5 and 6 of the Self-Regulation Code, which is responsible for making enquiries, providing advice and offering suggestions to the Board of Directors.

The Remuneration and Appointments Committee is able to access the information and corporate functions necessary to carry out its duties, as well as avail itself of external consultants, within the limits established by the Board of Directors, in conformity with the provisions of recommendation No. 7 of the Corporate Governance Code.

The Chairman shall report to the Board of Directors at its very next sitting on the relevant activities carried out by the Remuneration and Appointments Committee.

Nevertheless, in accordance with Article 19 of the Articles of Association and Article 2389, paragraph 3, of the Civil Code, the Remuneration and Appointments Committee only performs advisory and recommendation functions, whereas the power to set the remuneration of the Directors assigned with specific duties remains with the Board of Directors, in consultation with the Board of Statutory Auditors, without prejudice to the power of the Shareholders' Meeting to decide the overall amount of the remuneration of all the directors, including those assigned with particular duties.

To neutralize any possible conflicts of interests, in conformity with the provisions of Recommendation No. 26 of the Corporate Governance Code, no director can take part in the Remuneration and Appointments Committee meetings in which proposals are made to the

Board of Directors regarding their remuneration, unless the proposals regard all members in general of the committees established within the remit of the Board of Directors.

C. RECOMPENSE AND EMPLOYMENT CONDITIONS OF COMPANY EMPLOYEES IN THE DETERMINATION OF THE REMUNERATION POLICY

The Policy consists of instruments and logic applied to the entire Company population, aimed at attracting, motivating and retaining those persons having the professional attributes as are deemed necessary to contribute to the definition of the Company's growth strategy and to strengthen Unieuro’s long-term interests and sustainability. Said policy is based on principles of fairness, equal opportunities, meritocracy and competitiveness having regard to the particular market.

Determination of the remuneration of persons working for the company shall factor in specific criteria to include an external market comparison, fairness within the company, the characteristics of the role and the responsibilities the roles carries as well as the person’s distinctive skills, always mindful of the requisite of maximum objectivity so as to avoid any form of discrimination.

The assurance of sustainability of company results and the creation of value for shareholders in the medium - long term for shareholders, whilst ensuring a safe working environment for all employees and providing them with a level of remuneration which is appropriate to the tasks performed, are the fundamental pre-requisites underpinning determination of the Unieuro remuneration policies. The variable remuneration and the fixed annual component of such policy are designed differently having regard to the characteristics of the role held in the company, the responsibilities that come with it, and the working conditions of Company employees.

With reference to this last aspect in particular, Unieuro does and shall:

- apply the national collective bargaining agreement (NCBA) (provided there is one) in force from time to time that is applicable to the labour category that adheres to it;
- adopt for the entire managerial staff and for the residual part of the employee population, merit-based policies, variable incentive systems, initiatives for the benefit of employees, as well as non-competition agreements for specific roles to safeguard company assets;
- engage in numerous initiatives to safeguard health and safety of persons, an aspect of particular relevance in a period marked by the COVID-19 pandemic.

D. NAMES OF ANY INDEPENDENT EXPERTS INVOLVED IN THE PREPARATION OF THE REMUNERATION POLICY

The Company has not used any independent experts for the preparation of the Remuneration Policy.

E. PRINCIPLES, AIMS AND DURATION OF THE REMUNERATION POLICY; ANY CHANGES THERETO COMPARED WITH THE PREVIOUS FINANCIAL PERIOD

Also, in accordance with the Corporate Governance Code, the Remuneration Policy is mainly designed to:

- attract, motivate and retain adequate human resources and skills to successfully pursue the Company's objectives;
- to align the interests of management with those of the Company and its shareholders; and to promote the creation of sustainable medium/long term values for the Company and for its shareholders. The duration of this Remuneration Policy is annual.

In determining the Remuneration Policy, the Board of Directors has taken into account the following criteria in accordance with the provisions of the Corporate Governance Code:

- the fixed component and the variable component are suitably balanced in view of the Issuer's strategic goals and its risk management policy whereas the variable component represents a significant part of the overall remuneration;
- there are maximum limits on the variable components of remuneration;
- the performance objectives on which payment of the variable components is dependant shall be predetermined, measurable and a significant part thereof linked to a long-term horizon. They are moreover consistent with the strategic objectives of the company and are aimed at promoting sustainable success of the Company, also factoring in non-financial parameters;
- malus and clawback clauses are envisaged for both the short-term incentive system ("MBO") and the medium-long term incentive system ("LTIP");
- the fixed component is deemed sufficient to remunerate directors for their services in the event the variable component is not paid because of failure to reach performance objectives.

In order to pursue these objectives, under the Remuneration Policy the compensation of Directors, Auditors and Managers with Strategic Responsibilities is determined on the basis of the following components:

(i) a fixed annual component, commensurate with the position and the commitment required;

(ii) a variable component, measured on the performance of the Company, in the form of equity, equity-based or cash-based incentive plans in the case of executive Directors and Managers with Strategic Responsibilities;

(iii) non-monetary benefits (fringe benefits), such as the provision of a company telephone, computer or vehicle, as well as participation in welfare and insurance plans that include:

a. for Managers with Strategic Responsibilities of the Company, ordinary welfare and social security protection (as per the applicable national collective bargaining agreement) and insurance coverage against the risk of death, permanent disability and temporary incapacity;

b. as far as Directors are concerned, insurance coverage in relation to the office held on the Board of Directors.

(iv) compensation payable as consideration for any non-compete obligations agreed with the Managers with Strategic Responsibilities or within those limits providing for cessation of the relationship under any applicable NCBA.

This Remuneration Policy is substantially a continuance of that submitted for binding vote of the shareholders' meeting held on 17 December 2020. Its content has been broadened to incorporate the legislative and regulatory changes made by Consob resolution No. 21623 of 10 December 2020 to art. 84-quater of the Issuers Regulations and Annex 3A of the Issuers Regulations.

The Policy has been determined taking into account the analyses of and insights into the results of the shareholders' votes concerning both the Remuneration Policy for the 2020/2021 financial period and the Report on recompense paid out in the 2019/2020 financial period[3].

Unieuro places great weight on its analyses of said voting results; during the course of 2020 and in the first months of 2021; the Company has introduced certain significant elements relating to the 2nd cycle of the 2020-2025 Performance Share Plan such as: (i) an ESG performance objective; (ii) the measurement of performance objectives achievement, based on values which are disclosed in said Policy document (for more details on this, please refer to the paragraph relating to the 2nd cycle of the 2020-2025 Performance Share Plan).

The Policy also takes into account: the inclusion of the role of General Manager who took office on 1 March 2021 and of the Chief Financial Officer appointed with effect as of 1 June 2021 and related remuneration; the role of Chief Strategy Officer, appointed with effect as of 19 May 2021.

F. DESCRIPTION OF POLICIES CONCERNING THE FIXED AND VARIABLE COMPONENTS OF REMUNERATION, WITH PARTICULAR REGARD TO ITS RELATIVE WEIGHTING WITHIN THE OVERALL REMUNERATION AND THE DISTINCTION BETWEEN SHORT-TERM VARIABLE COMPONENTS AND MEDIUM/LONG-TERM VARIABLE COMPONENTS

The policy concerning remuneration of the Directors and Managers with Strategic Responsibilities are adequately balanced to ensure alignment between short-term growth objectives and the creation of sustainable value for the Company and its shareholders in the medium-long term.

In particular, the remuneration structure comprises the following components:

- a fixed component that reflects the person’s specific powers, positions, role and strategic responsibilities;

[3] The Shareholders' Meeting of 17 December 2020 voted in favour of the Remuneration Policy for the year 2020/2021 with 86.144% of the share capital represented at the Shareholders' Meeting. 13.856% of the represented share capital voted against. There were no abstentions and/or non-voting parties. The Shareholders' Meeting of 12 June 2020 voted in favour of the 2019/2020 Compensation Report with 90.114% of the represented share capital. 7,032% of the represented share capital voted against. 2,854% abstained. There were no non-voting parties.

- a variable component designed to remunerate expected short-term performance and medium/long-term performance.

The variable remuneration and the fixed annual components have different weightings according to the characteristics of the role in the company and the responsibilities held, in order to ensure the sustainability of company results and the creation of medium/long-term value for the shareholders.

Regarding Managers with Strategic Responsibilities, when determining the relevant Remuneration Policy, the Board of Directors take as a base starting point an assessment of the current contractually agreed remuneration with each Manager with Strategic Responsibilities, which includes, *inter alia*, benefits and variable short-term remuneration ("MBO") connected to the achievement of company performance targets set for each financial period, the payment of which is conditional upon executive's remaining with the Company for the relevant period, as better described below.

The variable part of the remuneration is therefore set in such a way as to:

- take into account the requirement that a significant part of the remuneration of Executive Directors and Managers with Strategic Responsibilities must be linked to economic results achieved by the Issuer and/or the achievement of targets set in advance by the Board of Directors;

- ensure that the interests of the Executive Directors and Managers with Strategic Responsibilities are in line with the priority objective of creating medium/long-term value for the Company and its shareholders; and

- retain and motivate staff holding the required qualities to manage the Issuer successfully, including through the use of retention conditions.

As indicated above, the variable component of the remuneration includes a short-term component MBO and a medium/long-term component ("LTIP") which are better described below.

I. Management By Objectives ("MBO")

The remuneration of Managers with Strategic Responsibilities provides for an annual variable MBO component (which is a significant amount in percentage terms in respect of gross annual income) connected to the achievement of an "entry gate" and individual and/or company performance objectives set for each financial period by the Board of Directors, the payment of which is conditional upon the Manager's remaining with the company for the relevant period.

The current MBO system envisages payment of a variable monetary component (cash bonus), payable upon achievement of the 100% of targets, in an amount determined for each manager in his/her individual contract of employment. The recognition of the bonus is conditional upon the manager's remaining in office for the reference period and reaching the performance targets which are given predetermined weighting, and specific identifiable entry levels. The bonus effectively due is calculated according to a linear progression system, bearing in mind the actual performance achieved with respect to the performance targets.

The MBO system for the year 1 March 2021 - 28 February 2022, as approved by the Board of Directors on 13 May 2021 upon the proposal of the Remuneration and Appointments Committee and by way of continuation of that provided for in the MBO applicable to the

Financial Period closed on February 28 2021, is subject to a gateway condition that subjects activation of the bonus to the condition precedent that actual EBITDA[4] must be at least 70% of the target EBITDA set for the year and is structured on the basis of the following parameters and criteria:

- the performance objectives are connected to targets with reference to (i) EBITDA[5] (common to all Managers with Strategic Responsibilities) ("EBITDA Performance Target") and (ii) the net financial position or net debt (depending on the corporate role performed) ("**NFP Performance Target**") and (iii) Net Promoter Score, a criterion based on customer satisfaction as resulting from questionnaires obtained from to customers ("**NPS Performance Target**")[6];

- the Target Bonus - payable if 100% of the targets are reached and determined individually in the contracts of employment - is broken down according to the above-mentioned weighting of the "**EBITDA Target Bonus**" (70%), the "**NFP Target Bonus**" (20%) and in the "**NPS Target Bonus**" (10%);

- the accrual of and payment of the EBITDA Target Bonus, the NFP Target Bonus and the NPS Target Bonus are conditional upon (i) the reaching of predetermined entry levels, below which levels the beneficiary shall not have the right to receive any compensation and (ii) the beneficiary being employed by the Issuer at the closing date of the reference period, except in the event of termination by Company of the employment for objective reasons in which case the bonus will be readjusted proportionally *ratione temporis*.

Specifically, if the effective consolidated performance in the relevant period relating to EBITDA ("**EBITDA Actual Performance**") is:

- below 80% of the EBITDA Performance Target, then the EBITDA Target Bonus would not be due, not even pro rata, as the entry level has not been achieved;

- equal to 80% of the EBITDA Performance Target, then 50% of the EBITDA Target Bonus would be due;

- between 81% and 99% of the EBITDA Performance Target, then - in addition to the amount indicated in point b) above - 2.5% of the EBITDA Target Bonus would be due for each plus percentage point of the EBITDA Actual Performance above 80% of the EBITDA Performance Target;

- 100% of the EBITDA Performance Target, then an amount equal to the EBITDA Target Bonus would be due;

- between 101% and 120% of the EBITDA Performance Target, then a sum in addition to the EBITDA Target Bonus would be due, equal to 2.5% of the EBITDA Target Bonus for each plus percentage point of the EBITDA Actual Performance between 101% and 120% (inclusive) of the Performance Target and equal to 3% for each plus percentage point of the EBITTDA Actual Performance above 120% of the EBITDA Performance Target.

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[4] As described in executive summary on page 8.

[5] As described in executive summary on page 8.

[6] The final determination of achievement of the Net Promotor Score objective is made by way of adjustment of the results of those surveys collected online through a "proprietary" platform, and subtracting the number of "detractors" from the number of "promoters".

The NFP Target Bonus is due exclusively on condition that 70% of the EBITDA Performance Target is achieved. On the failure to achieve such threshold, the right to receive the NFP Target Bonus will not accrue, in spite of reaching the Performance Target for the net financial position/net debt. Notwithstanding the foregoing, if the effective consolidated performance in the reference period relating to the net financial position/net debt (“**NFP Actual Performance**”) is:

a) below 80% of the NFP Performance Target, then the NFP Target Bonus would not be due, not even pro rata, as the entry level has not been achieved;

b) equal to 80% of the NFP Performance Target, then 50% of the NFP Target Bonus would be due;

c) between 81% and 99% of the NFP Performance Target, then - in addition to the amount indicated in point b) above - 2.5% of the NFP Target Bonus would be due for each plus percentage point of the NFP Actual Performance above 80% of the NFP Performance Target;

d) 100% of the Performance Target, then an amount equal to the NFP Target Bonus would be due;

e) between 101% and 120% of the NFP Performance Target, then a sum in addition to the NFP Target Bonus would be due equal to 2.5% of the NFP Target Bonus for each plus percentage point of NFP Actual Performance between 101% and 120% (inclusive) of the Performance Target and equal to 3% for each plus percentage of the NFP Actual Performance above 120% of the NFP Performance Target.

The NPS Target Bonus is due exclusively on condition that 70% of the EBITDA Performance Target is achieved; in the event that this threshold is not reached, the right to receive the NPS Target Bonus will not accrue, despite the achievement of the Target Performance relating to the customer satisfaction level. Notwithstanding the foregoing, in the event that the actual consolidated performance of the reference period relative to customer satisfaction ("**NPS Actual Performance**") is:

a) less than 80% of the NPS Performance Target, then the NPS Target Bonus would not be recognized, not even pro rata, as the related entry threshold has not been achieved;

b) equal to 80% of the NPS Performance Target, then an amount equal to 50% of the NPS Target Bonus would be due;

c) between 81% and 99% of the NPS Performance Target, then - in addition to that indicated in point b) above - 2.5% of the NPS Bonus Target for each plus percentage point of NPS Actual Performance greater than 80% of the NPS Performance Target would be recognized;

d) 100% of the Performance Target, then an amount equal to the NPS Target Bonus would be due;

e) between 101% and 120% of the NPS Performance Target, then an additional sum would be recognized, - equal to 2.5% of the NPS Target Bonus for each plus percentage point of the NPS Actual Performance between 101% and 120% (inclusive) of the NPS Performance Target, and equal to 3% for each plus percentage point of the NPS Actual Performance above 120% of the NPS Performance Target.

Notwithstanding the foregoing, the MBO system envisages a total cash bonus cap of 150% of the maximum amount payable in the event that 100% of the objectives are achieved as defined in the individual employment agreement for each Manager with Strategic Responsibilities.

For the sake of completeness, we mention that EBITDA is consolidated EBITDA adjusted prior to adoption of IFRS 16 (i) by non-recurring charges/(income) and (ii) by the effects of adjustment of revenues for extended warranty services net of the relative estimated future costs for assistance service, as a consequence of the change in the business model for directly managed assistance services.

With reference to intermediate values between 80% and 100% and between 100% and 150% we will proceed to linear interpolation to arrive at the determination of the accrued bonus.

	EBITDA (Balance 70%)	**NFP (Balance 20%)**	**NPS (Balance 10%)**
	Bonus allocation	**Bonus allocation**	**Bonus allocation**
To trigger the bonus it is necessary that an EBITDA level is reached at least equal to 70% of the EBITDA target			
80%	**50%**	**50%**	**50%**
Between 81% and 99%	**50% + 2.5%** for each percentage point of improvement	**50% + 2.5%** for each percentage point of improvement	**50% + 2.5%** for each percentage point of improvement
100% (target)	**100%**	**100%**	**100%**
Between 101% and 120% (inclusive)	**100% + 2.5%** for each percentage point of improvement	**100% + 2.5%** for each percentage point of improvement	**100% + 2.5%** for each percentage point of improvement
+120%	100% + 2.5% up to 120% of the target (inclusive) **+ 3%** for each additional percentage point of improvement	100% + 2.5% up to 120% of the target (inclusive) **+ 3%** for each additional percentage point of improvement	100% + 2.5% up to 120% of the target (inclusive) **+ 3%** for each additional percentage point of improvement
Cap on total cash bonus: 150% of the maximum amount payable in the event of achieving 100% of the objectives			

For the sake of clarity, in the case of:

(i) extraordinary transactions that concern the Company

(ii) events or circumstances, including those that are exogenous (e.g. COVID-19), of an exceptional or extraordinary nature

(iii) changes to the legislative or regulatory context

that impact significantly on all or part of the targets, the Board of Directors, having heard the opinion of the Remuneration and Appointments Committee, may revaluate the overall fairness and coherence of the incentive plan, and may make reasoned alterations thereto - upon the proposal of the Remuneration and Appointments Committee - as concerns the assigned targets/entry thresholds provided for above.

II. Long Term Incentive Plan (LTIP)

Unieuro has put in place a new medium-long term incentive scheme in the form of the performance share ("**2020-2025 Performance Share Plan**")

Stock options aside, the Plan entirely based on Unieuro ordinary Shares, as is better described in the Information Document drawn up in accordance with Article 114-*bis* TUF and Article 84-*bis* Issuer's Regulations, is an effective incentive and loyalty instrument in a context within which the ever increasing alignment of management and Shareholders' interests is in line with domestic and international market best practices. The 2020-2025 Performance Share Plan has the following objectives:

(i) to focus the attention of Plan beneficiaries on factors of strategic interest of the Company and direct key resources towards strategies aimed at pursuing of medium-long term results;

(ii) to build loyalty among Plan beneficiaries and incentivize their continuance with the Company by developing retention policies;

(iii) to align the interests of the beneficiaries with those of the shareholders, with a view to developing growth of the Company's value; and

(iv) to ensure that the overall remuneration of recipients of the Plan remains competitive whilst at the same time developing policies to new attract talent to managerial and professional roles.

We set forth below the principal features of the 2020-2025 Performance Share Plan.

2020-2025 Performance Share Plan

The 2020-2025 Performance Share Plan is intended for Executive Directors and/or Managers with Strategic Responsibilities and/or employees of the Company or of Group companies classified as middle management (*Quadro* level) ("**Beneficiaries"**) which persons are yet to be named. Naming of Beneficiaries shall be carried out by the Board of Directors having received the opinion of the Remuneration and Appointments Committee, and having regard to the relevance of the respective position covered within the Company and the Group and taking into account the particular beneficiary's contribution to enhancement of Company value.

The 2020-2025 Performance Share Plan provides for the grant of rights on a gratuitous basis which, conditional on achievement of certain performance objectives and Vesting Conditions, entitle the beneficiary to be allotted ordinary shares in Unieuro. Said Plan envisages a three -

year vesting period and, as applicable to Managers with Strategic Responsibilities only, a lock up period of 24 months from share delivery date.

The allocation of shares on a gratuitous basis shall take place, as regards each three-year period: in 2023 for 1st Cycle (2021 - 2023), in 2024 for 2nd Cycle (2022-2024) and in 2025 for 3rd Cycle (2023-2025).The material allocation of Shares for each of the three cycles shall be carried out as set forth in the relative Board of Directors' resolution taking into account the degree of achievement of the performance objectives and, in general, subject to the continuance of the Vesting Conditions.

The performance objectives applicable to each of the three cycles of the plan shall be determined by the Board of Directors after having consulted with the Remuneration and Appointments Committee and prior to the grant of rights.

Referring you to the Remuneration Policy and the Information Document on the 2020-2025 Performance Share Plan approved at the Shareholders' Meeting held on 17 December 2020, we draw to your attention the fact that the Board of Directors of Unieuro at its meeting held on 19 May 2021 - after having consulted the Remuneration and Appointments Committee and the Board of Statutory Auditors as concerns application of the Plan rolling mechanism determined the performance objectives for the 2nd cycle and introduced thereto a new ESG performance objective.

This adjustment renders it possible to maintain full alignment of interests between shareholders and management.

The new ESG ("Environmental, Social and Corporate Governance") performance objective

Introduction of this ESG ("Environmental, Social and Corporate Governance") performance objective for the 2nd cycle of the 2020-2025 Performance Share Plan originates from the growing relevance of sustainability issues within Unieuro's strategy, in line with the Sustainable Development Goals ("**SDGs**") on the 2030 Agenda of the United Nations for Sustainable Development.

Indeed, Unieuro believes in Responsible Innovation, placing it at the centre of its new corporate "Brand Purpose". For Unieuro, Responsible Innovation is a concept which, also thanks to the evolution of its omnichannel scheme, allows it to actuate responsible conduct as concerns all aspects of sustainability, being People-Planet-Profit and along the entire value chain.

The forces that are pushing in this direction are, in fact, diverse and converging, which forces are: firstly consumers who, becoming increasingly demanding and informed, are demanding that companies "take a firm position" on sustainability issues; secondly, investors who are ever-increasingly including ESG criteria and parameters in their investment policies; thirdly, internal "talent", which is ever-increasingly interested in and motivated to work for companies that operate in a sustainable manner; finally, the international Consumer Electronics manufacturers which are already at an advanced stage of maturity as regards putting ESG objectives at the centre of their strategies.

For these reasons, sustainability shall be a central pillar of Unieuro's new strategy, with the aim of creating sustainable value for all stakeholders and ensuring a constantly positive experience with technology as it effects everyday life, to achieve a significant competitive advantage as well as to improve the economic and financial aspects. The ESG strategy is grounded in four axes that reinforce and guide, by way of concrete initiatives that have been identified, four different areas being: (1) Community (2) Talent (3) Responsible innovation (4) Culture.

(1) "Community" includes initiatives aimed at:
- Promoting youth inclusiveness in society
- Encouraging use of digital technologies by the elderly
- Supporting the communities in which Unieuro operates

(2) "Talent" includes initiatives aimed at:
- Supporting employee personal and professional development
- Promoting diversity and inclusiveness within the company
- Ensuring best working/health/safety conditions and individual flexibility

(3) "Responsible innovation" includes initiatives aimed at:
- Offering services that encourage re-use and re-cycling "beyond" that required by regulatory requirements
- Reducing waste in Unieuro operations (e.g. paper, packaging and so forth)
- Reducing direct and indirect emissions

(4) "Culture" includes initiatives aimed at:
- Determining desired ESG targets for the long term
- Outlining a fresh Vision & Ambition that factors in ESG issues
- Introducing new governance and control mechanisms

Consistent with the above-mentioned four axes of the ESG strategy, with a view to concrete actuation ad implementation of ESG process, and thanks to the contribution of the newly established Sustainability Committee, Unieuro has identified an ESG performance indicator to be applied to the 2nd cycle of the 2020-2025 Performance Share Plan, which summarises KPIs ("Key Performance Indicators") anchored to the specific initiatives:

1. Community KPI: gauges the audience reached by the #Cuoriconnessi (anti-bullying and cyber-bullying) initiatives to measure effectiveness of its message;

2. Talent KPI: Employee Net Promoter Score (eNPS) to measure resource satisfaction

3. Responsible innovation KPI: gauges energy purchases for the network of stores and the quota thereof which is certified renewable energy, so as to measure indirect reduction of the carbon footprint due to efficiency of consumption and of energy sources used.

(1.i) Community KPIs

Within the remit of "Community" indicated above, the identified goal is that of broadening the promotion and reach of messages against bullying and cyberbullying, phenomena which are increasingly critical in today's community. In this context and for that purpose, in 2016 Unieuro launched its "#Cuoriconnessi" initiative. In virtue of the continuous and growing importance of technology in everyday life, especially in the lives of young people, the involvement of Unieuro is deemed fundamental to the need to inform and sensitise young people to encourage them to make more informed and correct use of technology and thus to counteract any form of internet-related distortion, also by publicising the basic values that are a requite for a modern and above all, civil, society.

#Cuoriconnessi is an awareness-raising initiative carried out by Unieuro in collaboration with the State Police, on the issues of bullying and cyberbullying. Target of the related activities is 1st and 2nd grade students at Italian secondary schools in co-presence with teachers and parents. Since February 2020 to date, the project has grown considerably, climbing to national heights and moving to implant itself with quality content in all communication channels, thus creating a wide gap between Unieuro and all its potential competitors.

#Cuoriconnessi has thus become a platform that is able to impart information and educational content of great value and to interact in a fresh, new way with youngsters, allowing them to be closer to their own experiences and stories. Over the years, various meetings have been organised with youngsters and teachers in Italian theatres, auditoriums and schools so as to lay down the foundations of a real, one-of-a-kind format. Moreover, a docufilm has been made which tells true stories of youngsters, parents and families who have experienced cyberbullying first-hand, and the first book has been written which recounts online life and cyberbullying stories based on true-life events. This book is distributed free of charge on a large scale through sales outlets as well as in a digital format through the main e-book stores. In addition, the #Cuoriconnessi web TV has been launched. This is a real, useful and convenient TV news magazine consisting of periodic video clips which aim at forging links between parents/teachers and Unieuro.

(2.i) KPI Talents

In line with Unieuro's brand mission aimed at creating value for all stakeholders, it is fundamental that management focus on improving satisfaction levels not only of its customers (which have been monitored for some years through NPS surveys) but also of its employees which underpin the success of Unieuro.

Consequently, within the macro-axis of the "Talent" ESG strategy, Unieuro has undertaken to implement a new eNPS (employee NPS) monitoring system over both headquarters and network personnel - annually or more frequently as appropriate - which seeks to improve the value of this indicator over time, focusing on talent development and training activities, improvement of working conditions, flexibility and enhancement of fairness and diversity. Therefore, the eNPS indicator provides a quantitative measure of the degree of Unieuro employee satisfaction and will be backed by a qualitative questionnaire which lists a series of questions which seek to evoke reactions that illustrate the rationale underlying said indicator and those areas which merit improvement. The questionnaire aims to allow Top Management to access specific recommendations, i.e. input from employees on organizational issues as is necessary to achieve the full potential of Unieuro in terms of people satisfaction. The bringing to the surface of those organisational strengths or best practices to be preserved, sustained and encouraged, as well as risks to be mitigated, can only but increase staff satisfaction levels, which in turn shall not only improve individual productivity and performance, but shall also help to optimise company performance generally.

(3.i) Responsible Innovation KPI

Within the ESG strategic axis "Responsible innovation", Unieuro commits to reducing its carbon footprint on the environment by reducing CO2 emissions, through two main visions:

- Reduction of energy consumption ("scope 1")
- Acquisition of 100% renewable energy ("scope 2")[7]

With regard to the first vision, that emissions from owned/controlled sources be reduced, ("scope 1"), at the beginning of the year 2021/22, Unieuro put into place an important initiative entitled the “Green Project", to maximize energy efficiency of the Unieuro network and increase to Co2-related emissions savings in line with recent sustainability-related commitments undertaken by other companies on the market. The Green Project enables a reduction in the number of tonnes of Co2 emitted by the network of physical stores through forms of self-production (e.g. by using renewable energy plant to offset consumption) and

[7] The classification "scope 1" and "scope 2" refers to the provisions of the Greenhouse Gas Protocol, an initiative created by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) with the aim of setting global standards for the measurement and management of greenhouse gas emissions. Scope 1: includes emissions from owned or controlled sources (e.g.: fossil fuels used to heat stores); Scope 2: includes emissions related to the energy purchased; Scope 3: includes all emissions related to the company’s activity that are not covered by Scope 1 and Scope 2 (e.g.: emissions related to employee mobility, supply chain, etc.).

render such plant more efficient. This initiative allows for the change of climate control equipment at the end of their lifespan, which replacement is envisaged in any case in the short term, in addition to the reduction of maintenance fees in the relevant stores upon installation of new equipment.

Stores involved in the initiative shall also see the installation of new lighting fixtures, replacing existing systems with LED lighting systems depending on the current state of the existing fixtures, rationalizing the interventions to achieve the most efficacious costs/savings ratio, with a distinguishing factor being the end-level illumination achieved.

Such ‘relamping’ shall be combined with the installation of a BMS (Building Management System) which provides intelligent management of elements such as lighting, motive power and air conditioning. The system has Machine Learning capabilities which allow achievement of a high degree of efficiency, which is a current function, but which in some cases could even reach 35%. For equipment at the end of its lifespan or that which is particularly energy-intensive, the air conditioning units shall be replaced by a BMS system to render consumption even more efficient. Also planned are photovoltaic systems calibrated according to the needs recorded by the sales outlet over a year at full capacity. In this manner, self-consumption of energy produced shall be optimally exploited. With regard to the second vision concerning the reduction of emissions associated with acquired energy ("scope 2"), Unieuro shall, over the course of 2021/22, introduce a variation to the contract with the electricity supplier to ensure the certified purchase of energy which is 100% from renewable sources. This initiative translates into a stimulus toward renewable energy production for the benefit of the environment.

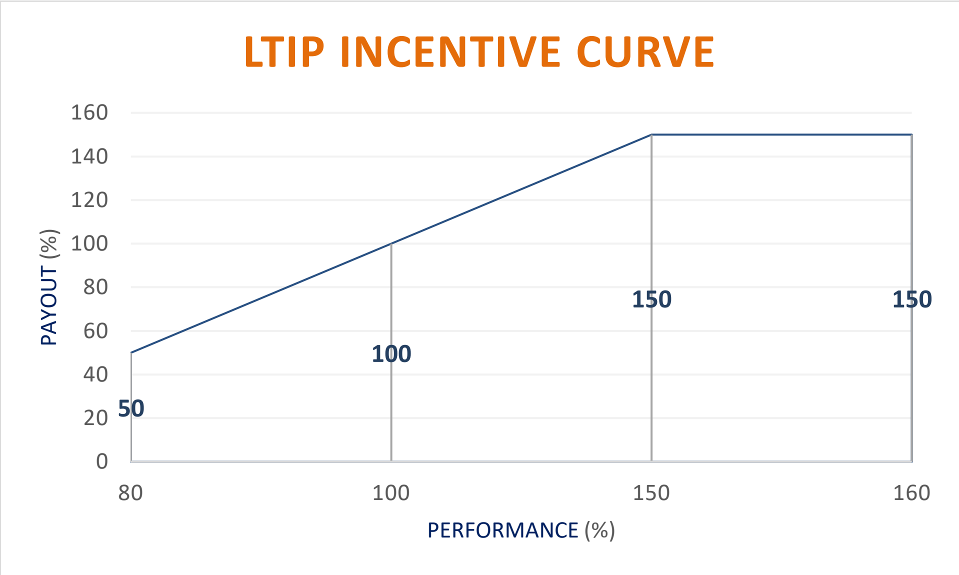
Performance objectives of the 2nd cycle of the Performance Share Plan

With reference to the 2nd cycle of the plan, the performance objectives are thus expressed by Adjusted EBIT, Adjusted Free Cash Flow and the ESG Indicator and more specifically:

- **Adjusted EBIT indicator**, meaning the adjusted consolidated EBIT post application IFRS 16, for (i) non-recurring charges/(income) (ii) non-recurring depreciation and write-downs and (iii) the effects of adjustment of revenues for extended warranty services net of the relative estimated future costs for assistance service, as a consequence of the change in the business model for directly managed assistance services. The Adjusted EBIT indicator has a percentage weighting equal to 50% of the total Shares subject to allocation. It coincides with the Unieuro adjusted aggregate EBIT relating to the accounting periods of a cycle. Achievement of performance objectives shall be calculated in accordance with the methodology illustrated in the below table.

- **Adjusted Free Cash Flow indicator**, meaning the consolidated cash flow generated/absorbed by operating and investment activities comprehensive of financial obligations pre-adoption of IFRS 16. Consolidated Adjusted Free Cash Flow is that adjusted by operative flows and by non-recurring investments and includes adjustments for non-recurring charges (income), their non-monetary component and the related tax impact. The Adjusted Free Cash Flow indicator has a percentage weighting equal to 25% of the total Shares subject to allocation. It coincides with the Unieuro aggregate adjusted Free Cash Flow relating to the accounting periods of a cycle. Achievement of performance objectives shall be calculated in accordance with the methodology illustrated in the below table. The **ESG indicator** indicates the level of sustainability of Unieuro in line with its ESG strategy. The ESG indicator has a percentage weighting equal to 25% of the total Shares subject to allocation and shall be measured according to the methodology described in the table below.

In continuance of the previous cycle and for each of the performance objectives, an achievement parameter is provided that links the number of shares as may be allocated, to the level of performance objectives achieved by the Company in accordance with different thresholds: (a) a minimum performance threshold set at 80% of target below which no shares shall be allocated and upon achievement of which a number of shares shall be allocated equal to 50% target objective; (b) an average performance threshold (target) upon achievement of which a base number of shares will be allocated; (c) a maximum performance threshold (cap) set at 150% of target objective upon achievement or exceeding of which a maximum number of shares will be allocated.



As regards intermediate values between 80% and 100% and between 100% and 150%, linear interpolation will be applied to determine the accrued rights.

	EBIT Adjusted (Balance 50%)		Free Cash Flow Adjusted (Balance 25%)		Index ESG (Balance 25%)	
	Result Euro / million	Shares Allocation	Result Euro / million	Shares Allocation	Result	Shares Allocation
Threshold 80%	112.9	50%	76.3	50%	0.8	50%
Target 100%	225.7	100%	152.5	100%	1.0	100%
Cap	338.6	150%	228.8	150%	1.5	150%

150% o +150%						

Methodology for calculating the indicator:

Indicator ESG

$$\left(\frac{Audience\#cuoriconnessi}{Target}*\frac{1}{3}\right)+\left(\frac{eENPS}{Target}*\frac{1}{3}\right)+\left(\frac{Energy\ Purchases}{Target}*\frac{1}{6}+\frac{Green\ Sources}{Target}*\frac{1}{6}\right)$$

Target KPI Targets are:

1. Community KPI

- KPI Name: Audience #cuoriconnessi
- KPI description: delta contact[8] of #cuoriconnessi initiatives vs FY21
- KPI Target: + 0.72M contacts vs FY21

2. Talent KPI

- KPI name: eNPS
- KPI Description: employee NPS[9] (% employee promoters -% employee detractors)
- KPI Target: Delta eNPS vs value of the first survey (FY22)[10]

3. Responsible innovation KPI

- KPI Name #1: Energy Purchases
- KPI Description # 1: Delta GWh purchased by Unieuro for the needs of the direct network vs FY20 with the same stores' perimeter[11]
- KPI Target # 1: -13.9GWh vs. FY20
- KPI Name # 2: Green Sources
- KPI # 2 description: % of energy purchased with Green certification[12]
- KPI Target # 2: 83.33% of the energy purchased[13]

Values achieved by the individual targets shall be reported in the Non-Financial Statement prepared by the Company in accordance with Legislative Decree 254/2016.

Manner of allocation

The shares shall be allocated at the end of the vesting period and in any case no later than the 30th (thirtieth) calendar day following the date of the Shareholders' Meeting which approves the annual financial report as at: 28 February 2023 for the 1st cycle of the plan; 29 February 2024 for the 2nd cycle of the plan; 28 February 2025 for the 3rd cycle of the plan. Allocation

[8] The number of contacts of #Cuoriconnessi initiatives means the cumulative number of web TV views, ebook downloads, distributed book copies, site visits, # people attending online// offline events and/or further initiatives launched during the three-year period. Total direct contacts during the FY21 were 1.229.270.
[9] Promoter=9/10, Detractors=0/6 regarding the question: What is the probability that you would recommend a friend or relative to come and work for your organization.
[10] It should be noted that the value of the eNPS target will be made available following the first survey by the employee NPS.
[11] The Gwh targets refer to the values that Unieuro will purchase from energy suppliers net of self-production, achievable through new self-production plants and efficiency improvements/ replacements of plants with high energy demand. Baseline FY20 = 69,34 Gwh. The baseline value of the FY20: (1) refers to the total consumption of the direct network of Unieuro (net of closures occurred during the FY21) (2) is net of self-production (equal to 0.003 Gwh in the FY20) (3) It will be updated by recalculation in case of new closures (i.e. the targets will always refer to a constant perimeter of active stores in the reference period for incentives and in the baseline period).
[12] Target reached through an adjustment of the contracts with the energy supplier during the FY22. Baseline FY20 / FY21 = 0%. At the moment Unieuro does not have certification on the quota of energy purchased from Green sources.
[13] Please note that the target value refers to the average (consumption weighted) over three years

shall occur provided that the Board of Directors is satisfied that the following vesting conditions have been fulfilled:

- on the share allocation date, the beneficiary's relationship with the Company and/or with a Group company is still in continuance, unless the beneficiary is deemed a Good Leaver (as defined in the Information Document to which we refer you on this issue);

- the Performance Objectives have been achieved during the vesting period.

- in consideration of the individual allocations to be made by the Board of Directors or by any other body they may entrust with such task, there is from time to time sufficient available reserves, as reported in the last approved accounting situation of the Company, to carry out the capital increase or the purchase of shares pursuant to arts. 2357 and 2357-*ter* of the Italian Civil Code to service the Plan. It is understood that the Board of Directors may, at its sole discretion, proportionally reduce the number of shares to be made available for allocation to Beneficiaries for each cycle of the Plan.

The rights granted entitle Beneficiaries to a cash bonus calculated with reference to any cash dividend as may have been distributed and paid out by the Company, for each cycle of the plan, up to the allocation date. Said cash bonus shall be payable at the same time as and subject to the Delivery for each Plan cycle, provided that the vesting condition have been met.

Said rights are linked to the requisite of continuance of the relationship between Beneficiary and Company and, therefore, in the event of cessation of the relationship - unless determined otherwise in favour of the Beneficiary by the Board of Directors in those cases strictly provided for under the Plan Regulations - the following provisions shall apply:

a) In the event of cessation of the relationship due to: (i) dismissal without just cause; (ii) Beneficiary’s retirement, death or invalidity of a nature such as to render him/her incapable of any realistic continuation of the relationship (items (i) and (ii) a) each a "**Good Leaver**" event), during the vesting period and in any case before the date of share allocation, then the Beneficiary (or his/her heirs as the case may be) shall, upon cessation of the relationship and in accordance with the other conditions set out in the Plan Regulations, acquire the right to be allocated a number of shares to be determined *pro rata temporis* and *pro rata* performance, corresponding to that accrued by the Beneficiary up to the date of relationship cessation;

b) in the event of cessation of the relationship due to (i) Beneficiary’s voluntary resignation from office /role or (ii) dismissal of Beneficiary for just cause or (iii) events other than those referred to in lett. a) above (items (i) to (iii) b) each a "**Bad Leaver**" event) during the vesting period or in any case before the date of allocation of the shares, then the Beneficiary shall automatically and definitively forfeit his/her rights to any share rights granted to him/her.

The Company's Board of Directors may, at its sole discretion, assign the forfeited rights to any other Beneficiary/s as it deems fit and its decision shall be final.

For further information on the 2020-2025 Performance Shares Plan, please refer to the Information Document drawn up pursuant to Article 84-*bis* paragraph 1 Issuers' Regulations and available to the public on the Company's website (https://unieurospa.com/en/_home/), as well as on the authorised storage mechanism EMARKET STORAGE (https://www.emarketstorage.com/home/homepage.en.htm).

For both the short-term variable component and medium-long term components, specific malus and clawback clauses are provided as recommended by letter e of Recommendation No. 27 of the Corporate Governance Code and, in particular:

- the malus clause allows the variable component to be reduced or not paid out at all in the event that, in the period between accrual of the variable element of recompense and actual payment thereof, it is found that the allocation was determined either based on data or information that transpires to be manifestly wrong or in the presence of fraudulent conduct or gross negligence on the part of the recipient.
- The clawback clause allows the Company to demand: (i) the return of all or part of the Shares, less a number of shares having a value commensurate to the value of the tax, social security and welfare charges connected with the delivery of the shares; (ii) restitution of any cash bonus paid out; or (iii) payment of the proceeds of the share sale, less the amount commensurate to the tax, social security and welfare charges relating to the delivery of the shares, in the case that the shares have already been sold, transferred or otherwise disposed of. Such proceeds may be offset against the salaries and/or any severance pay of the Beneficiary within 3 years of the said payment in the scenario in which the allocation was determined either based on data or information that transpires to be manifestly wrong or in the presence of fraudulent conduct or gross negligence on the part of the recipient.

III. Pay Mix

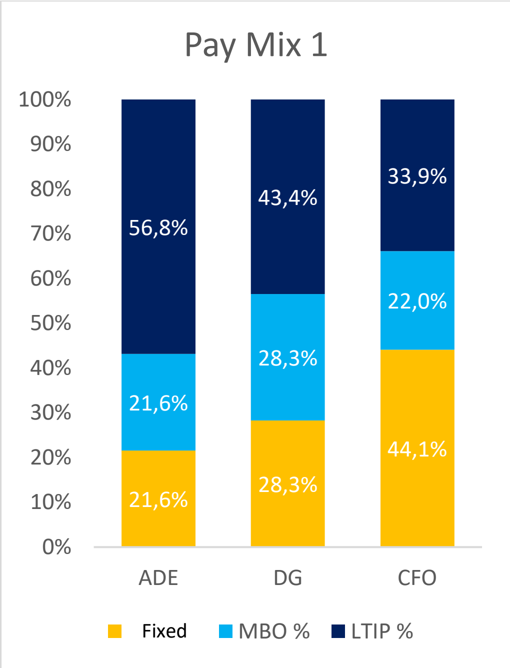
Please see below the pay-mix - being the current forecasted weighting of the different components expressed as a percentage of total remuneration paid excluding benefits (so-called annual total compensation).

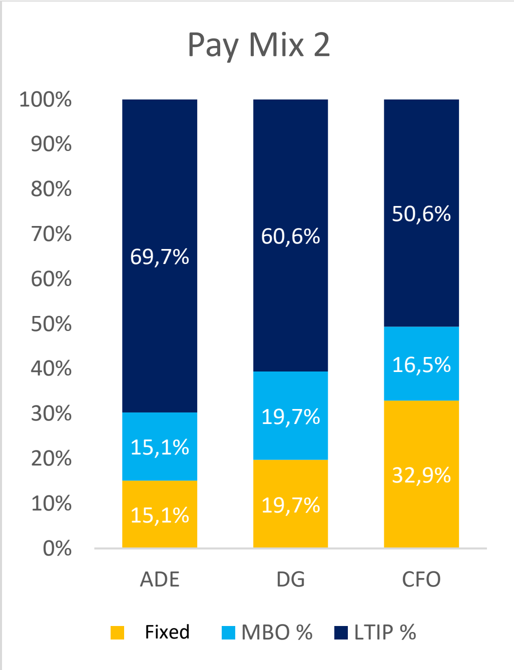
The below graphs set out the variable components calculated as follows:

- **Short-term variable component** (**MBO)**: the annual value of the incentive obtainable upon reaching the target is shown;
- **Medium / long-term variable component** (**LTIP**): the entire value of the incentive over three years is shown in terms of the minimum number of shares (pay mix n. 1) and maximum (pay mix n. 2) as may be obtained upon achievement of the objective target values in the 2nd three-year cycle of the 2020-2025 Performance Share Plan. This incentive has been quantified by using the value of the shares as at 19 May 2021[14][15] as reference point.

[14].Please note that the exact number of Rights that will be assigned to the Chief Executive Officer ("CEO"), the General Manager ("GM") and the Chief Financial Officer ("CFO") will be defined in the manner and time specified in the Plan Information Document, it being understood that the allocation of the actions, to the attainment of the objectives to target, will be established within the minimum and maximum range exposed above, also to the aim to hold account of the possible variations in the value of quotation of the Stock to the date of reference.

[15] It should be noted that the change in the pay mix compared to what indicated in the Remuneration Policy approved on 17 December 2020 is due to the increase in the value of the Unieuro share of 97.3%





In the above scenario, the value of the entire amount of the shares assigned for the 2nd cycle of the LTIP represents 263.3% of the CEO's fixed annual remuneration.

In the above scenario, the value of the entire amount of the shares assigned for the 2nd cycle represents 460.8% of the CEO's fixed annual remuneration.

*****

IV. Remuneration Policy for Directors, the General Manager, Managers with Strategic Responsibilities and the Board of Auditors.

a) *Chairman of the Board of Directors*

Fixed component

The remuneration of the Chairman is determined as follows: (i) as concerns his office as director, on the basis of the compensation established at the Shareholder's Meeting in accordance with Article 2389 paragraph 1 Civil Code, and (ii) as concerns any other particular office, as the Board of Directors may decide having heard the Board of Auditors in accordance with Article 2389 paragraph 3 Civil Code.

The Chairman is entitled to be reimbursed board, lodging and transport expenses incurred in the carrying out of his functions, whereas, no attendance allowance is provided for participation in board meetings.

Variable component

The Chairman is not included in annual or medium-long term variable incentive plans.

Non-monetary benefits

The Chairman does not receive any additional benefits compared to those awarded to the other Directors of the Company.

b) Vice Chairman

The above provisions applicable to remuneration of the Chairman of the Board of Directors shall likewise apply also to the Vice Chairman of the Board of Directors should one be appointed.

c) Directors

All Directors receive fixed compensation determined at the Meeting at the time of their appointment and applicable for the duration of their office (until such time as the Meeting makes different provision), that ensures adequate remuneration for their services and commitment to the Company. Each Director is also entitled to be reimbursed expenses incurred in the carrying out of their functions, whereas, no attendance allowance is provided for participation in board meetings.

In this regard, we draw your attention to the fact that the Board of Directors has resolved that a proposal for the increase in the overall remuneration recognised to said Board shall be submitted for Shareholders' approval at the Shareholders' Meeting called for June 15 2021.

This proposal is grounded in the greater commitment required of the Directors mindful of: the variation to the strategic and corporate context in which Unieuro is positioned (of which *inter alia*, the increase in the number of meetings held, also as was, and is, necessary to react promptly to the effects of the pandemic is a good example); the strong growth of the Company; the shift to the status of public company; the challenging goals that the Company intends to achieve also taking into account the outcomes of the benchmarking analysis which has flagged up a substantial misalignment of the remuneration levels of Unieuro with respect to the average values of the panel of comparison companies considered and in particular with reference to the remuneration for attendance at intra-board committees as well as from the perspective of rendering the total remuneration more appropriate having regard to the number of Directors actually in office, since, notwithstanding the increase in the number of its members from 7 to 9 as approved at the Shareholders' Meeting of 18 June 2019 - there has not been any adjustment to the remuneration granted to said body in respect to the amount resolved by the Shareholders' Meeting on 6 February 2017, at which time the Board of Directors of Unieuro was made up of 7 Directors.

Executive Directors

The remuneration of Executive Directors is adequately balanced to ensure alignment between short-term growth objectives and the sustainable creation of value for shareholders in the medium-long term.

As at the date of this Report, the sole Executive Director is Giancarlo Nicosanti Monterastelli, who is the Chief Executive Officer. Attention is drawn to the fact that, based on the agreed terms of his subordinate employment contract with Issuer - which provides for an all-inclusive annual gross remuneration pertinent to his office as Chief Strategy Officer, which is deemed to also compensate any additional offices or Company duties, Mr Nicosanti Monterastelli has expressly waived any right to any compensation resolved in his favour for the roles of member of the Board of Directors and as Chief Executive Officer.

Fixed component

The fixed component of Executive Directors' compensation is set by the Shareholders' Meeting (i) for the office of director, on the basis of the amount of compensation available for distribution established by the Meeting pursuant to Article 2389 paragraph 1 Civil Code and (ii) for any particular duty, as may be carried out by the Board of Directors in consultation with the Board of Statutory Auditors in accordance with Article 2389 third paragraph Civil Code. The Shareholders' Meeting may set an overall amount for the remuneration of all of the Directors, including those assigned particular duties.

Variable component

As regards the variable component of the Executive Directors remuneration, Executive Directors are entitled to participate in the short-term incentive plan mentioned above (MBO). Furthermore, their participation is envisaged under the new 2020-2025 Performance Shares Plan. In continuance with past practice, Executive Director, Giancarlo Nicosanti Monterastelli, shall participate in the short-term incentive plan and any long-term incentive plan in his capacity of Manager with Strategic Responsibilities.

Non-monetary benefits

The non-monetary benefit recognised to Executive Directors is the so-called Directors' and Officers' Liability Insurance coverage ("**D&O**").

Executive Directors shall be attributed a series of benefits, including, in accordance with the provisions of any applicable National Collective Labour Agreement and those of individual employment contracts, a car for business and personal use, contributions to mandatory pension funds and supplementary coverage for health care, as well as insurance coverage for life insurance, accidents and occupational and non-occupational illness and against risks envisaged under the Directors & Officers Liability ("D&O") policy that has been entered into.

Non-executive and independent directors

As at the date of this Report, the independent Directors as provided for under TUF and the Corporate Governance Code are: Stefano Meloni, Michele Bugliesi, Pietro Caliceti, Catia Cesari, Paola Elisabetta Galbiati, Marino Marin and Monica Luisa Montironi. Alessandra Stabilini is a non-executive Board member.

In accordance with the principles of the Corporate Governance Code and, in particular, Recommendation No 29 thereof, the gross annual remuneration of non-executive Directors and Independent Directors is not connected to the achievement by the Company of economic targets and is, instead, commensurate to the duties, professionality and commitment required from each of them to perform their roles.

The non-monetary benefit recognised to Non-executive Directors is the D&O (Directors and Officer) liability insurance ("**D&O**").

Compensation for participation in Committees

On 26 June 2019, the Board of Directors resolved to pay an annual gross sum of: (i) €10,000 to each member of the Remuneration and Appointments Committee, of the Control and Risks Committee, and of the Related-Party Transaction Committee; (ii) €14,000 to the Chairman of the Control and Risks Committee; and (iii) €13,000 per committee to the Chairman of the Remuneration and Appointments Committee and the Chairman of the Control and Risks Committee as well as reimbursement of expenses and the benefit of the insurance policy provided as per company practice, it being clarified that that total compensation shall be proportionate to the actual number of months spent in office.

On 12 November 2020 the Board of Directors established the Company's Sustainability Committee and further resolved to set aside a fixed total annual amount of Euro 11,000 to be paid to the members of the Sustainability Committee (including the Chairman of said committee) for the business year 2020/2021.

Furthermore, in order to adjust the remuneration of the Sustainability Committee and align it with the remuneration of the other intra-board Committees, the Board of Directors is desirous to propose at the Shareholders' Meeting convened for June 15 2021, an integration to the total gross annual remuneration for the entire Board of Directors, such increase also to take into account the remuneration to be paid to the members of the Sustainability Committee as shall be subsequently distributed by the administrative body pursuant to art. 2389 paragraph 3 of the Civil Code and the Articles of Association and pursuant to the principles of Policy.

d) *General Manager*

Please note that on February 16 2021, the Board of Directors of Unieuro resolved, upon the proposal of its Chief Executive Officer and having received the favourable vote of all the Directors, to appoint a General Manager with effect as of March 1 2021 and to entrust said office to Bruna Olivieri.

Fixed component

The remuneration of the General Manager is made up of a gross annual fixed component ("RAL"), which is comprehensive of consideration for the non-competition obligation, an item paid separately to the other elements of the remuneration (see below point (c) Part One Section II);

Variable component

The remuneration of the General Manager is also made up of an annual variable component ("MBO") (significantly greater than the RAL in percentage terms) which is applicable on achievement of an entry threshold (so-called entry gate) and of company performance objectives laid down for each business year by the Board of Directors. The payment thereof is dependent on the continuance in office of said manager for the duration of the reference period (see below point (c), Part One, Section II).

In addition, the General Manager may be allowed to participate in the cycles of the 2020-2025 Performance Shares Plan.

We draw your attention to the fact that the variable component makes up a significant part of the pay-mix and is aimed at recognising and valuing those results that have been achieved in a sustainable manner over time, whilst aligning management conduct to the corporate strategy, thus creating value for shareholders.

Non-Monetary Benefits

The General Manager shall be attributed a series of benefits, including, in accordance with the provisions of any applicable National Collective Labour Agreement and those of individual employment contracts, a car for business and personal use, contributions to mandatory pension funds and supplementary coverage for health care, as well as insurance coverage for life insurance, accidents and occupational and non-occupational illness and against risks envisaged under the Directors & Officers Liability ("D&O") policy that has been entered into, as well as a house allowance.

e) Managers with Strategic Responsibilities

Mindful of the variations to the corporate organization, on 15 April 2021 the Company Board of Directors deemed it appropriate to adjust the perimeters of Company Key Managers in light of the establishment of a General Manager position who reports directly to the Chief Executive Officer and who has taken on the responsibilities of guidance and all company functions to ensure maximum coordination and development in the omnichannel perspective and to accelerate the ever-increasingly essential digital transformation, which is already underway.

On 19 May 2021 the Board of Directors also established the role of Chief Strategy Officer, entrusting said role to the Chief Executive Officer, Giancarlo Nicosanti Monterastelli, in his capacity as manager.

Thus, as at the date of this Report, the Issuer has identified 3 Managers with Strategic Responsibilities from among the persons who, in the opinion of the Issuer, have the power and responsibility, directly or indirectly, for the planning, management and supervision of Unieuro's activities; these are executives who currently hold the positions of:

- Chief Strategy Officer (at the date of the Report the office is held by the Chief Executive Officer);
- General Manager;
- Chief Financial Officer.

Insofar as not otherwise specified in this Report, Managers with Strategic Responsibilities shall be entitled to the following remuneration:

Fixed component

The remuneration of Managers with Strategic Responsibilities includes a gross fixed annual component (gross annual salary) including compensation for the non-competition obligation which is paid separately to the other elements of the remuneration (see point (c), Part One, Section II);

Variable component

The remuneration of Managers with Strategic Responsibilities includes an annual variable component (MBO) – which is a significant amount in percentage terms of gross annual income – connected to the achievement of an "entry gate" and individual and company performance objectives set for each financial period by the Board of Directors, the payment of which is conditional upon the Manager remaining with the Company for the reference period (see point (c), Part One, Section II).

In addition, they may participate in the cycles of the 2020-2025 Performance Shares Plan.

Non-monetary benefits

All Managers with Strategic Responsibilities are awarded a series of benefits, including – according to the provisions of the applicable national collective bargaining agreement and individual employment contracts – a motor vehicle for personal and business use, contributions to mandatory social security funds and supplementary medical cover, insurance coverage against death, injury, illness deriving from and professional and non-professional activity Directors & Officers Liability insurance (“**D&O**”), and in some cases a house allowance.

f) *The Members of the Board of Statutory Auditors*

The Standing Auditors’ remuneration is comprised of that gross annual compensation resolved at the time of their appointment at the Meeting, pursuant to Article 2402 Civil Code. Such compensation is applicable for the duration of their office.

Standing Auditors are entitled to reimbursement of board, lodging and travel expenses incurred in the carrying out of their functions. They are not entitled to receive any variable component of remuneration, such as any bonus, attendance allowance or any other incentives or benefits save for the benefit of the D&O insurance policy coverage.

In this regard, we underline that the Board of Directors - acknowledging a specific request to this effect put forward by the Board of Statutory Auditors - has resolved that a proposal to increase the remuneration payable to the members of said Board of Statutory Auditors be submitted for approval at the Shareholders' Meeting called for June 15 2021. This is deemed opportune mindful of the extent of the controls to be carried out by said control body as a physiological result of the strong growth of the Company - which has led to an increased complexity of the business it operates - of the changes that have taken place in the relative corporate and organizational structure, and in particular its shift to public company.

G. POLICY ON NON-MONETARY BENEFITS

The purpose of non-monetary benefits is to ensure the compensation package is competitive and is provided in line with market practice.

Non-monetary benefits are awarded in line with current practices and in accordance with the duties entrusted and role held, as indicated in the provisions set forth under the above letter E).

H. FINANCIAL AND NON-FINANCIAL PERFORMANCE TARGETS BASED ON WHICH THE VARIABLE COMPONENTS OF REMUNERATION ARE ATTRIBUTED; INFORMAZTION ON THE CONNECTION BETWEEN RESULTS’ VARIATIONS AND REMUNERTION VARIATIONS.

Refer to letters *d)* and *f)* above.

I. CRITERIA USED TO ASSESS THE PERFORMANCE OBJECTIVES ON WHICH BASIS SHARE, OPTIONS, OTHER FINANCIAL INSTRUMENTS OR OTHER

VARIABLE COMPONENTS OF REMUNERATION ARE AWARDED [WITH AN INDICATION OF THE MEASUREMENT OF THE VARIABLE COMPONENT ENVISAGED ACCORDING TO THE LEVEL OF ACHIEVEMENT OF SUCH OBJECTIVES]

Refer to letters e*)* and f*)* above

J. INFORMATION SHOWING THE CONTRIBUTION OF THE REMUNERATION POLICY TO CORPORATE: STRATEGY; PURSUIT OF LONG-TERM INTERESTS; SUSTAINABILITY

The Company's Remuneration Policy states that the established performance objectives and the method of payment of the variable component must be consistent with the risk management policy adopted by the Company, taking into account the risks assumed by the Company in the performance of its business and resources - in terms of capital and liquidity - required to undertake the activities it pursues.

On this subject, you are referred to the contents of the preceding letters *E)* and *F)*.

K. VESTING PERIOD, ANY DEFERRED PAYMENT SCHEME WITH INDICATION OF THE DEFERRAL PERIOD AND THE CRITERIA USED TO DETERMINE SUCH PERIOD; IF APPLICABLE ANY EX POST CORRECTION MECHANISMS

With reference to the 2020-2025 Performance Shares Plan, as better detailed in letter e) above, there is a three-year vesting period. Moreover, the shares servicing the incentive plan shall be allocated no later than the 30th calendar day following the date of the Shareholders' Meeting at which the annual Financial Reports are approved with reference to those closed on: 28 February 2023 for the 1st cycle of the plan; 29 February 2024 for the 2nd cycle of the plan; 28 February 2025 for the 3rd cycle of the plan, subject to verification on the part of the Board of Directors that the vesting conditions provided for in the plan have been met.

Specific malus and clawback clauses are also envisaged, both for the short-term and medium-long term variable components, as recommended under letter e) of Recommendation No 27 of the Corporate Governance Code. Such clauses are better detailed in letter *E)* above.

L. INFORMATION ON ANY CLAUSES WHICH ENVISAGE HOLDING FINANCIAL INSTRUMENTS IN PORTFOLIO AFTER THEIR ACQUISITION; INDICATION OF HOLDING PERIODS AND THE CRITERIA USED TO DETERMINE SUCH PERIODS

As concerns the 2020-2025 Performance Shares Plan, Beneficiaries who are also members of the Board of Directors and/or Managers with Strategic Responsibilities are required to commit on the shares' delivery date to a lock-up period. Such obligation requires the beneficiary to continuously hold 100% of the said shares (less a number of shares of a value corresponding to the tax, social security and welfare charges arising in virtue of delivery of the shares which instead may instead be freely disposed of) for a period of at least 24 months from the shares' delivery date.

M. POLICY REGARDING ANY PAYMENTS PROVIDED IN CASE OF RESIGNATION OR TERMINATION OF EMPLOYMENT, SPECIFYING WHAT CIRCUMSTANCES TRIGGER SUCH PAYMENTS AND ANY CONNECTION BETWEEN THE PAYMENTS AND THE PERFORMANCE OF THE COMPANY

At the date of this Report, there are no agreements between the Company and members of the Board of Directors and/or the Board of Statutory Auditors that provide for the payment of any compensation in the event of resignation and/or revocation of office without just cause.

Agreements providing for cessation of the employment relationship by mutual consent and amicable settlement agreements relating, likewise, to the employment cessation may be entered into with Managers with Strategic Responsibilities.

The maximum amounts payable thereunder shall be determined with reference to the limits set out in the national collective bargaining agreement applicable to the specific employment relationship with the individual Manager with Strategic Responsibilities. Such agreements shall be submitted to the Remuneration and Appointments Committee which - without prejudice to the correct application of the Policy to manage transactions with related parties of the Company in compliance with the Policy - shall give its opinion to the Board of Directors. The approval of this latter is required for the entering into of such agreements and in such case said Board shall delegate the necessary powers for this purpose, setting forth, in compliance with the above-mentioned limits, the amount/s to be paid and any enjoyment of non-monetary benefits as may be maintained on a temporary basis.

Non-competition agreements and obligations may also be stipulated with Managers with Strategic Responsibilities - in compliance with the provisions and within limits of the laws in force - whereunder the Manager undertakes for the period following the cessation of his/her employment with the company, not to work for and/or be employed by and/or manage and/or in any way act in the interests of and/or control and/or invest in, whether directly or indirectly, including through any third party individual or legal entity, any company in competition with Unieuro. The non-competition obligations shall concern the territory of the Italian Republic and shall envisage a duration not exceeding 24 months to run as of the date of cessation of the employment relationship for whatsoever reason.

For the purposes of this agreement, the term "in competition with" or "competitors" refers to the specific product sector in which the Company operates in the context of large-scale retail distribution outlets (including through online sales channels), and also encapsulates the scenario in which such competitors operate through their parent companies, subsidiaries and/or associated companies (collectively "Relevant Business").

In the case of infringement of non-competition obligations, and in accordance with Article 1382 of the Italian Civil Code, the manager shall be liable to pay the Company liquidated damages in an amount equal to 3 (three) times the consideration received by the Manager such calculation inclusive of any adjustment referred to above. In addition to liquidated damages, the Company is entitled to seek compensation from the Manager for any greater damage as may be suffered and is entitled to seek all measures so as to protect the Company, including the obtaining of injunctive relief.

As regards the effects of the cessation of the relationship on rights deriving from the short and/or long-term incentive plans, please refer to that stated in letter F. above.

N. INFORMATION ON THE EXISTENCE OF INSURANCE, MEDICAL CARE OR PENSION PROVISIONS IN ADDITION TO MANDATORY COVERAGE

In line with best practices, D&O liability insurance is provided to cover third-party civil liability for actions of the corporate bodies and the Managers with Strategic Responsibilities in the course of their duties. This policy is designed to indemnify the insured parties from the amounts associated with any claims for damages made by injured third parties, excluding cases of wilful misconduct and gross negligence.

O. REMUNERATION POLICY FOLLOWED FOR: (I) INDEPENDENT DIRECTORS, (II) PARTICIPATION IN COMMITTEES AND (III) PERFORMANCE OF PARTICULAR DUTIES

The Company's Remuneration Policy states that Independent Directors are to be paid "basic" compensation as members of the Board of Directors.

Additional annual compensation is due if the Directors are members of Board related committees, including in accordance with the Self-Regulation Code.

For further details refer to that stated above under letter E) above.

P. INDICATION OF REMUNERATION POLICIES OF OTHER COMPANIES AS MAY BE USED AS A POINT OF REFERENCE AND CRITERIA USED FOR THE SELECTION OF THESE COMPANIES

Save for the reference to the correlation of market practices and remuneration policies, the Company's Remuneration Policy was not determined on the basis of the remuneration policies of other companies.

Q. Q. ASPECTS OF THE POLICY WHICH MAY BE DEROGATED FROM IN THE CASE EXCEPTIONAL CIRCUMSTANCES ARISE; PROCEDURAL CONDITIONS APPLICABLE TO ANY DEROGATION

In accordance with art. 123-ter TUF and art. 84-quater Issuers' Regulations, the Company may adopt any decisions that temporarily derogate from the Policy.

With reference to the persons for whom the Board of Directors shall determine remuneration in compliance with the Policy, the criteria for determining the fixed or variable remuneration indicated in the Policy as well as the structure of the non-competition agreements [and the granting of any non-monetary benefits]. may be derogated from on a temporary basis on the occurrence of any case of exceptional circumstances.

Exceptional circumstances shall mean those situations in which a derogation from the Policy is deemed appropriate for the purpose of pursuing the long-term interests and sustainability of the Company as a whole or so as to ensure its ability to remain in the market, by way of example only:

(i) the need, due to unforeseen events, to replace the Chief Executive Officer, the General Manager or other Managers with Strategic Responsibilities which replacement requires a remuneration package to be negotiated quickly and on terms that do not impede the possibility of attracting managers with the most professional attributes as are deemed suitable to manage the company and guarantee, at minimum, that the company's actual levels of sustainable success and market positioning can be maintained;

(ii) significant changes in the perimeter of the company's business during the validity of the Policy, such as the sale of a company/business unit or the acquisition of significant business;

(iii) events or circumstances of an exceptional or extraordinary nature whether or not exogenous (e.g. COVID-19).

The Board of Directors, having obtained the opinion of the Remuneration and Appointments Committee, shall assesses whether the event constitutes exceptional circumstance/s that allow/s derogation from the Policy.

On the occurrence of exceptional circumstances, any Policy derogation shall be approved in compliance with the procedures for the management of transactions with related parties adopted by the Company in implementation of the applicable *pro-tempore* Consob regulation in force.

The Company shall provide information on any Policy derogations applied on the occurrence of exceptional circumstances in the manner and within the timelines required by the laws and regulations in force from time to time.

SECTION II

This section, as shall be subject to the non-binding vote of the Meeting in accordance with Article 123-*ter*, sixth paragraph TUF, is made up of two parts:

a) the first part provides a brief deceptive overview of the compensation relative to the 2021 Financial Period of those intended recipients of the remuneration Policy;

b) the second part, sets out the above-mentioned compensation in table form and includes Table No. 1 and Table No. 2 as provided for under Annex 3A Scheme 7-*ter* of the Listing Regulations which concerns investments held, whether directly or indirectly, in the Company or in other connected companies controlled by the Directors, the Auditors and other Managers with Strategic Responsibilities (as well as persons closely related thereto, meaning any spouse not legally separated and minor children) in conformance with Article 84-*quater*, fourth paragraph of the Listing Regulations.

The above-mentioned compensation is a continuance of that determined for the previous financial period in accordance with the principles followed by the Company as concerns the remuneration of members of the administrative and control bodies and of Managers with Strategic Responsibilities. Such principles are in line with the recommendations set forth in the Corporate Governance Code.

Part One

a. COMPENSATION OF THE BOARD OF DIRECTORS

Fixed remuneration

On 18 June 2019, the Shareholders' Meeting resolved to award maximum total annual gross compensation of €580,000 for the entire Board of Directors.

On 26 June 2019, the Board of Directors resolved to distribute part of the above-mentioned compensation pot as follows: (i) €43,750 for each non-executive director; (ii) €10,000 for the members of the Remuneration and Appointments Committee and the Control and Risks Committee and the Related Party Transaction Committee; (iii) €14,000 for the Chairman of the Control and Risks Committee; (iv) €13,000 per committee to the Chairman of the Remuneration and Appointments Committee and of the Related Party Transaction Committee. As concerns the remuneration of the Chairman of the Board of Directors, following the appointment of Mr Stefano Meloni as Chairman on 24 February 2020 and in light of the resignation from office of Bernd Erick Beetz, the compensation of €130,000, as was resolved by the Board of Directors on 26 June 2019, was uplifted to €160,00 gross per annum, such amount fully within the total limit of remuneration established for the entire Board of Directors by the Meeting[16].

In accordance with the agreements governing the Chief Executive Officer's subordinate employment relationship with the Issuer and in particular the fact that his annual gross remuneration, is agreed to be inclusive of all compensation, including that for additional duties and positions in the company, said CEO has waived the right to compensation awarded to him for holding the position of executive director. By virtue of such agreements and in particular the fact that the remuneration paid to the CEO relates to his subordinate employment managerial position, the amount paid to him in Financial Period 2021 is included in the compensation paid to Managers with strategic responsibilities and represented in detail in the attached tables.

Please take note that, on 14 April 2020, the Board of Directors of Unieuro - upon the proposal of the Chairman Stefano Meloni and as part of the package of measures to contain the effects of the

[16] The amounts carried over do not include social security charges and VAT, where applicable.

ongoing health emergency - approved a 20% reduction in the remuneration of its members for the months of April and May 2020.

Moreover, we underline that following the establishment on 12 November 2020 of the Sustainability Committee, the Board of Directors resolved that said Committee be allocated a gross fixed amount totalling Euro 11,000.00 (eleven thousand/00) to be paid to the relative members (including its Chairman) with reference to the financial period ended as at 28 February 2021. The Board also specified that, for subsequent financial years, said remuneration would be adjusted in order to align it with the remuneration determined for the other intra-board Committees, upon the proposal of the Board itself and subject to approval of the Annual Financial Report as of February 28 2021 at the relative Shareholders' Meeting[17].

The Directors have been granted the right to reimbursement of expenses incurred for the purposes of the carrying out of their offices.

Variable remuneration

The members of the Board of Directors have not participated in the Stock Option Plan, the Performance Share Plan, the MBO system or other forms of variable remuneration. It should be noted that Executive Director, Giancarlo Nicosanti Monterastelli, participated in the Stock Option Plan and in the 1st cycle of the Performance Share Plan in his capacity of Manager with Strategic Responsibilities. Details relating to participation of Giancarlo Nicosanti Monterastelli in the incentive plans are explained in the section relating to the remuneration of Managers with Strategic Responsibilities.

Non-monetary benefits

The non-monetary benefits awarded to members of the Company's Board of Directors include an insurance policy which has been entered into to cover the civil liability of directors and managers, the co-called Directors' and Officers' Liability Insurance ("D&O").

b. COMPENSATION OF THE BOARD OF STATUTORY AUDITORS

On 18 June 2019, the Shareholders' Meeting resolved to appoint a Board of Statutory Auditors comprising three standing members and two alternate members, for a term of three financial periods (thus until the approval at the Shareholders' Meeting of the financial statements as at 28 February 2022): Such board is comprised as follows: Giuseppina Manzo (Chairman), Maurizio Voza (standing auditor), Federica Mantini (standing auditor), Valeria Francavilla (alternate auditor) and Davide Barbieri (alternate auditor).

Fixed remuneration[18]

On 18 June 2019, the Shareholders' Meeting resolved to grant compensation to members of the Board of Statutory Auditors for the entire period of their term of office in the overall amount of €60,000, specifying that this compensation is commensurate with the number of months they effectively remain in office. At the same Shareholders' Meeting the above-mentioned compensation was broken down as follows: (i) a sum of €26,000 to the Chairman, in addition to pension contributions, (ii) a sum of €17,000 to each standing Statutory Auditor, with pension contributions in addition.

Variable remuneration and non-monetary benefits

[17] Amounts carried over do not include social security charges and VAT, where applicable.
[18] Amounts carried over do not include social security charges and VAT, where applicable.

Members of the Board of Statutory Auditors are not entitled to any variable remuneration or non-monetary benefits.

c. COMPENSATION OF MANAGERS WITH STRATEGIC RESPONSABILITIES

We draw your attention to the fact that this chapter refers to those Managers with Strategic Responsibilities as identified during the year ended as at February 28 2021 which are: (i)Chief Executive Officer; (ii) Chief Financial Officer; (iii) Chief Omnichannel Officer; (iv) Chief Operations Officer; (v) Chief Commercial Officer; (vi) Chief Corporate Development Officer.

Fixed remuneration

The Managers with Strategic Responsibilities have received the fixed component of the remuneration determined by their respective employment contracts, including any payments due under contract or by law.

During the financial period ending 28 February 2021, the 6 Managers with Strategic Responsibilities (including Giancarlo Nicosanti Monterastelli who is also currently Chief Executive Officer) were paid a total of € 1,694,030.13 in fixed remuneration.

Variable remuneration

Managers with Strategic Responsibilities participated in the MBO scheme, the Stock Option Plan and the 1st cycle of the Performance Shares Plan.

In this regard, total gross variable remuneration paid out was Euro1,341,375.00 relating the MBO scheme applicable to financial period ending 29 February 2020 and actually paid out in the financial period ending 28 February 2021.

In relation to the Stock Option Plan, on 18 June 2020, the Board of Directors granted, on the basis of the results achieved, a total of 849,455 share rights (of which 572,859 to Managers with Strategic Responsibilities) to subscribe for against payment, newly issued Unieuro ordinary shares up to a maximum number of 849,455.

Pursuant to the Stock Option Plan regulations and starting from July 31 2020, option rights holders may exercise their subscription within the final deadline of July 31 2025.

You are reminded that, as provided for in the above-mentioned Stock Option Plan rules, upon the expiration of each year (subsequent to that closed on 29 February 2020), in which the beneficiary has exercised or all part of any share option right, said beneficiary is entitled also to receive a monetary quota in an amount equal to the amount of dividend which he/she would have received on the Stock Option Plan as of approval date up to the 29 February 2020, ("Cash Bonus LTIP 2018-2025") with exercise of the rights attached to the shares obtained in the year in question upon exercise of the relative share option right.

Please note that in the year 2020, the number of options exercised by the Chief Executive Officer in his capacity of Manager with Strategic Responsibility was equal to 100,000, to whom the amount of 307,000.00 euro was paid as LTIP Cash Bonus 2018-2025.

As a gesture of solidarity towards the company staff, Chief Executive Officer, Giancarlo Nicosanti Monterastelli, in his capacity as Manager with Strategic Responsibilities, announced that he fully and voluntarily waived his right to remuneration for the months of April 2020 and May 2020. Likewise, the entire company management decided to cut salaries: by 20% for Managers with Strategic Responsibilities and by 10% for other executives.

In relation to the first cycle of the Long Term Incentive Plan 2020-2025, on 13 January 2021 (i) 50,000 shares were allocated to the Chief Executive Officer, Giancarlo Nicosanti Monterastelli, as Manager with Strategic Responsibilities (ii) 74,000 to other Managers with Strategic Responsibilities.

In particular, the compensation effectively paid to the Chief Executive Officer in the financial period FY2020 (from 1 March 2019 to 29 February 2020) by way of short-term variable component was € 383,250, mindful that, on 6 May 2020, the Board of Directors, having considered the proposal of the Remuneration and Appointments Committee, ascertained the achievement of the specific target conditions as well as the partial achievement of the specific overperformance conditions.

The table below illustrates the performance objectives linked to short and medium/long-term variable remuneration and the effects deriving from the performance curve, with reference to the MBOs of Managers with Strategic Responsibilities.

			Level of achievement		
	Performance Objectives[19]	**Results FY 2021**	Below-target	Target-reached	Above- target
CEO	EBITDA	111.0			√
	NFP	154.8			√
	NPS	45.8			√
Managers with strategic responsabilities	EBITDA	111.0			√
	NFP	154.8			√
	NPS	45.8			√

For more detail on the variable remuneration in favour of each Manager with Strategic Responsibilities, please refer to the attached tables.

Non-monetary benefits

As regards non-monetary benefits, it is noted that all Managers with Strategic Responsibilities are awarded a series of benefits, including – according to the provisions of the applicable national collective bargaining agreement and individual employment contracts – a motor vehicle for personal and business use, contributions for mandatory social security funds and supplementary medical

[19] EBITDA is Consolidated EBITDA pre-adoption IFRS16 adjusted by (i) non-recurring expense/(income) and (ii) the effects deriving from the adjustment of the costs for guarantee extension services net of the estimated costs for the prevision of service assistance as a consequence of the change in the business model for directly managed assistance services.
Net Financial Position (NFP) indicates the (Net Financial Debt) / Consolidated Net Cash without incorporating the effects of applying IFRS16.
The Net Promoter Score (NPS) measures the customer experience and predicts business growth, it can range from -100 (if each customer is a Detractor) to 100 (if each customer is a Promoter).

cover, insurance coverage against death, injury and illness relating to professional and non-professional activity, D&O liability insurance, and in some cases a house allowance.

Payments provided in the event of resignation from office or termination of employment and non-competition agreements

During the 2020/2021 financial period no Director or member of the Board of Statutory Auditors resigned from office and no Manager with Strategic Responsibilities ceased his/her employment relationship.

The Company has non-competition agreements in place with Managers with Strategic Responsibilities in accordance with Article 2125 Civil Code. This entails the payment of compensation, determined in relation to the duration and breadth of the agreed non-compete, restrictions, at a fixed rate while employed by the Company, with guaranteed final balance payment on the date of termination of the employment relationship to be paid provided that the total amount paid up to that moment is less than a predetermined percentage of the annual gross remuneration provided for the last year in which the employment agreement is in place.

Derogations from the remuneration policy relating to the 2021 financial period

There have been no derogations from the remuneration policy relating to the 2021 financial period

Application of *ex post* correction mechanisms

During the 2020 financial period, no *ex post* correction mechanisms have been applied to the variable component of remuneration.

Salary variations and comparison information

Below is a table which summarises the comparison information concerning annual variations in the last two financial periods: (i) of the total remuneration as regards this section of this Report of each of the persons named therein (ii) the results of the Company, (iii) the average gross annual remuneration of employees.

Total remuneration[20]	FY 2021	FY 2020[21]
Board of directors		
Stefano Meloni – Chairman	160,000.00	33,261.49
Giancarlo Nicosanti Monterastelli[22] – CEO	1,188,510.72[23]	740,445.92
Michele Bugliesi – Director	47,250	1,257.18

[20] Includes fixed remuneration, participation in committees, bonuses and other incentives, without the pension fund contribution. It should be noted that, as a gesture of solidarity towards the corporate population, the CEO Giancarlo Nicosanti Monterastelli, in his capacity of Manager with Strategic Responsibilities, also announced his complete and voluntary waiver of his net salary for the months of April and May 2020. Likewise, the other managers with strategic responsibilities and the board members decided to cut net remuneration due in April and May 2020 by 20%.
[21] Remuneration proportionate to the months actually spent in office.
[22] The remuneration of Giancarlo Nicosanti Monterastelli is determined on the basis of his current management relationship, the Chief Executive Officer having waived his right to the remuneration granted to him by the Board pursuant to art. 2389 c.3 Civil Code.
[23] The total remuneration also includes the 2018 -2025 LTIP Cash Bonus of Euro 307,000.

Catia Cesari – Director	57,750	37,625
Pietro Caliceti – Director	63,750	38,285.92
Paola Elisabetta Galbiati – Director	57,250	1,257.18
Marino Marin – Director	83,750	85,625
Monica Luisa Micaela Montironi – Director	63,750	44,625
Alessandra Stabilini – Advisor	43,750	30,625
Board of Auditors		
Giuseppina Manzo – Chairman of the Board of Statutory Auditors	26,000	18,164.38
Maurizio Voza – Statutory auditor	17,000	19,712.33
Federica Mantini – Statutory auditor	17,000	11,876.61
Company's results[24]	**FY 2021**	**FY 2020**
EBITDA	111.0	82.1
NFP	154.8	29.6
NPS	45.8	46.3
Average remuneration FTE[25]	**FY 2021**	**FY 2020**
	26,618.34	26,455.92

[24]EBITDA is Consolidated EBITDA pre-adoption IFRS16 adjusted by (i) non-recurring expense/(income) and (ii) the effects deriving from the adjustment of the costs for guarantee extension services net of the estimated costs for the prevision of service assistance, as a consequence of the change in the business model for directly managed assistance services.
Net Financial Position (NFP) indicates the (Net Financial Debt) / Consolidated Net Cash without incorporating the effects of applying IFRS16.
The Net Promoter Score (NPS) measures the customer experience and predicts business growth, it can range from -100 (if each customer is a Detractor) to 100 (if each customer is a Promoter).

[25] The contractual gross fixed annual remuneration related to the Full Time Equivalent ("FTE") was taken into account. It should be noted that the average company population for FY20 is 4,422 FTE of which 4,109 operate in sales outlets as sales staff whilst 313 are employees at the head office. In FY21 the average company population is equal to 4485 FTE of which 4160 operate on the sales outlets as sales staff whilst 325 are employees at the head office.

Votes cast at the Shareholders' Meeting of the previous year on this section

At the Ordinary Shareholders' Meeting held on 12 June 2020, the second section of the Remuneration Report for the year ended 29 February 2020 was approved with 5,308,230 votes in favour, representative of 90.114% of those in attendance (414,229 votes against representative of 7.032% of those in attendance and 168,100 abstentions representative of 0.942% of those in attendance).

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Part Two

The tables below provide an itemised breakdown of the compensation paid by the Company during financial period ending of 28 February 2021 of whatever nature and grounds or by Issuer controlling of controlled companies.

TABLE 1: COMPENSATION PAID TO MEMBERS OF MANAGEMENT AND CONTROL BODIES AND OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES[26].

(A)	(B)	(C)	(D)	(1)	(2)	(3)						
Name and surname	Office	Period office held	End of period in office	Fixed compensation [27]	Compensation for participation in committees	Variable non-equity compensation		Non-monetary benefits	Other compensation	Total	Fair value of equity compensation	Severance pay on cessation of employment relationship or office.
						Bonuses and other incentives	Share of profits					
Stefano Meloni	Chairman	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	160,000[28]						160,000		
Marino Marin	Independent Director	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	43,750[29]						83,750		
	Chairman of the Remuneration and Appointments Committee	01/03/2020 28/02/2021			13,000[30]							

[26] All fees are paid by the Company that draws up the financial statements. The values are expressed in Euro.
[27] As a gesture of solidarity towards the company personnel, the Chief Executive Officer Giancarlo Nicosanti Monterastelli also announced the full and voluntary waiver of his right to remuneration for the months of April 2020 and May 2020. Likewise, , the entire company management decided to reduce its salary by 20% for Managers and Directors and by 10% for other executives.
[28] Compensation due for the office of the Chairman of the Board, determined by the Board of Directors on 24 February 2020 on the basis of that approved at the Shareholders' Meeting of 18 June 2019, of which € 114.666,67 paid.
[29] Compensation due for the office of the Non-executive Director, determined by the Board of Directors on 26 June 2019 on the basis of the resolution passed at the Shareholders' Meeting of 18 June 2019.
[30] Compensation due for the office of the Chairman Remuneration and Appointments Committee. Totally disbursed.

	Chairman of the Control and Risk Committee	01/03/2020 28/02/2021			14,000[31]						
	Chairman Related-Party Committee	01/03/2020 28/02/2021			13,000[32]						
Catia Cesari	Independent Director	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	43,750[33]					57,750		
	Remuneration and Appointments Committee member	01/03/2020 28/02/2021			10,000[34]						
	Chairman Sustainability Committee	12/11/2020 28/02/2021			4,000[35]						
Pietro Caliceti	Independent Director	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	43,750[36]					63,750		
	Related-Party Committee member	01/03/2020 28/02/2021			10,000[37]						
	Remuneration and Appointments Committee member	01/03/2020 28/02/2021			10,000[38]						

[31] Compensation due for the office of the Chairman Control and Risk Committee. Totally disbursed.
[32] Compensation due for the office of the Chairman Related Parties Committee. Totally disbursed.
[33] Compensation due for the office of the Non-executive Director, determined by the Board of Directors on 26 June 2019 on the basis of the resolution passed at the Shareholders' Meeting of 18 June 2019.
[34] Compensation due for the office of the Remuneration and Appointments Committee member. Related Parties Committee
[35] Compensation due for the office of the Chairman of the Sustainability Committee established on 12 November 2021. Related Parties Committee
[36] Compensation due for the office of the Non-executive Director, determined by the Board of Directors on 26 June 2019 on the basis of the resolution passed at the Shareholders' Meeting of 18 June 2019 of which Euro 31,931.09 paid.
[37] Compensation due for the office of the Related-Party Committee member of which Euro 7,211.54 paid.
[38] Compensation due for the office of the Remuneration and Appointments Committee member, of which Euro 7,211.54 paid.

Alessandra Stabilini	Director	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	43,750[39]					43,750		
Monica Luisa Micaela Montironi	Independent Director	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	43,750[40]					63,750		
	Control and Risks Committee member	01/03/2020 28/02/2021			10,000[41]						
	Related-Party Committee member	01/03/2020 28/02/2021			10,000[42]						
Michele Bugliesi	Independent Director	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	43,750[43]					47.250		
	Member of the Sustainability Committee	12/11/2020 28/02/2021			3,500[44]						
Paola Elisabetta Galbiati	Independent Director	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	43,750[45]					57,250		
	Member of the Control and Risk Committee	01/03/2020 28/02/2021			10,000[46]						

[39] Compensation due for the office of the Non-executive Director, determined by the Board of Directors on 26 June 2019 on the basis of the resolution passed at the Shareholders' Meeting of 18 June 2019 of which Euro 31,354.17 paid.

[40] As compensation for the officeof non-executive Director, determined by the Board of Directors on 26 June 2019 on the basis of that resolved at the Shareholders' Meeting of 18 June 2019 of which Euro 31,931,09 paid.

[41] Compensation due for the office of member of the Control and Risks Committee of which Euro 7,211.54 paid.

[42] Compensation due for the office of member of the Related Party Committee of which Euro 7,211.54 paid.

[43] As compensation for the office of non-executive Director, resolved by the Board of Directors on 20 February 2020 on the basis of that resolved at the Shareholders' Meeting of 18 June 2019.

[44] As compensation for the office of Member Sustainability Committee established as of 12 November 2021.

[45] As compensation for the office of non-executive Director, resolved by the Board of Directors on 20 February 2020 on the basis of that resolved at the Shareholders' Meeting of 18 June 2019, approved for FY20, of which Euro 18,926.27 paid.

[46] As compensation for the office of Member of the Control and Risk Committee of which Euro 6,490.38 paid

	Member of the Sustainability Committee	12/11/2020 28/02/2021			3,500[47]						
Maurizio Voza	Auditor	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	17,000[48]					17,000		
Giuseppina Manzo	Chairman of the Board of Statutory Auditors	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	26,000[49]					26,000		
Federica Mantini	Auditor	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022	17,000[50]					17,000		
Giancarlo Nicosanti Monterastelli[51]	CEO – Executive Director	01/03/2020 28/02/2021	Balance Sheet approval Meeting 2022[52]	351,703.58		832,000 [53]	4,807.14		1,188,510.72		
Luigi Fusco	Chief Operating Officer	01/03/2020 28/02/2021		321,153.95[54]		375,000[55]	3,869.26		700,023.21		
Bruna Olivieri	Chief Omni Channel Officer	01/03/2020 28/02/2021		251,153,95		375,000 [56]	4,791.72		630,945,67		

[47] As compensation for the office of Member Sustainability Committee established as of 12 November 2021 not yet paid.
[48] As compensation for the office of Standing Auditor resolved at the Shareholders' Meeting of 18 June 2019 not yet paid.
[49] As compensation for the position of Chairman of the Board of Statutory Auditors resolved at the Shareholders' Meeting of 18 June 2019, of which Euro 19,500.00. paid.
[50] As compensation for the position of Standing Auditor resolved at the Shareholders' Meeting of 18 June 2019 of which Euro 12,750 paid.
[51] It should be noted that Nicosanti Monterastelli by virtue of the role of CEO and coordination and by virtue of the agreements relating to the subordinate employment relationship with the issuer and in particular of the agreed all-inclusive nature of the gross annual remuneration granted to him of any relative remuneration also to additional offices and corporate offices, he renounced the remuneration resolved in his favor in connection with the position of Executive Director held in active 2021
[52] Limited to the office of Executive Director
[53] Euro 525,000.00 referring to MBO FY21 not yet disbursed and Euro 307,000 disbursed pursuant to the Long Term Incentive Plan 2018-2025 as a monetary bonus equal to the dividends that the Executive would have received from the date of approval of the aforementioned plan until completion of the vesting period with the exercise of the corporate rights due to the shares obtained in the year in question with the exercise of the subscription rights. It should be noted that in the financial year 2021 Euro 383,250 were also disbursed as MBO for the financial year 2020.
[54] Of which Euro 70,000 as an advance contribution refund on contributions exceeding the contribution ceiling (art. 2 paragraph 18, L.335/1995) for the period from 2011 to 2018.
[55] Euro 375,000 refers to MBO FY21 not yet paid. It is specified that in FY 2020, Euro 273,750 was paid out by way of MBO applicable for the year 2020.
[56] Euro 375,000 refers to MBO FY21 not yet paid. It is specified that in FY 2021, Euro 273,750 was paid out by way of MBO applicable for the year 2020.

Italo Valenti	Chief Financial Officer	01/03/2020 28/02/2021		301,428,69		337,500[57]	1,414.3		640,342.99		
Andrea Scozzoli	Chief Corporate Development Officer	01/03/2020 28/02/2021		251,236.36		225,000[58]	3,718.24		479,954.60		
Gabriele Gennai	Chief Commercial Officer	01/03/2020 28/02/2021		217,353.60		367,800[59]	2,051.83		587,205.43		

[57] Euro 337,500 refers to MBO FY21 not yet paid. It is specified that in FY 2021, Euro 246,375 was paid out by way of MBO applicable for the year 2020.
[58] Euro 225,000 refers to MBO FY21, not yet paid. It is specified that in 2021, Euro 164,250 was paid out by way of MBO applicable to 2020.
[59] Euro 345,000 refers to MBO FY21, not yet paid. 22,800 Euros recognized as accommodation expense contest under the terms of the employment contract

TABLE 2: STOCK OPTIONS GRANTED TO THE MEMBERS OF THE BOARD OF DIRECTORS, TO GENERAL MANAGERS AND TO THE OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES[60]

			Options held at the start of the financial period			Options awarded during the financial period						Options exercised during the financial period			Options expired during the financial period	Options held at the end of the financial period	Options accrued in the financial period
Name and surname	Office	Plan[61]	Number of options	Exercise price	Period of possible exercise (from - to)	Number of options	Exercise price	Period of possible exercise (from - to)	Fair value at grant date	Grant date[62]	Market price of the shares underlying options granted[63]	Number of options	Exercise price	Market price of underlying shares at the exercise date	Number of options	Number of options	Fair value[64]
Giancarlo Nicosanti Monterastelli	CEO – Executive Director	Long Term Incentive Plan 2018-2025	248,139	11 euro	From 31/07/20 to 31/07/25	2,748	11	-	7,126	18/06/2020	-	100,000	11	-	-	150,887	1,075,220,76
Luigi Fusco	COO	Long Term Incentive Plan 2018-2025	82,713	11 euro	From 31/07/20 to 31/07/25	916	11	-	7,126	18/06/2020	-	-	-	-	-	83,629	595,940.25
Bruna Olivieri	COCO	Long Term Incentive Plan 2018-2025	82,713	11 euro	From 31/07/20 to 31/07/25	916	11	-	7,126	18/06/2020	-	-	-	-	-	83,629	595,940.25

[60] All amounts are paid by the company that prepares the balance sheet.
[61] Long Term Incentive Plan 2018-2025: Plan approved at the Extraordinary Shareholders' Meeting held on 06 February 2017; the regulation of the Plan was approved by the Board of Directors on 29 June 2017.
[62] Long Term Incentive Plan 2018-2025: The allocation letter was delivered on 23 October 2017 with retrospective effect to 29 June 2017.
[63] Market price at 29 June 2017 for the Long Term Incentive Plan 2018-2025.
[64] Value of reserves at 28 February 2021 for share-based payments inclusive of possible exit of Plan beneficiaries.

Italo Valenti	CFO	Long Term Incentive Plan 2018-2025	107,527	11 euro	From 31/07/20 to 31/07/25	1,191	11	-	7,126	18/06/2020	-	-	-	-	-	108,718	774,724.47
Andrea Scozzoli	CCDO	Long Term Incentive Plan 2018-2025	45,492	11 euro	From 31/07/20 to 31/07/25	504	11	-	7,126	18/06/2020	-	-	-	-	-	45,996	327,767.50

TABLE 3: INCENTIVE PLANS IN FAVOUR OF MEMBERS OF THE MANAGEMENT BODY AND GENERAL MANAGERS AND OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES

Table 3A: Incentive plans based on financial instruments, other than stock options, in favour of members of the management body, general managers and other Managers with Strategic Responsibilities[65]

			Financial instruments granted in previous years and not vested during the financial period		Financial instruments assigned during the financial period					Financial instruments vested during the financial periodand not awarded	Financial instruments vested during the financial period and awarded		Financial instruments for the financial period
Name and surname	Office	Plan[66]	Number and type of financial instruments	Vesting period	Number and type of financial instruments	Fair value at grant date	Vesting period	Grant date	Market Price at grant	Number and type of financial instruments	Number and type of financial instruments	Value at the vesting date	Fair value[67]
Giancarlo Nicosanti Monterastelli	CEO – Executive Director	1st Cycle Performance share plan 2020-2025			50,000	14,41	From 01/03/2020 to 28/02/2023	13/01/2021	14.54				38,916.24
Luigi Fusco	COO	1st Cycle Performance share plan 2020-2025			20,000	14,41	From 01/03/2020 to 28/02/2023	13/01/2021	14.54				15,566.49
Bruna Olivieri	COCO	1st Cycle Performance share plan 2020-2025			20,000	14,41	From 01/03/2020 to 28/02/2023	13/01/2021	14.54				15,566.49
Italo Valenti	CFO	1st Cycle Performance share plan 2020-2025			14,000	14,41	From 01/03/2020 to 28/02/2023	13/01/2021	14.54				10,896.55
Andrea Scozzoli	CCDO	1st Cycle Performance share plan 2020-2025			6,000	14,41	From 01/03/2020 to 28/02/2023	13/01/2021	14.54				4,669.95

[65] All amounts are paid by the company that prepares the balance sheet.
[66] 2020-2025Performance Plan share: Plan approved at the Extraordinary Shareholders' Meeting of the Company held on 17 December 2020; the regulation of the Plan was approved by the Board of Directors on 13 January 2021.
[67] Value of reserves at 28 February 2021 for share-based payments inclusive of possible exit of Plan beneficiaries.

Gabriele Gennai	CCO	1st Cycle Performance share plan 2020-2025			14,000	14,41	From 01/03/2020 to 28/03/2023	13/01/2021	14.54				10,896.55
Total assigned to Executives with Strategic Responsibilities					124,000		From 01/03/2020 to 28/03/2023	13/01/2021	14.54				96,512.27

Table 3B: Monetary incentive plans for members of the management body, general managers and other Managers with Strategic Responsibilities[68]

			Annual bonus		Bonuses paid out in previous years				Other bonuses
Name and surname	Office	Plan	Payable[69] / Paid	Deferred	Deferral period	No longer payable	Payable[70] / Paid	Still deferred	
Giancarlo Nicosanti Monterastelli	CEO –	MBO	525,000.00				383,250.00		
		LTIP 2018-2025	307,000.00 [71]						
Luigi Fusco	Chief Operating Officer	MBO	375,000.00				273,750.00		
Bruna Olivieri	Chief Omni Channel Officer	MBO	375,000.00				273,750.00		
Italo Valenti	Chief Financial Officer	MBO	337,500.00				246,375.00		
Andrea Scozzoli	Chief Corporate Development Officer	MBO	225,000.00				164,250.00		
Gabriele Gennai	Chief Commercial Officer	MBO	345,000.00				-		[72]
Total			2,489,500,00				1,341,375		

[68] All amounts are paid by the company that prepares the balance sheet
[69] Amounts referred to FY21 MBO
[70] Amounts referred to FY20 MBO
[71] Euro 307,000 paid pursuant to the Long Term Incentive Plan 2018-2025 as a monetary bonus equal to the dividends that the Executive would have received from the date of approval of the aforementioned plan until the end of the vesting period with the exercise of the social rights due to the shares obtained in the year in question by exercising the subscription rights
[72] € 60,000 paid out during the FY2021 financial year, pertaining to the FY2020 financial year in execution of a contractual commitment undertaken in January 2020

TABLE 1 (MODEL 7-TER): EQUITY INTERESTS OF THE MEMBERS OF THE GOVERNING AND SUPERVISORY BOARDS AND OF THE GENERAL MANAGER.

Name and surname	Office	Investee	Number of shares held at the end of 29 FY 2020	No. of shares purchased	No. of shares sold	Number of shares held at the end of 28 FY 2021
Giancarlo Nicosanti Monterastelli[73]	Executive Director	Unieuro S.p.A.	136,977	160,000		296,977
Stefano Meloni[74]	Chairman of the Board of Directors	Unieuro S.p.A.	30,000	36,000		66,000

[73] Shareholding held through the subsidiary GNM Investimenti S.r.l.
[74] Shareholding held through the subsidiary Melpart S.p.A.

TABLE 2 (MODEL 7-TER): EQUITY INVESTMENTS OF OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES

Number of Managers with strategic responsibilities	Investee	Number of shares held at the end of 29 FY 2020	No. of shares purchased	No. of shares sold	Number of shares held at the end of 28 FY 2021
2[75]	Unieuro S.p.A.	256,784	197,000	-	453,784

[75] The shareholdings held by the CEO, Giancarlo Niicosanti Monterastelli, as Manager with Strategic Responsibilities of the Company are also reported. The shareholdings are held through GNM Investimenti S.r.l. and Giufra s.r.l

TABLE N. 1 OF MODEL 7, APPENDIX 3A OF ISSUER REGULATION N. 11971/1999

Long Term Incentive Plan 2018-2025

PART 2, SECTION 1 – Stock Option

Option related to plans, currently valid, resolved based on previous Shareholders' Meeting

Name or category	Title	Shareholders' resolution date	Type of security[76]	Number of Options	Grant Date[77]	Exercise price	Market price of shares attached to options	Time-line for exercise of Options (from-to)
Giancarlo Nicosanti Monterastelli	CEO	06/02/2017	Subscription Rights	248,139	29/06/2017	11.00	16.29	From 31/07/2020 to 31/07/2025
Luigi Fusco	Chief Operating Officer	06/02/2017	Subscription Rights	82,713	29/06/2017	11.00	16.29	From 31/07/2020 to 31/07/2025
Bruna Olivieri	Chief Omni Channel Officer	06/02/2017	Subscription Rights	82,713	29/06/2017	11.00	16.29	From 31/07/2020 to 31/07/2025
Italo Valenti	Chief Financial Officer	06/02/2017	Subscription Rights	107,527	29/06/2017	11.00	16,29	From 31/07/2020 to 31/07/2025
Andrea Scozzoli	Chief Corporate Development Officer	06/02/2017	Subscription Rights	45,492	29/06/2017	11.00	16.29	From 31/07/2020 to 31/07/2025
Others Managers		06/02/2017	Subscription Rights	264,671	29/06/2017	11.00	16.29	From 31/07/2020 to 31/07/2025
Others Managers		06/02/2017	Subscription Rights	25,633	29/06/2017[78]	11.00	16.29	From 31/07/2020 to 31/07/2025

[76] Subscription rights for Unieuro shares or, at the Company's option, for the purchase of Unieuro shares.
[77]. Grant by means of letter delivered 23.10.17 with retrospective effect to 29.06.17
[78] Grant by means of letter delivered 29/07/2019 with retrospective effect to 29/06/2017.

TABLE N. 1 OF MODEL 7, APPENDIX 3A OF ISSUER REGULATION N. 11971/1999

Long Term Incentive Plan 2020-2025

PART 1, SECTION 1 – *Financial instruments other than stock options*

Instruments relating to plans, currently in force, approved on the basis of previous Shareholders' Meeting resolutions

Name or category	Title	Shareholders' resolution date	Typology of financial instruments	Number of financial instruments	Date of allocation	Possible purchase price of instruments	Market price at allocation	Vesting period
Giancarlo Nicosanti Monterastelli	CEO	17/12/2020	shares	50,0000	13/01/2021	-	14.54	From 01/03/2020 to 28/02/2023
Luigi Fusco	Chief Operating Officer	17/12/2020	shares	20,0000	13/01/2021	-	14.54	From 01/03/2020 to 28/02/2023
Bruna Olivieri	Chief Omni Channel Officer	17/12/2020	shares	20,0000	13/01/2021	-	14.54	From 01/03/2020 to 28/02/2023
Italo Valenti	Chief Financial Officer	17/12/2020	shares	14,000	13/01/2021	-	14.54	From 01/03/2020 to 28/02/2023
Andrea Scozzoli	Chief Corporate Development Officer	17/12/2020	shares	6,000	13/01/2021	-	14.54	From 01/03/2020 to 28/02/2023
Gabriele Gennai	Chief Commercial Officer	17/12/2020	shares	14,000	13/01/2021	-	14.54	From 01/03/2020 to 28/02/2023