



*Unieuro S.p.A. - Registered office in Forlì, Palazzo Hercolani, via Piero Maroncelli 10  
Share capital euro 4,139,724.20 fully paid up  
Registration Number with the Companies' Register of Forlì-Cesena and Tax Code. No. 00876320409*

**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS  
ON ITEM NO. 5 OF THE AGENDA OF THE ORDINARY  
SHAREHOLDERS' MEETING OF UNIEURO S.P.A.  
CONVENED ON 21 JUNE 2022 IN SINGLE CALL**



5. Appointment of the Board of Statutory Auditors for a term up to date of approval of the financial statements as at 28 February 2025. Related and consequential resolutions:

5.1 appointment of three standing Auditors and two alternate Auditors;

5.2 appointment of the Chairman of the Board of Statutory Auditors;

5.3 determination of remuneration of the standing members of the Board of Statutory Auditors.

Dear Shareholders,

At the Shareholders' Meeting called to approve the financial statements as at 28 February 2022, the three-year term of office of the current Board of Statutory Auditors comes to an end. Therefore you are called upon to resolve on the: (i) appointment of three standing Auditors and two alternate Auditors; (ii) appointment of the Chairman of the Board of Statutory Auditors; (iii) determination of remuneration of the standing members of the Board of Statutory Auditors.

### **5.1 Appointment of three standing Auditors and two alternate Auditors**

Appointment of the Company's Board of Statutory Auditors shall be carried out in compliance with the provisions of article 21 of the Articles of Association.

More specifically, pursuant to article 21.1 of the Articles of Association, the Board of Statutory Auditors shall be appointed at the Shareholders' Meeting. Said Board shall comprise of three Standing Auditors and two Alternate Auditors. The Auditors so appointed remain in office for three financial years (FY at 28 February 2023 - FY at 29 February 2024 - FY at 28 February 2025) and their office expires on the date of the Shareholders' Meeting convened to approve the financial statements for their third year in office.

The Standing Auditors and the Alternate Auditors shall be selected from lists submitted by the shareholders who hold, at time the list is submitted, individually or collectively, 2.5% of the share capital such shares being ordinary shares carrying voting rights at the Ordinary Shareholders' Meeting.

Each shareholder, shareholders party to a shareholders' agreement concerning the Company relevant for the purposes of article 122 TUF, the controlling entity, controlled companies, companies under common control and other affiliated parties whether such affiliation is direct or indirect pursuant to the law and regulations in force from time to time, shall not submit or take part in the submission of more than one list whether directly or through any third party or trust company. Nor may they vote for different lists.

With specific reference to the preparation of lists and the composition of the Board of Statutory Auditors, you are kindly reminded of the following.



Each candidate shall be put forward in one list only, otherwise said candidate's candidacy shall be deemed ineligible.

The lists shall have two sections: one for the office of Standing Auditors and the other for the office of Alternate Auditors. The first candidate in each section shall be a certified auditor who has worked for a minimum of 3 (three) years as an auditor. Any other candidates failing to meet such requirement for the immediately preceding period, shall meet the other professional requisites under legislation and regulations in force from time to time. In the event of non-fulfilment of the obligations laid down in this paragraph, the list shall be deemed unsubmitted.

Each list of candidates for the offices of Standing Auditor and Alternate Auditor shall contain a number of candidates belonging to the under-represented gender so as to ensures gender balance between the candidates on the list in accordance with the minimum quota required under law and regulations in force from time to time. In the event of non-fulfilment of the obligations laid down in this paragraph, the list shall be deemed unsubmitted.

Candidates for the office of Auditor shall meet the professionalism and integrity requirements laid down by Decree of the Ministry of Justice No. 162 of 30 March 2000. For the purposes of the provisions of article 1 paragraph 2 letters b) and c) of said Decree, matters relating to commercial law, company law, tax law, business economics, corporate finance, any similar or comparable areas of practice, as well as matters and sectors strictly related to the Company's sector of activity, are deemed strictly within the remit of the Company's business.

Candidates shall also meet the independence requisites provided for under current legislation. The provisions of law and regulations in force shall govern any circumstances of ineligibility and incompatibility as well as the limits on the cumulative number of management and control positions as may be held by the members of the Board of Statutory Auditors.

Shareholders are kindly invited to also take into account the independence requisites referred to in Recommendation 7 - which govern directors and are also applicable to the Statutory Auditors in accordance with the provisions of Recommendation 9 - of the Corporate Governance Code of listed companies approved in January 2020 ("**Corporate Governance Code**") to which the Company adheres. Without prejudice to the independence criteria envisaged for the Statutory Auditor by the law, it should be noted that, with reference to the above-mentioned requisites set forth by the Corporate Governance Code, the Company's Board of Directors believes that a Statutory Auditor is deemed as independent in the following circumstances (save for in the case of specific circumstances to be assessed case-by-case):

- the total value of any commercial, financial or professional relationships maintained during the current year or in the three previous years with the Company and/or the companies it controls or with its executive directors or top management; or with any person who controls the company or with the executive directors or top management thereof, does not exceed the lower between:



- o 5% of annual turnover of the business or entity over which the Statutory Auditor has control or is a key representative of or of the professional firm or consultancy company in which he/she is a partner;
  - o (i) Euro 300,000 (understood as an annual fee for the professional services rendered to the Company by the company or entity over which the Statutory Auditor has control or is a key representative of or by the professional firm or consultancy company in which he/she is a partner) or (ii) Euro 150,000 (understood as an annual fee for the professional services rendered to the Company by the Director in an individual capacity).
- additional remuneration paid directly to the Statutory Auditor during the current business year or in the three previous years: (i) by the Company or (ii) by one of its controlled or controlling companies, does not exceed the overall remuneration deriving from the office.

Shareholders shall submit their lists of candidates no later than 27 May 2022 in the following manner:

- by personal delivery (working days Monday to Friday from 8:30 to 18:30) to the registered office of the Company in Via Piero Maroncelli 10, 47121 Forlì;
- by electronic notification to the certified email address: [amministrazione@pec.unieuro.com](mailto:amministrazione@pec.unieuro.com) (subject: "Unieuro 2022 Shareholders' Meeting: filing of Board of Statutory Auditors lists").

In any case, all lists must be submitted together with the supporting documents that identify the presenting party and more specifically:

- a) information about the shareholder/s who submitted the list and the percentage of equity share capital held;
- b) a declaration from shareholder/s, other than those who hold a controlling or relative majority interest - including collectively - certifying there are no relationships of affiliation whether direct or indirect between such shareholders under applicable legislation and regulations (in this regard you are reminded of the recommendations in Consob Communication No. DEM/9017893 of 26 February 2009);
- c) the *curriculum vitae* of each candidate and a declaration from each such candidate attesting under his/her own responsibility, that there are no grounds for ineligibility or incompatibility and that he/she meets the requirements for the particular office;
- d) a list of the management and control positions held in other companies.
- e) A declaration that the candidate meets the apposite requisites including those of integrity, professionalism, independence and those relative to the cumulation of offices under applicable legislation and regulations, the Articles of Association and that he/she shall accept the office and the candidacy entails, if elected.



f) any other declaration, information and/or document as may be required by applicable legislation and regulations in force from time to time.

Moreover, bearing in mind (i) that pursuant to article 2400 last paragraph Civil Code, each Auditor, upon appointment and prior to acceptance of the office, shall disclose at the Shareholders' Meeting the administration, control and management offices held in other companies and (ii) the provisions related to the cumulation of offices pursuant to article 148-*bis* TUF, each candidate shall include all the relevant information in the *curriculum vitae* submitted together with the list.

Please take note that ownership of the minimum shareholding required to submit lists shall be determined based on the shares registered to the Shareholder on the day the lists are submitted to the Company. However, the related certification evidencing share ownership may be produced thereafter, at least twenty-one days prior to the Shareholders' Meeting date (by 31 May 2022).

Please further note that if, upon expiry of the above-mentioned deadline for filing lists (27 May 2022), only one list has been submitted or if only lists have been submitted by shareholders who are connected with one other pursuant to article 144-*quinquies* of the Issuers' Regulation, then lists may be submitted until the third day following that date (until 30 May 2022). In this case, the threshold set out for the submission of the lists, equal to 2.5% of the share capital, is reduced by half.

The lists submitted in compliance with the above-mentioned provisions shall be made available to the public at the registered office of the Company, on the Company's corporate website and in any other manner provided for by current law and regulations, at least twenty-one days prior to the Shareholders' Meeting date (by 31 May 2022).

The Board of Statutory Auditors and the alternate Auditors are elected – pursuant to article 22 of the Articles of Association – in accordance with the following provisions.

- a) the statutory auditors will be the first two candidates on the list with the highest number of votes (“majority list”) and the first candidate on the list obtaining the second highest number of votes (“minority list”) submitted by shareholders who are not related to, even indirectly, to the shareholders who submitted or voted for the majority list – who will also be appointed Chairman of the Board of Statutory Auditors;
- b) the alternate Auditors will be the first alternate candidate on the majority list and the first alternate candidate on the minority list.

If a gender balance is not achieved as required by applicable legislation or regulations, the necessary replacements will be made among candidates for the office of standing auditor in the progressive order in which the candidates are listed.

If fewer candidates are elected based on the lists submitted than there are auditors to be elected, the remainder will be elected by the shareholders' meeting, resolving with a relative majority, and ensuring that the gender balance required under applicable legislation and regulations is achieved.



In the event of a tie between the lists, a run-off vote will be held for anyone entitled to vote at the Shareholders' meeting. The candidates who obtain a simple majority of the votes are elected.

If only one list is submitted, the entire Board of Statutory Auditors is elected from that list in accordance with applicable legislation and regulations. If no list is submitted, the Shareholders' Meeting will act in accordance with the statutory majority.

In submitting the lists, the Shareholders shall take into account the "GUIDELINES FROM THE BOARD OF STATUTORY AUDITORS OF UNIEURO S.p.A. TO THE SHAREHOLDERS ON THE SIZE AND COMPOSITION OF THE NEW BOARD OF STATUTORY AUDITORS" resolved upon by the Board of Statutory Auditors on 12 January 2022 and published on the Company's corporate website (section "Corporate Governance / Shareholders' Meetings / Shareholders' Meeting 2022"); said document set forth the outcomes of the preliminary analysis carried out by the Company's Board of Statutory Auditors on the composition of the control body deemed optimal to duly carry out the tasks entrusted.

The Shareholders are also invited to propose candidates that, if appointed – without prejudice to the requirement to comply with limits on the cumulation of offices set forth under current legislation – shall be able to dedicate the time necessary to effectively carry out the office, also taking into account the nature and quality of the commitment required by his/her work and professional activities and the number of offices held in other companies.

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## 5.2 Appointment of the Chairman of the Board of Statutory Auditors

Pursuant to art. 22.6, first sentence to the Articles of Association, the Chairman of the Board of Statutory Auditors is the standing auditor elected from the minority list.

Without prejudice to the above, if only one list is voted on or if no list is submitted, then the Chairman of the Board of Statutory Auditors shall be appointed at the Shareholders' Meeting, which shall resolve on said appointment upon relative majority vote.

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In the consideration of the foregoing, Shareholders are invited to elect, on the basis of the applicable legal and regulatory provisions and the Articles of Association, the members of the Board of Statutory Auditors and the Chairman of said Board for the three-years period FY 2022/2023- FY 2023/2024- FY2024/2025 and thus until the date of the Shareholders' Meeting convened to approve the financial statements for their third year in office, on the basis of the lists submitted by the authorized representatives in the manner described above.

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## 5.3 Determination of remuneration of the standing members of the Board of Statutory Auditors



Pursuant to articles 2402 Civil Code and 21.4 of the Articles of Association, members of the Board of Statutory Auditors are entitled to – in addition to the reimbursement of expenses incurred in performing their office – a remuneration determined by the Shareholders' Meeting at the time of their appointment and covering their entire term of office.

Standing Auditors shall be entitled to reimbursement of expenses for: board, lodging and travel incurred in performing their office. No variable components of remuneration, bonus, attendance fee or other incentives - whether monetary or otherwise - are provided, with the sole exception of the D&O insurance policy.

By virtue of the Shareholders' Meetings of 18 June 2019 and 15 June 2021, the overall gross remuneration of the Board of Statutory Auditors is equal to Euro 105,000.00, divided as follows: (i) Euro 45,000.00 for the Chairman of the Board of Statutory Auditors, and (ii) Euro 30,000.00 plus social security contributions thereon for each standing Auditor, plus social security contributions. All the above amounts are net of VAT as required by law, where applicable. In this regard, you are kindly reminded of the recommendations of the Corporate Governance Code on the adequacy of remuneration of members of the control body and in particular Recommendation 25 which states that: *"in order to have people with adequate competence and professionalism, the remuneration of executive and non-executive directors and of the members of the control body is defined with due consideration of the remuneration practices that are common with regards to the company's reference sectors and size. It also considers comparable international practices, with the possible support of an independent consultant"* as well as Recommendation 30 which specifies that: *"the remuneration of the members of the control body is adequate to the competence, professionalism and commitment required by their role and the company's size, industry and current situation"*.

The Shareholders' Meeting is invited to determine the remuneration of the standing members of the Board of Statutory Auditors covering their entire term of office.

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Forlì, 11 May 2022

ON BEHALF OF THE BOARD OF DIRECTORS  
THE CHAIRMAN OF THE BOARD OF DIRECTORS  
STEFANO MELONI