



# A passion called sustainability

Consolidated Non-Financial Statement  
as at 28 February 2023

*pursuant to Italian Legislative Decree 254/2016*





# A PASSION CALLED SUSTAINABILITY

**For us, passion is about being in tune with change so that we don't lose out on a single moment of our future. Because we make sure to listen, stay curious, and hone our ability to anticipate market demands.**

Despite the challenging geopolitical and macroeconomic scenario and the slowdown in the consumer electronics market, we have persisted in our efforts to invest in environmental, social, and governance initiatives. Our objective bears witness to the growing integration of ESG topics into business operations, highlighting their pivotal role as facilitating and cross-cutting factors in the creation of value for all of our stakeholders.

**For us**, passion is about putting our all into everything we do and striving to surpass expectations.

# A GROWING COMMITMENT

**Our Sustainability Plan is based on four strategic pillars: Community, Culture, Sustainable Innovation, and Talents.**

We have committed to 31 projects within the 2022-2026 four-year period, and we do not plan to stop there. Our growth trajectory compels us to continuously come up with new initiatives and novel ideas. Throughout the year, we took steps to identify additional measures that would enhance and bring more value to our plan, bolstering our unwavering dedication to sustainability.

**For us, passion** is about wanting to do more than the bare minimum.



ENVIRONMENT



SOCIAL



GOVERNANCE

# ENVIRONMENT



**LEGENDA**

 Sustainable Innovation    Community    Culture    Talents

 Action area included in plan



**ENERGY EFFICIENCY SYSTEMS AT POINTS OF SALE**

Installed energy efficiency systems in 50 stores reaching a total of 90 stores since the project's inception.



**GREEN ENERGY PURCHASES**

Achieved 100% renewable energy purchases with supplier certification.



**MEASUREMENT OF CARBON FOOTPRINT AND DEFINITION OF FURTHER DECARBONISATION ACTIONS**

Selected the partner that will support Unieuro in measuring the Group's carbon footprint (Scope 1, 2 and 3 in accordance with the GHG protocol) and defining further decarbonisation actions. This project will be introduced during the 2023/24 fiscal year.



**RECOVERY OF PALLETS FOR REUSE**

Accelerated the development of the project to monitor and recover wooden and plastic pallets for the purpose of their subsequent reuse. Pallets recovered and reused as a percentage of the total purchased reached more than 80%, up sharply from 35% in the previous fiscal year.



**SUSTAINABLE PACKAGING FOR HOME DELIVERIES**

Replaced plastic packaging in home deliveries with 100% recycled material, thereby increasing the use of cardboard and reducing the creation of non-recyclable waste.



**LITHIUM-ION BATTERIES AT PIACENZA WAREHOUSE**

Replaced the lead-acid batteries used to power forklifts at the logistics hub in Piacenza with lithium-ion ones. Benefits include reduced recharging times, higher energy efficiency, and elimination of CO<sub>2</sub> fumes.



**TRADE-IN CAMPAIGNS**

Organised 12 trade-in campaigns on some product categories in order to promote their refurbishment and/or proper disposal.



**REDUCTION OF PLASTIC IN PRIVATE LABEL**

Began a number of initiatives to replace or reduce plastic in the packaging of private label products.



**RECOGNITION OF DIGITAL AS THE PRIMARY METHOD FOR DELIVERING PROMOTIONAL FLYERS**

Confirmed the reversal of the paper/digital paradigm by further optimising paper consumption, resulting in a reduction in transport costs and emissions. New activities are underway to further optimise the use of digital flyers, including during the tool creation phase. Paper consumption has decreased by 37% YoY and by approximately 95% compared to the pre-COVID period.



# SOCIAL





**LEGENDA**

 Sustainable Innovation    Community    Culture    Talents

 Action area included in plan



**IMPROVEMENT OF CUSTOMER SATISFACTION INDEX (NPS)**

Further increase in Net Promoter Score (NPS) (which measures the level of customer satisfaction) achieved, from 48.5 in the previous year to 51.9, an increase of 3.4 points. Beginning with the current fiscal year, customers are also asked to comment on Unieuro's sustainability.



**INTRODUCTION OF ELECTRONIC TAGS AT THE POINT OF SALE**

Continued installation of electronic tags at points of sale. Since the project began, more than 120 stores have adopted electronic tags.



**SUSTAINABLE SUPPLY CHAIN**

Work began to select environmental, social and governance criteria to go alongside economic and financial criteria in the supplier evaluation process.



**CONSTRUCTION AND CONSOLIDATION OF INTERNAL COMMUNICATION**

The Internal Communication department has been set up and several communication tools (newsletters, SharePoint space, webinars, and e-letters) have been developed to improve the visibility of all company initiatives and enhance their value, ensuring standardised and consistent communication with all internal stakeholders.



**DEVELOPMENT OF THE NEW COMPANY PORTAL (DIGITAL WORKPLACE)**

Supplier selected for development of new internal company portal designed to strengthen the bond between the company and its employees.



**LAUNCH OF AN INTERNAL BRAND VALUES COMMUNICATION CAMPAIGN**

"Noi ci siamo" ("We are here") internal communication campaign launched, designed to spread and share with all employees the values and foundations of the Unieuro brand: passion, experience, courage, commitment, empathy and openness.



**QUESTIONNAIRE UPDATE AND SECOND MEASUREMENT OF EMPLOYEE NPS**

Second measurement of the level of employee satisfaction carried out through the calculation of eNPS, which was down on the previous year. Updates made to the questionnaire and its survey areas to render it increasingly consistent and aligned with Unieuro's situation and ongoing projects.



**NEW LEADERSHIP MANAGEMENT MODEL AND STRENGTHENING OF TALENT MANAGEMENT**

The Leadership Management model is being defined, along with initiatives to strengthen the talent management strategy. Both of these projects will be finalised in 2023-24.





#### **WORKLIFE BALANCE & WELLBEING**

Individual smart working agreement (“Futura” project) for headquarters employees renewed for the entire 2022/23 fiscal year and then made definitive from the 2023/24 fiscal year. “Benefit Hub”, the platform which enables access to a series of discounts and commercial offers dedicated to Unieuro staff, extended to all employees.



#### **POLICY TO PROTECT VICTIMS OF GENDER-BASED VIOLENCE**

Policy defined on the protection of victims of gender-based violence, which will take effect in FY 2023/24.



#### **INCREASED REPRESENTATION OF WOMEN IN MANAGERIAL AND MIDDLE-MANAGER ROLES**

The presence of women in managerial and middle-manager positions has increased, reaching 27.4% of the total of executives and managers, compared to 23.6% a year ago.



#### **RESUMED CLASSROOM INSTRUCTION FOR THE CORPORATE ACADEMY: NEW SUSTAINABILITY COURSE**

13<sup>th</sup> edition of the corporate Academy concluded. This is an important training moment for future Unieuro store managers and saw the return of participants to the classroom after two years of online classes, due to the restrictions of the pandemic. Sustainability has become one of the subjects of the course.



#### **SPECIFIC TRAINING COURSES ON CYBER SECURITY AND PERSONAL DATA PROTECTION LAUNCHED**

Strengthened staff training in cyber security and data protection, in the latter case, with a focus on loyalty card customers.



#### **SUSTAINABILITY TRAINING COURSE**

Partners selected to support Unieuro in preparing the sustainability training course for the entire company population. This course lasts three years and will start from fiscal year 2023/24.



#### **INTRODUCTION OF THE 2022-2026 SUSTAINABILITY PLAN TO THE ENTIRE COMPANY WORKFORCE AND UPDATE ON INDIVIDUAL INITIATIVES.**

A webinar was organised for all employees to showcase the purposes and projects of the Sustainability Plan by top management and managers responsible for individual projects. Details and updates provided on several plan actions through the “Unieuro News” newsletter and webinars on the “UniVersus project”.





### LAUNCHED THE “MENTI CONNESSE” PROJECT

Launched the “Menti connesse” (“Connected Minds”) project for the sales network, which seeks to identify and pool sales behaviours, experiences, and best practices to build a unique and stand-out purchasing experience for customers. Employees have participated in a total of 7,000 hours of information exchange at 273 participating stores.



### FURTHER DEVELOPMENT OF THE #CUORICONNESSI PROJECT: LAUNCH OF THE OBSERVATORY AND DECALOGUE

Over 1.9m contacts reached through the various contact initiatives put in place during the year. Research project called “Schermi futuri”(“Future screens”) launched (whose scientific director is Professor Paolo Crepet) to analyse young people’s “feeling” towards new models of sociality (social media, chat, online gaming, etc.). The project concluded in February 2023 and involves the production of a white paper. Thanks to the schools’ work on the #cuoriconnessi summer booklet “Madi’s Story”, a “handbook” to combat cyberbullying was created with the help of teachers. The handbook, which is already available for free download from cuoriconnessi.it, will be officially presented during 2023 with an ad hoc event held in collaboration with State Police.



### COLLABORATION WITH PRIME CENTER LAUNCHED

First meetings organised as part of the training project on healthy lifestyles as fundamental factors of children’s psychological and physical well-being and cancer prevention, carried out in collaboration with the Cesena Prime Center of the Romagna Oncology Institute. More than 500 high school students and their teachers involved in Romagna.



### SPONSORSHIP OF FORLÌ BASKETBALL TEAM

Continued to support sports teams local to Unieuro and promote sports values. During the 2022-23 season, the Company was the main sponsor of the men’s basketball team in Forlì (first team and youth teams) and the Unieuro Arena city stadium.



### OTHER LOCAL COMMUNITY BENEFIT INITIATIVES

Supported a major new initiative to promote the city of Forlì by acting as a “gold sponsor” for an exhibition on Mary Magdalene and her key role in art, literature, and cinema. The exhibition was organised by the Cassa di Risparmio Foundation at the San Domenico Museums in Forlì.



# GOVERNANCE



**LEGENDA**

 Sustainable Innovation    Community    Culture    Talents

 Action area included in plan



**INCLUSION OF ESG OBJECTIVES IN VARIABLE INCENTIVE PLANS**

ESG objectives continued to be included in the short- and medium- to long-term incentive plans for management and key personnel, with a weighting of 10% in the annual incentive system (MBO) and 25% in the medium- to long-term incentive system (LTIP).



**IMPROVED MONITORING BY SUSTAINABILITY COMMITTEES**

Increased the number of members of the Sustainability Committee (from three to four members) and the number of members of the Internal Sustainability Committee (from six to eight members).



**DIVERSITY LEVELS OF THE NEW BOARD OF DIRECTORS**

The new Board of Directors consists of 11 members, 64% of whom are independent and 45% female.



# THE FUTURE BEGINS WITH PEOPLE

**We are on a continuous journey to improve and plan to launch several projects in the next financial year.**

At the same time, raising awareness and promoting a culture of sustainability within and outside our organisation is the real challenge we intend to overcome.

**For us, passion** is about committing ourselves wholeheartedly to a more sustainable world.



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## Letter to the Stakeholders



Dear stakeholders,

2022/2023 was marked by geopolitical and macroeconomic phenomena of enormous magnitude, including the war in Eastern Europe and inflation that climbed to nearly double-digit levels in the space of a few months, a phenomenon without precedent in almost forty years. The consumer electronics sector, which during the pandemic period had benefitted from extraordinarily positive (albeit non-recurring) purchasing trends, suffered the backlash.

Nevertheless, Unieuro continued its sustainability journey. The orientation toward “sustainable success” and the growing relevance of ESG issues as enabling and cross-cutting factors in the value creation process, is evidenced by the inclusion of four ESG pillars (Community, Culture, Sustainable Innovation, and Talent) in our Strategic Plan, as we seek to make “responsible innovation” the backbone of future corporate development.

As further evidence of the Group’s commitment to sustainable development and further integrating ESG factors into business activities, in 2022 Unieuro approved a four-year Sustainability Plan (2022-2026) which sets out the roadmap for the coming years in terms of projects, goals and targets. The Plan includes over thirty projects and is designed in order to:

- respond to growing sustainability expectations from key stakeholders;
- integrate sustainability into business decisions and develop sustainability awareness and culture within the organisation;
- strengthen governance and control of ESG risks through clear accountability and a holistic approach, enabling the Company to effectively oversee sustainability commitments and meet current and future challenges in a rapidly changing external environment;
- adapt rapidly to the changes within sustainability reporting and increasing disclosure requirements, in a regulatory framework that is becoming more structured and complex;
- identify any business opportunities related to major sustainability trends.

In addition to an unquestioned commitment to environmental issues, special focus is given to the development of an internal culture of sustainability, with specific training and employee engagement projects, including to facilitate the execution of planned actions.

Major initiatives enacted during the year include:

- in the environmental sphere, the sharp rise in energy prices prompted the Group to pursue actions to reduce consumption with even greater determination. Energy efficiency upgrades involved an additional 50 stores, bringing the total number of stores affected since the project launch to 90. With a view to reducing carbon dioxide emissions, purchases of energy from

renewable sources simultaneously rose to 100%, and a partner has been identified who will support the Company in the project to measure its carbon footprint, in preparation for the definition of further future decarbonisation actions. The launch of this measurement project enabled refinement of the methodology to calculate Scope 1 and 2 emissions, consistent with the dictates of the GHG protocol. Significant progress was made in reducing paper consumption through the progressive digitisation of flyers. Initiatives designed to promote circularity practices include the results achieved in the recovery of pallets, allowing them to be reused, and trade-in campaigns for certain product categories. One of the objectives of these campaigns was to facilitate subsequent reuse practices, reconditioning and/or proper disposal.

- In terms of social projects, great emphasis was placed on improving the customer experience, increasingly leveraging the omnichannel strategy, developments in end-to-end online process management, and strengthening customer care services. Progress on service quality was repaid by an increase in the Net Promoter Score. Point-of-sale digitalisation benefitted from the introduction of electronic tags in an increasing number of stores. IT security and customer data protection were strengthened through investments in technology and staff training to provide more effective oversight and risk prevention. Several initiatives were introduced for employees, beginning with the second climate survey, a key element in monitoring the general level of satisfaction and engagement of the corporate population over time. Also on the subject of engagement, and to encourage more effective dissemination of information, internal communication was completely rethought. This involved the creation of a dedicated area on the company intranet, periodic newsletters and the organisation of webinars, including the one related to the campaign (“Noi ci siamo”), which sought to strengthen awareness of Unieuro’s heritage of values and principles. Training activities finally saw the resumption of in-person corporate Academy courses, which brought notable advantages in terms of interaction and discussion. Finally, as part of the work designed to promote a better work-life balance, of particular note is the renewal - first for an additional year but then made permanent - of the innovative smart working project (project “Futura”) for staff in central functions. This is a tangible sign of the integration of this working method into the Group’s organisational reality. On the diversity front, the presence of women in managerial and intermediate positions increased, while at the Group level, women continued to make up just under 50 per cent of the workforce. Dialogue with other categories of stakeholders also continued: recurring interactions with shareholders and other representatives of the financial community were joined this year by a listening initiative specifically targeting the main product suppliers. One-to-one meetings were organised both physically and remotely, facilitating not only a discussion of respective ESG strategies but also identifying any aspects of common interest in the area of sustainability and enabling suppliers’ direct involvement in Unieuro’s 2022/23 materiality analysis. Unieuro’s social commitment was further strengthened, especially for young people. In addition to the increasingly popular #cuoriconnessi project, the Company worked alongside the Prime Center of the Romagna Oncology Institute to develop educational initiatives to raise awareness among the younger generation about the importance of prevention, adopting a healthy diet and following correct lifestyles.

*"In a year that proved particularly challenging for our industry, Unieuro's commitment to sustainability did not slow down, but rather was consolidated with the 2022-26 Sustainability Plan, which will guide the Group's actions now and in the years to come. In fact, we have outlined a path that sees us committed to promoting a culture of sustainability within and outside our organisation. Attention to the expectations and needs of our stakeholders will increasingly guide our actions, in the firm belief that the path of creating sustainable and shared value is the only viable way to ensure a better future for all of us and even more so for new generations".*

Stefano Meloni  
Chairman of the Board of Directors

As regards economic and governance aspects, the company distributed 97% of its economic value generated to its stakeholders, continued to include ESG objectives in management's short- and medium- to long-term variable compensation plan, and increased the number of members of the internal Sustainability Management Committee to involve more areas of the company in internal dialogue and discussion on sustainability issues. The corporate bodies' increased focus on sustainability governance oversight is reflected, following the renewal of the Board of Directors, in the increased number of Directors on the internal Board Committee on Sustainability. The update to the materiality matrix - which, in accordance with the provisions of the new GRI "Universal Standards" 2021, was based on the concept of "impact materiality" - was carried out with the involvement of qualifying internal and external stakeholders through a highly customised approach.

We submit for your attention the 2022/23 Non-Financial Statement, which highlights how our approach to sustainability has become increasingly strategic, cross-cutting and shared and seeks to concretely pursue the creation of shared value in full compliance with regulatory developments.

We hope you enjoy the report.

May 9, 2023

Daniele Pelli  
Chair of the Sustainability Committee



# 1. INTRODUCTION<sup>1</sup>

## 1.1. Who we are

Founded in the late 1930's, Unieuro<sup>2</sup> is currently the largest distributor of consumer electronics and domestic appliances in Italy, with a comprehensive omnichannel approach that includes both direct and affiliate stores, the digital platform unieuro.it, and the digital pure player Monclick.

The Company is headquartered in Forlì, has a central logistics platform in Piacenza and a support hub in Carini (PA); it is active throughout Italy through a widespread distribution network.

In the fiscal year ending February 28, 2023, Unieuro reported revenues of about Euro 2.9 billion and employed around 5,700 people. The Company has been listed on the Euronext STAR Milan segment since 2017.

Thanks to its omnichannel strategy, Unieuro is able to offer customers a “seamless” shopping experience as part of an integrated ecosystem of product and service offerings across all company channels.



With the slogan “*Batte. Forte. Sempre.*”, Unieuro is one of Italy’s most well-known and long-standing retailers. The Group operates a total of 533 direct and indirect points of sale, all of which bear the Unieuro brand.

The Unieuro brand is the synthesis of the company’s value heritage, the centre of gravity of a consistent and distinctive communication ecosystem across all channels, online and offline. The Group also operates under the Monclick brand, which oversees the e-commerce segment and competes with digital-only retailers known as “digital pure players”.

<sup>1</sup> For the table on page 30-37 we note that the impacts (positive and negative) pertaining to this chapter refer mainly to the material topic “stakeholder dialogue.”

<sup>2</sup> As stated in “Methodological Note,” the terms “Unieuro” or “Group” refer to the set of companies consisting of the parent company Unieuro S.p.A. and the wholly owned subsidiary Monclick S.r.l., while the terms “Unieuro S.p.A.” or “Company” refers exclusively to the parent company.

## A passion called sustainability

In order to disseminate and share the values and fundamentals of the Unieuro brand with the entire corporate population, a specific internal communication and employee engagement campaign entitled “*Noi ci siamo*” (“We’re here”) was launched in the year.



**PURPOSE**  
To bring innovation to the people-technology relationship by filling it with human meaning. Our first responsibility is to foster a consistently positive experience with technology in daily life.



**VISION**  
To be considered the natural physical and digital destination for any need relating to the world of technology, promoting responsible innovation at all times.



**MISSION**  
To pursue consolidation and growth of our market and image leadership, creating value for all stakeholders. Thanks to our expertise, passion and commitment, we know how to ensure a distinctive and personalised consumer experience for everyone because we always put every customer at the centre of an omnichannel ecosystem capable of providing proximity and service.



**BELIEF**  
Unieuro believes in “Responsible Innovation”: an idea of innovation that, including through the evolution of its omnichannel offering, means applying responsible behaviours at all levels of sustainability, People-Planet-Profit and along the whole value chain.



**PASSION**  
Passion is the engine that beats loudly in everything we do and allows us to find answers that are always relevant to the public.




**EXPERIENCE**  
Experience comes from our history, which continues to evolve in line with the changing world.



**COURAGE**  
The courage to continuously seek innovation, anticipating the changes that will directly impact our lives.



**COMMITMENT**  
Commitment to our community to play a sustainable social and environmental role.



**EMPATHY**  
The ability to approach our customers and get to know them, listen to their stories, their experiences, and use this to better understand how to respond to their needs.



**OPENNESS**  
The open-mindedness that makes us unprejudiced and available, authentic and transparent to others.

## “NOI CI SIAMO” - UNIEURO'S FIRST INTERNAL COMMUNICATION CAMPAIGN SETS OUT THE COMPANY'S VALUES.



October 2022 saw the launch of the “Noi ci siamo” campaign, the internal initiative targeting all Group employees that set out to tell the story of the founding elements of Unieuro's identity, its vision, mission and values, to consolidate a sense of belonging and community.

*“At such a complex moment of great change, it is even more important to share and reaffirm those values that unite us, that set out who we are, and that help us face everyday challenges. Through this internal communication initiative, we want to valorise the stories of our people, their experiences and emotions. I like to consider “Noi ci siamo” as a starting point, which can become a catalyst for a shared and collective reflection on our mission, vision and values and why they are so important to the present and future of our company. We strongly believe in sharing, and we believe that values acquire even more meaning when they are interpreted by the people of Unieuro: that is why we are all the protagonists of this initiative.”*

**Marco Titi**, Unieuro Marketing Director

Through its five different integrated and convergent distribution sectors, Unieuro sells a wide range of consumer electronics, domestic appliances, and ancillary services. More specifically, the Company's product categories comprise:

- **GREY**, namely telephony, tablets, information technology, phone accessories, cameras, and wearable technology products;
- **WHITE**, comprising major domestic appliances (MDA), such as washing machines, dryers, refrigerators or freezers and stoves, small home appliances (SDA), such as vacuum cleaners, food processors and coffee machines, in addition to the air conditioning segment;
- **BROWN**, including televisions and related accessories, audio devices, smart TV devices, car accessories, and data storage systems;
- **OTHER PRODUCTS**, which includes both sales in the entertainment sector and other products not included in the consumer electronics market such as hoverboards, scooters or muscle or pedal-assist bicycles;
- **SERVICES**, including home delivery, installation, used car pickup, extended warranty, consumer credit services through financial intermediaries, remote support services for computer product configuration, and after-sales services.

In addition to selling third-party products, Unieuro S.p.A. also sells exclusive brand products. These comprise domestic appliances, including large and small appliances, air conditioners, and products manufactured by third-party companies sold under the brand name “Electroline”, along with products under the “Joiahome” brand name (homeware, gift items, and travel goods). This year, these were joined by products under the “Teklio” brand, including IT products, TLC accessories, and mobility-leisure products.

The subsidiary company Monclick S.r.l. sells various items, including IT products, electronics, smartphones, and domestic appliances through its website [www.monclick.it](http://www.monclick.it), providing customers with a seamless purchasing experience that includes home delivery and installation of the

purchased product. Unieuro also operates in the Business to Business to Consumer (B2B2C) segment, which caters to operators who need to purchase and distribute electronic products to regular customers or employees as part of points schemes, competitions, and incentive plans.

## **Ownership and corporate structure**

Unieuro shares have been listed on the Euronext STAR Milan segment since April 2017.

The Company features an extensive and fragmented shareholder base, and thus is structured like a public company.

Through the IPO and three subsequent market placements, private equity operator Rhône Capital has reduced its stake - initially 70.5% of the capital - to zero since January 2020.

In January 2021, the free float was further expanded following the divestment, through an accelerated bookbuilding procedure, by shareholder Dixons Carphone plc (now Currys plc), which sold on the market the 7.17% stake it held through Alfa S.r.l.

In April 2021, telecommunications operator Iliad SA announced the purchase of an approximately 12.2% stake in Unieuro, becoming the largest shareholder. Based on available information, Unieuro's second largest shareholder is asset management company Amundi Asset Management with an 8.3% stake.

The following is a breakdown of the Company's share capital, consisting of 20,698,621 shares.

### **Share capital of Unieuro S.p.A.<sup>3</sup>**

	%
Xavier Niel, through Iliad SA	12.2
Amundi Asset Management	8.3
Treasury shares	2.9
Other Shareholders	76.6

<sup>3</sup> The table displays the percentage of Unieuro ordinary shares held either directly or indirectly by shareholders or individuals at the top of the equity chain who have declared that they exceed the relevant shareholding threshold per Article 120 of the Consolidated Finance Act and Consob Issuers' Regulation. The percentage shown in the table is accurate at the time of writing this Statement but may be subject to updates based on the information available to the Company.



## 1.2. Involvement of Shareholders and other Stakeholders

For the Group, engaging with stakeholders has always represented a crucial listening and communication opportunity that creates stable and long-lasting relationships based on integrity, transparency, and a respect for regulations. It is also an indispensable method for measuring expectations and satisfaction levels, thus allowing the Group to strengthen its ability to create shared value.

The Group first performed its stakeholder identification process in 2017, prior to the preparation of its first Non-Financial Statement. Before preparing that Statement, the Group mapped the key stakeholders identified in its Code of Ethics. This involved selecting categories of stakeholders whose interests were deemed significant based on their direct or indirect relationship with the Group, stakeholders whose interests could be directly or indirectly impacted or influenced by the Company’s activities, and those who were most affected by the Group’s business. In 2021, as part of the preparatory activities for the preparation of the Sustainability Plan, the pool of stakeholders was further expanded following the benchmarking analysis.

Unieuro has adopted a *Policy for the management of dialogue with shareholders and other interested parties*, in line with the recommendations of the Corporate Governance Code of Borsa Italiana S.p.A., with which the Company complies. This policy seeks to regulate dialogue between the Company and representatives of the Interested Parties. It defines the rules of such dialogue, identifying the persons involved, topics to be discussed, timing, and channels of interaction. For the management of other forms of stakeholder dialogue not covered by the policy, the other initiatives and activities previously adopted by Unieuro remain valid and applicable. These include the relations between the financial community and the Investor Relations Department.



## A passion called sustainability

In managing dialogue with Stakeholders, the Unieuro Group operates in accordance with the following general principles:

- transparency, fairness, punctuality, timeliness, equity and symmetry in the dissemination of information;
- distribution to all Stakeholders of the information they require through the most appropriate means of communication to enable the full exercise of their rights;
- regular publication of relevant information that is continuous, periodic or extraordinary;
- commitment and integrity in the distribution, communication, and management of regulated and unregulated corporate information;
- compliance with the provisions on market abuse, as per the legal provisions in force from time to time, the policies, guidelines and procedures and, in general, the corporate governance rules defined by the Company and the laws applicable to the Company and the Group from time to time.

The discussion topics covered by the policy concern company strategies, the Group's economic and financial outlook, corporate governance, sustainability topics, shareholder remuneration policies (including the dividend policy), the Internal Control and Risk Management System, and significant corporate transactions.

## IR &amp; CORPORATE COMMUNICATION



Since launching on the stock market in 2017, Unieuro has had a Department in charge of dialogue and interface with the financial market, whose primary objective is to ensure effective and fair access to information regarding the Group and its operations through:

- **promotion of quality coverage of Unieuro** stock by brokers, currently followed by two pan-European brokers (Kepler Cheuvreux and BNP Paribas Exane) and two Italian brokers (Mediobanca and Banca Akros);
- **organisation of periodic conference calls** for financial analysts and investors to enable public and direct discussion with executives on the evolution of management and the company's economic, financial and equity situation;
- **participation in virtual and physical investor conferences and roadshows** organised by third parties, with particular reference to the STAR Conference organised by Borsa Italiana;
- **engagement of key institutional shareholders at the Shareholders' Meeting** to ensure clarity and build consensus on Agenda items;
- **constant updating of the institutional website [www.unieurospa.com](http://www.unieurospa.com)**. This is dedicated to all stakeholders - particularly financial stakeholders - interested in learning more about Unieuro's corporate identity, its strategies, results and, more generally, the investment case. The site also serves as a repository for corporate records for shareholders and investors;
- **promotion of Unieuro's visibility in the main financial**, traditional and digital media, during the dissemination of periodic results and corporate transactions;
- **use of the professional social network LinkedIn**, which is used to share corporate content for the benefit of small shareholders and employees in particular.

The beginning of the year was marked, on the one hand, by the dissipation of the pandemic and by the outbreak of the Russian-Ukrainian war on the other. In relation to the latter, topics of discussion with investors and financial analysts included the resulting macroeconomic and geopolitical fallout and the effects of rising inflation on consumer purchasing power and the consumer electronics sector. The impact of inflation and the rising cost of energy on Group operating costs were also among the topics for further consideration. In the early months of the year, discussions also concerned shareholder remuneration and the appointment of corporate bodies. In the second part of the reporting period, there was increased interest in the economic and financial guidance announced to the market for the current fiscal year. Discussion with market participants also involved the business performance by channel and by product category, with particular reference to the normalisation of sales in some segments, which had seen extraordinary trends in relation to the pandemic and the switch-off of television frequencies.

Further inquiries related to the execution of the guidelines of the 2021-2026 Strategic Plan, including opportunities for growth, potentially through acquisitions, given the significant net cash available.

Without prejudice to the point above regarding dialogue with shareholders and investors, Unieuro constantly strives to also foster, encourage and manage dialogue with all other relevant stakeholders.

We therefore note that, particularly in the last two fiscal years, in order to carry out the materiality analysis, some of the Group's key internal and external stakeholders were involved by sending

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questionnaires and/or through individual meetings. We also note that engagement with customers, in addition to being ensured by daily relations at the points of sale (customer service) and through the customer care service, has meant that for some time Unieuro has calculated the NPS (Net Promoter Score) parameter on customer satisfaction. Attention to and valorisation of human capital have likewise always been the focus of the Company's attention through constant contact with the Human Resources Department. These aspects were further strengthened with the launch and development of the *UniVersus* project, which is designed to ensure that internal climate is monitored and measured through the use of a metric similar to that adopted for customer satisfaction surveys. Since 2021/22 Unieuro has calculated an eNPS (employee Net Promoter Score) on an annual basis. Also worthy of note are the employee engagement and listening initiatives created and carried out by Internal Communication, beginning in FY 2022/23. Supplier relations are also managed on a recurring basis by the relevant department. A specific engagement initiative was pursued in FY 2022/23 by the Sustainability and M&A Department, which organised a series of individual meetings with some of Unieuro's key product suppliers. The objective of this was, on the one hand, a direct discussion of the respective ESG strategies and the identification of possible areas of common interest in sustainability and, on the other, the direct involvement of suppliers in Unieuro's materiality analysis.

The Group also considers it important to contribute to local, national, and international associations, communicate with them continuously on topics of common interest, and strengthen its public and institutional relations.

At local level, Unieuro is a member of ASCOM (Forlì) and CONFAPI (Piacenza), which protect its interests in the regions where its headquarters and logistics hub are located, respectively.

At national level, the Company is a member of:

- 1) AIRES, the Associazione Italiana Retailer Elettrodomestici Specializzati (Italian Association of Specialised Domestic Appliance Retailers), which brings together leading companies and distribution groups specialising in domestic appliances and consumer electronics. AIRES is in turn a member of Confcommercio Imprese per l'Italia. Unieuro has appointed the association's Chairperson since April 2018.
- 2) Confimprese, which is a group of leading operators with direct and franchised distribution networks across a range of product sectors.

At international level, Unieuro is a member of the European Consumer Electronic Retailer Council (EuCER), which it helped found in 2019, and is represented on its Board. EuCER is based in Brussels and comprises European consumer electronics chains and buying groups. Since March 2020, EuCER has been a member of EUROCOMMERCE, one of the largest associations of European retailers. As of early 2023, Unieuro selects EuCER's representative on the Environment Committee of EUROCOMMERCE.

## 1.3. Strategic Sustainability Path

### 1.3.1. Materiality Analysis

In the context of non-financial reporting, materiality analysis takes on a primary role as it seeks to identify the environmental, social, economic and governance topics considered most relevant and significant to Unieuro's business and stakeholders.

Compared to the process adopted by Unieuro in previous years, which was based on the concept of "relevance" and focused on the outcomes of the comparison between the internal corporate view and the external stakeholder view, the methodology adopted for the 2022/23 materiality analysis was based instead on the concept of "impact," in accordance with the provisions of the new GRI "Universal Standards" 2021. These provide that materiality is associated with the most significant impacts (positive or negative, actual or potential, short- or long-term) that business activities are (or may be) capable of generating on the economy, the environment and people, including impacts on their human rights according to the "inside-out" (or "Impact Materiality") view.

In line with previous years but with important methodological developments, Unieuro has therefore revised the Group's materiality update process in order to make it consistent with the guidelines of the Standard "GRI 3: Material Topics".

Specifically, the definition of the reference context benefited from: (a) the work done during the 2021/22 fiscal year for the purposes of identifying stakeholders, the materiality analysis and the preparation of the Sustainability Plan and the 2021-2026 Strategic Plan; (b) the development of a benchmark analysis targeting a sample of comparable national and international companies; (c) a careful examination of regulatory developments in sustainability reporting (Taxonomy, CSRD, CSDD, SFDR, ESMA references to issues related to sustainability, etc.) and the main international ESG standards and frameworks already in force (GRI, SASB, TCFD.) and in the approval phase (ESRS, IFRS Sustainability Standards).

Once this first phase was completed, to identify the ESG topics that are potentially relevant to Unieuro and the associated inside-out impacts, these were grouped into clusters based on their mutual level of affinity. 21 ESG topics were thus identified, divided into four macro-categories: Environmental Responsibility, Social Responsibility, Governance and Economic Responsibility, Service Responsibility to Customers. Topics and their impacts were subjected to subsequent evaluation by internal and external stakeholders.

Because of the complexity of the analysis, including as a result of the introduction of the new methodological approach imposed by GRI, it was deemed appropriate to involve a rather small number of stakeholders with high strategic value. To facilitate easier understanding of the purpose of the exercise and how to fill out the questionnaires, the Sustainability and M&A Department organised a series of dedicated meetings (physical and/or video calls) with most of the parties involved. The high response rates (values above 90%) obtained in both surveys testify to the effectiveness of the personalised approach employed.

An initial survey conducted through an online questionnaire and designed to analyse impacts was submitted to the management team (top management and members of the internal sustainability management committee) and some categories of external stakeholders (trade associations

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representing the world of manufacturing, distribution, and consumer businesses and a selection of the Group's main product suppliers).

A second survey, focusing instead on the assessment of the probability (distinguishing between high, medium and low) of occurrence of the identified impacts, was subsequently submitted to Unieuro's management team only.

The data collected from the two surveys were processed to prioritise topics according to the impacts associated with them (from major to minor), considering both magnitude and relative likelihood of occurrence. The list of material topics was created by adopting a "materiality threshold," applied to each of the four macro-categories set out above.

Updating the materiality analysis involved an expansion of material topics that rose from thirteen to eighteen as a result of the introduction of the Sustainability Plan, the benchmarking activity, and taking into account relevant regulatory developments. For the latter in particular, research was conducted to identify not only reporting and organisational level impacts in the years ahead but also connections between existing and/or upcoming directives and regulations. This makes corporate reporting more consistent with the commitments made under the Sustainability Plan and the evolving regulatory environment in the sustainability field. At the same time, some of the previous year's topics were renamed through the aggregation of individual items and/or the adoption of terminology aligned with best practices.

Finally, we emphasise that, consistent with reporting for past fiscal years, Unieuro continues to consider "Protection of Consumer Privacy," "Combatting corruption," and "Safety of products on the market" as indispensable issues to which it attaches utmost attention.

At the end of the entire process, the results were submitted for discussion and validation by the Sustainability Committee. The materiality analysis was subsequently approved by the Board of Directors on February 23, 2023. The list of material topics is summarised below:

1. Governance and economic responsibility
  - a. Business ethics and integrity
  - b. Resilience and financial balance
  - c. Stakeholder dialogue
  - d. Combatting corruption
2. Service responsibility to customers
  - a. Customer-centricity and innovation
  - b. Protection of consumer privacy and cyber security
  - c. Safety of products on the market
  - d. Transparency of product information and offers to customers

3. Social responsibility

- a. Respect for human rights and worker protection
- b. Diversity and equal opportunities
- c. Employee and contractor health and safety
- d. Staff training and career development
- e. *Company welfare*
- f. Sustainable supply chain

4. Environmental responsibility

- a. Climate change and energy efficiency
- b. Waste management
- c. Distribution, logistics and mobility management
- d. Sustainable packaging

The following table summarises the material topics for the Group and their impacts, by associating the policies safeguarding these issues, the actions put in place and their respective monitoring methods:

Area	Material topics	Ranking	Related impact
Governance and economic responsibility	Business ethics and integrity	1	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• alignment with regulations and reporting standards on business ethics and integrity</li> <li>• availability of financial resources for the company and the economic ecosystem in which it operates</li> </ul>
	Resilience and financial balance	2	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• availability of financial resources for the company and the economic ecosystem in which it operates</li> <li>• stakeholder relations</li> <li>• stability of staff employment</li> <li>• retention and attraction capabilities</li> <li>• attractiveness to investors and capital lenders</li> </ul>
	Stakeholder dialogue	3	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• stakeholder relations</li> </ul>
	Combatting corruption (*)	4	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• protection of legality and prevention of illegal behaviour</li> </ul>

<sup>4</sup> [2022-2026 Sustainability Plan - Unieuro S.p.A. \(unieurospa.com\)](https://www.unieurospa.com)

<sup>5</sup> For further details, please also refer to Unieuro’s corporate website - “About Us/Strategy” section



Activity that generates the impact	Commitments, safeguarding policies and monitoring arrangements	Measures and initiatives put in place
<ul style="list-style-type: none"> <li>• Adoption of standards of integrity and transparency (including voluntary standards) in accordance with the rules, best practices and regulations applicable to the Unieuro Group</li> <li>• Adopting a transparent approach to taxation and legality</li> </ul>	<ul style="list-style-type: none"> <li>• Code of Ethics</li> <li>• 231 Organisation and Management Model and audits by the Supervisory Board and Internal Audit function</li> <li>• Whistleblowing Policy</li> <li>• Preparation and review of the annual and half-year financial report</li> <li>• Activities carried out by the Control and Risks Committee</li> <li>• Sustainability Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Measures in the Sustainability Plan relating to the “<i>Culture - for effective ESG governance</i>” pillar. For more details, please see the website<sup>4</sup>.</li> </ul>
<ul style="list-style-type: none"> <li>• Adoption of a competitive strategy capable of ensuring the preservation and possible improvement of the Group’s economic and financial performance over time</li> </ul>	<ul style="list-style-type: none"> <li>• Continuous monitoring of economic and financial performance</li> <li>• Annual financial report and interim management reports</li> <li>• Strategic Plan<sup>5</sup></li> <li>• Sustainability Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Measures in the Sustainability Plan relating to the “<i>Culture - for effective ESG governance</i>” pillar. For more details, please see the website<sup>4</sup>.</li> </ul>
<ul style="list-style-type: none"> <li>• Dedicated listening and dialogue channels for stakeholders (e.g., surveys, individual meetings, focus groups, etc.)</li> <li>• Opportunities for discussion with investors (investor conferences, roadshows, conference calls, etc.).</li> <li>• Local community involvement initiatives, donations, sponsorships, charitable disbursements, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Policy for the management of dialogue with shareholders and other interested parties</li> <li>• Sustainability Plan</li> <li>• Code of Ethics</li> <li>• Whistleblowing Policy</li> </ul>	<ul style="list-style-type: none"> <li>• Discussion initiatives with representatives of the financial community</li> <li>• NPS Project</li> <li>• eNPS Project</li> <li>• Measures in the Sustainability Plan relating to the “<i>Culture - for effective ESG governance</i>” pillar. For more details, please see the website<sup>4</sup>.</li> </ul>
<ul style="list-style-type: none"> <li>• Core business monitoring and control activities</li> <li>• Adoption of standards of integrity and transparency in accordance with the rules and regulations applicable to the Unieuro Group (including voluntary standards)</li> <li>• Specific training courses</li> </ul>	<ul style="list-style-type: none"> <li>• Code of Ethics</li> <li>• Whistleblowing Policy</li> <li>• 231 Organisation and Management Model</li> <li>• Audits conducted by the Supervisory Board</li> <li>• Activities carried out by the Control and Risks Committee</li> <li>• Dedicated training</li> </ul>	<ul style="list-style-type: none"> <li>• Periodic meetings of the Control and Risks Committee for updates and discussion</li> </ul>

Area	Material topics	Ranking	Related impact
Service responsibility to customers	<b>Customer-centricity and innovation</b>	1	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• product and service offer that meets customer needs</li> <li>• improvement of the buying experience at all stages and customer satisfaction.</li> </ul>
	<b>Protection of consumer privacy and cyber security (*)</b>	2	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• protection of the safety and fundamental rights of customers and all parties with whom the Company interacts.</li> </ul>
	<b>Safety of products on the market (*)</b>	3	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• health and well-being of customers, in terms of the absence of manufacturing defects, toxic materials/substances in the products offered by the Company</li> </ul>
	<b>Transparency of product information and offers to customers</b>	4	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• availability of more information regarding the features of the products and services offered</li> <li>• more informed purchases by customers.</li> </ul>

Activity that generates the impact	Commitments, safeguarding policies and monitoring arrangements	Measures and initiatives put in place
<ul style="list-style-type: none"> <li>• Customer satisfaction activities</li> <li>• Market demand analysis activities</li> </ul>	<ul style="list-style-type: none"> <li>• Customer satisfaction management</li> <li>• Strategic Plan</li> <li>• Sustainability Plan and related monitoring</li> </ul>	<ul style="list-style-type: none"> <li>• Measurement of NPS</li> <li>• Measures in the Sustainability Plan relating to the pillar “Sustainable Innovation - for a future of responsible action and choices.” For more details, please see the website<sup>4</sup>.</li> <li>• Strategic Plan projects designed to improve the customer experience</li> </ul>
<ul style="list-style-type: none"> <li>• Drafting of Unieuro’s cyber strategy and organisational model</li> <li>• Cyber security plan</li> <li>• Specific training courses</li> <li>• Appointment of a Data Protection Officer (DPO)</li> <li>• Establishment of an internal privacy office and organisational chart</li> <li>• Processes to verify any reports received from customers regarding their products by Unieuro’s Insurance department</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainability Plan and related monitoring</li> <li>• Monitoring of project progress by Unieuro’s cyber security function</li> <li>• Dedicated training</li> </ul>	<ul style="list-style-type: none"> <li>• Measures in the Sustainability Plan relating to the “Culture - for effective ESG governance” pillar. For more details, please see the website<sup>4</sup>.</li> </ul>
<ul style="list-style-type: none"> <li>• Processes to verify any reports received from customers regarding their products by Unieuro’s Insurance department</li> </ul>	<ul style="list-style-type: none"> <li>• Quality control procedures</li> <li>• Customer satisfaction management</li> </ul>	<ul style="list-style-type: none"> <li>• Measures in the Sustainability Plan relating to the pillar “Sustainable Innovation - for a future of responsible action and choices.” For more details, please see the website<sup>4</sup>.</li> </ul>
<ul style="list-style-type: none"> <li>• Product label compliance, carried out by the Marketing Department</li> <li>• Compliance with the Consumer Code</li> <li>• 231 Model</li> <li>• Code of Ethics</li> </ul>	<ul style="list-style-type: none"> <li>• Monitoring activities carried out by Unieuro’s Marketing Department</li> <li>• Sustainability Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Measures in the Sustainability Plan relating to the pillar “Sustainable Innovation - for a future of responsible action and choices.” For more details, please see the website<sup>4</sup>.</li> </ul>

Area	Material topics	Ranking	Related impact
Social Responsibility	<b>Respect for human rights and worker protection</b>	1	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• protection of the fundamental rights of company staff members and all parties with whom the Company interacts.</li> </ul>
	<b>Diversity and equal opportunities</b>	2	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• protection of the fundamental rights of company staff members and all parties with whom the Company interacts.</li> <li>• stability of employment for company staff</li> </ul>
	<b>Employee and contractor health and safety</b>	3	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• protection of the well-being, health, and safety of employees and all individuals whose operational activities are under the direct control of the Company (e.g., outside contractors, interns, etc.)</li> </ul>
	<b>Staff training and career development</b>	4	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• opportunity for each employee to embark on a path of professional growth and realise their full potential.</li> <li>• strengthening and development of professional skills and competencies.</li> </ul>
	<b>Company welfare</b>	5	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• opportunities for employees to balance work and family life</li> <li>• protection of employees' mental and physical well-being</li> </ul>
	<b>Sustainable supply chain</b>	6	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• the offer of products and services with sustainability features, integrating into its business model practices of selecting and/or monitoring suppliers according to social, economic and environmental criteria</li> <li>• management of environmental and social impacts throughout the supply chain by integrating into its business model practices of selecting and/or monitoring suppliers according to social, economic and environmental criteria</li> </ul>

Activity that generates the impact	Commitments, safeguarding policies and monitoring arrangements	Measures and initiatives put in place
<ul style="list-style-type: none"> <li>• Introduction of training plans</li> <li>• Performance management models and tools</li> <li>• Career development plans</li> <li>• Remuneration policies and mechanisms</li> </ul>	<ul style="list-style-type: none"> <li>• Code of Ethics</li> <li>• Procurement procedure as per the Sustainability Plan</li> <li>• Processes for professional development and career advancement</li> <li>• Activities carried out by Unieuro's Remuneration Committee</li> </ul>	<ul style="list-style-type: none"> <li>• Measures in the Sustainability Plan relating to the pillar "<i>Sustainable Innovation - for a future of responsible action and choices.</i>" For more details, please see the website<sup>4</sup>.</li> </ul>
<ul style="list-style-type: none"> <li>• Activities to analyse the perception of diversity at the company</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainability Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Measures in the Sustainability Plan relating to the pillar "<i>Talents - building our tomorrow together.</i>" For more details, please see the website<sup>4</sup>.</li> </ul>
<ul style="list-style-type: none"> <li>• Initiatives related to providing a healthy work environment for all staff members</li> <li>• Initiatives in the area of corporate welfare</li> <li>• Staff training and awareness initiatives on these issues</li> <li>• Specific training courses</li> </ul>	<ul style="list-style-type: none"> <li>• Company-union agreements on work-life balance and welfare (agreements on remote working, etc.)</li> <li>• Creation of the annual RAD</li> <li>• In-company safety monitoring activities by the function in charge or PPSM</li> <li>• Dedicated training</li> </ul>	<ul style="list-style-type: none"> <li>• Adoption of preventive and protective measures designed to prevent or minimise employee exposure to occupational hazards, reducing or eliminating work-related injuries and ill health</li> <li>• Measures in the Sustainability Plan relating to the pillar "<i>Talents - building our tomorrow together.</i>" For more details, please see the website<sup>4</sup>.</li> </ul>
<ul style="list-style-type: none"> <li>• Introduction of training, performance management and career development processes</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainability Plan and related monitoring</li> </ul>	<ul style="list-style-type: none"> <li>• Measures in the Sustainability Plan relating to the pillar "<i>Talents - building our tomorrow together.</i>" For more details, please see the website<sup>4</sup>.</li> </ul>
<ul style="list-style-type: none"> <li>• Possibility for employees at headquarters to take advantage of remote working ("Futura project")</li> <li>• Extension of the "Benefit Hub" to the entire corporate population</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainability Plan and related monitoring</li> </ul>	<ul style="list-style-type: none"> <li>• Measures in the Sustainability Plan relating to the pillar "<i>Talents - building our tomorrow together.</i>" For more details, please see the website<sup>4</sup>.</li> </ul>
<ul style="list-style-type: none"> <li>• Analysis of its suppliers' management practices, evaluating possible additions to be introduced with a view to sustainability</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainability Plan and related monitoring</li> </ul>	<ul style="list-style-type: none"> <li>• Measures in the Sustainability Plan relating to the pillar "<i>Talents - building our tomorrow together.</i>" For more details, please see the website<sup>4</sup>.</li> </ul>

Area	Material topics	Ranking	Related impact
Environmental responsibility	<b>Climate change and energy efficiency</b>	1	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• reduction of energy consumption through energy efficiency actions and projects</li> <li>• reduction of risks associated with extreme weather events (e.g. flooding etc.) and the phenomena of climate migration</li> </ul>
	<b>Waste management</b>	2	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• greater protection of the environment and preservation of natural resources</li> <li>• health and well-being of communities</li> <li>• staff and consumer awareness and sensitivity to proper waste management and disposal, reuse, and recycling practices</li> <li>• compliance with laws and regulations on proper waste management</li> </ul>
	<b>Distribution, logistics and mobility management</b>	3	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• environmental protection by combatting climate change</li> </ul>
	<b>Sustainable packaging</b>	4	Ability to positively or negatively affect: <ul style="list-style-type: none"> <li>• greater protection of the environment and preservation of natural resources</li> <li>• compliance with packaging laws and regulations</li> </ul>

(\*) Topics considered by Unieuro to be of maximum and unavoidable materiality

Activity that generates the impact	Commitments, safeguarding policies and monitoring arrangements	Measures and initiatives put in place
<ul style="list-style-type: none"> <li>Careful and responsible management of consumption (energy, water etc.) under the direct control of Unieuro (Project Green)</li> <li>Purchases of energy from renewable sources with guarantee of origin certification</li> <li>Offering products and services that incorporate responsibility principles</li> </ul>	<ul style="list-style-type: none"> <li>Pallet reuse initiatives</li> <li>"LEED platinum" certificate for Monclick headquarters</li> <li>Sustainability Plan and related monitoring</li> </ul>	<ul style="list-style-type: none"> <li>Measures in the Sustainability Plan relating to the pillar "<i>Sustainable Innovation - for a future of responsible action and choices.</i>" For more details, please see the website<sup>4</sup>.</li> </ul>
<ul style="list-style-type: none"> <li>Responsible waste disposal management, complying with applicable laws and regulations</li> <li>Choices and research in the use of packaging or other materials to reduce waste generation and promote recycling/reuse</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability Plan and related monitoring</li> </ul>	<ul style="list-style-type: none"> <li>Measures in the Sustainability Plan relating to the pillar "<i>Sustainable Innovation - for a future of responsible action and choices.</i>" For more details, please see the website<sup>4</sup>.</li> </ul>
<ul style="list-style-type: none"> <li>Provision of electric charging stations for electric cars</li> <li>Renewal of batteries in Unieuro's warehouse vehicle fleet</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability Plan</li> </ul>	<ul style="list-style-type: none"> <li>Measures in the Sustainability Plan relating to the pillar "<i>Sustainable Innovation - for a future of responsible action and choices.</i>" For more details, please see the website<sup>4</sup>.</li> </ul>
<ul style="list-style-type: none"> <li>Promotion of practices that target the use of sustainable packaging and pursuing its proper disposal</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability Plan and related monitoring</li> </ul>	<ul style="list-style-type: none"> <li>Measures in the Sustainability Plan relating to the pillar "<i>Sustainable Innovation - for a future of responsible action and choices.</i>" For more details, please see the website<sup>4</sup>.</li> </ul>

### 1.3.2. 2022-2026 Sustainability Plan

In June 2021, the Board of Directors of Unieuro S.p.A. approved the Group's Five-Year Strategic Plan. Through this, Unieuro seeks to complete the digital transformation process by becoming a fully omnichannel retailer and pursues the new "omni-journey" strategy. This is based on four pillars and is designed to accompany the customer through their entire experience, before, during and after purchase:



The Plan seeks to steer the Company mission towards consolidating and expanding Unieuro's market leadership and brand image, for the benefit of all stakeholders. The omnichannel ecosystem is based on people and seeks to provide them with proximity and services through a combination of direct, affiliate, and online shops. This integration results in a distinctive, personalised consumer experience that benefits customers. Sustainability becomes an enabling factor of the Strategic Plan, impacting different areas of the company, with the goal of contributing to the creation of sustainable value in the medium to long term and making responsible innovation the backbone of future corporate development.

Based on the four areas of action - Community, Culture, Sustainable Innovation and Talent - identified in the Strategic Plan as high-level ESG guidelines, just a few months later, the 2022-2026 Sustainability Plan was prepared, the first in the Company's history. It is therefore the means by which Unieuro formalises its strategic approach to sustainability, and the main management tool for planning and controlling the Group's ESG initiatives. The project is divided into more than 30 projects and developed on the basis of a clear roadmap in terms of actions, objectives and targets. To guarantee continuous improvement and alignment with the Group's strategic priorities and the results, there is ongoing monitoring of existing projects and analysis of potential new initiatives.



In addition to defining Unieuro’s strategic vision for sustainability, the plan was also designed to achieve the following underlying goals:







- respond to growing sustainability expectations from key stakeholders;
- integrate sustainability into business decisions and develop sustainability awareness and culture within the organisation;
- strengthen governance and control of ESG risks through clear accountability and a holistic approach, enabling the Group to effectively oversee sustainability commitments and meet current and future challenges in a rapidly changing external environment;
- to adapt to the evolving regulatory environment in the field of sustainability quickly and effectively, including proactively;
- identify any business opportunities that could be pursued by enriching the business proposition;
- define target sustainability indicators on which to base part of the short- and medium-/long-term variable remuneration of company management and other employees identified.

	<p><b>THE COMMUNITY</b> Considers actions and projects of social value, relating to the relationships maintained with the surrounding communities and territory.</p>
	<p><b>CULTURE</b> Includes focus areas pertaining to sustainability governance, regulatory non-financial compliance, ESG risk management, and integration of non-financial disclosure at the management and reporting level.</p>
	<p><b>SUSTAINABLE INNOVATION</b> Includes environmental performance, performance relating to product and process innovation, customer experience and brand enhancement. Considers measures to promote a sustainable supply chain.</p>
	<p><b>TALENTS</b> Examines initiatives related to human capital management and development: training, professional growth, work life balance, wellbeing, and respect for the principles of diversity, equality and inclusiveness.</p>

The 2022-2026 Sustainability Plan was put together with the direct involvement of all Group Departments with the co-ordination of the Sustainability and M&A Department and the supervision of Top Management and the sustainability governance bodies (see the section “Sustainability Governance”). Starting from the four strategic ESG pillars, specific guidelines were first defined, then the list of projects to be enacted in the time frame of reference was selected. For these, in turn, goals, timelines, KPIs, financial resources and presiding teams were identified.

A passion called sustainability

The following table summarises the main initiatives identified as falling under the Plan:

<i>Pillars</i>	<i>2022-2026 objective</i>	<i>Description of main measures</i>	<i>Material topics</i>	<i>SDGs</i>
<i>The community</i>	<ul style="list-style-type: none"> <li>Continue to promote digital awareness and education initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Continue and further develop the project - #cuoriconnessi to combat cyberbullying<sup>6</sup></li> <li>Development of a specific project to facilitate the use of technology by the elderly</li> <li>Development of a project to promote the culture of adopting correct lifestyles and cancer prevention among young people</li> </ul>	<ul style="list-style-type: none"> <li>Support for local communities</li> </ul>	SDG  
<i>Culture</i>	<ul style="list-style-type: none"> <li>Strengthen Sustainability Governance in accordance with best practices</li> <li>Ensure high levels of non-financial risk management</li> <li>Spread a culture of sustainability through specific initiatives</li> <li>Pursue integration of financial and non-financial disclosure to better represent sustainable value creation</li> <li>Ensure maximum cyber security and customer privacy protection</li> </ul>	<ul style="list-style-type: none"> <li>Adoption of a Sustainability Policy</li> <li>Adoption of a system for mapping, assessment and continuous monitoring of financial and non-financial risks, based on an integrated and proactive approach</li> <li>Refinement of metrics related to ESG factors in management and employee remuneration and incentive systems<sup>7</sup></li> <li><i>Achievement of an ESG rating</i></li> <li>Strengthening non-financial disclosure in light of current and prospective developments in the European Taxonomy.</li> <li>Introduction of a path to facilitate the gradual integration of non-financial information at the management and reporting level, also acting proactively regarding the evolution of relevant regulations (CSRD<sup>8</sup>)</li> <li>Adoption of a new cyber security strategic plan</li> <li>Strengthening in-store staff training on customer privacy issues</li> </ul>	<ul style="list-style-type: none"> <li>Business ethics and integrity</li> <li>Combatting corruption</li> <li>Resilience and financial balance</li> <li>Protection of consumer privacy</li> <li>Stakeholder dialogue</li> </ul>	SDG    

<sup>6</sup> FY 2022/23 = 1.92m contacts (FY 2020/21 baseline second Cycle of the 2020-2025 LTI Plan = 1.23m contacts; FY 2021/22 baseline third Cycle of the 2020-2025 LTI Plan = 1.45m contacts)

<sup>7</sup> LTI, MBO and variable remuneration of store employees.

<sup>8</sup> Corporate Sustainability Reporting Directive (CSRD)

<i>Pillars</i>	<i>2022-2026 objective</i>	<i>Description of main measures</i>	<i>Material topics</i>	<i>SDGs</i>
<i>Sustainable Innovation</i>	<ul style="list-style-type: none"> <li>Introduce a decarbonisation pathway</li> <li>Implement systems to monitor suppliers on social responsibility, environmental, and governance issues</li> <li>Responsible waste management, including from a circular perspective</li> <li>Monitor and enhance the company's reputation</li> <li>Communicate transparently and effectively with customers and end users</li> </ul>	<ul style="list-style-type: none"> <li>Projects relating to decarbonisation, such as the purchase of electricity with guaranteed "green" certification<sup>9</sup>; energy efficiency initiatives in retail stores<sup>10</sup>, carbon footprint measurement to identify further decarbonisation actions</li> <li>Projects related to a sustainable supply chain. Introduction of a supply chain control and monitoring system including due diligence activities; evaluation of new suppliers<sup>11</sup> (and how many in the process of qualification renewal) taking into consideration not only economic criteria but also social and environmental aspects</li> <li>Projects relating to circular economy initiatives, such as organising trade-in campaigns of certain products on the market to promote their refurbishment, and/or sale and/or proper disposal of used products; reuse of pallets and use of recycled plastic pallets; reduction in the use of plastic in the packaging of private label products</li> <li>Projects relating to corporate reputation enhancement such as brand and sustainability reputation monitoring; inclusion of ESG aspects in Net Promoter Score (NPS) measurement</li> <li>Acceleration of the process of point-of-sale digitalisation by introducing electronic tags to an increasing number of stores</li> </ul>	<ul style="list-style-type: none"> <li>Customer-centricity and innovation</li> <li>Sustainable supply chain</li> <li>Climate change and energy efficiency</li> <li>Waste management</li> <li>Transparency of product information and offers to customers</li> <li>Distribution, logistics and mobility management</li> <li>Sustainable packaging</li> <li>Safety of products on the market</li> </ul>	<p>SDG</p> 
	<i>Talents</i>	<ul style="list-style-type: none"> <li>Pursue and disseminate an inclusive organisational culture</li> <li>Promote a people engagement strategy and spread a culture of sustainability within the company</li> <li>Increase the degree of attractiveness and retention</li> </ul>	<ul style="list-style-type: none"> <li>Projects designed to spread awareness and culture of sustainability within the Group through the provision of sustainability training hours to employees, also including modules dedicated to future store managers at the corporate Academy; launching specific employee engagement and community building initiatives on ESG issues; administration of the eNPS business climate survey (employee NPS)<sup>12</sup></li> <li>Projects designed to improve the level of attractiveness and retention, such as initiatives to enhance work-life balance; launching a new company portal</li> <li>Projects designed to strengthen oversight on issues of diversity, equality and inclusion</li> </ul>	<ul style="list-style-type: none"> <li>Employee and contractor health and safety</li> <li>Diversity and equal opportunities</li> <li>Staff training and career development</li> <li><i>Company welfare</i></li> </ul>

<sup>9</sup> FY 2022/23 = 100% (FY 2020/21 baseline second Cycle of the 2020-2025 LTI Plan = 0%)

<sup>10</sup> FY 2022/23 = 62.9GWh (FY 2020/21 baseline second Cycle of the 2020-2025 LTI Plan = 69.3GWh); FY 2022/23 = 63.5GWh (FY 2021/22 baseline third Cycle of the 2020-2025 LTI Plan = 67.2GWh)

<sup>11</sup> with expected turnover of >1%

<sup>12</sup> FY 2022/23 second survey with a score of -2.6. Relative to the second Cycle of the 2020-2025 LTI Plan, at the end of the cycle, the target expressed as a change from the first survey was set at +0.10.

### ESG-LINKED CREDIT LINES



In November 2021, Unieuro signed four ESG-linked revolving credit lines in the amount of Euro 150 million with a three-year term to finance working capital needs.

The credit lines are tied to specific ESG indicators, which are already included in the regulation of the 2020-2025 LTI Plan approved by the Shareholders' Meeting on June 15, 2021. These include reducing CO<sub>2</sub> emissions through energy efficiency of the point-of-sale network, purchases of certified "green" energy, increasing the audience of the #cuoriconnessi initiative to combat cyberbullying, development of the methodology and subsequent application of a corporate climate survey (eNPS - employee NPS). In addition, the achievement of targets related to ESG indicators will activate a margin adjustment mechanism applied to credit lines. In the reporting year, the contractual parameters were met and the adjustment mechanism was applied by all financial counterparties.

The new lines were underwritten by Unicredit, Intesa Sanpaolo (Imi - Corporate & Investment Banking Division), Credit Agricole Italia and Banco BPM.

Confirming the commitment undertaken by Unieuro - which began with the drafting of its first Sustainability Plan - the main and most significant projects developed during the year on the sustainability front are listed below.

ENVIRONMENTAL

SOCIAL

GOVERNANCE



#### POINT-OF-SALE ENERGY EFFICIENCY SYSTEMS

Installed energy efficiency systems in 50 stores reaching a total of 90 stores since the project's inception

#### GREEN ENERGY PURCHASES

Achieved 100% renewable energy purchases with supplier certification

#### MEASUREMENT OF THE CARBON FOOTPRINT AND DEFINITION OF FURTHER DECARBONISATION ACTIONS

Selected the partner that will support Unieuro in measuring the Group's carbon footprint (Scope 1, 2 and 3 in accordance with the GHG protocol) and defining further decarbonisation actions. This project will be introduced during the 2023/24 fiscal year



#### **RECOVERY OF PALLETS FOR REUSE**

Accelerated the development of the project to monitor and recover wooden and plastic pallets for the purpose of their subsequent reuse. Pallets recovered and reused as a percentage of the total purchased reached more than 80%, up sharply from 35% in the previous fiscal year

#### **TRADE-IN CAMPAIGNS**

Organised 12 trade-in campaigns on some product categories also in order to promote their refurbishment and/or proper disposal

#### **REDUCTION OF PLASTIC IN PRIVATE LABEL PACKAGING**

Began a number of initiatives to replace or reduce plastic in the packaging of private label products



#### **IMPROVEMENT OF CUSTOMER SATISFACTION INDEX (NPS)**

Further increase in Net Promoter Score (NPS) (which measures the level of customer satisfaction) achieved, from 48.5 in the previous year to 51.9, an increase of 3.4 points. Beginning with the current fiscal year, customers are also asked to comment on Unieuro's sustainability.

#### **INTRODUCTION OF ELECTRONIC TAGS AT THE POINT OF SALE**

Continued installation of electronic tags at points of sale. Since the project began, more than 120 stores have adopted electronic tags

#### **SUSTAINABLE SUPPLY CHAIN**

Work began to select environmental, social and governance criteria to go alongside economic and financial criteria in the supplier evaluation process.



**Talents**

**DEVELOPMENT OF THE NEW COMPANY PORTAL (DIGITAL WORKPLACE)**

Supplier selected for development of new internal company portal designed to strengthen the bond between the company and its employees

**LAUNCH OF AN INTERNAL BRAND VALUES COMMUNICATION CAMPAIGN**

“Noi ci siamo” internal communication campaign launched, designed to spread and share with all employees the values and foundations of the Unieuro brand: passion, experience, courage, commitment, empathy and openness

**QUESTIONNAIRE UPDATE AND SECOND MEASUREMENT OF EMPLOYEE NPS**

Second measurement of the level of employee satisfaction carried out through the calculation of eNPS, which was down from the previous year. Updates made to the questionnaire and its survey areas to render it increasingly consistent and aligned with Unieuro’s situation and ongoing projects

**WORKLIFE BALANCE & WELLBEING**

Individual smart working agreement (“Futura” project) for headquarters employees renewed for the entire 2022/23 fiscal year and then made definitive from the 2023/24 fiscal year. “Benefit Hub,” the platform which enables access to a series of discounts and commercial offers dedicated to Unieuro staff, extended to all employees



**Talents**

**POLICY TO PROTECT VICTIMS OF GENDER-BASED VIOLENCE**

Policy defined on the protection of victims of gender-based violence, which will take effect in FY 2023/24

**RESUMED CLASSROOM INSTRUCTION FOR THE CORPORATE ACADEMY: NEW SUSTAINABILITY COURSE**

13<sup>th</sup> edition of the corporate Academy concluded. This is an important training moment for future Unieuro store managers and saw the return of participants to the classroom after two years of online classes due to the restrictions of the pandemic. Sustainability has become one of the subjects of the course

**SUSTAINABILITY TRAINING COURSE**

Partners selected to support Unieuro in preparing the sustainability training course for the entire company population. This course lasts three years and will start from fiscal year 2023/24



**Culture**

### **SPECIFIC TRAINING COURSES ON CYBER SECURITY AND PERSONAL DATA PROTECTION LAUNCHED**

Strengthened staff training in cyber security and data protection, in the latter case, with a focus on loyalty card customers



**Community**

### **COLLABORATION WITH PRIME CENTER LAUNCHED**

First meetings organised as part of the training project on healthy lifestyles as fundamental factors of children's psychological and physical well-being and cancer prevention, carried out in collaboration with the Cesena Prime Center of the Romagna Oncology Institute. More than 500 high school students and their teachers involved in Romagna

### **FURTHER DEVELOPMENT OF THE #CUORICONNESSI PROJECT: LAUNCH OF THE OBSERVATION PROJECT AND HANDBOOK**

Over 1.9m contacts reached through the various contact initiatives put in place during the year. Research project called "Schermi futuri" launched (whose scientific director is Professor Paolo Crepet) to analyse young people's "feeling" towards new models of sociality (social media, chat, online gaming, etc.). The project concluded in February 2023 and involves the production of a white paper. Thanks to the schools' work on the #cuoriconnessi summer booklet "Madi's Story," a "handbook" to combat cyberbullying was created with the help of teachers. The handbook, which is already available for free download from cuoriconnessi.it, will be officially presented during 2023 with an ad hoc event held in collaboration with State Police



**Culture**

### **INCLUSION OF ESG OBJECTIVES IN VARIABLE REMUNERATION SYSTEMS**

ESG objectives continued to be included in the short- and medium- to long-term incentive plans for management and key personnel, with a weighting of 10% in the annual incentive system (MBO) and 25% in the medium- to long-term incentive system (LTIP)

## 2. GOVERNANCE<sup>13</sup>

### 2.1. Governance bodies

The Company has adopted a corporate governance system in line with the statutory and regulatory provisions applicable to it: we note the central role of the Board of Directors (“BoD”) and the objectives of proper management of any conflict of interest situations, efficiency of the internal control system, and transparency to the market.

The By-Laws and the corporate governance system have complied with the provisions of the TUF and the Corporate Governance Code since the listing of Unieuro shares on Euronext Milan. The Company has adopted a “traditional” system of administration, which emphasises the role of the Board of Directors as the executive body, while the control function is delegated to the Board of Statutory Auditors. The governance structure and overall organisational structure are also in line with the goal of maximising management efficiency and creating ever greater shareholder value.

The bodies of the Group are the Shareholders’ Meeting, the Board of Directors, and the Board of Statutory Auditors. The responsibilities and functioning of the corporate bodies are governed by statutory law, the company By-Laws and the resolutions taken by the bodies, depending on the case.

The Board of Directors has established four internal committees with advisory and proposal-making functions: the *Remuneration and Appointments Committee*; the *Control and Risks Committee*; the *Sustainability Committee*; and the *Related Party Transactions Committee*. The latter is allocated the duties and functions set out by the Consob Related Parties Regulation.

The committee in charge of carrying out investigative activities related to the organisation’s impact on the economy, the environment and people is the Sustainability Committee, which assists the Board of Directors in its sustainability assessments and decisions. This involves the guidelines, processes, initiatives and activities targeting the pursuit of sustainable success, and thus the creation of long-term value for the benefit of shareholders, taking into account the interests of other relevant stakeholders. The Sustainability Committee also interfaces with the Remuneration and Appointments Committee and the Control and Risks Committee where appropriate for joint assessment of issues (e.g. evaluation of performance targets related to Incentive Plans and analysis of risks related to the Non-Financial Statement, respectively).

As regards respect for diversity in corporate bodies, we note that:

- i. on December 20, 2021, the Board of Directors approved its Regulation<sup>14</sup>, which expressly provides that: *“In the composition of the Committees, the Board shall take into account the independence requirements, the professional characteristics of the Directors and their experience, so that each Committee consists of members whose competence and professionalism are appropriate to the tasks assigned to the Committee on which they sit.”*

<sup>13</sup> For the table on page 30-37 we note that the impacts (positive and negative) pertaining to this chapter refer mainly to the following material topics: business ethics and integrity, resilience and financial balance, combatting corruption, customer privacy, and cyber security.

<sup>14</sup> See the document on the Board of Directors Regulation, available in the Corporate Governance section of Unieuro’s corporate website ([https://unieurospa.com/wp-content/uploads/2022/01/Unieuro\\_Regolamento-CDA.pdf](https://unieurospa.com/wp-content/uploads/2022/01/Unieuro_Regolamento-CDA.pdf)).



The Board of Directors also takes into account respect for gender equality and therefore recommends that the chair of committees be divided equally between different genders;

- ii. on January 12 and January 13, 2022, the Board of Statutory Auditors and the Board of Directors respectively approved the Guidelines to Shareholders on the composition of the relevant bodies, in view of the renewal of these bodies that took place at the Shareholders' Meeting called to approve the financial statements at February 28, 2022.

In both documents, the corporate bodies express the importance of both gender and professional diversity in their composition.

For more information on the governance system, please refer to the Corporate Governance and Ownership Structure Report at February 28, 2023.

### **2.1.1. Board of Directors**

Unieuro adopts the ordinary management and control model; the Board of Directors and Board of Statutory Auditors are appointed separately by the Shareholders' Meeting. Management control is entrusted to the Board of Statutory Auditors, while administration of the company is entrusted to a Board of Directors.

The current Board of Directors was appointed by the Shareholders' Meeting on June 21, 2022 and consists of 11 members. The Board of Directors is vested with all powers for the ordinary and Extraordinary Shareholders' Meeting management of the Company, as provided by law, and appoints a Chairperson from among its members, when this is not done by the Shareholders' Meeting; it may also appoint one or more Vice-Chairpersons and a Secretary, and is authorised to delegate part of its powers to one or more of its members, determining their powers and, after hearing the opinion of the Board of Statutory Auditors, their remuneration. The Chairperson may not take on executive functions within the Board of Directors and exercises the functions provided for in current laws and regulations; specifically, he:

- i. has powers of legal representation of the Company;
- ii. chairs the Shareholders' Meeting;
- iii. calls and chairs the Board of Directors, sets the Agenda, co-ordinates its work, and ensures that adequate information on Agenda items is provided to all Directors;
- iv. verifies the application of Board of Directors resolutions.

The Chief Executive Officer, as senior management, is responsible for the legal representation of the Company, within the limits of the powers conferred, and for its management, based on the guidelines formulated by the Board of Directors. He also ensures that the Company's organisational, administrative and accounting structure is appropriate to the nature and size of the business and reports to the Board of Directors and the Board of Statutory Auditors on a quarterly basis on the general operating performance and its outlook and on the most significant transactions, in terms of their size or characteristics, carried out by the Company and its subsidiary

companies. In this context, the Chief Executive Officer explains any critical issues to the Board of Directors.

The Board of Directors may also order the constitution of an Executive Committee composed of some of its members; currently, Unieuro has no Executive Committee. The Board of Directors may also set up Committees from among its members with advisory and propositional functions, determining their powers, including for the purpose of conforming the corporate governance system to the Corporate Governance Code promoted by the Corporate Governance Committee managed by Borsa Italiana. Specifically, the following internal Board Committees are currently in place:

- the Remuneration and Appointments Committee;
- the Control and Risks Committee;
- the Sustainability Committee;
- the Related Party Transactions Committee;

The Unieuro Board of Directors is appointed on the basis of slates submitted by shareholders. Both the current Board of Directors and shareholders who, alone or together with others, represent the percentage of the share capital established by the law or regulations in force from time to time are entitled to submit slates. The submission of the slate by the Board of Directors must be decided by an absolute majority of the members in office. Any shareholder, shareholders who are party to a shareholder agreement relating to the Company, relevant under Article 122 of the TUF, the parent company, subsidiaries and those subject to joint control, and other persons between whom there is a relationship of connection, even indirectly, may not submit or participate in the submission - including through nominees or trust companies - of more than one slate, nor may they vote for different slates. Each slate contains a number of candidates in numerical order not exceeding the number of members to be appointed, and each candidate may be presented in only one slate under penalty of ineligibility. Each slate must include and identify at least two candidates who meet the independence requirements established according to the applicable *pro tempore* regulation; if it has three or more candidates, it must also include a number of candidates belonging to the under-represented gender that ensures compliance with gender balance, at least to the minimum extent required by the *pro tempore* regulation and legislation.

Subject to the fact that any changes that may occur up to the day of the actual holding of the Shareholders' Meeting must be promptly communicated to the Company, the following shall be filed together with the submission of the slates:

- a) information about the shareholders submitting the slate and an indication of the percentage of capital held;
- b) the declaration of the shareholders other than those who hold, even jointly, a controlling or relative majority interest, certifying the absence of any relationship of connection (including indirect) pursuant to the laws and regulations *pro tempore* in force, with the latter;

- c) the curricula vitae of the candidates and a declaration in which each candidate certifies, under his or her own responsibility, the absence of causes of ineligibility and incompatibility and the existence of the requirements for the respective offices;
- d) an indication of administrative and control positions held in other companies and any indication of their eligibility to qualify as independent under current regulations and any corporate governance codes of conduct adopted by the Company;
- e) the statement by which each candidate accepts his or her candidacy;
- f) any other or different statements, disclosures and/or documents required by the law and regulations in force at the time.

The Board of Directors' slate, where submitted, must be filed at the Company's registered office or transmitted to the Company via a remote means of communication no later than the 30<sup>th</sup> day prior to the date of the Shareholders' Meeting. Each member's vote will affect the slate and thus all the candidates named in it, with no possibility of variations or exclusions. Those with voting rights may vote on only one slate.

The appointment of the Board of Directors will be conducted according to the following criteria:

- a) five-sevenths of the Directors to be elected shall be drawn from the slate obtaining the highest number of votes ("Majority Slate"), in the numerical order in which they are listed, rounding down to the nearest whole number in the case of a fractional number;
- b) the remaining Directors shall be drawn from the other slates (the "Minority Slates"); for this purpose the votes obtained from the Minority Slates shall be successively divided by one, two, three, four and so on according to the number of Directors to be elected.

The numbers obtained in this way shall be attributed to the candidates of such slates, in the numerical order in which they are listed on the slate. The results thus attained are listed in decreasing order. The candidates who obtain the highest numbers will become Directors. In the event that more than one candidate obtains the same number of votes, the candidate from the slate that has not yet elected a Director or that has elected the fewest Directors shall be appointed Director.

Where it is not possible to complete the Board of Directors in the manner described above if the Minority Slate that comes second in terms of number of votes presents fewer candidates than necessary, the remaining Directors shall be drawn from the other Minority Slates starting with the one with the most votes and with use of subsequent slates once the candidates contained in the slate preceding it in terms of number of votes have been exhausted. If, once voting concludes, the gender balance and/or the minimum number of Directors who meet the independence requirements according to the applicable regulations and laws is not ensured, as many elected candidates as necessary shall be excluded, replacing them with the candidates who meet the requirements that are lacking, taken from the same slate to which the candidate to be excluded belongs, according to the numerical order of listing. Replacement takes place with reference first to membership in the under-represented gender, then to the independence requirements. This replacement mechanism first applies, in order, to the slates that have not contributed any Director with the requirement that is lacking, starting with the one with the most votes. If this is not sufficient - i.e. if all the slates have contributed at least one Director with the requirement that is lacking, the

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replacement is applied, in order, to all the slates, starting with the one with the most votes. Within the slates, the replacement of candidates to be excluded takes place starting with the candidates marked by the highest sequential number. Replacement mechanisms do not operate for candidates drawn from slates with fewer than three candidates. In the case of the submission of a single slate, the entire Board of Directors is drawn from it in compliance with the law and regulations in force at the time. If, on the other hand, no slate is submitted, the Shareholders' Meeting shall act by a majority of voting members, pursuant to legal provisions;

In all cases where as a result of the application of the foregoing provisions:

- it is not possible to complete the Board of Directors and/or;
- gender balance is not ensured or Directors who meet the requirements of independence were not elected in a sufficient number, according to the applicable regulations and laws,

the completion or replacement of Directors to be appointed, as the case may be, will be by resolution passed by a relative majority of the Shareholders' Meeting on the basis of nominations put to a vote individually. If no slates are submitted, or if the purpose is not to elect the entire Board of Directors, the Shareholders' Meeting shall pass resolutions by the legal majorities, in compliance with any minimum gender distribution proportions (male and female) required by law and regulations.

As for the Committees, on the other hand, they are elected by the Board of Directors on the basis of management choices and in light of the provisions of the Board of Directors' Regulation and the Regulations of the individual Committees, which refer, among other things, to the recommendations of the Corporate Governance Code.

In order to enable stakeholders to make informed and informed judgements in this regard, the Board of Directors of January 13, 2022 published a document containing criteria for the optimal qualitative and quantitative composition of the Board of Directors. The Company then made available to its shareholders, published through the website and on the storage mechanism and presented to the proxy advisors, the document "*Process for Submitting a Slate by the Outgoing Board of Directors.*" Senior management then talked with the major shareholders in order to incorporate any qualitative indications from them regarding the new board composition and, in particular, the advisability of presenting their own slate:

- i. the composition of the Board of Directors ensures gender balance according to the provisions of the law and regulations *pro tempore* in force; in any case, please refer to the information above with reference to the process of appointment and selection of the Board of Directors and that reported below regarding the different skills possessed by the members of the Board;
- ii. a number of Directors not less than that provided for by the law, including regulatory provisions, in force from time to time must meet the independence requirements established by the Corporate Governance Code, it being understood that at least two Directors who meet the independence requirements established by law and regulatory provisions and/or the Corporate Governance Code must still be members of the Board of Directors.

If no slates are submitted or if Directors are not appointed, for whatever reason, pursuant to the procedure provided herein, the Shareholders' Meeting shall pass resolutions by the legal majorities,

in compliance with any minimum gender distribution proportions (male and female) required by law and regulations.

The Board of Directors has set out criteria for assessing the significance of Independent Directors' business, financial or professional relationships with the Company, and for any additional remuneration.

To date, there have been no conflict of interest situations with regard to the Company's transactions. The Legal Department, on the basis of statements made by individual members of the Board of Directors and information taken from Senior Executives, constantly monitors the possible presence of conflicts of interest related to relevant individuals in order to manage their resolution. Any conflict of interest situations are reported by the Company in the Corporate Governance and Ownership Structure Report.

Demonstrating the importance of the high degree of expertise, diversity and independence of the Directors, on January 13, 2022 the governing body approved the document "*Guidelines of the Board of Directors of Unieuro S.p.A. to Shareholders on the Size and Composition of the New Board of Directors*," which was drafted following an in-depth self-assessment and designed to indicate the Board's guidelines on the proper composition of the management body. Specifically, the Board of Directors believed that the Board in office in FY 2022/23 had a thorough understanding of the Company's organisation and business issues; was efficient in its operations, playing a timely and constant role in monitoring and directing the Company throughout its term of office; and could support development within the business. It included figures with managerial expertise in the sector in which the Company operates and in the area of digital innovation who possessed strong strategy orientation and business judgement skills that were useful in strengthening the BoD's own ability to take a strategic view, interpret evolving market scenarios and assess new business opportunities. The aforementioned document also specifies the personal and professional characteristics deemed appropriate for the various roles on the Board of Directors. The Board therefore invited shareholders to take the above guidance into consideration when renewing the Board of Directors at the Shareholders' Meeting on June 21, 2022. Upon the renewal of the body, the proponents of the submitted slates (slate submitted by the Board of Directors and slate submitted by a group of institutional funds) declared that they had taken these guidelines into consideration for the purpose of proposing candidates for Director. Lastly, it should be noted that on April 17, 2023, the Board of Directors deemed it unnecessary to update these Guidelines at this time.

The Board of Directors conducts an annual self-assessment survey of the body itself and its committees. Most recently in the previous fiscal year, the Board of Directors had the opportunity to carry out its assessment of the functioning of the Board itself and its Committees, in addition to their size and composition, also taking into account such elements as the professional, experience (including managerial) and gender characteristics of its members and their seniority in office, also in relation to diversity criteria, as prescribed in Article 4. recommendation 23 of the Corporate Governance Code. For this assessment for the year under review, the issuer used the support of a consulting firm, which assisted the Company in preparing the questionnaires to be sent to Board members, subject to the positive opinion of the Remuneration and Appointments Committee. The self-assessment process was conducted through individual interviews in the wake of a specially drafted questionnaire considering the recommendations in the Letter of the Corporate Governance Committee dated December 3, 2021. The questionnaire was forwarded and completed by the Directors prior to the interviews, and included comments or suggestions for improvement as

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deemed appropriate, with regard to the composition and functioning of the Board and the Committees established by it. At the end of the process, a summary document containing the results of the assessments made by individual Directors was presented to the Remuneration and Appointments Committee and Board of Directors.

During the reporting year, the adequacy and transparency of the board's self-assessment process was also evaluated with the support of the Remuneration and Appointments Committee. With the support of the Remuneration and Appointments Committee, the Chairperson ensured that the Board's self-assessment process - managed by a leading external consultant - took place in an appropriate and transparent manner.

The results of the board evaluation showed a positive assessment rendered by the Directors regarding the size, numerical composition, age, gender and experience mix, and professional and personal characteristics of the members of the Board of Directors. Overall, the Directors also found that the Board had performed adequately during the reporting year, dealing with relevant business and financial issues, being able to rely on a good mix of skills within it and the spirit of service of its members united by commitment and a sense of responsibility in carrying out their roles. The Directors' comments highlighted, among the strengths of the Board, its proper functioning overall and, in particular:

- its composition in terms of the mix of experience and expertise; the capacity for open and transparent discussion;
- the predisposition for in-depth study and the breadth of debate;
- the ability to react quickly to external events;
- the maintenance of a constructive and co-operative climate within it in the interest of the Company.

While highlighting the overall positive judgement expressed by the Directors in the annual self-assessment report, in order to make improvements in the functioning of the Board of Directors and the Committees established by it, the Directors identified some areas for improvement regarding its contribution to the definition of the Company's development strategies. The Directors felt it was necessary for the management body to increase its efforts even more to ensure:

- increased understanding of business and commercial issues;
- greater knowledge in the area of large-scale retail, primarily regarding online business;
- increased ability to analyse digital innovation trends and vision for the company's digital transformation.

The Directors would also have found it useful to strengthen the presence on the Board of specific expertise in the area of digital innovation, and some Directors would also have considered it advisable to supplement the executive component by adding another member to the Board, in the belief that profiles with these characteristics could have contributed to strengthening the Board's orientation toward strategic issues in addition to its business judgement capacity. Finally, the

conclusions of the self-assessment work showed that in view of the June 2022 advisory renewal, the Directors recommended:

- the preservation of the diversity of gender, skills and experience within the Board;
- continuing to work on the path taken;
- further increasing the time devoted to discussion of issues of strategic importance;
- sharing corporate strategy while maintaining a dialectical yet supportive attitude toward management;
- being open and responsive to changes in the scenario.

Finally, as part of the board assessment activity, an analysis was carried out into how the process followed by the Company in this area compares with the benchmark companies. A comparative analysis was also conducted on the Board of Directors of the sample companies with regard to various aspects such as size, composition, and the professional mix of Directors.

The above comparison revealed that Unieuro operates in a manner consistent with best governance practices.

Please also refer to the *Corporate Governance and Ownership Structure Report* for more information.

As of the date of this Statement, the Board of Directors is composed as shown in the table below:

## Members of the Board of Directors

Position	Age	Gender	Executive/ Non-Executive	Independent	Membership in stakeholder groups	Any other positions held	Membership of unrepresented social groups	Skills
Chairperson	74	M	Non-Executive	Yes <sup>15</sup>	-	No	No	Financial
Chief Executive Officer <sup>16</sup>	64	M	Executive	No	Management	Sole Director of Monclick	No	Financial/ Management
Director	58	M	Non-Executive	Yes	Institutional investors	No	No	Legal/ Financial
Director	65	F	Non-Executive	Yes	-	No	No	Financial/ Management
Director	35	M	Non-Executive	No	Iliad	No	No	Management/ Commercial
Director	44	M	Non-Executive	No	Iliad	No	No	Management/ Commercial
Director	53	F	Non-Executive	Yes	-	No	No	Legal/ Financial
Director	39	M	Non-Executive	Yes	Institutional investors	No	No	Management
Director	56	F	Non-Executive	Yes	Institutional investors	No	No	Management/ Commercial/ Sustainability
Director	59	F	Non-Executive	Yes	Institutional investors	No	No	Management/ Sustainability
Director	52	F	Executive	No	Management	General Manager	No	Management/ Omnichannel

## Board of Directors members by age group

Age bracket		28/02/2023			28/02/2022			28/02/2021		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
between 30 and 50 years of age	unit	3	-	3	2	-	2	-	-	-
over 50 years of age		3	5	8	5	4	9	5	4	9
<b>Total</b>		<b>6</b>	<b>5</b>	<b>11</b>	<b>7</b>	<b>4</b>	<b>11</b>	<b>5</b>	<b>4</b>	<b>9</b>

### 2.1.2. Sustainability governance

Also during the year ending February 28, 2023, the Unieuro Group strengthened its commitment to sustainability by initiating a series of projects and measures to improve its management and responding in a timely manner to the increased demands from the external environment and stakeholders.

Thanks to the creation in late 2020 of the Sustainability Committee, Unieuro began several initiatives that helped to spread the culture of sustainability within the organisation and to promote the adoption of a more structured approach, which found subsequent expression in the

<sup>15</sup> Both in accordance with the law and the Corporate Governance Code.

<sup>16</sup> CEO of Unieuro S.p.A. and Sole Director of Monclick S.r.l., a wholly owned subsidiary of Unieuro S.p.A.



preparation of the 2022-2026 Sustainability Plan. The Sustainability Committee was appointed by the Board of Directors on June 28, 2022 and comprises four Non-Executive Directors and Independent Directors: 1 man (between the ages of 30 and 50 and assigned the chair) and 3 women (all over the age of 50).

In 2021, ESG oversight was further strengthened with the appointment of a manager in charge of sustainability, reporting directly to the Chief Financial Officer, and with the creation of an internal Sustainability Committee, formed by a high-level cross-sectoral management team which, during the previous year, saw its number of members increase from six to eight, in order to involve more areas of the company in internal dialogue and discussion on sustainability-related issues.

This strengthening in the organisational structure delegated to overseeing complex and highly interrelated issues such as those regarding sustainability seeks to make the Group's approach more organic and co-ordinated, ensuring the necessary link between the corporate Departments involved in the various projects, giving due continuity to the initiatives under development, and ensuring that environmental, social and governance factors are fully integrated into the company's activities and aligned with the Strategic Plan's ESG guidelines.

While the company has not formally assigned any employee responsibility for managing impacts, it has a governance structure in place which, through the Sustainability Committee and the Sustainability and M&A Department, enables it to oversee, manage, and monitor impacts on the economy, the environment, and people. The aforementioned Committee, supported by the Sustainability and M&A Director, monitors the materiality process and the main impacts identified and validates relevant issues. In FY 2022/23, the Company identified and evaluated possible impacts through the process that led to the update of the materiality analysis. This established that Unieuro believes it did not cause or contribute to significant negative impacts.

The Sustainability and M&A Director consults with the Sustainability Committee whenever deemed necessary for decision-making and strategic purposes. Specifically, nine update and discussion meetings were held with the corporate sustainability manager in FY 2022/23.

As regards remuneration, Unieuro adopts a Remuneration Policy through a process involving the Shareholders' Meeting, the Board of Directors and the Remuneration and Appointments Committee, in compliance with the rules and regulations in force and the principles dictated by the Corporate Governance Code. For more information, please see the chapter on "*Corporate Performance*" in this document and the "*Remuneration Policy and Report for the year ending February 28, 2023*".

### Role of the Board of Directors in the sustainability of Unieuro

The Board of Directors has the role of evaluating and approving aspects regarding the sustainability of Unieuro. Consistent with the recommendations of the Corporate Governance Code for Listed Companies promoted by Borsa Italiana S.p.A. (the "Corporate Governance Code"), with which Unieuro complies, a Sustainability Committee has been established within the Board of Directors, which reports annually on issues related to impacts. This is responsible for assisting the Board of Directors in its sustainability assessments and decisions as described in the Sustainability Committee Regulation. On June 10, 2021, the Board of Directors approved the Group's Five-Year (2021-2026) Strategic Plan. Through this, Unieuro seeks to complete the digital transformation

process by becoming a fully omnichannel retailer. Sustainability has become a key factor in the plan, impacting all business areas; the ESG strategy is organised into four main areas: Community, Talents, Sustainable Innovation, and Culture. The goal is to create sustainable value for all stakeholders and ensure a consistently positive experience with technology in everyday life. A few months later, the Strategic Plan was joined by the Sustainability Plan, which was approved by the Board of Directors in May 2022, reflecting the Group's commitment to sustainable development and the increasing strategic importance of ESG issues in business activities. This plan, which represents the tool through which Unieuro achieves the integration of sustainability into its business model, testifies to the growing relevance of this issue within the organisation. In fact, the Strategic Plan and Sustainability Plan are developed over the same four-year time frame, being intrinsically linked to each other, along all business dimensions and processes. Its development involved the direct involvement of all Group Departments (using a bottom-up approach) under the co-ordination of the Sustainability and M&A Director and the supervision of top management and corporate bodies in charge of sustainability governance.

The Board of Directors is assisted by the preparatory work of the Sustainability Committee and annually approves the Materiality Analysis and Non-Financial Statement. The identification of material topics and their associated impacts for the reporting year required the direct involvement of the management team, members of the sustainability management committee, and certain categories of stakeholders. For this fiscal year, in order to strengthen stakeholder involvement in the process, individual meetings were held with key product suppliers and representatives of some trade associations representing manufacturing, distribution and consumer companies. Evaluation of the effectiveness of the organisation's processes is carried out annually by the Board of Directors occurs.

BoD meetings to approve the materiality analysis and the Non-Financial Statement constitute formative and confrontational moments. In FY 2022/23, Unieuro's 2022-2026 Sustainability Plan was submitted to the highest corporate body, showing the projects the Company has planned to strengthen its strategic approach to sustainability and make its contribution to sustainable development. As part of the regular meetings of the Sustainability Committee, induction sessions were held on specific actions of the Sustainability Plan by the Executive in charge of sustainability and/or other executive project owners.

### **2.1.3. Other Committees**

The Related Party Transactions Committee, appointed by the Board of Directors on June 28, 2022, is mainly responsible for formulating appropriate reasoned opinions on Unieuro's interest in the execution of Related Party Transactions, whether these are significant or less significant related party transactions, expressing an opinion on the appropriateness and substantive fairness of the related conditions, after receiving timely and adequate information flows.

At the date of this Statement, the Related Party Transactions Committee comprises three Directors (one male and two female, all of whom are over the age of 50) who are Non-Executive Directors and Independent Directors. The chair was assigned to the male Director.

The Control and Risks Committee appointed by the Board of Directors on June 28, 2022 shall assist the Board of Directors through investigative, proposal and consultation duties, evaluations and

decision-making concerning the Internal Control and Risk Management System and also in relation to the approval of the interim financial reports.

At the date of this Statement, the Control and Risks Committee comprises four directors (one man aged between 30 and 50 and three women, aged over 50) who are Non-Executive Directors and Independent Directors - with the exception of the male Director. The chair was assigned to a female Director.

The *Remuneration and Appointments Committee* was appointed by the Board of Directors on June 28, 2022. In its function as the Remuneration Committee, the Committee's task is to assist the Board of Directors with investigative, proposal and advisory functions in evaluations and decisions related to the remuneration policy for Directors and Senior Executives by periodically assessing the adequacy, overall consistency and concrete application of the remuneration policy.

As the Appointments Committee, on the other hand, its task is to assist the Board of Directors with investigative, proposal and advisory functions, in the preparation of criteria for the appointment of its members and in the formulation of opinions regarding its size and composition. The Committee also makes assessments on the appointments of executives and members of the Company's bodies and organs.

This Committee comprises three Directors (one man and two women, all over the age of 50) who are Non-Executive Directors and Independent Directors. The chair was assigned to a female Director.

#### **2.1.4. Board of Statutory Auditors**

The Board of Statutory Auditors is appointed by the Company's Shareholders' Meeting, in accordance with Articles 21 and 22 of the By-Laws, through a transparent process that ensures, among other matters, adequate and timely information on the personal and professional characteristics of the candidates for the office. As long as the Company's shares are listed on a regulated market in Italy or another member state of the European Union, the Board of Statutory Auditors is elected by the Shareholders' Meeting on the basis of slates submitted by shareholders and ensuring gender balance according to the applicable regulations. If gender balance is not ensured in accordance with the regulations, the necessary replacements will be made according to the numerical order in which the candidates are listed. The Statutory Auditors are appointed for a period of three and therefore up to on the date of the Shareholders' Meeting called to approve the financial statements relating to their final year in office.

The Board of Statutory Auditors appointed on June 21, 2022 and serving for a period of three fiscal years comprises five Statutory Auditors including the Chairperson, two Statutory Auditors and two Alternate Auditors.

## Members of the Board of Statutory Auditors

Position	Age	Gender	Independent	Membership in stakeholder groups	Any other positions within the organisation	Membership of unrepresented social groups	Skills
Chairperson	42	F	Independent	Institutional investors	-	-	
Statutory Auditor	70	M	Independent	Cassa di Risparmio di Terni e Narni	-	-	Finance/ Accounting/ Tax/ Corporate
Statutory Auditor	63	M	Independent	Cassa di Risparmio di Terni e Narni	-	-	
Alternate Auditor	39	M	Independent	Institutional investors	-	-	
Alternate Auditor	50	M	Independent	Cassa di Risparmio di Terni e Narni	-	-	

## Board of Statutory Auditors members by age group

Age bracket		28/02/2023			28/02/2022			28/02/2021		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
between 30 and 50 years of age	unit	2	1	3	2	3	5	2	3	5
over 50 years of age		2	-	2	-	-	-	-	-	-
<b>Total</b>		<b>4</b>	<b>1</b>	<b>5</b>	<b>2</b>	<b>3</b>	<b>5</b>	<b>2</b>	<b>3</b>	<b>5</b>

## 2.2. Business model and regulatory compliance

The Group operates to a centralised, scalable business model, based on complementarity and the omnichannel integration of various distribution channels that guarantee territorial coverage and proximity to customers. Management and administrative departments are concentrated at the Forlì headquarters, while the supply activities of all channels operate out of a main logistics hub in Piacenza. The format of stores is adaptable and modular, according to local market size and characteristics. This operational flexibility, together with its established leadership in the Italian market, allows the Group to absorb fixed costs and compete with pan-European and global operators active in Italy. Added to this is the brand's omnichannel presence, which presides over all touchpoints by which customers may choose to fulfil their consumer electronics and domestic appliance purchasing needs. The omnichannel strategy brings with it perfect integration between channels, overcoming the offline/online dichotomy, and guaranteeing the customer a personalised, seamless shopping experience. The business model is however not without risks, as highlighted in the relevant section of this document. For further information on the Group's strategy, business model, and the main risks and uncertainties to which it is exposed, please refer to the "2022/23 Annual Financial Report".

### 2.2.1. Organisation, Management and Control Model and corporate governance system

#### OVERSIGHT OF UNIEURO

- **Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001**
- **Whistleblowing Policy**
- **Anti-Corruption Policy**
- **Code of Ethics**

To guarantee the fairness and transparency of the Group's corporate activities and to protect its image and reputation, the expectations of its stakeholders, and the work of its employees, the Company has adopted an Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001 (the "231 Model"), which helps prevent improper conduct by the Group's Directors, employees and contractors. At the time of its

introduction, though the 231 Model was merely a voluntary commitment, rather than a legal requirement, the Company decided to fully analyse its organisational, management and control tools, in order to verify their correspondence with the principles of conduct and existing safeguards referenced by the Legislative Decree No. 231/2001, and, where necessary, integrate additional tools. Through its 231 Model, Unieuro S.p.A. prevents legal offences and promotes a corporate culture based on legality and compliance with both internal and external regulations.

The Company has appointed a Supervisory Board (SB), consisting of one male member, the Chairperson, and two female members, entrusting them with the task of supervising widespread, effective implementation of the 231 Model, its observance by its addresses, and its updating with a view to improving its efficiency. Unieuro's SB is a multi-member board with independent powers of initiative and control.

The Organisation, Management and Control Model is constantly updated to incorporate new categories of predicate offences as they are added to the 231 legislation. The latest updates date from November 2020 and February 2023, respectively, with respect to which the Company has adapted to new tax and smuggling offenses and organisational changes in the medium term.

Among the tools to prevent the risk of corruption, the Company has since 2019 adopted the Whistleblowing Policy, which seeks to:

- i. establish the procedures through which to make a report of illegal or illegitimate conduct or behaviour, commission or omission, which constitutes or may constitute a violation, or inducement to a violation, of the Group's Code of Ethics, the Organisation, Management and Control Model pursuant to Legislative Decree No. 231/01 adopted by the Company or the policies and/or rules that regulate business processes;
- ii. ensure a work environment in which employees and internal collaborators can easily report "illegitimate behaviour" carried out within the Company.

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The Policy is updated and reviewed by the Director of the Legal Department, who ensures that it is properly disseminated and enacted. The main features of the Company's whistleblowing system include:

- two information channels, one of which is computer-based, open to employees and contractors;
- management of reports in accordance with the provisions of the internal organisational provisions adopted by the Company on whistleblowing;
- guaranteed confidentiality for the reporter in accordance with Law No. 179/2017;
- the forbidding of direct or indirect acts of retaliation or discrimination against whistleblowers for reasons directly or indirectly related to their reporting an offence;
- the application of the penalty system against individuals who violate the commitments, obligations and protections guaranteed by the Company.

The computerised whistleblowing system adopted by the company uses an online platform that enables the submission of reports, in line with the relevant legislative provisions. Access to the Whistleblowing Portal is subject to the "no-log" policy to prevent the identification of the whistleblower who wishes to remain anonymous. The e-mail address [odv@unieuro.com](mailto:odv@unieuro.com) is available to all stakeholders but is for reports pertaining to violations of 231 Model.

In order to transparently share values, principles and rules of conduct with its employees and stakeholders, in the interests of compliance with standards of ethics and conduct, Unieuro has adopted a specific Code of Ethics requiring its employees and contractors to comply with professional, ethical and legal regulations, and avoid any conduct contrary to the enshrined principles of fairness and honesty. The success of Unieuro must never take precedence over ethics, ethical sensitivity, social engagement and respect for the environment in the conduct of its business, and in the competitive context in which it operates. The Code of Ethics enshrines principles of transparency, fairness and honesty, impartiality, fair competition, the prevention of conflicts of interest, confidentiality and privacy, regulatory compliance, occupational health and safety, environmental protection, accounting control and transparency, the prevention of money laundering, the prevention of IT crimes, intellectual property, and the protection of corporate assets. Compliance with the provisions of the Code of Ethics is considered an essential part of the contractual obligations of the Company's employees (as per Articles 2104 and 2105 of the Civil Code) and of all those who maintain commercial relations with the Group. Consequently, any violation of the aforementioned provisions may be considered a breach of the same obligations, with all legal consequences.

In order to strengthen policies on responsible business conduct, in addition to 231 Model and Code of Ethics, Unieuro is working to prepare a procurement procedure that also includes sustainability aspects. Among its selection initiatives, this procedure includes conducting an assessment of suppliers that also considers the issue of human rights compliance.

For more information on the whistleblowing system, the Code of Ethics and all anti-corruption procedural tools in place, please refer to the corporate documentation made available in the

Corporate Governance section (“*Corporate Documents and Procedures*”) of the Company’s corporate website.

### **2.2.2. Combatting corruption**

As envisaged by the Code of Ethics, no employee may directly or indirectly accept, solicit, offer or pay sums of money or other benefits, including as a result of illicit pressure in order to influence the actions of an official, or other person, in charge of a public or legal duty. Unieuro will not tolerate any form or manner of corruption in relation to public officials or any other party connected to or associated with public officials, in any jurisdiction, even where such conduct may be commonplace, permitted or unsanctioned.

In addition to the principles and rules of conduct outlined in the Code of Ethics, the 231 Model identifies specific activities that may be vulnerable to the commission of offences under Legislative Decree No. 231/2001, including corruption, and defines specific control measures for key processes exposed to potential risks. Information and training activities on the contents of the 231 Model are carried out, and a system of sanctions has also been adopted to guarantee its effective application. Training courses are generally delivered to top management, including Directors and Area Managers, in person, and to other employees via the e-learning platform.

In 2022/23, Unieuro S.p.A. provided training in accordance with Legislative Decree No. 231/2001, conducting a total of 20.5 hours for 41 employees (including 7% middle managers and 93% office workers), excluding Board of Directors members. The difference from the previous fiscal year (71.5 hours) is attributable to the cyclic nature of training obligations. For the company Monclick, there are no hours of 231 Model training recorded because the training was held the previous year. We note that a specific induction session was held in February 2023 for the Directors and Statutory Auditors.

On the basis of the principles enshrined in the Code of Ethics, and as a supplement to the 231 Model, in March 2019, Unieuro introduced a specific Anti-Corruption Policy, dictating a series of rules for personnel to follow in order to strengthen corruption monitoring. In particular, the Policy sets out what is interpretable as corruption and the obligation to adhere to anti-corruption rules and report all illegal or improper practices in which personnel may be actively or passively involved. This Policy was subsequently updated in November 2020, on the occasion of the update of the 231 Model.

Anyone who becomes aware of acts of corruption or any other violation of the Anti-Corruption Policy may use the dedicated channels of communication to the Internal Audit Function, through the aforementioned whistleblowing system, or, alternatively, to the Legal Department.

During risk assessment activities carried out in the 2022/23 financial year to identify activities and processes vulnerable to the risk of offences, as per Legislative Decree No. 231/2001, a total of 33 sensitive activities were mapped, of which 16 at risk of corruption, considering both offences in relation to public administrations and between private individuals. At the same time, related procedures and controls were defined.

In the 2022/23 financial year, no reports of episodes of corruption were made.

**"TOP LEGAL CORPORATE COUNSEL & FINANCE AWARDS 2022" -  
UNIEURO WINS AWARD IN TECHNOLOGY CATEGORY  
FOR BEST LEGAL DEPARTMENT OF THE YEAR**



*"We are very proud of this recognition, which rewards our team's strong and unwavering commitment to contributing to the achievement of corporate objectives in an extremely competitive industry, which places increasing attention on compliance and corporate governance issues of a listed company with an extremely large shareholder base, so much so that it can be called public."*

**Filippo Fonzi**, Legal Director, Unieuro

### 2.2.3. Management of non-financial risks

For Unieuro, risk management is a priority. In addition to financial risks, the Group also pays attention to environmental, social and governance risks, believing that an effective process of managing them can no longer disregard these aspects as enabling factors in the pursuit of sustainable success. Unieuro is also aware of the relevance of this process to the analysis and enhancement of any positive impacts or mitigation of any negative impacts on the Company and the context in which it operates. The management of non-financial risks, at the date of preparation of this document, is carried out with the contribution of the various corporate functions, in relation to the risks within their respective areas of responsibility.

In view of the activities carried out by Unieuro and the characteristics of its target market, the Group's main non-financial (ESG) risks and how they are managed are outlined below.



#### Environment

The companies of the Group operate in the retail sale of small and large domestic appliances, mainly through the retail and e-commerce channel, where environmental risks mainly relate to compliance with applicable waste disposal legislation, which may lead to limitations on business activities or significant additional costs. One particular risk is that of the improper disposal of so-called Waste Electrical and Electronic Equipment (WEEE). Unieuro is obliged by law to collect WEEE free of charge, and to possess the technical requirements for its collection, temporary storage and transport and delivery to authorised waste management operators.

The Group's Code of Ethics promotes proper waste management in compliance with applicable legislation through selected suppliers, requiring the verification of permits, logs and third-party communications necessary for carrying out the relevant activities and guaranteeing the traceability



of the process and supply chain. To guard against this risk, the Group also has a specific manual that defines roles, responsibilities and operating methods for:

- initial and periodic verification of the possession and validity of communications/regulatory registrations for WEEE take-back/collection/transport activities and related deadlines and timelines for renewal requests;
- the proper management of activities in accordance with applicable regulations, regarding: types of WEEE collected, compliance place of grouping with applicable regulatory requirements, maintenance of records required by regulations;
- verification of compliance with regulatory requirements by third parties entrusted with WEEE take-back activities;
- the traceability of all activities related to the pickup/transport/collection of WEEE.

Furthermore, to limit other (non-WEEE) waste disposal co-responsibility risks, specific mitigation measures have been implemented, including: the definition of a master contract, adapted to specific suppliers and points of sale, and releasing the Company from co-responsibility with the supplier, with clauses to rescind the contract at any time and for any reason (e.g. operational reasons or commercial choices in relation to suppliers); the auditing of suppliers and subcontractors; and the identification of a new supplier for the diversification of services. For further details, see the section “*Waste management*”.

Unieuro received two small fines from the City of Jesolo during the fiscal year. The first - dated May 22, 2022 and totalling Euro 313 - relates to the inclusion in “dry” waste of a cable considered by the municipality as “WEEE.” Unieuro appealed this penalty by Administrative Appeal dated July 7, 2022 and is still awaiting settlement. The second fine - dated August 10, 2022 and totalling Euro 326 - refers to the incorrect sorting of waste at a store. The fine was paid on time.

On May 19, 2022, the notice of conclusion of preliminary investigation was issued to the legal representative for two potential violations of hazardous waste regulations (in relation to four televisions); following the filing of the acts, defence investigation activities were carried out in order to ascertain the actual responsibilities regarding the treatment of WEEE waste, both within the company and with respect to the suppliers involved in the investigation.

Further environmental risks concern atmospheric emissions from mains gas systems and refrigerant gas leaks from externally-mounted air conditioning units. However, considering the nature of its business, the management of energy consumption and related emissions does not represent a particularly high risk factor for Unieuro.

With reference to the latter, the Code of Ethics states that in carrying out its activities Unieuro takes into consideration the need for environmental protection and sustainable use of natural resources, in accordance with the provisions of current environmental legislation. More details can be found in the “*Electricity consumption and emissions*” section of this document. Climate-related risks are discussed in the section entitled “*Main risks and uncertainties to which the Group is exposed*” in the 2022/23 Annual Financial Report, to which reference should be made.



## *Customers*

As a consumer goods retailer, the Group is exposed to the risk of proceedings brought for product conformity defects (legal warranty) under the provisions of the Consumer Code – Legislative Decree No. 205/2006 – or liability for breach of contract under contractual warranties (extended warranties) it has sold.

For products that the Group has manufactured abroad and imports, affixing its own brand name to them, the Group is also exposed to the risk of product liability actions.

In addition to possible defective or non-functioning products, violations may also result from: (i) advertising messages concerning product characteristics and quality or the mechanics of prize transactions, posted at points of sale and/or on e-commerce sites and/or media channels; (ii) extended warranty contracts; (iii) information on product labels or in explanatory documents inside packaging.

The distribution of products (purchased from suppliers) that are potentially harmful to health or not in line with European safety and/or product quality standards, even if governed by the framework supply agreements and subject to certification by third-party bodies, could expose Unieuro S.p.A. to potential sanctions imposed by authorities or bodies (such as chambers of commerce) and to the risk of claims for compensation, or criminal or administrative proceedings, for damages caused by defects in the products sold. There may also be negative repercussions on the Group's reputation, with possible adverse effects on its equity and financial situation. Similarly, complaints of various kinds might lead to Unieuro S.p.A. being reported to consumer associations or the Italian Antitrust Authority (AGCM). On this aspect, please refer to section 6.3 “*Non-recurring expenses/(income)*” of the Directors' Report included in the 2022/23 Annual Financial Report.

Unieuro S.p.A.'s Code of Ethics not only promotes consumer relations based on full transparency and satisfaction concerning the products and services offered but also guarantees the Group's commitment to safeguarding its customers' safety and security. The high standing of the chosen suppliers and the stringent industry regulations currently applicable in Europe for the marketing of products (and in particular the RoHS Directive<sup>17</sup>) ensure the highest possible protection against such risks. For more details, please refer to the section “*Customer health and safety*”.

As the Company is particularly active in online sales, there may be further potential risks linked to hacker attacks and the cloning of credit cards or customers' personal data, and to IT system malfunctions or outages. Unieuro S.p.A. is exposed to the risk of negative impacts on the perception of the quality of its e-commerce service resulting from potential IT fraud by third parties. It is also exposed to the risk that personal data of customers or individuals with whom the

<sup>17</sup> *The Directive (RoHS - Restriction of Hazardous Substances) lays down rules on the restriction of the use of hazardous substances in electrical and electronic equipment (EEE) with a view to contributing to the protection of human health and the environment, including the environmentally sound recovery and disposal of waste EEE.*

Company has dealings may be damaged, misappropriated, lost, disclosed or processed for purposes other than those permitted.

The Group's Code of Ethics requires particular caution in dealing with information relating to the Company's activities and the data of employees and third parties in general (including customers), and is committed to protecting information generated or acquired within the corporate structure and/or in the management of business relationships. Unieuro S.p.A. has equipped itself with specific control systems to protect physical and IT access, the data centre and the e-mail system. The Company has also implemented a Disaster Recovery Plan, which it has shared with all business functions. In addition to containing various activities to be carried out in the event of an emergency, the Plan also includes a set of measures to be performed periodically to check their validity.

In addition, in 2018 Unieuro began a process of continuous alignment with the General Data Protection Regulation (GDPR), including equipping itself with an organisational model on privacy to improve its management of risks linked to personal data processing. For more details on *privacy* aspects, please refer to the section "*Security and Protection of Customer Data*" and the section "*Main risks and uncertainties to which the Group is exposed*" in the 2022/23 Annual Financial Report.



### Staff

Unieuro sees its staff as precious resources. The Group's results and success also depend on its ability to attract and retain qualified staff, and individuals who have held key positions in the development stages of the business. On this point, the main risks linked to staff management relate to: difficulties in finding resources with specific IT and digital skills; loss of key resources with possible negative (albeit temporary) effects on business operations; possible changes to and interpretation of relevant legislation (labour law, social security, taxation and administrative practices relating to staff management); sales network comprising many branches spread across the country, at a distance from head office.

Further risks may relate to inadequate or ineffective internal communication processes, inadequate staff training and work-related injuries and/or ill health, mainly resulting from manual handling of loads in sales points.

The Group is also very careful to respect the fundamental principles relating to human rights, which apply universally to everybody without distinction and are enshrined in the most significant international declarations and conventions. Assessments conducted by management have not revealed any activities directly carried out by the Group that entail risks of violating human rights (equality, life and safety, personal freedom or social, cultural and economic freedoms).

In the Code of Ethics, the Group undertakes to comply with a set of fundamental principles in relation to human resource management. These include the principle of "equal opportunity and non-discrimination", which must be observed both when hiring employees and in ongoing employment relationships, ensuring fair and merit-based treatment. Unieuro is committed to

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complying with national collective bargaining agreements and applicable labour law in all staff management policies. In addition to the Code of Ethics, the Group has also formally laid down a Corporate Regulation with a view to sharing and disseminating the Group's values, principles and rules of conduct with all of its staff; it has also prepared a policy to protect victims of gender-based violence that is scheduled to come into effect in FY 2023/24.

In order to attract and retain its employees, Unieuro offers managerial and professional training courses for both store and head office staff. To facilitate the achievement of its business targets, it has also adopted an individual performance appraisal system that assesses organisational and professional performance and assesses the level of achievement of personal targets (for head office staff).

The Group is also committed to creating a work environment of open dialogue and debate, giving all employees and contractors the opportunity to contact their line manager or the HR function through direct contact, by phone or e-mail, where necessary. In addition, through the whistleblowing system adopted, Unieuro gives its employees the opportunity to submit reports of illegal or improper conduct or behaviour. For more information, please refer to the sections entitled "*Staff training and career development*" and "*Organisation, Management and Control Model and corporate governance system*".

To protect against the risk of work-related injuries and/or work-related ill health, Unieuro S.p.A. has adopted an Organisation, Management and Control Model pursuant to Legislative Decree No. 231/2001 and associated verification protocols, in compliance with Legislative Decree No. 81/2008. For more information, please refer to the section "*Well-being, health and safety*".

Consistent with Monclick's business, the risk of work-related injuries and ill health is not significant.

Again in relation to occupational health and safety, in response to the pandemic Unieuro promptly issued and disseminated specific protocols and operating procedures to all individuals, in compliance with the "*Shared protocol for the regulation of measures to combat and contain the spread of the COVID-19 virus in the workplace*" of March 14, 2020, as amended on April 24, 2020, and subsequent amendments and additions, to inform workers about COVID-19. The protocols and operating procedures may be accessed by all employees in their personal areas of the Zucchetti management system.

During the health emergency, Unieuro S.p.A. has managed its staff by taking decisions to safeguard health, and has taken steps to ensure that head office employees may work remotely whenever possible. For store staff, the Company has introduced "aTUPER TU" and "CIAOfila" services designed to regulate store entry flows and provide maximum safety for workers and customers.

A special committee was set up, with the following active members: the Employer, the Prevention and Protection Service Manager (PPSM), the company doctor and employee health and safety representatives.

Unieuro has also made available to all staff the personal protective equipment (PPE) required by the regulations, hydroalcoholic solutions for hand sanitising, barriers at checkouts and financing areas, guaranteed daily cleaning and sanitising, rules restricting access to common areas and the appropriate signage.

For more information, please refer to the “*Well-being, health and safety*” section of this document and the section entitled “*Main risks and uncertainties to which the Group is exposed*” in the 2022/23 Annual Financial Report.



### Corruption

Among the activities identified by the Company as potentially susceptible to corruption are any relationships it may have with authorities and public officials regarding the opening of new points of sale, the organisation of promotional events or during tax and fiscal audits. Corruption may also occur during occupational health and safety inspections and in relation to personal data protection or proper waste disposal.

Risks of corruption among private parties may arise in relationships established for the identification of real estate for points of sale and when agreeing on the relevant contractual terms and conditions, in relationships with third parties in litigation against the Company, in negotiating purchase contracts with suppliers, to obtain advantageous conditions, and during verifications of compliance with customs requirements.

To minimise the risk of conduct that may amount to corruption, the Unieuro Group has equipped itself with a specific Anti-Corruption Policy, in accordance with its Code of Ethics and in line with best practice concerning the Anti-Corruption Compliance Program and the international standard ISO 37001:2016.

In addition, to incentivise workers to report instances of corruption, the Group has implemented a whistleblowing process, set out in a specific corporate policy (Whistleblowing Policy), providing stakeholders with tools for reporting unlawful conduct or violations of the 231 Model, the Code of Ethics, the Anti-Corruption Policy or, in general, any internal corporate rules adopted by the Company.

For more details, please refer to the sections entitled “*Organisation, Management and Control Model and corporate governance system*” and “*Combatting corruption*”.



### Supply chain

The Unieuro Group markets a wide range of products supplied by a large number of third parties, which include leading global manufacturers of domestic appliances, IT equipment and consumer electronic goods. As is generally the case in the Company’s target market, almost all the products it markets are produced in countries at risk of political, economic and social instability or potentially subject to possible import restrictions. The Company’s success also depends on its ability to

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maintain lasting business relationships with these suppliers; otherwise, there could be impacts on the Company's reputation and operations, with possible negative repercussions for its equity and financial situation.

In addition, given the location of the main suppliers, the chief environmental risks along the supply chain are those associated with the typical activities of domestic appliance and consumer electronic goods manufacturing companies. Chief among these are soil and water pollution due to improper disposal of water and liquids, air pollution caused by fumes from the processing of materials and the consumption of electricity and fuels, and improper disposal of waste (e.g. processing and packaging waste).

From a social and human rights perspective, supply chain risks mainly relate to non-compliance with relevant regulations and - especially in some countries where there is social instability - may involve risks of human rights violations (e.g. child labour, forced labour and freedom of association and bargaining).

Other procurement risks may concern delays to the arrival of goods, or receipt of goods in a condition that is not as ordered (in terms of quantity or quality).

With specific reference to direct imports, the products follow a qualification process at the production stage and are subsequently certified by third-party bodies so that they may be marketed in compliance with all applicable European industry regulations (in particular the RoHS Directive). For more details, please refer to the section "*Customer health and safety*".

To mitigate these risks, the Group has laid down a set of principles in the Code of Ethics that must be observed both by its employees when selecting new suppliers and by suppliers in their dealings with the Group. For more information, please refer to the "*Selection and management of suppliers*" section of this document and the section entitled "*Main risks and uncertainties to which the Group is exposed*" in the 2022/23 Annual Financial Report.

## 2.3. Economic-financial responsibility

### 2.3.1. Economic value generated and distributed

The Unieuro Group recognises the importance of balanced distribution of the value generated by its business to the stakeholders with whom it interacts on a daily basis, a value that they, directly or indirectly, help to produce.

Through the analysis of the economic value generated and distributed, the Unieuro Group highlights the economic resources that originate from management, the amount of resources allocated to its stakeholders - employees, suppliers, customers, shareholders, lenders, community and local communities - and the resources reinvested in the company to preserve and increase the organisation's assets.

In 2022/23, the total economic value generated - i.e. the wealth created by the Group in carrying out its activities - was approximately Euro 2,886 million, down 2% on FY 2021/22. Of this, 97% (or approximately Euro 2,792 million, 3% less than in the previous year) was distributed to stakeholders, while the remaining 3% (or approximately Euro 93 million Euro, up 16% on FY 2021/22) was retained<sup>18</sup> within the Company. The reasons for to the increase in retained value mainly relate to the higher dividends paid in the previous fiscal year (dividends that also incorporated the results produced in FY 2019/20) and the higher taxes paid to the government in FY 2021/22.

#### Breakdown of the economic value generated and distributed by the Group

Euro millions	28/02/2023	28/02/2022	28/02/2021
<b>Economic value generated (A)</b>	<b>2,885.7</b>	<b>2,950.8</b>	<b>2,686.2</b>
Year-on-year change	-2.2%	9.9%	n/d
<b>Economic value distributed (B)</b>	<b>2,792.3</b>	<b>2,870.3</b>	<b>2,537.3</b>
Year-on-year change	-2.7%	13.1%	n/d
- of which distributed to suppliers of goods and services	2,540.9	2,584.4	2,340.7
- of which distributed to employees	207.6	207.2	175.8
- of which distributed to shareholders	27.1	53.8	-
- of which distributed to lenders	10.5	11.1	12.4
- of which distributed to the Public Sector	5.9	13.5	8.0
- of which distributed to the community	0.3	0.3	0.5
<b>Economic value retained (A-B)</b>	<b>93.4</b>	<b>80.5</b>	<b>148.9</b>
Year-on-year change	15.9%	-45.9%	n/d

### 2.3.2. Tax management

The Unieuro Group, in application of the general principles of transparency, fairness and truthfulness of information, applies Italian tax law (the only country in which the Group Companies

<sup>18</sup> Retained value consists of depreciation and amortisation, provisions for risks, and self-financing consisting of profits reinvested in the company.

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are based) to ensure that the spirit and purpose of the rule or law is observed for the subject matter being interpreted. In cases where the tax regulations are not sufficiently clear or unambiguous in their meaning, the relevant tax unit pursues a reasonable interpretation of them, guided by the principles of legality and making use of the advice of outside professionals.

The principles and general rules of the Code of Ethics are also complied with in terms of tax and, following the introduction of tax crimes (*Article 25-quinquiesdecies*) within the types of offences provided for in the catalogue of Legislative Decree No. 231/2001, a special update of the Organisation, Management and Control Model has been provided for with a specific Special Part "O": Tax offences. Accordingly, the parent company's Supervisory Board, as part of its activities, verifies the safeguards to prevent tax crimes in order to ensure proper management of tax compliance.

In addition, the processes related to tax compliance, with specific reference to the parent company, are the subject of audit activity to support the issue of the attestation in accordance with Law No. 262/2005 "*Provisions for the protection of savings and the regulation of financial markets*", which provides listed companies with specific monitoring, control, and responsibility obligations regarding the preparation of accounting documents and financial communications disseminated to the market. The parent company organisation includes a Tax Manager on staff to the Administration & Control Director who reports directly to the Chief Financial Officer. With reference to the subsidiary Monclick, tax activities report directly to the Head of Administration.

The Unieuro Group adopts a collaborative approach with the tax authorities and ensures transparency and fairness in its dealings with them, both in the case of control related to Group companies and third parties.

It is the responsibility of the Function Managers to manage contact with members of any inspection bodies. The subjects identified from time to time, based on the scope of verification, must:

- provide full co-operation and transparency in dealing with inspectors, and ensure that the information provided is correct, truthful and up-to-date;
- verify the contents of the final inspection report;
- keep relevant documentation.

The objectives pursued in the area of taxation relate to compliance with the regulations to avoid behaviour that is not in line with the spirit of the regulations, and the monitoring and evaluation of opportunities and benefits arising from tax regulations.

In order to manage and contain tax compliance risk, which was mapped as part of the Risk Assessment activity conducted by the Company, appropriate control structures and associated risk owners were defined. The Unieuro Group adopts a collaborative approach with the tax authorities and ensures transparency and fairness in its dealings with them, both in the case of audits related to Group companies and third parties.



### 2.3.3. The European Environmental Taxonomy for Unieuro

#### Regulatory framework

European Regulation 2020/852 (also called the “Taxonomy Regulation”) seeks to create an information system to identify and report, in a clear and transparent way, activities with environmentally sustainable characteristics. The coming years are expected to see integration of frameworks for mapping activities that are also socially sustainable.

On a practical level, the Taxonomy Regulation identifies uniform EU-wide criteria for defining environmentally sustainable economic activities in relation to six environmental objectives:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

Analysis is currently limited to just the first two environmental objectives described by Delegated Regulation (EU) 2021/2139 as the legislature has not yet issued the technical screening criteria for the remaining objectives. Accordingly, for FY 2022/23, reporting on the KPIs of Turnover, CapEx and OpEx, as defined by Delegated Regulation (EU) 2021/2178, associated with eligible activities and aligned against climate mitigation and adaptation objectives is planned.

Eligible activities correspond to any activity explicitly included in the list of economic activities in Annexes I and II of Delegated Regulation (EU) 2021/2139, regardless of whether that economic activity meets any or all of the technical screening criteria set out in<sup>19</sup>.

Aligned activities correspond to environmentally sustainable activities under Article 3 of Regulation (EU) 2020/852 that jointly meet the following criteria:

- makes a substantial contribution to achieving of one or more of the environmental objectives;
- causes no significant harm to any of the other environmental objectives (principle of “*Do No Significant Harm - DNSH*”);

<sup>19</sup> *The lack of coverage by current legislation of all sustainability goals and economic activities may significantly affect the data collected, which could vary greatly in subsequent years. Ineligible activities include by difference any economic activity for which technical screening criteria are not yet available because the relevant Delegated Regulations have not yet been published by the European Commission.*

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- compliance with Minimum Safeguards, (criteria for verifying the protection of human and workers' rights).

In the following paragraphs, Unieuro reports the information in compliance with Regulation (EU) 2020/852, as a company subject to Regulation 2016/254 relating to the obligation to publish a Non-Financial Statement (NFS).

### The Environmental Taxonomy for Unieuro

In order to comply with the regulation, Unieuro began the procedure to analyse its activities carried out in FY 2022/23, breaking down the process into three main steps:

- Mapping and identification of eligible activities;
- Analysis and identification of aligned activities;
- Calculation of the 3 KPIs: Turnover, CapEx and OpEx.

### Eligible activities

Analysis of the NACE code revealed no match, confirming that Unieuro's sector is not closely related to the activities mapped by Delegated Regulation (EU) 2021/2139. However, in order to conduct a more in-depth assessment, Unieuro conducted an analysis of its business activities, assessing consistency with the descriptions in Delegated Regulation (EU) 2021/2139 in relation to its business activities and activities related to corporate operations.

This analysis led to the identification of the Company's economic activities eligible for the Taxonomy. We note that the activities mapped and reported below are not, for the most part, directly related to Unieuro's core business, but rather secondary activities related to the day-to-day management of operations and energy efficiency of its buildings (headquarters and stores) and corporate assets.

ACTIVITIES PURSUANT TO REG. 2021/2139		UNIEURO ELIGIBLE ACTIVITIES
4.1	Electricity generation using solar photovoltaic technology	Investment and maintenance of the photovoltaic plant at Genoa and Muratella. Sale of electricity produced and not consumed.
4.16	Installation and operation of electric heat pumps	Installation service for air conditioners with electric heat pump.
5.5	Collection and transport of non-hazardous waste in source segregated fractions	Collection of paper for new production cycles as a secondary raw material.
6.4	Operation of personal mobility devices, cycle logistics	Sale of electric bicycles and scooters.
7.2	Renovation of existing buildings	Renovations of Unieuro's new headquarters "Palazzo Hercolani" (continuing from FY 2021/22). Renovation and/or upgrade of warehouse buildings.
7.3	Installation, maintenance and repair of energy efficiency equipment	Point-of-sale energy efficiency activities (Green Project): replacement of obsolete lighting systems with LED fixtures; replacement of air conditioning systems with high-efficiency machines.
7.5	Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	Extending point-of-sale installations of building automation systems to manage all systems in a building in an integrated and intelligent way, effectively controlling electrical systems such as lighting, heating and air conditioning.
8.1	Data processing, hosting and related activities	Investment and maintenance activities related to data centres.

### Aligned activities

Complementing the analysis conducted in compliance with Regulation (EU) 2020/852, verification of the alignment of eligible activities includes the evaluation of activities on the basis of the criteria of substantial contribution, DNSH, and compliance with Minimum Safeguards.

### Substantial contribution and DNSH criteria

The work carried out included the preparation of specific forms for the verification of the substantial contribution and "DNSH" criteria. As noted above, the former seek to verify that the activity brings concrete benefit to the relevant environmental objectives while the latter are designed to establish that none of the other objectives are negatively impacted.

The analysis was carried out by assessing the characteristics of the individual activity and involving contact persons from the business functions to provide the necessary information, supporting documentation, and to actively contribute - through comparisons and interviews - to the evaluation of specific criteria.

The analysis conducted makes it possible to state that in relation to the goal "Climate Change Mitigation":

- The specific criteria for substantial contribution are met<sup>20</sup> by five out of eight eligible activities (4.1 Electricity generation using solar photovoltaic technology; 5.5 Collection and transport of non-hazardous waste in source segregated fractions; 6.4 Operation of personal

<sup>20</sup> The evaluation was based on product data sheets where necessary.

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mobility devices, cycle logistics; 7.3 Installation, maintenance and repair of energy efficiency equipment; 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings);

- the specific criteria for DNSH are met by four out of eight activities (4.1 Electricity generation using solar photovoltaic technology; 5.5 Collection and transport of non-hazardous waste in source segregated fractions; 7.3 Installation, maintenance and repair of energy efficiency equipment; 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings).

Finally, we note that the technical screening criteria in Delegated Regulation (EU) 2021/2139 for some eligible activities identified by Unieuro include a robust climate risk and vulnerability assessment to examine the relevance of climate and physical risks to the economic activity. For the purpose of the analysis, Unieuro evaluated the classification of climate-related hazards presented in Appendix A of Annexes I and II of Delegated Regulation (EU) 2021/2139. The Company does not consider these risks to be significant in relation to the scope of eligible activities. However, no structured and quantitative analysis has yet been conducted in this regard, also in light of the insignificant impact of the selected activities in terms of economic significance and relevance to Unieuro's business.

As a result, none of the eligible activities identified meet the requirements to contribute meaningfully to the “**Climate Change Adaptation**” objective as set out in the Regulation<sup>21</sup>.

## Minimum safeguards

The purpose of these criteria concerns the social aspects related to the implementation of the activity, such as respect for human and workers' rights. Accordingly, it is necessary to verify the Organisation's adherence to the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the eight core conventions of the International Labour Organization (ILO), and the International Bill of Human Rights. Unieuro evaluated its economic activities in light of these guidelines and principles<sup>22</sup>, also considering the guidance provided by the Platform on Sustainable Finance<sup>23</sup>.

The Company has taken steps to formalise attention to and protection of human and workers' rights throughout the supply chain. In addition to the safeguarding tools already in place, such as the Code of Ethics, Unieuro is preparing a responsible sourcing procedure.

However, by choosing to take a conservative and prudent approach, the current safeguard instruments are not considered sufficient to consider the assets identified as eligible aligned with the Minimum Safeguards.

<sup>21</sup> *Substantial contribution criteria for the Climate Change Adaptation objective (Annex II of Reg(EU)2021/2139) require that a robust climate risk analysis and assessment of adaptation strategies be conducted for each eligible activity.*

<sup>22</sup> *Pursuant to Article 18, Reg(EU) 2020/852*

<sup>23</sup> *Platform on Sustainable Finance, October 2022, Final Report on Minimum Safeguards.*

### Information on the carrying amounts considered to support the calculation of KPIs

KPIs are calculated consistent with the accounting criteria defined in Annex I of Delegated Regulation (EU) 2021/2178. The table below summarises the indicators for activities eligible for the “Climate Change Mitigation” and “Climate Change Adaptation” objectives<sup>24</sup>.

Eligible activities under EU Reg. 2020/852		FY 2022/23		
		Revenues	CapEx	OpEx
4.1	Electricity generation using solar photovoltaic technology	0.00%	0.65%	0.01%
4.16	Installation and operation of electric heat pumps	0.28%	0.00%	0.00%
5.5	Collection and transport of non-hazardous waste in source segregated fractions	0.00%	0.00%	0.44%
6.4	Operation of personal mobility devices, cycle logistics	0.11%	0.00%	0.00%
7.2	Renovation of existing buildings	0.00%	0.11%	0.00%
7.3	Installation, maintenance and repair of energy efficiency equipment	0.00%	3.10%	0.00%
7.5	Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	0.00%	4.31%	0.00%
8.1	Data processing, hosting and related activities	0.00%	0.10%	0.08%
<b>TOTAL</b>		<b>0.39%</b>	<b>8.28%</b>	<b>0.53%</b>

Specifically, the denominator of the KPIs corresponds to the items outlined below, while the numerator corresponds to the portion of the denominator that meets the appropriate criteria presented in the Delegated Regulations.

### Denominators of Turnover, CapEx and OpEx KPIs

With regard to Turnover, net revenues in accordance with Article 2(5) of Directive 2013/34/EU were considered for the denominator calculation. Turnover includes revenues recognised in accordance with International Accounting Standard (IAS) No. 1, point 82(a), adopted by Commission Regulation (EC) No 1126/2008<sup>25</sup>.

In defining the denominator of the CapEx KPI, increases to tangible and intangible assets during the year considered before depreciation, depletion, and any revaluation, including those resulting from restatements and reductions in value, were included for the year in question, and changes in fair value were excluded<sup>26</sup>.

In defining the denominator of the OpEx KPI, non-capitalised direct costs associated with maintenance, repair, and rental fees, and any other direct expenses related to consulting and day-

<sup>24</sup> More details in the attached tables as required by the Regulation.

<sup>25</sup> In accordance with point 1.1.1. defined in Delegated Regulation (EU) 2021/2178.

<sup>26</sup> In accordance with point 1.1.2. defined in Delegated Regulation (EU) 2021/2178.

to-day maintenance of property and facilities necessary to ensure the continuous and effective operation of these assets were included.<sup>27</sup>

### Numerators of Turnover, CapEx and OpEx KPIs

For the individual activities considered, the following is a summary of the cost and revenue items included in the numerator of the indicators.

- **4.1 Electricity generation using solar photovoltaic technology:** capital and operating expenses related to the business are included under “Plant machinery” and “Purchase of materials and services.” The share of revenue from the sale of energy produced but not consumed was not included in the count because it was irrelevant to the KPI calculation.
- **4.16 Installation and operation of electric heat pumps:** revenues from the installation service of air conditioners with electric heat pumps are counted.
- **5.5 Collection and transport of non-hazardous waste in source segregated fractions:** expenses incurred for collection of paper for recycling and new production cycles (Purchases of materials and services).
- **6.4 Operation of personal mobility devices, cycle logistics:** revenues from the sale of scooters and electric bicycles.
- **7.2 Renovation of existing buildings:** capital expenditures related to the renovation of Herculani Palace (in continuation with FY 2021/22) and some warehouses.
- **7.3 Installation, maintenance and repair of energy efficiency equipment:** capital expenditures for energy efficiency in stores (Green Project).
- **7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings:** capital expenditures for the extension of building automation systems in stores.
- **8.1 Data processing, hosting and related activities:** capital and operational expenses related to data centre operation

<sup>27</sup> In accordance with point 1.1.3. defined in Delegated Regulation (EU) 2021/2178.

# ATTACHMENTS

TEMPLATES PURSUANT TO ANNEX II DELEGATED REGULATION (EU) 2021/2178

## TURNOVER

Economic activity (1)	Code(s) (2)	Absolute turnover (3) Euro	Share of turnover (4) %	Climate change mitigation (5) %	Climate change adaptation (6) %	Water and marine resources (7) %	Circular economy (8) %	Pollution (9) %	Biodiversity and ecosystems (10) %	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water and marine resources (13) Y/N	Circular economy (14) Y/N	Pollution (15) Y/N	Biodiversity and ecosystems (16) Y/N	Minimum safeguards (17) Y/N	Share of turnover aligned with Taxonomy, Year N (18) Percentage	Share of turnover aligned with Taxonomy, Year N-1 (19) Percentage	Category (enabling activity) (20) A	Category (transitional activity) (21) T
																			A	T
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																				
<b>A.1. Environmentally sustainable activities (aligned with Taxonomy)</b>																				
Turnover from environmentally sustainable activities (aligned with Taxonomy) (A.1)		- €	0%														0%			
<b>A.2. Activities eligible for the Taxonomy but not environmentally sustainable (activities not aligned with Taxonomy)</b>																				
Installation and operation of electric heat pumps	4.16	7,976,098 €	0.28%																	
Operation of personal mobility devices, cycle logistics	6.4	3,159,282 €	0.11%																	
Turnover from activities eligible for the Taxonomy but not environmentally sustainable (activities not aligned with the Taxonomy) (A.2)		11,135,380 €	0.39%																	
Total (A.1 + A.2)		11,135,380 €	0.39%																	
<b>B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY</b>																				
Turnover of activities not eligible for Taxonomy (B)		2,873,164,620 €	99.61%																	
Total (A+B)		2,884,300,000 €	100%																	

CAPEX:

Economic activity (1)	Code(s) (2)	Absolute capital expenditure (3)		Share of capital expenditure (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Share of capital expenditure aligned with Taxonomy, year N (18)	Share of capital expenditure aligned with Taxonomy, year N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)	
		Euro	%																	A	T	
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES %</b>																						
<b>A.1. Environmentally sustainable activities (aligned with Taxonomy)</b>																						
Capital expenditure for environmentally sustainable activities (aligned with Taxonomy) (A.1)		- €	0%																			
<b>A.2. Activities eligible for the Taxonomy but not environmentally sustainable (activities not aligned with Taxonomy)</b>																						
Electricity generation using solar photovoltaic technology	4.1	247,800 €	0.65%																			
Renovation of existing buildings	7.2	42,820 €	0.11%																			
Installation, maintenance and repair of energy efficiency equipment	7.3	1,174,588 €	3.10%																			
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	1,634,311 €	4.31%																			
Data processing, hosting and related activities	8.1	39,600 €	0.10%																			
Capital expenditure for activities eligible for the Taxonomy but not environmentally sustainable (activities not aligned with the Taxonomy) (A.2)		3,139,119 €	8.28%																			
Total (A.1 + A.2)		3,139,119 €	8.28%																			
<b>B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY</b>																						
Capital expenditure for activities not eligible for Taxonomy (B)		34,760,881 €	91.72%																			
Total (A+B)		37,900,000 €	100.00%																			



OPEX

Economic activity (1)	Code(s) (2)	Absolute operating expenditure (3)	Share of operating expenditure (4)	Criteria for substantial contribution											Criteria for "Do No Significant Harm"			Share of operating expenses aligned with taxonomy, year N-1 (19)	Share of operating expenses aligned with taxonomy, year N (18)	Percentage	Category (enabling activity) (20)	Category (transitional activity) (21)
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Percentage					
<b>A. TAXONOMY-ELIGIBLE ACTIVITIES</b>																						
<b>A.1. Environmentally sustainable activities (aligned with Taxonomy)</b>																						
Operating expenditure for environmentally sustainable activities (aligned with Taxonomy) (A.1)		- €	0%																			
<b>A.2. Activities eligible for the Taxonomy but not environmentally sustainable (activities not aligned with Taxonomy)</b>																						
Electricity generation using solar photovoltaic technology	4.1	4,500 €	0.01%																			
Collection and transport of non-hazardous waste in source segregated fractions	5-5	248,615 €	0.44%																			
Data processing, hosting and related activities	8.1	43,053 €	0.08%																			
<b>Operating expenditure of activities eligible for the Taxonomy but not environmentally sustainable (activities not aligned with the Taxonomy) (A.2)</b>		<b>296,168 €</b>	<b>0.53%</b>																			
<b>Total (A.1 + A.2)</b>		<b>296,168 €</b>	<b>0.53%</b>																			
<b>B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY</b>																						
Operating expenditure for activities not eligible for Taxonomy (B)		55,776,833 €	99.47%																			
<b>Total (A+B)</b>		<b>56,073,000 €</b>	<b>100.00%</b>																			

TEMPLATES PURSUANT TO ANNEX XII DELEGATED REGULATION (EU) 2021/2178

<b>Activities related to nuclear energy</b>		
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
<b>Fossil gas related activities</b>		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

As it has no economic activities listed in Annexes I and II, Sections 4.26, 4.27, 4.28, 4.29, 4.30, and 4.31 of Delegated Regulation (EU) 2021/2139 (i.e. activities related to nuclear energy or fossil gases), Unieuro does not submit Templates 2,3,4,5 of Annex XII of Delegated Regulation (EU) 2021/2187.

### 3. SOCIAL PERFORMANCE<sup>28</sup>



<p>Unieuro continues to refine the <b>UniVersus</b> project, developed with the aim of monitoring employee satisfaction levels</p>	 <p>The Academy returned to an in-person format with <b>11 days</b> and <b>88 hours of classroom training</b></p>	 <p><b>47% Female presence</b> within the Group</p>
		<p><b>"Benefit Hub"</b> - the platform that manages corporate deals, discounts and promotions for employees - launched</p>

#### 3.1. Employees

##### 3.1.1. Breakdown of personnel

As of Feb. 28, 2023, the Unieuro Group employs 5,695 staff (47% female), down slightly on the previous year. Employees are divided between business activities (sales assistants, cashiers, warehouse workers, department heads and store managers), amounting to 5,254 employees, and support activities (office staff, specialists, co-ordinators, managers, directors of head office functions - central corporate area functions), amounting to 441 employees. Most employees (82%) are hired on permanent contracts, so as to ensure that the Group can retain qualified personnel within the company. All employees are covered by collective bargaining agreements.

The Company continues to promote initiatives to define goals, metrics and actions to achieve increasing gender equality within the corporate organisation.

Effective employee management is a central aspect of Unieuro’s success. The expertise and commitment that each individual devotes to the company’s business are the basis of the competitive advantage achieved by the Group, to the point that it considers charges for professional development and training to be among the most significant investments in intangible capital (see in this regard the section on “*Staff training and career development*”).

Unieuro has embarked on an important journey that is leading to the definition of a “Leadership Model,” a reference model by which the Company’s leaders can be inspired on a daily basis and which is based at its core on the growth of people and their development. In concrete terms, the

<sup>28</sup> For the table on page 30-37 we note that the impacts (positive and negative) pertaining to this chapter refer mainly to the following material topics: respect for human rights and worker protection, diversity and equal opportunities, employee and contractor health and safety, staff training and career development, corporate welfare, customer-centricity and innovation, transparency of product information and offers to customers, sustainable supply chain, distribution, logistics and mobility management.

## A passion called sustainability

leadership model identifies behaviours and skills required of managers that, consistent with corporate values, support the achievement of the company's strategic goals, the driving of change and the development of personnel.

The new projects also include one dedicated to "Talent Management," i.e. how to manage and develop talent at Unieuro which, among other initiatives, includes the creation of an onboarding path. This is the structured process of accompanying new colleagues when they join the company.

In order to improve the well-being and work experience of its employees, starting in 2022, the Company has developed a strategic program to listen to and monitor the level of satisfaction of Unieuro and Monclick employees: the "UniVersus" project. Just as the level of customer satisfaction is measured through the "Net Promoter Score" (NPS), using a similar methodology, the level of employee satisfaction is calculated through an "employee Net Promoter Score" (eNPS). Thus, conducting an internal survey on an annual basis makes it possible to measure the level of employee satisfaction and identify key areas for action, in a process of continuous improvement. The survey involves the entire corporate population and focuses on several topics including work environment, recognition and remuneration, relationships among colleagues and with managers, knowledge of the organisation, corporate strategy and values, management of change phases, and effectiveness of communication initiatives.

The UniVersus project was preceded a year earlier by another important initiative: the "Futura" project. This supported the launch of a new work organisation and a new way of understanding business and life in the company, by accompanying people. The Company has set itself the ambition and goal of creating a work experience that is truly people-friendly, allowing flexibility in work arrangements, spaces, and hours, thus fostering a better work-life balance.

For this ambition to become a reality, however, it is not enough to simply change the rules; we must change the approach to work, developing skills, abilities and behaviours that can facilitate the adoption of a new way of working. Thus, the "Futura" project involved activities on various fronts, including: equipping people with appropriate work tools, training them on both remote work and the use of the tools used, and preparing a specific Policy for the management of smart working.

To date, almost all of the headquarters population has signed a smart working agreement that provides for 45 days of in-presence work at the company on an annual basis; the remaining days can be managed remotely, according to flexible schedules, allowing the employees involved a strong work-life balance. While for the first two years the agreement was signed on an annual basis, with the third renewal, the agreement became open-ended.

The Forlì headquarters was also completely rethought, with the offices moved to Palazzo Hercolani in the city centre, conceiving the office as a place for collaboration, sociability and support for the corporate culture. This strategy has thus promoted employee well-being both inside the office and outside, enhancing the ability to attract new talent, retain current staff and stimulate a sense of belonging.

For the benefit of the entire corporate population, the "Benefit-hub" portal was launched. This provides access to various discounts, on different types of products and services (clothing, technology, leisure, etc.), from which Unieuro employees and their families can benefit.

The dissemination of a real shared culture is promoted by the Code of Ethics, addressed to all employees and approved by the Board of Directors, in which the Group enshrines the principles of

equal opportunity and non-discrimination, worker health and safety, prevention of corruption risk and conflicts of interest, fair remuneration policies, and, finally, the centrality of employee orientation to the customer. All personnel management policies are also defined in strict compliance with the applicable national collective bargaining agreements and applicable labour regulations.

Regarding targeted employment, Unieuro liaises with the various provincial officers to apply conventions targeting the insertion and real labour integration of members of protected categories (see Law No. 68/1999 and Legislative Decree No. 151/2015). The Company is willing to consider requests for work on part-time schedules with respect to customer service, ensuring sustainability of employment on the organisational unit.

Specifically, the Company requires all functions responsible for processes or procedures related to personnel management to:

- adopt selection criteria based on merit and competence;
- select, hire, train and pay employees without discrimination;
- comply with labour laws and regulations;
- ensure the physical and moral integrity of employees;
- guarantee the right to working conditions that respect the dignity of the individual.

Unieuro offers all its employees a climate of open and transparent discussion based on mutual respect. Every year, opportunities for discussion (evaluation interviews) are provided between manager and employee in order to ensure the achievement of business, personal and professional growth goals for the benefit of the entire company population. Where possible and for senior figures, the HR department oversees these moments, offering advice and support. In addition, second-level managers (again whenever possible) are also invited to supervise staff interviews.

As part of the listening and contact tools beyond the aforementioned projects and channels, the whistleblowing portal is active, dedicated to reports of violations of the Code of Ethics, Anti-Corruption Policy, 231 Model/2001 and/or company policies and procedures. Access to the portal guarantees the anonymity of the reporter, unless s/he intends to provide contact information when reporting.

### INDIVIDUAL SMART WORKING AGREEMENT FOR AFFECTED EMPLOYEES MADE PERMANENT



The individual smart working agreement, first signed in FY 2021/22 and extended for an additional year in FY 2022/23, was made permanent. The experience proved to be positive, demonstrating that the new work organisation can be perfectly integrated with the company's professionalism and work needs. Smart working has also helped promote goal-oriented work and empower each employee by leveraging trust and stimulating collaboration and communication among colleagues.

### BENEFIT HUB: COMPANY WELFARE



The tool introduced to manage corporate conventions, discounts and promotions for Unieuro employees is the Benefit Hub. The platform allows employees to take advantage of benefits from numerous brands in different categories on a national and local basis.

## THE CHALLENGES OF INTERNAL COMMUNICATION



Throughout the year, Unieuro worked hard on internal communication, a key element in ensuring a proper and widespread level of knowledge and awareness about the company's activities and projects

The new Internal Communication function has created a space for contribution and sharing by creating an expanded editorial staff, in which each function had the opportunity to propose topics and news to share with the whole company and report the expectations and needs of Unieuro people.

Several tools were launched throughout the year: from the monthly Unieuro News Newsletter, to the Internal Communication Sharepoint space, to the many communications related to specific projects and initiatives. Late 2022 saw the launch of Noi ci siamo ("We're here"), the internal communication campaign dedicated to corporate values. This involved an exceptional storyteller, Federico Buffa, who accompanied Unieuro in exploring the meaning of its values, and most importantly, all employees were given the opportunity and space to tell their stories, impressions and emotions, thanks to an ad hoc digital tool, the Social Wall.

One of the next challenges is the development of the "Digital Workplace" project, with the launch of a new company portal to create connections by ensuring a structured, multidirectional communication flow. The implementation of the new intranet seeks to create an innovative and efficient space that can improve communication, increase the engagement of all staff, facilitate processes and make it easier to find information. The partner that will support Unieuro in implementing the project has been selected, and the phase of listening and gathering ideas and suggestions on the features and content to be included in the platform is underway.

Performance indicators<sup>29</sup>

Employees by age group, gender, and role

Employees	unit	28/02/2023			28/02/2022			28/02/2021		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees in support functions		235	206	441	229	198	427	217	183	400
%		53%	47%	8%	54%	46%	7%	54%	46%	7%
below 30 years of age		14	31	45	10	27	37	16	28	44
between 30 and 50 years of age		155	145	300	158	145	303	143	132	275
over 50 years of age		66	30	96	61	26	87	58	23	81
Employees engaged in business activities	No.	2,787	2,467	5,254	2,815	2,542	5,357	2,581	2,410	4,991
%		53%	47%	92%	53%	47%	93%	52%	48%	93%
below 30 years of age		561	350	911	472	342	814	404	310	714
between 30 and 50 years of age		1,640	1,609	3,249	1,830	1,757	3,587	1,753	1,736	3,489
over 50 years of age		586	508	1,094	513	443	956	424	364	788
<b>Total</b>		<b>3,022</b>	<b>2,673</b>	<b>5,695</b>	<b>3,044</b>	<b>2,740</b>	<b>5,784</b>	<b>2,798</b>	<b>2,593</b>	<b>5,391</b>
%		53%	47%	100%	53%	47%	100%	52%	48%	100%

<sup>29</sup> The data for fiscal years 2021/22 and 2022/23 do not consider data on temporary staff; therefore, differences will be noted from the data for fiscal year 2020/21.



Number of employees by contract type and geographical area<sup>30</sup>

Employees	unit	28/02/2023			28/02/2022			28/02/2021		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Fixed-term</b>		<b>567</b>	<b>444</b>	<b>1,011</b>	<b>639</b>	<b>546</b>	<b>1,185</b>	<b>453</b>	<b>420</b>	<b>873</b>
%		56%	44%	18%	54%	46%	20%	52%	48%	16%
North		391	293	684	400	352	752	297	288	585
Centre		118	102	220	159	140	299	90	83	173
South and islands		58	49	107	80	54	134	66	49	115
<b>Permanent</b>	No.	<b>2,455</b>	<b>2,229</b>	<b>4,684</b>	<b>2,405</b>	<b>2,194</b>	<b>4,599</b>	<b>2,345</b>	<b>2,173</b>	<b>4,518</b>
%		52%	48%	82%	52%	48%	80%	52%	48%	84%
North		1,359	1,367	2,726	1,359	1,355	2,714	1,369	1,366	2,735
Centre		605	555	1,160	578	542	1,120	583	532	1,115
South and islands		491	307	798	468	297	765	393	275	668
<b>Total</b>		<b>3,022</b>	<b>2,673</b>	<b>5,695</b>	<b>3,044</b>	<b>2,740</b>	<b>5,784</b>	<b>2,798</b>	<b>2,593</b>	<b>5,391</b>
%		53%	47%	100%	53%	47%	100%	52%	48%	100%

<sup>30</sup> The breakdown by geographical areas is distributed as follows:

North: Aosta Valley, Piedmont, Lombardy, Trentino-Alto-Adige, Friuli-Venezia-Giulia, Veneto, Emilia-Romagna, Liguria  
 Centre: Tuscany, Abruzzo, Marche, Umbria, Molise, Lazio  
 South and islands: Sardinia, Campania, Apulia, Basilicata, Calabria, Sicily

## Employees by region

Employees	unit	28/02/2023			28/02/2022			28/02/2021		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Aosta Valley		8	10	18	7	11	18	7	10	17
Lombardy		562	479	1,041	549	483	1,032	488	459	947
Piedmont		237	296	533	249	289	538	229	291	520
Trentino-Alto Adige		23	18	41	24	18	42	25	20	45
Veneto		321	256	577	309	279	588	298	273	571
Friuli-Venezia Giulia		63	58	121	65	67	132	61	61	122
Liguria		128	146	274	133	153	286	135	142	277
Emilia-Romagna		408	397	805	423	407	830	423	398	821
Tuscany		100	114	214	102	120	222	100	116	216
Abruzzo		28	30	58	26	31	57	27	29	56
Marche	No.	113	106	219	120	107	227	118	102	220
Umbria		28	27	55	19	19	38	20	15	35
Molise		25	16	41	27	15	42	22	15	37
Lazio		429	364	793	443	390	833	386	338	724
Sardinia		61	68	129	68	67	135	64	66	130
Campania		35	19	54	38	22	60	17	12	29
Apulia		86	49	135	86	48	134	86	51	137
Basilicata		37	23	60	36	22	58	36	24	60
Calabria		9	14	23	8	14	22	9	14	23
Sicily		321	183	504	312	178	490	247	157	404
<b>Total</b>		<b>3,022</b>	<b>2,673</b>	<b>5,695</b>	<b>3,044</b>	<b>2,740</b>	<b>5,784</b>	<b>2,798</b>	<b>2,593</b>	<b>5,391</b>

### 3.1.2. Diversity, equal opportunities and respect for human rights

For Unieuro, diversity is a true value. As such, it is constantly committed to ensuring that it is respected at all stages of recruitment, ensuring that there is no room for discrimination on the grounds of race, sex, nationality, sexual orientation, social status, physical appearance, religion or political orientation.

Unieuro's goal is to build a transparent reality orientated toward compliance with ethical and behavioural standards, in the belief that business success cannot disregard ethics in its operations and that competitiveness must inextricably be accompanied not only by ethical sensitivity, but also by social involvement and respect for the environment.

A Code of Ethics and Company Regulation have therefore been formalised to share values, principles, and rules of behaviour with employees and communicate them to all other stakeholders. The Company also has specific selection procedures that are based on principles of impartiality, speed and economy in the choice of how the selection process is carried out and how the selection is published. The processes are based on the adoption of objective and transparent criteria suitable for ascertaining the correspondence of candidates' professionalism, abilities and aptitudes to the

characteristics of the roles to be filled, guaranteeing equal opportunities in access to employment and avoiding any kind of discrimination. In specific cases, such as the selection of managerial or executive profiles, Unieuro may use specialised companies to speed up the selection and ensure the best search for potential candidates on the market.

Unieuro's commitment to respecting diversity and equal opportunity does not end at the selection stage, but is reaffirmed at every stage of its relationship with its employees, also adopting criteria based on merit and competence in remuneration policies. As indicated within the Code of Ethics, the physical and moral integrity of employees is considered a primary value for the Group, which seeks to guarantee its employees the right to working conditions that always respect the dignity of the individual. In addition, a policy to protect victims of gender-based violence is also planned for FY 2023/24. The Company strongly condemns all forms of physical, sexual and psychological harassment, including persecutory acts, and seeks to promote a corporate culture that is based on mutual respect and equal dignity among all workers, regardless of gender, sexual orientation or identity.

In line with previous fiscal year, training courses were conducted for managers focusing on personnel management and labour regulations, designed to ensure that all workers have equal opportunities, so that everyone can enjoy fair treatment based on merit criteria and strict compliance with the law. In addition, for employees in business functions using smart working, training was organised on the topic of "working by objectives."

Confirming the Group's commitment to equal opportunity, the female presence within the company is 47%, more or less line with the previous year's figure. The age group comprising the largest number of employees is 30 to 50 years old (62%) for both female and male staff. During the last fiscal year, 1,571 employees were recruited, 42% of whom were women, the majority of whom were in the under-30 age group (67%). 1,674 resources left the company, 43% of them women and, again, the majority of whom in the under-30 age group (58%).

We also note that the percentage of senior managers working and residing in the local community hired in FY 2022/23 is 100%, and that as of February 28, 2023, 71% of senior managers in Unieuro's workforce work and live in the local community.

Performance indicators<sup>31</sup>

Employees by age group, gender and level

Employees	unit	28/02/2023			28/02/2022			28/02/2021		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Executives</b>		<b>30</b>	<b>5</b>	<b>35</b>	<b>28</b>	<b>2</b>	<b>30</b>	<b>27</b>	<b>1</b>	<b>28</b>
%		86%	14%	1%	93%	7%	1%	96%	4%	1%
below 30 years of age		-	-	-	-	-	-	-	-	-
between 30 and 50 years of age		13	3	16	10	1	11	11	1	12
over 50 years of age		17	2	19	18	1	19	16	-	16
<b>Managers</b>		<b>52</b>	<b>26</b>	<b>78</b>	<b>53</b>	<b>23</b>	<b>76</b>	<b>45</b>	<b>18</b>	<b>63</b>
%		67%	33%	1%	70%	30%	1%	71%	29%	1%
below 30 years of age		-	-	-	-	-	-	-	-	-
between 30 and 50 years of age		32	18	50	35	15	50	32	13	45
over 50 years of age		20	8	28	18	8	26	13	5	18
<b>White-collar</b>		<b>2,940</b>	<b>2,641</b>	<b>5,581</b>	<b>2,963</b>	<b>2,714</b>	<b>5,677</b>	<b>2,726</b>	<b>2,573</b>	<b>5,299</b>
%		53%	47%	98%	52%	48%	98%	51%	49%	98%
below 30 years of age	No.	575	381	956	482	369	851	420	338	758
between 30 and 50 years of age		1,750	1,733	3,483	1,943	1,886	3,829	1,835	1,854	3,707
over 50 years of age		615	527	1,142	538	459	997	453	381	834
<b>Blue-collar</b>		<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>1</b>
%		0%	100%	0%	0%	100%	0%	0%	100%	0%
below 30 years of age		-	-	-	-	-	-	-	-	-
between 30 and 50 years of age		-	-	-	-	-	-	-	-	-
over 50 years of age		-	1	1	-	1	1	-	1	1
<b>Total</b>		<b>3,022</b>	<b>2,673</b>	<b>5,695</b>	<b>3,044</b>	<b>2,740</b>	<b>5,784</b>	<b>2,798</b>	<b>2,593</b>	<b>5,391</b>
%		53%	47%	100%	53%	47%	100%	52%	48%	100%
below 30 years of age		575	381	956	482	369	851	420	338	758
between 30 and 50 years of age		1,795	1,754	3,549	1,988	1,902	3,890	1,896	1,868	3,764
over 50 years of age		652	538	1,190	574	469	1,043	482	387	869

<sup>31</sup> The data for fiscal years 2021/22 and 2022/23 do not consider data on temporary staff; therefore, differences will be noted from the data for fiscal year 2020/21.

## Employees by employment type and gender

Employees	unit	28/02/2023			28/02/2022			28/02/2021		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Full-time employees		2,119	1,139	<b>3,258</b>	2,152	1,210	<b>3,362</b>	2,126	1,193	<b>3,319</b>
%		65%	35%	57%	64%	36%	58%	64%	36%	62%
% of total (gender)		70%	43%		71%	44%		76%	46%	70%
% of total (headcount)		37%	20%		37%	21%		39%	22%	37%
Part-time employees		903	1,534	<b>2,437</b>	892	1,530	<b>2,422</b>	672	1,400	<b>2,072</b>
%	No.	37%	63%	43%	37%	63%	42%	32%	68%	38%
% of total (gender)		30%	57%		29%	56%		24%	54%	30%
% of total (headcount)		16%	27%		15%	26%		12%	26%	16%
<b>Total</b>		<b>3,022</b>	<b>2,673</b>	<b>5,695</b>	<b>3,044</b>	<b>2,740</b>	<b>5,784</b>	<b>2,798</b>	<b>2,593</b>	<b>5,391</b>
%		53%	47%	100%	53%	47%	100%	52%	48%	100%

Employees by employment type, region and gender at 28/02/2023<sup>32</sup>

	unit	Full-time employees				Part-time employees			
		Male	Female	Total	%	Male	Female	Total	%
North		1,252	735	<b>1,987</b>	61%	498	925	<b>1,423</b>	58%
Centre		507	275	<b>782</b>	24%	216	382	<b>598</b>	25%
South and islands	No.	360	129	<b>489</b>	15%	189	227	<b>416</b>	17%
<b>Total</b>		<b>2,119</b>	<b>1,139</b>	<b>3,258</b>	100%	<b>903</b>	<b>1,534</b>	<b>2,437</b>	100%

<sup>32</sup> There are no employees with non-guaranteed working hours in FY 2022/2023.

### Workers who are not employees by contract type, gender and region<sup>33</sup>

Workers who are not employees	unit	28/02/2023			28/02/2022			28/02/2021		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Interns and trainees</b>		<b>38</b>	<b>37</b>	<b>75</b>	<b>66</b>	<b>44</b>	<b>110</b>	<b>69</b>	<b>46</b>	<b>115</b>
North		26	31	57	49	39	88	54	41	95
Centre		11	6	17	13	4	17	14	5	19
South and islands		1	-	1	4	1	5	1	-	1
<b>Temporary staff</b>	No.	<b>6</b>	<b>8</b>	<b>14</b>	<b>7</b>	<b>17</b>	<b>24</b>	<b>2</b>	<b>4</b>	<b>6</b>
North		6	8	14	7	17	24	2	4	6
Centre		-	-	-	-	-	-	-	-	-
South and islands		-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>44</b>	<b>45</b>	<b>89</b>	<b>73</b>	<b>61</b>	<b>134</b>	<b>71</b>	<b>50</b>	<b>121</b>

### Proportion of senior management hired from the local community<sup>34</sup>

Senior management hired from the local community	unit	28/02/2023	28/02/2022
Percentage of senior management	%	100%	50%

<sup>33</sup> Workers who are not employees chiefly comprise: trainees, mainly employed at the point of sale, assisting store staff in sales activities; temps, employed in offices, performing clerical work.

<sup>34</sup> Senior management means the executives hired in the fiscal year of reference. Significant operating sites, for Unieuro, are defined as the administrative offices with support functions in Forlì, Piacenza, Milan and Carini; local community means Emilia-Romagna, Lombardy and Sicily. For Monclick, significant operating site means the administrative office with support functions in Milan; local community means Lombardy.

## New hires by age group, gender, and geographical area

Number of new hires	unit	28/02/2023			28/02/2022			28/02/2021		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>North</b>		<b>633</b>	<b>457</b>	<b>1,090</b>	<b>469</b>	<b>361</b>	<b>830</b>	<b>495</b>	<b>406</b>	<b>901</b>
%		58%	42%	69%	57%	43%	61%	55%	45%	66%
below 30 years of age		480	279	759	340	230	570	341	272	613
between 30 and 50 years of age		135	155	290	118	121	239	147	121	268
over 50 years of age		18	23	41	11	10	21	7	13	20
<b>Centre</b>		<b>190</b>	<b>142</b>	<b>332</b>	<b>191</b>	<b>162</b>	<b>353</b>	<b>149</b>	<b>131</b>	<b>280</b>
%		57%	43%	21%	54%	46%	26%	53%	47%	21%
below 30 years of age		137	90	227	129	95	224	106	81	187
between 30 and 50 years of age		52	49	101	56	59	115	40	50	90
over 50 years of age		1	3	4	6	8	14	3	-	3
<b>South and islands</b>	No.	<b>83</b>	<b>66</b>	<b>149</b>	<b>113</b>	<b>64</b>	<b>177</b>	<b>97</b>	<b>81</b>	<b>178</b>
%		56%	44%	9%	64%	36%	13%	54%	46%	13%
below 30 years of age		38	28	66	27	27	54	38	36	74
between 30 and 50 years of age		43	36	79	77	34	111	53	44	97
over 50 years of age		2	2	4	9	3	12	6	1	7
<b>Total</b>		<b>906</b>	<b>665</b>	<b>1,571</b>	<b>773</b>	<b>587</b>	<b>1,360</b>	<b>741</b>	<b>618</b>	<b>1,359</b>
%		58%	42%	100%	57%	43%	100%	55%	45%	100%
below 30 years of age		655	397	1,052	496	352	848	485	389	874
between 30 and 50 years of age		230	240	470	251	214	465	240	215	455
over 50 years of age		21	28	49	26	21	47	16	14	30

## Employees leaving the company by age group, gender, and geographical area

Employees leaving the company	unit	28/02/2023			28/02/2022			28/02/2021		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>North</b>		<b>642</b>	<b>493</b>	<b>1,135</b>	<b>417</b>	<b>341</b>	<b>758</b>	<b>422</b>	<b>310</b>	<b>732</b>
%		57%	43%	68%	55%	45%	69%	58%	42%	66%
below 30 years of age		421	266	687	240	173	413	264	210	474
between 30 and 50 years of age		194	193	387	156	147	303	145	87	232
over 50 years of age		27	34	61	21	21	42	13	13	26
<b>Centre</b>		<b>207</b>	<b>161</b>	<b>368</b>	<b>127</b>	<b>103</b>	<b>230</b>	<b>143</b>	<b>109</b>	<b>252</b>
%		56%	44%	22%	55%	45%	21%	57%	43%	23%
below 30 years of age		129	91	220	82	62	144	87	58	145
between 30 and 50 years of age		73	65	138	42	36	78	53	50	103
over 50 years of age		5	5	10	3	5	8	3	1	4
<b>South and islands</b>	No.	<b>104</b>	<b>67</b>	<b>171</b>	<b>64</b>	<b>53</b>	<b>117</b>	<b>64</b>	<b>62</b>	<b>126</b>
%		61%	39%	10%	55%	45%	11%	51%	49%	11%
below 30 years of age		28	28	56	20	13	33	19	25	44
between 30 and 50 years of age		68	35	103	38	36	74	39	37	76
over 50 years of age		8	4	12	6	4	10	6	-	6
<b>Total</b>		<b>953</b>	<b>721</b>	<b>1,674</b>	<b>608</b>	<b>497</b>	<b>1,105</b>	<b>629</b>	<b>481</b>	<b>1,110</b>
%		57%	43%	100%	55%	45%	100%	57%	43%	100%
below 30 years of age		578	385	963	342	248	590	370	293	663
between 30 and 50 years of age		335	293	628	236	219	455	237	174	411
over 50 years of age		40	43	83	30	30	60	22	14	36

## Turnover rate<sup>35</sup>

Turnover rate	unit	28/02/2023			28/02/2022			28/02/2021		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>Incoming turnover rate</b>		30.0%	24.9%	<b>27.6%</b>	25.4%	21.4%	<b>23.5%</b>	26.5%	23.8%	<b>25.2%</b>
<b>Outgoing turnover rate</b>	%	31.5%	27.0%	<b>29.4%</b>	20.0%	18.1%	<b>19.1%</b>	22.5%	18.2%	<b>20.6%</b>

The incoming turnover rate shows an increase on FY 2021/22, from 23.5% to 27.6%. Specifically, the incoming turnover rate, broken down by geographical area, is 32% for the north, 24% for the centre, and 16% for the south and the islands; with reference to the breakdown by age group, it is 110% for the under-30 category, 13% for the 30-50 category, and 4% for the over-50 category.

The outgoing turnover rate also increased on FY 2021/22, standing at 29.4% compared to the previous 19.1%. Specifically, the outgoing turnover rate, broken down by geographical area, is 33% for the north, 29% for the centre, and 16% for the south and the islands.

<sup>35</sup> The figure is calculated as the ratio of total new hires/departures to total employees in the reporting year. In counting hires, personnel acquired through corporate transactions were excluded.



for the north, 27% for the centre, and 19% for the south and the islands; with reference to the breakdown by age group, it is 101% for the under-30 category, 18% for the 30-50 category, and 7% for the over-50 category.

### Gender ratio of average base salary to average remuneration by level<sup>36</sup>

Employees by level	unit	28/02/2023		28/02/2022		28/02/2021	
		Base salary	Remuneration	Base salary	Remuneration	Base salary	Remuneration
Executives		75%	84%	130%	132%	189%	256%
Managers		88%	84%	94%	88%	91%	93%
White-collar	%	85%	84%	85%	84%	83%	82%
Blue-collar		-	-	-	-	-	-

### Ratio of total annual remuneration<sup>37</sup>

	28/02/2023		28/02/2022		28/02/2021	
	Unieuro	Monclick	Unieuro	Monclick	Unieuro	Monclick
Annual total ratio	15.25	3.65	15.25	3.81	15.06	3.67

### Ratio of increase in total annual salary<sup>38</sup>

	28/02/2023		28/02/2022		28/02/2021	
	Unieuro	Monclick	Unieuro	Monclick	Unieuro	Monclick
Annual total ratio	unchanged	unchanged	unchanged	unchanged	unchanged	unchanged

As regards remuneration, Unieuro adopts a Remuneration Policy through a process involving the Shareholders' Meeting, the Board of Directors and the Remuneration and Appointments Committee, in compliance with the rules and regulations in force and the principles dictated by the Corporate Governance Code. The remuneration of Senior Directors is determined by the Board of

<sup>36</sup> A different calculation methodology was used Compared to FY 2020/21 reporting, namely: the figure is calculated as the ratio of women's average base salary to men's average base salary and women's average remuneration to men's average remuneration. For fiscal years 2020/21, 2021/22 and 2022/23, the value for the "Blue-collar" level is not reported because it consists of only one employee. The term remuneration refers to the sum of the base salary and additional amounts paid to the employee, examples of which include severance incentives, conciliatory settlements, severance pay and variable incentive pay for positions that provide it

<sup>37</sup> Ratio of the remuneration of the highest-paid person within the organisation to the median of the total annual remuneration of all employees (excluding the highest-paid individual). Data were taken from management for the reporting dates.  
The data consider fixed elements of remuneration, including in this category fixed items recognised by contract and/or individual agreements that are recognised monthly and exclude variable elements such as bonuses, overtime, and one-off payments.

<sup>38</sup> Ratio of the percentage increase in total annual pay of the highest-paid individual in the organisation to the percentage increase in the median total annual pay of all employees (excluding the highest-paid individual).

Directors, after consultation with the Remuneration and Appointments Committee and in consultation with the Board of Statutory Auditors. The Shareholders' Meeting may determine the total amount of the remuneration for all Directors, including Senior Directors<sup>39</sup>. For the preparation of the FY 2021/2022 Remuneration Policy, the Company did not make use of external consultants. The Policy is defined taking into consideration the analysis carried out and insights from the results of the Shareholders' Meeting vote on the FY 2021/2022 Remuneration Policy and FY 2020/2021 Remuneration Report. Unieuro attaches great importance to the analysis of this voting outcome. During 2021 and early 2022, it therefore conducted intensive dialogue with major shareholders and proxy advisors in order to be able to explain in detail the important changes introduced by the Company in the Remuneration Policy related to FY 2022/23, thereby bringing it even further into line with market expectations<sup>40</sup>.

The indicators referring to staff salaries should be read in conjunction with the composition of the corporate population, the high proportion of part-time contracts in the total number of female employees (about 57%), and the limited presence of women in the managerial population (executives and middle managers). Specifically, the table "Gender ratio of average base salary to average remuneration by level" shows a higher value for the male gender in both base salary and remuneration for the categories of white-collar, middle management and executive. For the white-collar category, the difference in average pay between men and women is 15% for base salary and 16% for remuneration. This gap is mainly attributable to the part-time effect and organisational grading, as Directors and department heads are predominantly men, and only the former receive an MBO (which goes into remuneration). For executives, the difference in average pay between men and women is 12% in base salary and 16% in remuneration. This gap is mainly attributable to a 33% female presence in the category, the presence of only one female manager working part-time, and the presence of 17 male Area Managers, who by the very nature of the role receive a significant performance bonus linked to the commercial performance of the network they oversee. For the Executive category, in which more than 85% are men, the difference recorded at the level of remuneration and compensation compared to the previous year relates to the increase in female executives that occurred through hires of different profiles, and therefore salaries, during the year.

### **3.1.3. Staff training and career development**

Training activities represent the tool on which Unieuro bases its competitiveness and professionalism, becoming over the years an indispensable strategic lever to develop the potential of staff members, creating a homogeneous corporate identity and culture, accompanying professional development paths and supporting corporate changes. Every year, Unieuro devotes significant resources to the professional development of employees through classroom lectures, on-the-job training, tutoring, synchronous and asynchronous distance learning, and webinars. Since 2009, Unieuro S.p.A. has also had an Academy for trainee store managers.

Through training, the Company seeks to empower its employees to perform their work to the best of their ability, strengthen and develop professional skills and competencies, create a uniform

<sup>39</sup> For more details on the Remuneration and Appointments Committee, please refer to the "Remuneration Policy and Report" approved by the Board of Directors on May 11, 2022 and published on the corporate website.

<sup>40</sup> For more details, please refer to the "Remuneration Policy and Report" approved by the Board of Directors on May 11, 2022 and published on the corporate website.

corporate identity and culture, and accompany professional development paths and support changes.

In addition to the training courses required or suggested for legal obligations (Health and Safety, 231 Model, Privacy), the Group offers managerial and professional training courses for both store and head office staff. The induction of employees into the company and their professional growth are supported through targeted training actions, induction paths for new hires, programmes to support continuous updating on new products in different product categories (staff training) and to improve customer service. Among the training tools made available is the dedicated training portal, Human Resources - Training module on Zucchetti, which makes it possible to track all training/information initiatives and collect satisfaction questionnaires on the initiatives carried out. Protocols and procedures issued during medical emergencies are also available and searchable by all employees on the Zucchetti portal. Any updates to this are appropriately communicated to all employees.

To complement the training offerings, each year the Company oversees an Academy for Store Manager Trainees, a pathway for identifying talent in the company and guiding them to the role. The Academy, which was inaugurated in 2009, is an intensive training project designed to train future store managers of Unieuro stores, in addition to entrepreneurs and managers of affiliated distributors, operating in the territory under the Unieuro and Unieuro City brands. The process begins with the opening of internal applications, continues with an actual selection phase that includes group assessment moments and individual interviews, and continues with a major training phase, lasting six months. The training phase includes both classroom sessions and a period of actual “on-the-job” training. As for classroom training, more than 90 hours of training are provided to supply all the tools needed to manage a store - from marketing to occupational safety regulations, from data analysis to personnel management; as for on-the-job training, participants experience real on-the-job training inside some of the brand’s school stores; finally, the course concludes with two weeks of independent store management, during which aspiring store managers can put into practice what they have learned.

In 2022, the Academy returned to an in-person format, following last year’s online training, with 11 classroom days and 29 participants. The training course is constantly being updated and evolving, integrating topical topics such as cyber security and sustainability with the pivotal topics for store managers, such as personnel management, store organisation, and marketing.

In addition, the “Omnichannel and Customer Experience” training course on omnichannel customer management for training store managers and employees was delivered to an initial group of 64 stores in FY 2022/23. The training activity included coaching sessions and virtual classrooms.

### RECORD-BREAKING ACADEMY TRAINS STORE MANAGERS OF THE FUTURE



*"We continue to believe and invest in our Academy, which proves to be a crucial training experience for the professional growth of Unieuro store managers. Again this year we are pleased with the numbers achieved and the interest shown by colleagues in the sales network and headquarters. The latter, in fact, increasingly ask us to use classroom time to meet future Store Managers and tell them about the company's future plans, demonstrating how heartfelt and appreciated our Academy is. Every year we innovate and try to meet the needs of our people as they change and grow. But I think the greatest satisfaction of 2022 is returning to the classroom after two years away - it fills us with joy and hope, in addition to making the educational experience more engaging and motivating."*

**Paolo Botticelli**, HR Director, Unieuro

During FY 2022/23, 27,297 hours of training were provided, mainly for employees working in business functions. 4,841 employees were involved in training activities<sup>41</sup>, a decrease on the previous year. The change in training hours provided during FY 2022/23 compared to FY 2021/22, in addition to the physiological variability of training activities offered during the year, can be attributed to:

- a slowdown in the delivery of content attributable to the Futura project, launched in FY 2021/22, including smart working pills;
- a reduction in the delivery of training required by Legislative Decree No. 81/2008;
- a lower number of candidates who, having taken the Academy pathway for Store Manager Trainees, participated in the training classrooms.

We note, however, that in addition to the officially certified hours, the Company organised numerous hours of product training<sup>42</sup> through webinars in collaboration with some suppliers. In FY 2022/23 Unieuro S.p.A. and Monclick focused mainly on sales training, safety, and products.

<sup>41</sup> This value does not represent the actual number of employees trained in the fiscal year, but the number of times employees took part in training courses.

<sup>42</sup> This training was provided to point-of-sale personnel.

## CYBER SECURITY AND LOYALTY CARD TRAINING



In FY 2022/23, two online courses on information security and the loyalty card were organised.

**Cybersecurity** - The ICT department set up a portal dedicated to training on the topic, organising the course into 12 training pills with a total duration of 15 minutes. The course is designed for network staff and seeks to provide guidance and recommendations for working safely while limiting the risk of cyber attacks.

**Fidelity Card** - The course "Procedure for Managing the Unieuro Club Card" was made available on the company's e-learning portal for store personnel. Organised into two training pills, it seeks to provide more information about the proper handling of data of customers who join the loyalty program.

### Performance indicators<sup>43</sup>

#### Hours of training provided

Training hours by gender and function	unit	28/02/2023			28/02/2022			28/02/2021		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees in support functions		891	543	1,433	2,090	1,872	3,961	1,963	2,299	4,262
%		62%	38%	5%	53%	47%	12%	46%	54%	41%
Employees in business functions	Hours	16,276	9,587	25,864	19,904	9,683	29,586	3,835	2,399	6,233
%		63%	37%	95%	67%	33%	88%	62%	38%	59%
<b>Total</b>		<b>17,167</b>	<b>10,130</b>	<b>27,297</b>	<b>21,993</b>	<b>11,554</b>	<b>33,547</b>	<b>5,818</b>	<b>4,698</b>	<b>10,515</b>
%		63%	37%	100%	66%	34%	100%	55%	45%	100%

#### Participation in training activities by employees, by gender and function

Participation in training activities	unit	28/02/2023			28/02/2022			28/02/2021		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees in support functions		88	60	148	808	815	1,623	1,050	1,173	2,223
		59%	41%	3%	50%	50%	24%	47%	53%	30%
Employees in business functions	No.	2,402	2,291	4,693	3,090	2,011	5,101	2,752	2,421	5,173
		51%	49%	97%	61%	39%	76%	53%	47%	70%
<b>Total</b>		<b>2,490</b>	<b>2,351</b>	<b>4,841</b>	<b>3,898</b>	<b>2,826</b>	<b>6,724</b>	<b>3,802</b>	<b>3,594</b>	<b>7,396</b>
		51%	49%	100%	58%	42%	100%	51%	49%	100%

<sup>43</sup> The data for fiscal years 2021/22 and 2022/23 do not consider data on temporary staff; therefore, differences will be noted from the data for fiscal year 2020/21.

## Training hours by type

Training hours by type	unit	28/02/2023	28/02/2022	28/02/2021
Products		5,694	3,877	554
Commercial		8,492	4,191	304
Managerial development		140	-	-
Marketing		-	127	-
Safety (pursuant to Legislative Decree No. 81/2008) <sup>44</sup>		4,442	9,519	1,314
Academy trainee Directors		2,069	6,085	-
Apprentices		3,008	5,408	1,396
Legal obligations		872	680	523
Training pursuant to Legislative Decree No. 231/2001	Hours	21	71.5	2,157
Language		353	262.5	199
Privacy		1,270	221	497
IT <sup>45</sup>		897	1,188	2,842
Smart working		-	1,866	730
Corporate Governance <sup>46</sup>		-	51	-
Cross-cutting <sup>47</sup>		40	-	-
<b>Total</b>		<b>27,297</b>	<b>33,547</b>	<b>10,515</b>

## Average training hours by gender, level and function<sup>48</sup>

Average training hours by gender and personnel category	unit	28/02/2023			28/02/2022			28/02/2021		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Employees in support functions		3.79	2.63	<b>3.25</b>	9.12	9.45	<b>9.28</b>	9.14	12.56	<b>10.71</b>
Employees in business functions		5.84	3.89	<b>4.92</b>	7.07	3.81	<b>5.52</b>	1.49	1.00	<b>1.25</b>
Executives		7.38	5.10	<b>7.06</b>	18.09	4.25	<b>17.17</b>	15.22	1.50	<b>14.73</b>
Managers	Hours/No.	10.76	6.35	<b>9.29</b>	10.94	15.91	<b>12.45</b>	6.79	14.17	<b>8.90</b>
White-collar		5.57	3.76	<b>4.72</b>	7.06	4.12	<b>5.65</b>	1.84	1.72	<b>1.78</b>
<b>Total</b>		<b>5.68</b>	<b>3.79</b>	<b>4.79</b>	<b>7.23</b>	<b>4.22</b>	<b>5.80</b>	<b>2.08</b>	<b>1.81</b>	<b>1.95</b>

<sup>44</sup> As of March 2018, training related to occupational health and safety regulatory obligations (pursuant to Legislative Decree No. 81/2008) is managed directly by Unieuro's Safety Department, thus being outsourced by the HR Department.

<sup>45</sup> New training categories delivered in fiscal year 2020/21.

<sup>46</sup> New training categories delivered in fiscal year 2021/22.

<sup>47</sup> "Cross-cutting" includes some related hours of training in teamwork and teambuilding

<sup>48</sup> The figure is calculated as the ratio of training hours provided to the total number of Group employees by gender, level and function. In addition, in the calculation of employees, the data for fiscal years 2021/22 and 2022/23 do not take into account temporary workers. As such, the values are not comparable to those reported in FY 2020/21.

### 3.1.4. Performance appraisal

The individual performance appraisal system adopted by Unieuro examines the organisational and professional behaviours put in place by the individual employee in light of his or her role in the company, in order to:

- promote discussion and dialogue between manager and worker, fostering a culture of feedback;
- direct the performance and development of employees toward corporate goals;
- align professional behaviour with the corporate organisational culture;
- promote employees' self-awareness for the purpose of their development;
- reinforce strengths and take action on areas of improvement;
- develop the employee's potential;
- develop a sense of belonging and identification with the corporate mission;
- build an organisational culture based on results and merit.

The performance review process involves sharing priorities at the beginning of the year, constant monitoring of performance - with a call for ongoing discussion and feedback - and finally includes an evaluation phase, later shared with the employee as part of an individual feedback meeting.

The evaluation cycles are managed through a specific portal, which monitors all stages and is accessible at any time by all employees. Performance appraisal interviews are individual and involve the employee with his or her supervisor, who may be joined by the Human Resources function and/or the appraisal manager. The evaluation process is extended to all corporate and store area roles (business functions); for business functions (stores), only those employees who have accrued at least six months of attendance in the fiscal year are expected to be involved, so that their performance can be appropriately evaluated. This practice justifies the percentage of workers assessed in the year, which is less than 100%, reaching 5,122 people or 90% of the population in FY 2022/23.

## Performance indicators<sup>49</sup>

### Performance appraisal<sup>50</sup>

Professional categories	unit	28/02/2023			28/02/2022			28/02/2021		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Executives		96	100	<b>97</b>	93	100	<b>93</b>	92	100	<b>92</b>
Managers		100	96	<b>99</b>	67	111	<b>79</b>	100	100	<b>100</b>
White-collar	%	89	88	<b>88</b>	87	84	<b>86</b>	84	82	<b>83</b>
Blue-collar		-	100	<b>100</b>	-	100	<b>100</b>	91	87	<b>90</b>
<b>Total</b>		89	88	<b>89</b>	87	84	<b>86</b>	<b>84</b>	<b>82</b>	<b>83</b>

### 3.1.5. Well-being, health and safety

For Unieuro, occupational health and safety is an indispensable value to sustainably and effectively develop its business organisation over the long term. In particular, the Group is committed to ensuring working conditions that guarantee respect for the physical and moral integrity of workers, paying particular attention to the risks associated with carrying out activities in the workplace and arising from the external environment.

Policies targeting risk mitigation have been structured and formalised based on the internal management models used by the Company, namely the 231 Model and its verification protocols, in compliance with Legislative Decree No. 81/2008. Inspired by the steps of an Occupational Health and Safety Management System, the Company has in fact defined its own corporate control system suitable for the fulfilment of all legal obligations related to occupational health and safety, in order to ensure the best safety standards for its staff, reduce or eliminate any injuries and illnesses resulting from work activities, and improve risk management.

<sup>49</sup> The data for fiscal years 2021/22 and 2022/23 do not consider data on temporary staff; therefore, differences will be noted from the data for fiscal year 2020/21.

<sup>50</sup> The data entered as of 28/02/2023 is for performance appraisal interviews for the period 01/03/2021 - 28/02/2022. The comparison should therefore be made with reference to the figure of those appraised with the staffing perimeter as of 28/02/2022. Using the same calculation methodology, the new percentages were also reported for FY 21/22. Specifically, for women in the "managers" category, the 111% value exceeds 100% because two women changed categories from "white-collar" to "manager". For the period 01/03/2022 - 28/02/2023, the Company intends to pursue the same objectives as in the previous year, but it will not be possible to finalise the quantitative and qualitative data until June 2023 at the earliest (the end of the company's appraisal cycles). This note is in line with that reported in previous NFSs.



## OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT



The corporate control system for health and safety management, in accordance with Legislative Decree No. 81/2008, provides for:

- **an organisational chart of roles and responsibilities;**
- **the creation and formalisation of a Risk Assessment Document (DVR)**, as part of which risks pertaining to health and safety in the workplace are identified and evaluated<sup>51</sup>. During the COVID-19 emergency, an appendix to the DVR dedicated to pandemic risk was drafted to track the actions introduced, in order to counter and contain the spread of COVID-19 in workplaces;
- **the application of control protocols** including the provision of infrastructural and individual security systems;
- the introduction and dissemination of **security-related procedures** (found within the Zucchetti portal);
- **the provision of specific training activities** (carried out by a certified external company contacted directly by the PPSM);
- **health surveillance activities** (organized directly by the PPSM);
- **monitoring activities** (carried out operationally by various corporate entities: PPSMs, Area Managers, Directors, etc.).

With respect to the functions of the occupational medicine services, there is an occupational medicine centre that co-ordinates the health and safety of workers throughout the territory. This works in collaboration with the Safety office, which plans and monitors activities, in compliance with current regulations, prescriptions and limitations indicated by the coordinating doctors, providing information and protective tools. As stipulated in the relevant regulations, the definition of the health protocol is the responsibility of the company doctor (CD). He monitors the company's health status, sending aggregate health data and information about the risk of workers undergoing health surveillance. Transmission is via Annex 3B (as defined in Article 40, Paragraph 1 of Legislative Decree No. 81/2008) to the relevant bodies. For each inspection conducted, the company doctor produces a report on the basis of the findings. The Prevention and Protection Service Manager (PPSM) and one or more employee health and safety representatives (EHSR) may also participate in the inspections. Processes to facilitate worker participation and consultation on occupational health and safety are shared first and foremost with store management, and through regular periodic safety meetings involving the employer or his representative, worker representatives, the PPSM and the coordinating doctor.

<sup>51</sup> As required by Legislative Decree No. 81/2008 (Occupational Safety Consolidation Act), the RAD is prepared by the Employer (E), in collaboration with the Safety Prevention and Protection Manager (PPSM), verified by the Company Doctor (CD) and brought to the attention of the Employee Health and Safety Representatives (EHSR), in order to highlight the severity and probability of occurrence of risk events specific to each individual role and activity carried out by employees.

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In order to properly fulfil the dictates of Legislative Decree No. 81/2008, the Company also has the task of disseminating the culture of safety within the company, through appropriate information and training actions for all personnel at different levels of the organisation. In order to avoid and mitigate significant negative occupational health and safety impacts directly related to operational activities, the Company has introduced the “Documento per la Valutazione dei Rischi” - DVR (“*Risk Assessment Document*”) and the “Documento Unico di Valutazione dei Rischi da Interferenze – DUVRI (“*Combined Interference Risk Assessment Report*”) related to procurement, pursues transparent communication, and conducts documentation checks.

Information, training and cross-cutting communication are the main tools used within the company to communicate, manage and control any incidents or problems that could lead to work-related injuries or ill health - these latter aspects are monitored by the health surveillance action, in place to periodically check the progress of workers’ safety and health and any problems related to both the work activity and the work environment. During the year, therefore, all training activities required by current occupational health and safety regulations were carried out for a total of 4,442 hours of training provided to 490 employees. Of the employees involved, 63% were men and 37% were women (99% belonging to the “white-collar” category, 0.6% to the “middle management” category, and the remainder to the “executive” category). Training is conducted periodically through e-learning, classroom, blended and video-conferencing modes. In addition to general and specific training, this also covers fire risk prevention and management activities and first aid assistance and intervention. Other training activities relate to the performance of specific activities, such as that of forklift drivers and employees working remotely, in which case ad hoc training is provided. For Monclick, we note that the training activities provided for in Article 37 of Legislative Decree No. 81/08 were carried out in e-learning mode, as required by the State-Regions Agreement, while those provided for the emergency team (firefighting and first aid) were carried out in person.

In order to promote the health of its people, in addition to training activities, the Company provides its employees with personal protective equipment (PPE), also in order to mitigate the risk of injuries and accidents in the workplace, mainly with reference to the activities carried out at the points of sale. Company insurance coverage for work-related injuries and health benefits (e.g. access to Fondo Est for employees, Quas for middle managers and Fasdac for Executives) are also provided for all employees.

As a sign its focus on the protection of its staff, specific insurance coverage in the event of Coronavirus infection was also renewed for 2022. This provides an indemnity in case of both hospitalisation and convalescence, and a package of post-discharge care, including delivery of medications and groceries to one’s home, to manage the recovery of health jointly with all practical aspects of personal daily life.

### EXTENSION TO 2022 OF DEDICATED INSURANCE COVERAGE FOR EMPLOYEES INFECTED WITH COVID-19



*"As the epidemic worsened, we chose to instil certainty and greater peace of mind to colleagues who may contract the virus, offering them access to compensation and concrete support to make it easier to manage family life at a particularly complex time. The extension of insurance coverage is therefore a sign of attention with special social and economic value, which further strengthens the bond between Unieuro and its people."*

**Paolo Botticelli**, Human Resources Director, Unieuro

### MEASURES TO CONTAIN AND COUNTER THE SPREAD OF COVID-19



In order to contain the spread of COVID-19 within work environments, the Company also has specific control safeguards. These are reported in detail within operating procedures formalised by the PPSM, shared by video conference with the Direct Channel Directors and the Chief Operating Officer, and disseminated to the entire organisation.

The main measures taken include: distribution to its staff of personal protective equipment (surgical and disposable masks); restricted access to sites - Headquarters and stores - and subject to temperature measurement; adoption of specific signage on the floor and through customer information signs both outside the store and in the areas of greatest influx; broadcast on Radio Unieuro of a specific message to remind listeners of prevention measures; cleaning and sanitising within the company; shift work, remote working and remodelling of production levels.

Procedures were drafted for all employees and non-employees of the Company: for the Forlì headquarters and stores, for the Piacenza Logistics Hub, for suppliers and outside companies whose workers access and are located in the Company's workplaces. In addition, specific policies were introduced for Direct Channel Directors, Area Managers, the Indirect Channel Director, Franchise Area Managers, and the Order Planning Director, as their job require them to carry out visits and inspections at stores both within and outside the Region of residence/domicile, and for the Technical Clerks in the Technical and Service Department, as their jobs involve the need to carry out supervision of construction sites both within and outside the Region of residence/domicile. The Company is also completing the drafting of the safety manual for Directors.

Monclick has also from the outset equipped itself with specific control measures designed to combat the spread of the virus in the workplace (e.g. shift work, restricted access, temperature measurement, provision of sanitising gel stations, social distancing, prohibited access to non-employee personnel and suppliers, sanitising systems, etc.) and has from the outset adopted a "Remote Working" policy, equipping its employees with the necessary devices and business utilities to reduce transit at workplaces as much as possible.

In order to promote suitable health and safety information flows, in 2006 Unieuro S.p.A. activated a special "Help Desk" portal, accessible from all points of sale and centrally managed by the Technical and Services Department function, which seeks to collect requests from points of sale regarding maintenance work, following breakdowns or anomalies on equipment and workplaces. In addition, any health and safety violations or issues can be reported through the whistleblowing system and/or reported to the PPSM or employee health and safety representative.

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The Group's commitment to ensuring optimal levels of health and safety management for its employees is also evidenced by its ongoing goal of reducing the number of recorded injuries<sup>52</sup>.

We note that there were no work-related injuries to external employees during the fiscal year.

We also report that there were no cases of work-related ill health, for Group employees or external contractors, for the 2022/23 fiscal year

Finally, the increase recorded in the injury rates is mainly attributable to the normalisation of activity as the pandemic came to an end. In the preceding fiscal years, these rates were influenced by a combination of multiple factors, including COVID-19 positives, home isolation following close contacts with people who were positive for the virus, and stores being less open to the public due to national and regional regulations, which required, for example, closure during holidays and run-ups to holiday periods.

## Performance indicators<sup>53</sup>

### Employee injuries by type and gender

Employees	unit	28/02/2023			28/02/2022			28/02/2021		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Recordable work-related injuries <sup>54</sup>	No.	56	42	<b>98</b>	60	37	<b>97</b>	44	22	<b>66</b>
of which on commute <sup>55</sup>		-	-	-	24	17	<b>41</b>	11	12	<b>23</b>

<sup>52</sup> Injuries mainly relate to manual handling of loads: muscle aches, bumps, minor lower and upper extremity injuries.

<sup>53</sup> The data for fiscal years 2021/22 and 2022/23 do not consider data on temporary staff; therefore, differences will be noted from the data for fiscal year 2020/21.

<sup>54</sup> For the subsidiary Monclick S.r.l., over the past three fiscal years, there have been no work-related injuries or cases of work-related ill health.

<sup>55</sup> In line with the requirements of GRI 403-9, this item includes commuting injuries only when transportation was arranged by the organisation.

## Employee injury rate

Injuries rates <sup>56</sup>	28/02/2023			28/02/2022			28/02/2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Rate of work hours lost	2.31	2.38	<b>2.34</b>	1.73	1.61	<b>1.68</b>	2.00	0.95	<b>1.55</b>
Absenteeism rate	4.59	3.53	<b>8.13</b>	3.36	2.47	<b>5.83</b>	3.29	1.18	<b>4.46</b>
Rate of recordable work-related injury	11.24	11.28	<b>11.26</b>	12.32	9.65	<b>11.15</b>	10.70	7.07	<b>9.13</b>

Injuries to external collaborators by type and gender and injury rates<sup>57</sup>

External workers	unit	28/02/2023	28/02/2022	28/02/2021
Recordable work-related injuries	No.	-	7	-
of which on commute		-	5	-

## 3.1.6. Trade union relations

Operating in a labour-intensive industry in which the quality of the relationship between sales staff and customers is a foundational element of competitive advantage, the proper management of labour relations is a major issue for Unieuro in order to ensure a positive and constructive discussion with employee representatives. Over the years, Unieuro has always applied a policy of direct and transparent discussion and dialogue with trade unions, both national and regional, signing second-level agreements or solidarity contracts, comparing and presenting company or individual store results and personnel data.

Specific meetings with national and territorial trade unions were held during FY 2022/23. The main topics of discussion and sharing included: the subject of previous agreements, company results, personnel data, but also the performance of individual stores or specifics pertaining to the relevant local contexts.

Unieuro is currently in negotiations for the renewal of second-level agreements. Regarding video surveillance, union agreements have been signed for the use of surveillance cameras at the relevant

<sup>56</sup> The injury rates take into account work-related and commuting injuries and are calculated as follows:

Lost work hour rate: (total number of hours lost due to injuries/total hours worked) \*1,000

Absenteeism rate: (number of days of absence due to injury/working days in the period)

Work-related ill health rate (ODR): (total number of cases of work-related ill health/total hours worked) \*200,000

Recordable work-related injury rate: (total number of recordable injuries/total hours worked) \*1,000,000

Rate of work-related injury with serious consequences: (total number of recordable injuries with serious consequences/total hours worked) \*1,000,000

Rate of deaths resulting from work-related injury: (total number of deaths resulting from injury/total hours worked) \*1,000,000

<sup>57</sup> For external employees, the "Rate of recordable work-related injury" is not available for FY 2021-2022 and 2022-2023. More information on omission can be found in the GRI Content Index of this document (specifically GRI 403-9). In FY 2022-2023, there were no work-related injuries with serious consequences, deaths resulting from work-related injuries, recordable cases of work-related ill health, or deaths resulting from recordable work-related ill health for external workers.

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outlets. Regarding the incentive system, labour relations, Sunday work, and occupational safety, discussions are ongoing on the issues covered by previous agreements.

As required by current regulations and in line with the relevant National Collective Bargaining Agreements (CCNL - Contratto Collettivo Nazionale del Lavoro), in the event of organisational changes (for example in the case of transfer of workers with executive management responsibilities that result in a change of residence) Unieuro agrees with its employees on the timing of notice and, if there is no agreement between the parties, complies with Article 254 of the National Collective Bargaining Agreements, which guarantees 45 days' notice in writing or 70 days' notice for those with dependants.

## Performance indicators<sup>58</sup>

### Employees covered by collective bargaining agreements

Employees	28/02/2023	28/02/2022	28/02/2021
Number of employees covered by collective bargaining agreements	5,695	5,784	5,391
Total employees	5,695	5,784	5,391
Coverage rate	100%	100%	100%

<sup>58</sup> The data for fiscal years 2021/22 and 2022/23 do not consider data on temporary staff; therefore, differences will be noted from the data for fiscal year 2020/21.

### 3.2. Customers



Unieuro won **"Retailer of the Year 2022-23"** in the **Domestic Appliances & Electronics** category and the **Digital Marketing award** at the **Bain & Company Italia Digital (R)Evolution Awards**.

Unieuro won the international **"Greatest TikTok Europe"** award for its **"Il Commesso"** campaign

"Menti Connesse" project launched with the intention of facilitating the sharing of sales experiences with a view to constant improvement and growth



**Virtual assistance service "QUIperTE"** launched in pilot phase to allow customers to activate a chat or video call from smartphones with one of the operators in store

In the ever-changing retail scenario, building a lasting relationship with customers relates not only to the breadth of offerings and accessibility of products, but also to the ability to offer quality service and establish a trusting relationship with the customer. Unieuro's approach is therefore focused on the satisfaction and protection of its customers, with special attention given to those requests capable of both improving brand reputation and fostering a concrete increase in the quality of service provided.

As also set out in the Code of Ethics, the Company operates with the goal of ensuring that all relations with customers are marked by full transparency, fairness and professionalism and compliance with the law, with particular reference to provisions on anti-money laundering, anti-usury and transparency. Thanks to these core principles of its business model, the Group is able to adequately manage the needs and expectations of its customers, responding promptly to any reports or complaints, and always offering transparent and quality service.

Unieuro's service model is designed and developed in line with the Group's strategic vision. In addition to the continuous profitable growth of the business, this includes the enhancement of customer-centricity and the opportunities presented by an omnichannel approach, each structured along all the contact points through which the Company relates with its end customers every day.

Specifically, being close to customers means two things: customer needs and proximity. The latter is achieved both on the physical level - thanks to the widespread nature of the network of stores (533 points of sale between direct and affiliates) - and thanks to the integration of the unieuro.it platform into the digital ecosystem, combining the functions offered by search engines and exploiting interaction with the main social networks, from home, via mobile and in the vicinity of the store itself.

Five years after the launch of its first e-commerce platform, in 2021 Unieuro launched the "Revolution" project: a distinctive new website and app, designed with a "desktop last" perspective and strongly inspired by the typical navigation and usage style of social networks.

From an omnichannel point of view, proximity also translates into the "click and collect" project, the system of picking up at physical stores products purchased by customers through the online

channel. In fact, Unieuro is one of the first companies in Italy to have sensed the potential of using the 484 pickup points, selected from among its stores, for orders made online, thus bringing it even closer to those customers who are eager to cut waiting times and additional delivery costs, and to use alternative payment methods to electronic money.

## PANDEMIC EMERGENCY MANAGEMENT



Unieuro's strategic vision has always sought to enhance the centrality of the customer, investing in the opportunities offered by an omnichannel approach and therefore encouraging the introduction of projects of convergence between physical and digital, so as to ensure the best possible response to customers' needs.

It is precisely Unieuro's customer-centric orientation that, in the face of the changing needs that emerged during the pandemic period, allowed rapid adaptation in the company's commercial offer, with the introduction of four new services (aTuperTU, CIAOfila!, AUTO pickup, CLICK&pickup) to keep the shopping experience fluid and safe. The ability to deliver dedicated and personalised consultations, rationed entry, speed of service of the attendants, and the convenience of picking up purchased products safely without getting out of your vehicle are just some of the benefits gained from the services mentioned above. However, in the current context of a return to normalcy as the emergency period comes to an end, we are witnessing a further transformation in customer needs and expectations which is effectively removing the demand for this type of service, which was created by the pandemic situation and therefore no longer necessary. Unieuro remains steadfast in its objective to place the customer at the centre of its strategic choices and thus to adapt again to market changes, abandoning emergency response schemes and moving toward new and more appropriate solutions that can bring real added value even in the current context.

During the fiscal year, in order to facilitate the sharing of sales experience with a view to constant improvement and growth, Unieuro launched the *"Menti Connesse"* ("Connected Minds") project, which saw the organisation of a series of 28 weekly meetings and the involvement of 273 stores, for a total of about 7,000 hours of activities and discussions. The key figures within the project were the Ambassadors, selected by Area Managers to represent their area, and the Menti Connesse team (represented by a number of Store Managers). Each Ambassador was tasked with leading a classroom, sharing his or her experience and gathering the most interesting insights from participants. The Menti Connesse team had the role of organising the meetings and preparing the training for the Ambassadors, providing them with guidelines to conduct the meeting independently and gather insights from the participants. At the end of each session, the Ambassadors gathered the most useful contributions and delivered them to the team, which would then develop a summary of sales techniques, strengths, and a section called *"you might not know that..."* devoted to lesser-known information about a given topic. The summary of this work was then shared weekly with the network area managers and passed down to the store managers and all network colleagues, so as to offer operational insights that could be used in everyone's daily work. Given the high level of interest encountered and the many insights gathered, the Company has decided to repeat this experience for the 2023/24 fiscal year. The idea is to revise the salient parts of the project by particularly reinforcing *"you might not know that..."* to bring store employees closer and closer to the real needs of customers.



### 3.2.1 Service quality and customer-centricity

Customer satisfaction cannot be separated from the activities to manage and develop it, which the Group monitors through specific indicators, including abandonment rate, number of incoming tickets<sup>59</sup>, time to handle/resolve incoming tickets, number of incoming calls, average telephone response time, and backlog.

The various business functions, each within its remit, also constantly carry out monitoring activities in order to avoid possible inefficiencies related to home delivery of products and delivery timing, especially during peak sales periods. Problems of various kinds that may arise in the management and/or fulfilment of orders are addressed through problem solving rooms, cross-functional roundtables called to find solutions in an effective and timely manner to the critical issues encountered. In addition, defect analyses are carried out on individual commodity categories put on the market to monitor product quality levels and advance, through the commercial department, any reports to affected suppliers where necessary.

As for Monclick, the Care Team constantly monitors customer satisfaction through reports prepared by the figure responsible for customer support. Performance is analysed based on: contacts received, e-mails, phone calls, and social network messages. Customer opinions are monitored and managed in terms of customer satisfaction, and the performance of the office is observed by analysing customers' opinions of the contacts received. On average, the number of monthly contacts reaching the Care Team is about 13 thousand e-mails (80% of which are handled) and about 8 thousand phone calls (80% of which are handled). In addition, the Care Team oversees all issues and requests relating to the "active cycle" and "passive cycle" of orders placed on Monclick.it. This means the management and care of the customer during the purchase path, from in-depth product pre-sales to assistance in navigating the website, from finalising transactions to updating shipment tracking information to handling any problems on the order (lack of goods, payment problems, technical errors). The entire passive cycle is monitored in the same way in terms of practices handled, such as transport anomalies, breakdowns, recalls and rejections. This is available for all attached platforms (private sales, external partners, eBay, Meta, etc.).

#### THE VIRTUAL SUPPORT SERVICE: QUIperTE



In 2022, a new virtual support service was launched in the pilot phase to improve the customer shopping experience. The virtual assistant allows customers to activate a chat or video call with one of the in-store operators from a smartphone while browsing the website. The service is designed to support the customer by showing products in the store via video call, recommend other products, book an appointment in the stores, propose offers and more.

### 3.2.2 Customer-centricity and innovation

With the five-year Strategic Plan 2021-2026, Unieuro intends to complete the company's digital transformation by becoming a fully omnichannel retailer and enacting the new "Omni-Journey" strategy. It opens a new chapter in the Company's history with the ambition to move from "Market Leader" to "Market Setter," that is, the player that drives market overviews, anticipates market

<sup>59</sup> Tool for communicating with the customer by filling out an online form available on the Company's website.

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trends and influences the rest of the value chain, with the ultimate goal of consolidating its role as the “natural destination” for technology purchases at every stage of the customer experience.

The “Omni-Journey” approach rests on four strategic pillars (Omni-Choice, Omni-Purchase, Omni-Experience, Responsible Innovation) that accompany the customer throughout their entire experience, before, during, and after purchase.



On this path, utmost attention is paid to enhancing the tools available to management, making strategies data-driven and ensuring extreme customisation of the offer (in terms of assortment, price, promotions, communication) and the customer experience at every stage. The plan also includes major investments to strengthen the management technology infrastructure, especially in the area of cyber security, and in the development of the customer care operating model, to improve the level of service provided and optimise communication, including proactive communication, with the customer.

With the strategic evolution of the operating model toward advanced IT architecture and CRM (Customer Relationship Management) ready to meet customer expectations, the Group thus intends to consolidate its position in the field of “Responsible Innovation”, putting technology at the service of people.

In particular, during the fiscal year, Unieuro confirmed the organisation’s efforts to improve back-end processes by responding to the need of a more demanding and informed customer who - with the strong growth of digitalisation and the consolidation of habits after the end of the pandemic period - is increasingly looking for an integrated shopping experience, in which the offline and online boundary is less evident. The company’s focus has therefore been on adopting a “Value & purpose Driven” approach, working on developing a sustainable and value-driven strategy towards all key stakeholders and developing an increasingly competitive range by extending the private label product offer.

The centrality of the customer is also evidenced by the constant attention paid to their satisfaction, which has been monitored regularly since 2017 through the calculation of the Net Score Promoter (NPS). This measurement examines a series of critical points, defined for both channels - offline and online - to gain a detailed picture of all the key elements that underlie the customer’s journey and which can positively or negatively influence their overall satisfaction level. The survey system adopted by Unieuro is innovative in that it is based on sending the questionnaire to all customers (but each customer can participate in only one survey per year), regardless of purchase channel, which allows the data to be accumulated over broad time horizons.

In FY 2022/23, the company worked on revising the NPS questionnaire to make the tool more effective, on the one hand, in detecting changing customer needs and, on the other hand, in monitoring satisfaction related to the latest business process developments. The research institute, a partner in reviewing the instrument, certified its methodology and full comparability with the surveys of previous years.

The process of sending the questionnaire is done on a continuous basis, all year round, within 15 days of the purchase so as to enable critical issues to be detected in a specific period and to eliminate any “seasonality effects.” All elements and feedback emerging from reading the various components of the NPS are constantly monitored and used to identify possible improvement action. Specifically, in the current fiscal year, the indicator is believed to have benefitted from action taken in the E2E (end-to-end) online process management and the strengthening of customer care. These measures generated a gradual reduction in customer reports and an improvement in the response and processing time of calls received. Through direct management of the entire data collection and processing procedure, Unieuro has made the NPS not only an important diagnostic tool and driver of strategic initiatives, but a true corporate asset and a foundational element of its “Customer-Centric” culture.

For more details, please refer to the section “*Maximising the experience and level of service provided to the end customer throughout the entire journey*” in the 2022/23 Annual Financial Report.

### **3.2.3 Customer health and safety**

In addition to its competitiveness and level of service, Unieuro’s strength is also based on the level of trust customers develop in the products it sells. As such, the Group is committed to ensuring the highest level of quality and consumer protection, both in terms of the safety of the product sold and from the point of view of protecting the data and information collected.

In any case, Unieuro’s manufacturers and distributors guarantee that products comply with European Regulations and national regulations on safety in general and on energy consumption. In general, for all exclusive brand products and particularly for Electroline brand products, confidence in the product is primarily protected by sourcing from high-profile, often international, suppliers whose quality and reliability are a fundamental part of their market-leader positioning. The compliance of products with safety laws and regulations is also monitored periodically through sample audits by external authorities to assess their actual characteristics and certifications in light of the European Restriction of Hazardous Substances Directive (RoHs), which establishes specific rules regarding the restriction of the use of hazardous substances in Electrical and Electronic Equipment in order to contribute to the protection of human health and the environment.

Management of non-conformities related to customer health and safety

As regards non-compliance of products and services with consumer health and safety requirements, there were no cases of non-compliance in 2022/23.

In relation to the cases reported in 2021/22 NFS, updates are provided below.

- In the previous two-year period, an administrative proceeding was initiated by the Milan Monza Brianza Lodi Chamber of Commerce<sup>60</sup> for the non-compliance of an Electroline branded product (non-compliant labelling and alleged lack of information documentation inside the product packaging). The Company subsequently appealed the proceedings, which ended with a fine of Euro 84,000. On January 12, 2021, the Chamber of Commerce of Forlì and Romagna served 7 orders-injunctions confirming the fines previously imposed by the Milan Monza Brianza Lodi Chamber of Commerce. Unieuro appealed the seven orders before the Forlì Court. In a ruling dated 08/04/2022, the Court of Forlì upheld part of the penalties, reducing the total fine amount to Euro 56,000. Unieuro paid the fines on 08/06/2022.
- In February 2021, Unieuro received a request for a hearing on April 1, 2021 from the Venice-Rovigo Chamber of Commerce to discuss the written defences submitted by Unieuro in response to a fine served in December 2016 for Euro 5,000. The Chamber of Commerce's complaint was about an electric mosquito net supplied by Euroequipe S.r.l., for alleged lack of electrical safety and electromagnetic compatibility requirements. Unieuro sent defence writs with a request for a hearing, but the Chamber of Commerce did not acknowledge this request until February 2021. To date, there is no update on this case.
- In March 2021, a notice of compensation was received from the insurance company AXA disclosing, for the first time, that a consumer fire occurred in April 2020, caused by a hoverboard purchased at the Unieuro store in Perugia. Details of the accident and amount of damages are not known at this time. To date, there have been no further developments and the case is being handled by Unieuro's Insurance Office, which has rejected the claim.
- In October 2021, the Ravenna Chamber of Commerce initiated an administrative verification proceeding for an Electroline built-in electric furnace. As part of this proceeding, investigations and laboratory tests are still ongoing. Upon the outcome of laboratory tests, the Ravenna Chamber of Commerce imposed a fine of Euro 4,000, which was paid by Unieuro on 26/01/2023.

As already mentioned in the section "*Management of non-financial risks*", the sale of products that are harmful to people's health or not in line with European product safety or quality standards, although regulated by the framework agreements and subject to certification by third-party bodies, could expose Unieuro to the risk of damage claims and loss of consumer confidence. To guard against this risk, the Company has activated insurance contracts for those aspects for which it could not legitimately retaliate against the supplier or manufacturer.

### **3.2.4 Transparency of product information and offers to customers**

Marketing and advertising communication activities, which are structured and planned in line with the Company's operations as an omnichannel retailer, are an important element of Unieuro's

<sup>60</sup> See previous NFS.

strategy because, in addition to supporting brand development and recognition, they facilitate market development and play a key role in customer relations.

The main advertising campaigns involve, alternately or simultaneously, distribution of promotional leaflets, radio and television advertising, and promotional prize transactions such as point collections, contests, shopping vouchers, and targeted promotional transactions such as “below cost” offers.

Monclick, on the other hand, promotes its business mainly through online channels, using content management and product marketing tools to ensure its accuracy in terms of technical product information and in terms of pricing of products for sale. This is all carried out under the direct supervision of corporate management. In addition, information and training on unfair trade practices has been promoted, the meaning of operating dropshipping has been explained, and specific wording has been included on the website to signal verification of actual product availability once an order has been placed and an icon for energy labels on all images that appear with a price match.

Transparency in communications and offers, regulated by the Consumer Code, is one of the cardinal principles that Unieuro pursues in its relations with the public. For this reason, in line with the corporate ethical principles contained in the 231 Model and the Code of Ethics, the Company undertakes not to sell, under any circumstances, products with characteristics different from what is stated on the label (e.g. place of production, material) that could mislead the final consumer about the origin and provenance of the product, nor to retail products whose quality is inferior or different from that stated on the label.

The management model adopted by the Company provides for the co-operation of experts, internal and external to the company, dedicated to the prior verification of the feasibility of certain business transactions. Specifically, the Company employs consultants for the prior verification of the content of regulations of prize transactions; the Legal Department is involved by the relevant departments for the prior verification of the feasibility of specific commercial transactions (e.g. “below cost” sales) and for the verification of the content of the most relevant information on the subject of communications on flyers, communications through the website, etc. The Company also uses consultants to publish product data sheets on the e-commerce site and to prepare energy labels in cases where Unieuro S.p.A. acts as an importer of products manufactured outside the EU.

Specifically, the Marketing Department must ensure that the characteristics of the products presented in any communication of an advertising and/or promotional nature correspond to those placed on sale, with particular reference to the quantity, quality, origin or provenance of the products.

While the Company has established specific procedures to ensure the disclosure of correct, clear and transparent information, it is committed to promptly introducing the necessary measures to ensure an increasing level of transparency.

### UNIEURO IS “RETAILER OF THE YEAR” AND WINS THE DIGITAL MARKETING AWARD AT THE BAIN & COMPANY ITALIA DIGITAL (R)EVOLUTION AWARDS



Unieuro is “Retailer of the Year” in the Domestic Appliances & Electronics category and wins the Digital Marketing award at the Bain & Company Italia Digital (R)Evolution Awards.

- **Insegna dell'Anno**, the Italian version of Retailer of the Year, is the largest consumer survey in Italy. The 15th edition, held in 2022, saw 134,930 consumers voters express a total of 241,833 certified preferences to the 550 retailers involved.
- The **Digital Marketing** award at the Bain & Company Italia Digital (R)Evolution Awards was obtained from the quantitative analysis carried out by the strategy consulting firm, which analysed more than 100 companies operating in seven different sectors, with a total of 4.5 billion visits to their respective websites.

### INTRODUCTION OF ELECTRONIC TAGS FOR POINT-OF-SALE DIGITALISATION



**502 HOURS/YEAR FREED UP IN EACH STORE** equivalent to **73 FTEs IN A YEAR ON TOTAL DIRECT POINTS OF SALE** that could potentially be redirected to activities with **GREATER VALUE ADDED FOR THE CUSTOMER**

#### SAVINGS OF PRINTER TONER and REDUCED PAPER USE

The project frees up in-store staff time to devote to the customer, and ensures the customer benefits from up-to-date and timely pricing information, while also reducing potential errors in the data displayed.

Since the project began, 122 stores have seen electronic tags introduced.

### UNIEURO WINS GREATEST TIKTOK EUROPE AWARD



In October 2022, the first TikTok Awards ceremony was held in Milan, Italy. This is a prestigious award for the best creative brand campaigns on the social network most frequented by young people.

Unieuro was adjudged the winner of the “**Greatest TikTok in Italy**” award. According to the jury, it was the brand that best represented the values of community and entertainment through its “Il Commesso” campaign, which was authentic and ironic and delivered all-around entertainment with an unprecedented and distinctive approach to new media.

The award gave Unieuro the chance to compete and represent Italy in the European Grand Prix of TikTok, the prestigious international award for the best creative brand campaigns on the platform held in Amsterdam in November. Representing Italy, Unieuro won the “**Greatest TikTok Europe**” award.

## Management of non-conformities relating to the transparency of product and service information

Customer complaints sent to Unieuro's registered office or its certified e-mail address are forwarded by the relevant departments to the Legal Department and/or other departments responsible for handling the complaint. The Company's overall goal is to contain litigation as much as possible, seeking to handle complaints in the timeliest and least costly manner possible, in line with obligations imposed by law. The Legal Department, together with the relevant internal functions, analyses individual complaints in advance and checks them against the cost-benefit criterion in relation to strengths and weaknesses.

In an order dated January 20, 2023, the Romagna Chamber of Commerce ordered the payment of a fine of Euro 3,066 for placing a dryer for sale online without an energy label and product sheet. The fine was paid on January 26, 2023.

In 2020<sup>61</sup>, Unieuro received two fines in the amount of Euro 6,000 each for placing customer cheques without the non-transferability clause in the cheque cashing process. Unieuro did not pay the fines and prepared written defences. One of the two fines was reduced from Euro 6,000 to Euro 156 by order dated October 20, 2022. The outcome of the administrative proceedings is pending to know the amount of the other penalty.

Also during 2020, Unieuro received two fines for selling products not allowed under COVID-19 restrictions at stores in Novara<sup>62</sup>. One of the two fines was not paid by mistake, and on March 2, 2022, the Novara Prefecture's injunction order arrived with an order to pay Euro 440 and an order to close the store for five days. Unieuro immediately paid the fine and filed a judicial appeal for the cancellation of the ancillary closure sanction. The Novara Court suspended the closure order and adjourned the hearing to June 15, 2023 for discussion and decision.

In March 2021, Unieuro also received a Euro 6,000 fine for placing a cheque without the non-transferability clause for collection. Unieuro did not pay the fine and prepared written defences. The outcome of the proceedings is pending.

Finally, as regards the two remaining pending challenges<sup>63</sup> relating to communication and marketing activities for "below-cost" sales deemed irregular, we note that one is still in the administrative phase at the Municipality of Osimo and the other was appealed to the Court of Messina. On April 28, 2022, with a ruling that has become final to date, this rejected the appeal of the Municipality of Messina, confirming the annulment of the fine previously ordered in the first instance by the Justice of the Peace of Messina.

However, the non-conformities reported represent an insignificant percentage compared to the volume of products sold by Unieuro.

<sup>61</sup> See previous NFS.

<sup>62</sup> See previous NFS.

<sup>63</sup> See previous NFS.

### 3.2.5 Customer data security and protection

Aware of the ever-increasing relevance of the issue of personal data protection, including through the support of its Data Protection Officer (DPO), Unieuro constantly oversees and pays the utmost attention to the processing of personal data carried out within the scope of its business, in accordance with applicable data protection regulations.

As the data controller of personal data, Unieuro may face risks of loss of confidentiality, integrity, and availability that, in the abstract, could result from: (i) computer errors, malfunctions and/or attacks (e.g. malfunctions of technological and computer equipment, software malfunctions, hardware and software maintenance errors or computer intrusions); (ii) human errors (e.g. disclosure of information to unauthorised persons; deletion of data; destruction/loss of documents etc.); (iii) unlawful acts and criminal events (e.g. theft of documents or external devices and components containing personal data; unauthorised use of company equipment; identity theft; unauthorised access to computer systems and data owned by the company); (iv) procedural errors; and (v) force majeure events.

In addition, as data controller, Unieuro may incur risks related to the collection of personal data (e.g. data collection on behalf of mobile phone companies).

Should Unieuro incur the aforementioned risks, in the abstract, the detrimental consequences could be: a) claims for compensation from affected parties/consumers who claim their rights have been violated; b) administrative sanctions for violations of personal data protection provisions; c) reputational damage resulting both from the publication of any measures of the Authorities and from comments of various kinds published on social or other information channels; d) disputes from any business partners of the company for failure to comply with contractual obligations related to the management of personal data (e.g. mobile phone companies).

In FY 2022/23 Unieuro updated its Policies and Procedures, which seek to mitigate all risks by, for example: imposing more controlled flows of activities; holding appointees and external managers accountable; providing contractual protections to be required of suppliers; and putting in place technical and organisational measures to increase the level of security of personal data. Unieuro has also carried out impact assessments and balancing of interests where required by data protection regulations and - in order to ensure that its consumers are informed - has updated privacy notices where necessary.

In order to improve and partially automate compliance with data protection regulations, also during the year, the Company decided to take advantage of the potential provided by the privacy software called "OneTrust." Specifically, Unieuro purchased the following modules of the aforementioned tool under licence for use:

1. privacy rights automation, which allows for the centralisation and streamlining of the handling of data protection requests from consumers;
2. automation of the Processing Register, which allows for better traceability of data and related flows within the business organisation;
3. incident management, which enables better management of security incidents and breaches of consumers' personal data.



Unieuro also continued its privacy training programme, which targets sales network and headquarters employees through an online course (available on the company's e-learning platform which allows employees to review the course at any time), and for some sales network employees (Academy participants) also in-person. In addition, a specific training course on loyalty card management has been created for sales network employees, which is available and can be accessed at any time on the same platform. The latest updated versions of privacy procedures are posted on the company intranet.

Finally, Unieuro's ICT Department continues to analyse and improve its IT infrastructure in terms of structural and perimeter security, also with the support of outsiders. Additional information on risks related to privacy management and cyber security can be found in the "*Major risks and uncertainties facing the Group*" section of the 2022/23 Annual Financial Report.

### Handling of data processing reports, complaints, and requests

Customer reports and complaints can be sent to the company through several channels. The official channels are: online form, available at the link <https://www.unieuro.it/online/richieste-privacy> (official channel published on the Company's corporate website), [DPO@unieuro.com](mailto:DPO@unieuro.com) (DPO contact information), and by paper mail (addressed to Via Piero Maroncelli n. 10 - 47121 Forlì). Some reports may also be received at stores and from Customer Service or be sent to the Company's PEC address and [info@unieuro.it](mailto:info@unieuro.it) (e-mail address posted on Unieuro's Corporate Site). For Monclick, reports and/or requests to exercise privacy rights are received at the e-mail addresses [privacy@monclick.it](mailto:privacy@monclick.it), [dpo@monclick.it](mailto:dpo@monclick.it) (DPO's contact information) and by paper mail (addressed to Via Marghera n. 28 - 20149 Milan). However, some reports may also be received by registered email.

Complaints and grievances are handled by the Legal Department, which may seek advice from the DPO and external individuals, experts in privacy matters, for those practices deemed most risky.

Unieuro takes prompt action to best handle all customer requests to ensure data protection and avoid possible negative consequences, both in terms of reputation and sanctions.

Unieuro S.p.A.'s dedicated Privacy channels receive numerous requests to exercise privacy rights on a daily basis. Between 28/02/2022 and 28/02/2023, about 9,000 were registered.

However, between 28/02/2022 and 28/02/2023, following some requests from interested parties and some reports received by the Privacy Office, Customer Service or Point of Sale, Unieuro encountered about 71 security incidents that resulted in the loss of confidentiality, integrity or availability of personal data, depending on the type of event recorded.

Among the aforementioned security incidents was, in particular, the personal data breach that occurred on 28/01/2022 as a result of a "Credential Stuffing" attack that affected approximately 153,000 e-commerce accounts registered on the [unieuro.it](http://www.unieuro.it) website. The investigations conducted found how, through the use of e-mail/password pairs allegedly found on the dark web, an automated botnet belonging to different classes of IP addresses attempted to login to the [www.unieuro.it](http://www.unieuro.it) website via the Mobile API. Following the analysis carried out by Unieuro, the Company considered that the breach could present a risk to the rights and freedoms of individuals and consequently notified the Personal Data Protection Authority (pursuant to Article 33 of the GDPR) of the personal data breach and requested that individuals affected by the breach change

the password for accessing their e-commerce account. In light of the breach suffered, the Company decided to implement specific technical and organisational security measures to prevent similar breaches in the future. For the sake of completeness, we note that on March 20, 2023, the Data Protection Authority decided to archive the report.

We also note, however, that most of the incidents that occurred relate to customer errors made during the creation of their e-commerce account at the time when the customer is required to indicate the e-mail address that s/he intends to associate with the aforementioned account. Because of the nature of the incidents that occurred, the Privacy Office renewed its request to provide for a check on the correctness/ownership of the data used by customers when creating their profiles.

As regards Monclick, during the reporting period, following some requests from stakeholders and some reports received by Customer Service, Unieuro encountered two security incidents that resulted in the loss of confidentiality, integrity or availability of personal data, depending on the type of event recorded. Following Monclick's analysis, the Company considered that the breaches could not present a risk to the rights and freedoms of individuals, and consequently did not communicate the personal data breaches to the Data Protection Authority (pursuant to Article 33 GDPR) or the affected data subjects (pursuant to Article 34 GDPR).

### **3.2.6 Management of complaints related to unfair business practices**

The Company is committed to developing an ongoing dialogue with its customers in order to maintain the relationship on a level of excellence. The handling of complaints and other instances with which customers express dissatisfaction is governed by specific procedures that ensure that individual complaints received either at the registered office or directly at the certified e-mail address are taken care of. In particular, the Legal Department, together with the relevant internal functions, checks each complaint in order to handle it as promptly as possible, in line with the obligations imposed by law and to contain litigation as much as possible. In addition to the principles of conduct, the Company has set up additional control safeguards to protect industrial and intellectual property, with particular attention to the application procedures referring to the management of product sales activities. The Company, as a seller under the Consumer Code, is subject to out-of-court complaints and disputes, from consumers and their trade associations.

On December 28, 2022, we report the receipt of a monetary file totalling Euro 4,200,000 (including Euro 3,000,000 for Unieuro and Euro 1,200,000 for Monclick) received from the Italian Anti-trust Authority (AGCM) for non-compliance with the Authority's Resolution No. 29.937 of December 3, 2021, in which the Authority had proceeded to impose sanctions against Unieuro and Monclick (Euro 4,000,000 and Euro 300,000, respectively) for alleged unfair commercial practices and invited them to cease such practices. Administrative appeals filed by both companies against the aforementioned proceedings are still pending before the Lazio Regional Administrative Court.

### 3.3. Suppliers

#### 3.3.1. Unieuro's Supply Chain

Unieuro uses highly qualified and recognised suppliers, among the major players in the electronic and IT market, to deliver products that are marketed by the Group through direct and indirect channels.

Product procurement is mainly carried out through direct purchases from subsidiaries of multinational and domestic companies present and based in the EU; a residual share of purchases is through distributors present in Italy.

The organisational model involves entering into annual (solar and/or fiscal) Trade Agreements with the panel of selected suppliers, formalised through direct orders to the companies. Unieuro purchases different types of goods, which are delivered to the logistics platform or directly to the point of sale, and later sold to the end consumer.

In addition to the above, Unieuro also directly imports exclusive branded (Electroline, Joiahome, Teklio and BeBikes) and exclusively marketed (Ignis, Hitachi, JVC) products of CE/extra-CE origin (with a share of about 3.5% of the total sell-out<sup>64</sup>). All items sourced outside the EU are certified prior to entry into the EU market, according to the applicable regulations for the relevant product category; thus, they meet current European regulations (such as, for example, Directive 2002/95/EC or RoHs - Restriction of Hazardous Substances Directive). Therefore, the risk index in terms of product non-safety is minimal, which is also confirmed by the fact that Unieuro uses manufacturers of large size and high production standards.

#### 3.3.2. Managing suppliers

The Supplier Selection System plays a key role in the competitiveness of Unieuro's offerings on the market.

Considering the high reputational standing of the main suppliers with which Unieuro interacts, the selection of these, until now, has been based exclusively on economic criteria. However, the Company has begun research into an evaluation system that also considers social and environmental aspects in the process of qualifying new suppliers and renewing existing qualifications.

The supplier selection policy also includes compliance with the principles of transparency, fairness and honesty, as governed by the Code of Ethics: new potential suppliers are evaluated and chosen according to their compliance with certain objective criteria, such as quality, costs and services offered, integrity, honourability, and professionalism, and the absence of involvement in illegal activities. As part of their relationship with the Group, suppliers undertake to prevent child labour, protect workers' rights and ensure a safe working environment by signing and/or sending their own Code of Ethics. In view of the size and reputation of the main suppliers dealt with, at present, Unieuro has deemed it unnecessary to undertake audit actions at the factories.

<sup>64</sup> Management data

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Given the multinational nature of these suppliers, there are currently no corporate procedures for prior verification of product safety and information to be provided at the marketing stage. This type of control is carried out by external entities that verify, on a random basis, the actual characteristics and certifications of product approval in light of current European regulations.

Unieuro regularly engages with its suppliers through face-to-face meetings (at Company offices, individual supplier locations, and/or during events such as trade shows, presentations, etc.) and videocalls. The frequency - including weekly, as in the case of the relationship with Monclick - is determined based on the type of supplier and ongoing activities (product development/production). The main topics addressed during these discussions included: product development, management of merchandise requirements, and trade policies. No critical issues related to product quality and/or customer relations emerged from these dialogues.

For the purchase of Electroline, Joiahome and Teklio exclusive brand products, Unieuro S.p.A. has entrusted the scouting and pre-selection process to an intermediary company based in Italy, which, starting in 2018, has committed itself (through the signing of specific agreements) to selecting vendors that meet high quality standards and comply with the regulations in force in China, where production takes place. In order to ascertain the proper execution of the aforementioned assignment, in May 2022 Unieuro mandated a specialised company to check that all qualification, selection, production and certification processes were taking place in the prescribed manner, thus initiating in a path of “continuous improvement.”

### THE PRIVATE LABEL MANAGER



In December 2020, the Company established the role of **Private Label Manager**. He has been entrusted with the responsibility of completely redesigning the brand role, processes (including drafting the necessary contract formats such as General Conditions of Supply and Logistics and/or Code of Ethics, in addition to specific certifications) and the procurement and distribution model. The manager, in collaboration with Category Managers and external consultants, will need to screen the current process in detail and identify “gaps” to establish appropriate improvement action plans.

## Performance indicators

The volume of procurement (total spending on procurement from suppliers of products marketed by Unieuro) for FY 2022/23 is slightly down from the spending in FY 2021/22, with 94% of procurement coming from local suppliers<sup>65</sup> (same percentage as the previous year).

### Percentage spend on local suppliers (other suppliers of products marketed by Unieuro)

Expenditure on procurement from suppliers	unit	28/02/2023	%	28/02/2022	%
Local (Italy)		2,941,096,533	94%	3,011,592,773	94%
Overseas	€	182,743,651	6%	205,669,378	6%
<b>Total</b>		<b>3,123,840,184</b>	<b>100%</b>	<b>3,217,262,151</b>	<b>100%</b>

Expenditure on procurement of exclusive brand products was Euro 44.8 million, of which 45% is from local suppliers. Including products of the Ignis, Hitachi and GVC brands, which are marketed exclusively in Italy, the expenditure would be Euro 81.8 million with a similar percentage split between local and foreign suppliers.

### Percentage spend on local suppliers (direct suppliers of Unieuro-branded products)<sup>66</sup>

Expenditure on procurement from suppliers	unit	28/02/2023	%	28/02/2022	%	28/02/2021	%
Local (Italy)		20,152,533	45%	3,230,000	19%	3,000,000	12%
Overseas	€	24,634,885	55%	14,078,000	81%	22,800,000	88%
<b>Total</b>		<b>44,787,418</b>	<b>100%</b>	<b>17,308,000</b>	<b>100%</b>	<b>25,800,000</b>	<b>100%</b>

For Monclick, it should be noted that the company operates dropshipping<sup>67</sup>; the key sales channels for B2C are the website and market places, while for the B2B channel it is mainly a few selected large customers. The supply chain refers about 85% to Unieuro, which is then joined by other suppliers such as: Esprinet, Techdata, Ingram Micro. All of Monclick's suppliers are chosen carefully, with preference given to those who have introduced rating and quality systems. Total procurement spending from suppliers (all local<sup>68</sup>) amounted to about Euro 63.5 million. Goods handling and shipping take place at the Piacenza site and the service is regulated by market conditions, based on intercompany contracts. The purchase order from the supplier is finalised only after the sales order is placed with the customer. The main risk in the procurement business for Monclick is the theft or loss of goods from the logistics site or courier in transit to the customer: both the carriers and the logistics site have taken all necessary measures (including through insurance coverage) in

<sup>65</sup> From Italian suppliers/branches with production units, forming part of global Groups, located in the most industrialised countries.

<sup>66</sup> For FY 2021/22, the data refer to Unieuro S.p.A., with reference to the Electroline and Joiahome brands only. For FY 2022/23, data refer to exclusive brands Electroline, Joiahome, Teklio, Bebikes. The data for FY 2021/22 were calculated through simulations due to developments in the supporting management system, so they have been updated.

<sup>67</sup> Sales model whereby a seller sells a product to an end user without owning a stock, so as to remain flexible and without fixed costs due to inventory. The risk of certifying and approving products lies directly with the distributor or, in general, the person who first places the good on the market. Monclick is therefore not subject to this risk.

<sup>68</sup> From Italian suppliers/branches with production units, forming part of global Groups, located in the most industrialised countries.

## A passion called sustainability

order to minimise the impact. During the period under review, there were no relevant incidents of this kind.

The Unieuro Group uses contractors for delivery to stores and for delivery and installation of products at the end customer's home; given the economic and reputational risk to which the Group is exposed (resulting from tax, contribution and pay solidarity due to the possible non-performance of contractors), the Group has put in place certain safeguards:

1. it uses a large number of operators, mostly organised as joint stock companies, with whom it has signed transport contracts (annual and non-exclusive). This aspect makes it possible to mitigate the risk both in terms of possible economic fallout on the company for payment of sums to the employees of the contractors, and in terms of service interruption if one of the operators has difficulties;
2. an additional risk factor is that these operators often in turn sub-contract the service to other entities over which the company cannot exercise effective control. to safeguard against this risk Unieuro, through a service company, conducts monthly monitoring of the fiscal - payroll - contribution regularity of these entities. A report is prepared summarising the results from the documentation checks.

Finally, the transport contract, in addition to the contractor's obligation to send the service company the necessary documentation to verify its compliance with the law, provides for additional controls designed to ensure an adequate level of service, such as, for example, penalties in the event of non-compliance and/or inefficiency on the part of the carrier and daily verification of the performance of transport operators.

### 3.4. The Community



Supported, as **gold sponsor**, the "La Maddalena" exhibition at the San Domenico Museums in Forlì. Supported the **Forlì men's basketball team**, which plays in the A2 national championship, as main sponsor



**AT PRIME CENTERS**  
(Prevention Rehabilitation Integration in Medicine), the first meetings were held with Romagna high school classes involved in the education project on healthy lifestyles



Following the success of the first three books, the fourth volume **"#Cuoriconnessi. Cyber bullying, bullying and stories of online Lives. The Reality of Words"** was presented and the research project **"Schermi futuri"** was launched, which seeks to deepen and investigate the relationship between young people and new models of virtual sociality

#### 3.4.1. The #Cuoriconnessi ("Connected hearts") project

"Fostering a consistently positive experience with technology in daily life" confers deep responsibility and commitment, which go beyond a simple mission. Indeed, the Company is aware of how the evolution of digital technologies in recent years and the extraordinary spread of network-connected devices are now indispensable tools for communication, work, study and entertainment.

In parallel, however, improper behaviours such as cyber bullying have been generated. This term refers to acts of violence that, through the use of online applications (messaging platforms, social networks, some specific sites, e-mail), mostly involve adolescents. For young people, in fact, feeling connected is vital and overshadows any risk. What distinguishes cyberbullying from the bullying of the pre-digital era is the extent of content dissemination and the anonymity behind which one can hide, which encourages disinhibition and amplifies aggression.

The #cuoriconnessi project to combat *cyber bullying* with the State Police was therefore born in 2016. This is an initiative that confirms the Group's commitment to promoting and activating responsible behaviour in relation to technology: raising awareness and informing young people, teachers and parents about a more conscious and correct use of digital devices, helping to disseminate those values that are the basis of a modern and civilised society.

To reach everyone by speaking from the heart, to leave a mark and create awareness through open and sincere debate: this is the goal of #cuoriconnessi, which tells stories and experiences of kids' online lives in a pragmatic, simple and direct way. Adolescents are more easily predisposed to the truth only if it comes from stories told by those who have experienced them first-hand.

The #cuoriconnessi activities target the first and second grades of Italian secondary schools and have always involved students with the help of teachers and parents.

## A passion called sustainability

The project is structured through both online and physical (pre-Covid) meetings, a dedicated YouTube channel, the informational website [cuoriconnessi.it](http://cuoriconnessi.it), a series of docufilms telling the stories of some teenagers who wanted to share their experiences, four printed books distributed in print edition at Unieuro chain stores and in a digital version on the website [cuoriconnessi.it](http://cuoriconnessi.it) and on major ebook stores. All #cuoriconnessi content is available totally free of charge for students, teens, parents and teachers at [cuoriconnessi.it](http://cuoriconnessi.it).

In recent years, the project has achieved outstanding numbers:

- on Safer Internet Day more than 670,000 students watched the #cuoriconnessi live stream for the 2021-2023 three-year period;
- a tour of 16 virtual meetings were organised with schools in Italy in the 2021/22 and 2022/23 academic years, which is still ongoing, connecting more than 200,000 students;
- 650,000 free copies of the first three books in the #cuoriconnessi series: “*Storie di vite online e di cyberbullismo*” (Stories of Online Lives and Cyber Bullying), “*Tu da che parte stai*” (Whose Side Are You On), and “*Il coraggio di alzare lo sguardo*” (The Courage to Look Up), all authored by journalist Luca Pagliari. The three texts are now teaching materials used in hundreds of schools;
- over 200,000 copies of the first three books downloaded digitally;
- more than 100,000 copies of the first comic book handout “*La storia di Madi*” (The Story of Madi) published at the end of May 2022 and dedicated to secondary schools as support for summer holiday work;
- over 1,000,000 views of #cuoriconnessi WebTv on YouTube’s in-depth look at cyber bullying, sexting, body shaming, and the many other forms of network misuse.

#cuoriconnessi also participated in special events such as the Wired Next Festival, Pordenone Legge, and, in 2021, the Meeting for Friendship Among Peoples in Rimini.



## #CUORICONNESSI



*"#Cuoriconnessi has been running for seven years and in this long period it has evolved, expanded its reach, and grown in numbers and initiatives, while always remaining true to one communication model: sharing stories. Stories that manage to convey messages that would otherwise go unheard. Stories that involve and foster important reflections in young people, through an open and sincere debate on the dangers and opportunities offered by the online universe.*

*Thanks to the fundamental collaboration with the State Police, of which we are deeply proud, we are able to address extremely sensitive issues with the shared desire to create greater awareness of the web and all those devices that are increasingly part of our daily lives. Devices intended to generate and spread millions of words, phrases, images, and videos that will appear on as many displays. For us, humbly succeeding in contributing to the search for a qualitative and more thoughtful improvement of such a flow is not a choice, but rather a moral obligation rooted in the desire to foster responsible use of technology, open to discussion and against all discrimination"*

**Giancarlo Nicosanti Monterastelli**, Chief Executive Officer of Unieuro

## RESEARCH PROJECT: "SCHERMI FUTURI" (FUTURE SCREENS)



In 2022, Unieuro launched the research project that aims to deepen and **investigate the relationship between young people and new models of virtual sociality**. We have for years lived in a hyper-connected world, and the pandemic has accentuated and imposed different, more virtual and less physical patterns of sociality that particularly involve "digital natives."

**Generation Z**, those born between 1997 and 2012, who best juggle technologies, platforms, social media, trends and various devices from birth, have been most affected by the **a-sociality imposed by the health restrictions** of recent years and are the ultimate protagonists of these new ways of spending time together.

Several news articles and research reports, however, tell of a very different reality from what may appear on social media, and in particular draw attention to the actual **mental and physical well-being of young people**, which has been greatly affected by these changes, especially following the restrictions on live socialising imposed to counter the emergence of the coronavirus. Unieuro, which has always focused on positive and responsible use of technology, therefore wanted to support a research team to investigate these phenomena.

"**Schermi futuri**" is the new project that intends to capture young people's feelings about new models of virtual sociality, and will be led by an outstanding Scientific Director, Professor Paolo Crepet. Its goal will be to produce a white paper framing the dimensions and characteristics of the phenomenon, making useful suggestions for all stakeholders to open up reflections and insights. The white paper will be published and distributed free of charge by Unieuro.

This initiative once again confirms Unieuro's interest in and commitment to clarifying the effects of technology and promoting its responsible use, especially by younger people.

### 3.4.2 Local community management and support

Alongside the commitment to awareness-raising campaigns, the Company devotes attention to supporting local sports teams and promoting sports values. In the 2022/23 fiscal year, Unieuro S.p.A. once again supported the men's basketball team (both the first team and the youth teams) engaged in the A2 national championship as the main sponsor. Unieuro also sponsored the sports hall in the city of Forlì, named "Unieuro Arena."

## A passion called sustainability

In 2022 Unieuro was gold sponsor of the exhibition “La Maddalena” conceived and promoted by the Fondazione Cassa dei Risparmi di Forlì and organised by Civitas S.r.l. in collaboration with the Municipality of Forlì at the San Domenico Museums. Unieuro thus reaffirms its closeness to the city of Forlì and the local area, promoting cultural initiatives that increase the flow of visitors and at the same time support solidarity projects to combat violence against women and all forms of discrimination.

## Performance indicators

### Community investment

Community investment	unit	28/02/2023	28/02/2022	28/02/2021
Sponsorships	€	338.000	329,490	388,010
Donations		-	-	81,355

Unieuro has also chosen to commit to the PRIME CENTER (Prevention Rehabilitation Integration in Medicine) project, a multifunctional centre at the Romagna Oncology Institute dedicated to prevention, rehabilitation and integrative medicine. The centre was created from the redevelopment of a disused building located in Cesena and seeks to offer those undergoing cancer therapies support to better tolerate them, multidisciplinary maintenance paths with high quality standards to people in recovery, and for healthy people, the opportunity to learn about and adopt the correct preventive behaviour.

PRIME CENTER’s activities include not only education on proper nutrition, integrative and rehabilitative medicine pathways, but also a programme dedicated to children to prevent and train on proper lifestyles.

In 2022, a dozen meetings were held with Romagna high school classes, with the participation of more than 500 students and their teachers.

## 4. ENVIRONMENTAL PERFORMANCE<sup>69</sup>



Approx. 99%  
of waste is subject to recovery,  
**recycling or reuse operations**

In 2022, **12 trade-in campaigns** were organised for some product categories in order to promote their reconditioning and proper disposal



**Five** charging stations have been installed in the Piacenza logistics centre, adding to the **12** in the point-of-sale network.

Because of the characteristics of its business, Unieuro does not create particularly significant environmental impacts. However, the Company focuses its attention on environmental protection and sustainable use of natural resources in accordance with current environmental regulations. The main environmental risk related to the activities carried out by Unieuro is the atmospheric emissions caused by mains gas systems and the leakage of refrigerant gas from the rooftop refrigeration unit circuit. As described in the Code of Ethics, Unieuro is committed to limiting potential negative impacts on the surrounding area: in fact, it condemns any type of action or behaviour that is potentially harmful to the environment in which it operates. Specifically, in relation to CO<sub>2</sub> emissions, as part of a multi-year energy efficiency project the Company has installed a BMS (Building Management System). This uses artificial intelligence and machine learning to better manage the equipment and systems serving Unieuro's stores. To date, the system has been installed in about 170 outlets.

Monclick is associated with low environmental risk because it has no production or storage sites. Possible risks relate to waste and disposal of the collected appliances. Operations are contracted to third parties so that disposal procedures are outsourced to certified providers.

The ways in which any environmental risks are managed are described in detail in the following paragraphs.

<sup>69</sup> For the table on page 30-37 we note that the impacts (positive and negative) pertaining to this chapter mainly refer to the following material topics: climate change and energy efficiency, waste management, sustainable packaging.

## 4.1. Waste management

As a distributor of electrical and electronic equipment, falls under the regulatory obligations of Legislative Decrees Nos. 121/2016 and 49/2014, which regulate the management of WEEE - Waste Electrical and Electronic Equipment - from collection to take-back and transportation by distributors. Their failure to do so may lead to administrative and criminal sanctions.

Take-back arrangements vary depending on the “size” of the WEEE: if this is small<sup>70</sup>, it can be delivered free of charge by the customer to any Unieuro store without the obligation to purchase a new equivalent appliance (known as “one-for-zero”). Subsequent pickup and disposal of this WEEE is outsourced to an external company. For large WEEE, on the other hand, the customer can return the used appliance only against the purchase of a new product with the same mode of use (known as “one-for-one”).

To ensure the application and consequent compliance with the various regulatory dictates, Unieuro uses a specific operating manual that defines roles and responsibilities for the proper management of WEEE disposal: in specific areas within the Company’s stores, special containers are installed for the disposal of WEEE waste, indicating whether the equipment is hazardous or not. Through the use of “UNICONSEGNA” management software, Unieuro ensures the traceability of operations, sending an alert if this waste has been registered in the warehouse for more than 45 days or has reached the maximum weight of 3.5 tonnes. Once these limits are reached, the waste is handed over to the transporter for disposal.

Monclick has outsourced the collection and pickup of WEEE to specialised outside companies, which provide pickup sheets for the equipment to be disposed of. Once the waste is deposited and the above limits are reached, WEEE is handed over to the transporter for further disposal.

The Logistics function is responsible for the WEEE disposal process, through local supervision by operators employed by the company to constantly monitor procedures. Logistics officers conduct store audits to verify the application of the Operations Manual - WEEE Procedures, and the proper filing of documentation. To facilitate management, the Company uses the “RAEEgest” portal, which provides access to manuals and other necessary information.

In addition to WEEE, the Company produces municipal waste from normal office activities and operational management of outlets, which consists mainly of mixed packaging, toner, and cartridges. The Company has a corporate policy regarding waste management, as also stated in the Code of Ethics, designed to ensure continuous improvement in the service provided to outlets, evaluating and testing new suppliers to compare their respective levels of service and need, and verifying that they have the necessary permits, registrations or attestations to carry out their activities. Effectively presiding over the waste management process also avoids the risk of leakage in the transportation chain (from the producer to the provider who performs proper disposal).

Among the management systems adopted to assess the achievement of objectives and to collect reports/complaints from stakeholders, a team e-mail address has been created to which stores can forward inefficiencies reported by Unieuro employees.

<sup>70</sup> Small WEEE is defined as that with a longest side dimension of less than 25 cm.

Rules for proper sorting of municipal solid waste (MSW): paper, plastic and aluminium, wet and undifferentiated waste were posted at the Group's internal premises. Specifically, in order to promote circularity and reduce occupied space, containers with compactors and presses have been introduced for paper and cardboard waste. However, each type of waste is collected in accordance with current legal regulations by specialised companies authorised for this purpose: waste is handled by a third party where a public service is not available, the related cost is too high or operating conditions are not compatible with normal store operations. For third parties, verification of the proper completion of the collection and disposal cycle is ensured by collecting (including online) the "fourth copy" of the waste collection forms. Regarding hazardous waste, constituting filters from the air conditioning system, a dedicated collection service has been introduced which tracks quantities on a special register.

## Performance indicators

### Total weight of WEEE waste disposed of<sup>71</sup>

WEEE waste disposed of	unit	28/02/2023	28/02/2022	29/02/2021
Disposal		22,360	21,038	17,377
<b>Total</b>	<i>tonne</i>	<b>22,360</b>	<b>21,038</b>	<b>17,377</b>
Year-on-year change		6.3%	21.1%	19.4%

In FY 2022/23, the change in the amount of WEEE waste disposed shows an increase of 6.3% over FY 2021/22, mainly due to the higher volumes on the online channel.

### Total weight of waste by type and treatment method

Waste generated	unit	28/02/2023	28/02/2022	28/02/2021
Total non-hazardous waste		2,985	3,403	2,816
Total hazardous waste	<i>tonne</i>	2	5	5
<b>Total waste produced</b>		<b>2,987</b>	<b>3,408</b>	<b>2,821</b>
Year-on-year change		-12.4%	20.8%	n/d

<sup>71</sup> The figure in tonnes was calculated as "number of pieces product category by estimated average weight product category." Monclick's data are estimates, calculated from data provided by the waste disposal company.

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Waste directed to disposal	unit	28/02/2023	28/02/2022	28/02/2021
<b>Non-hazardous waste</b>				
To landfill		-	-	1
Other disposal operations		1	5	-
<b>Total non-hazardous waste</b>		<b>1</b>	<b>5</b>	<b>1</b>
<b>Hazardous waste</b>				
	<i>tonne</i>			
To landfill		-	-	5
Incinerated (with energy recovery)		1	1	-
<b>Total hazardous waste</b>		<b>1</b>	<b>1</b>	<b>5</b>
<b>Total waste directed to disposal</b>		<b>2</b>	<b>6</b>	<b>6</b>

Waste diverted from disposal	unit	28/02/2023	28/02/2022	28/02/2021
<b>Non-hazardous waste</b>				
Other collection operations		2,340	2,956	2,815
Recycling		644	438	-
Preparation for reuse			4	-
<b>Total non-hazardous waste</b>		<b>2,984</b>	<b>3,398</b>	<b>2,815</b>
<b>Hazardous waste</b>				
	<i>tonne</i>			
Other collection operations		1	4	-
<b>Total hazardous waste</b>		<b>1</b>	<b>4</b>	<b>-</b>
<b>Total waste diverted from disposal</b>		<b>2,985</b>	<b>3,402</b>	<b>2,815</b>
Year-on-year change		-12.3%	20.9%	n/d

The amount of waste generated not destined for disposal, at 2,985 tonnes, shows a 12% decrease on the previous year. Almost all of the waste generated is destined for recovery, recycling or reuse operations and belongs to the non-hazardous waste category. The latter, for the most part, is not destined for disposal: about 78% of waste is recovered, while the remaining 22% is recycled or reused. Similarly, hazardous waste is also mostly sent for recovery. The decrease during the year is mainly attributable to a change in the management of toner for in-house printers following a disposal agreement with the supplier of new toner. All waste treatment operations take place at an external site.

From an analysis conducted by Erion<sup>72</sup> on data from FY 2022/23 on WEEE collected by Unieuro from its customers who used the “one-for-one” service, it was estimated<sup>73</sup> that due to the environmental benefits associated with the treatment of such WEEE, Unieuro avoided the

<sup>72</sup> Erion is Italy's leading Extended Producer Responsibility system for the management of waste associated with electronic products and Tobacco Product Waste.

<sup>73</sup> Considering that Erion WEEE is the leader in Italy in the area of Household WEEE by tonnes managed in 2022, with a share of responsibility of about 68%, and considering that all pickups were performed within the system accredited to the WEEE Coordination Center (CdCRAEE), despite the fact that they were not all performed by Erion WEEE, it is possible to assume that the overall environmental benefits are comparable to those defined by Erion itself.

production of 124,236 tonnes of CO<sub>2</sub>eq, saved 30,959,446 kWh of energy, and overall recycled 20,195 tonnes of material compared to the 22,360 tonnes collected.

Environmental benefits	
Emissions avoided	124,236 t CO <sub>2</sub> eq
Energy saved	30,959,446 kWh
Materials recycled	20,195 t

Other materials recycled <sup>74</sup>	
Iron	11,080 t
Plastics	2,614 t
Aluminium	406 t
Copper	450 t

## 4.2. Electricity consumption and emissions

The increasingly strong correlation between climate change and energy use has prompted Unieuro to launch an ambitious project (called “Project Green”) designed to limit the Group’s carbon footprint through initiatives to reduce CO<sub>2</sub> emissions at both Scope 1 and Scope 2 levels. Emission reduction from owned/controlled sources (Scope 1) is pursued mainly through a project to optimise the energy efficiency of the store network, while emission reduction in Scope 2 is achieved through the purchase of energy from renewable sources.

Regarding the first initiative, Unieuro has committed to innovating its energy consumption models to optimise the most energy-intensive systems during necessary maintenance and maintaining and improving cost savings through intelligent load management. This is being pursued through various energy efficiency actions, including the extension of point-of-sale installations of building automation systems that enable integrated and intelligent management of all systems in a given building, effectively controlling its electrical systems such as lighting, heating and air conditioning, intrusion and fire alarms. Thus, the installation of efficiency systems allows for an expected reduction in consumption averaging around 20%-30%. In addition to this, obsolete lighting systems were replaced with LED fixtures that provide an estimated energy saving of around 50%, and air conditioning systems were replaced with high-efficiency machines. The goal is the continuous optimisation of the most energy-intensive systems during necessary maintenance and the maintenance of economic savings guaranteed by intelligent load management. During the year, direct emissions (Scope 1) were 36% lower than in the previous year based on the new calculation methodology, as described in the section “*Calculation of Scope 1 and 2 emissions: new methodology.*”

The second initiative, on the other hand, is for the purchase of electricity with certification of green production at source. In FY 2022/23 these purchases reached 100% of the total, compared to 58% in the previous fiscal year.

<sup>74</sup> Other materials recycled refers to the 20,195 tonnes and represent the most significant items.

In addition, also during the reporting year, a partner was selected to support Unieuro in measuring the Group's carbon footprint (Scope 1, 2 and 3) and in defining a subsequent decarbonisation plan. This project, set out in the Sustainability Plan, will be carried out in FY 2023/24. In the early months of the year, the activity focused on calculating Scope 1 and 2 emissions by adopting the GHG Protocol methodology as detailed in the section "*Calculation of Scope 1 and 2 emissions: new methodology*" below.

Unieuro S.p.A. also continued to develop the project relating to the installation of electric vehicle charging stations at direct stores. In addition to the 12 already in operation, four others are being introduced. In addition to these are the five columns, which can simultaneously charge up to 10 cars, that have been installed in the central warehouse in Piacenza, available to employees and suppliers.

Finally, we note that Monclick's headquarters is located in a building with low environmental impact, certified "LEED platinum" and equipped with the most modern systems for improving and optimising energy consumption.

### NEW POWER SUPPLY FOR FORKLIFTS IN THE PIACENZA WAREHOUSE



One of the ESG pillars of the Sustainability Plan is Sustainable Innovation, which includes projects and practices to promote energy efficiency. Among the initiatives developed during the year is the replacement of the batteries in the forklifts used at the central warehouse in Piacenza, which are now powered by lithium-ion batteries as opposed to the previous lead-acid batteries.

This technology has several advantages, including:

- the **reduction of forklift charging time** from the previous eight hours to just one hour
- the **elimination of CO<sub>2</sub> fumes** during charging, which were emitted by the old technology. This means that there is no longer a need for a charging room
- **greater energy efficiency** than that of the previous technology because **energy dissipation does not exceed 5%**, compared with 20% for lead-acid batteries.

We also report the adoption of:

- a **new fleet management system**, which allows real-time monitoring of trucks, their location, consumption and hours of use;
- a **forklift impact management and verification system**;
- a **smart access system for fleet vehicles**, which allows employees to use only the vehicles to which they are qualified, thereby reducing the risks related to vehicle switch-on and use.



## PROJECT GREEN



Project Green, launched during 2021, seeks to reduce electricity consumption by targeting maximum efficiency both in terms of consumption and CO<sub>2</sub>.

The project rests on 2 pillars:

- Point-of-sale energy efficiency
- Purchases of energy from renewable sources (green energy)

The first pillar deals with energy efficiency in stores: this project, in turn, consists of some specific measures that affect most of our stores, giving priority to those with higher energy consumption.

The work planned can be divided into four types:

- installation of new high-efficiency LED light fixtures to replace existing ones;
- installation of a building management system (BMS), which is an intelligent system for remotely managing energy consumption to optimise its use;
- replacement of air conditioning systems with high-efficiency machines;
- installation of photovoltaic panels on the roofs of some stores.

In FY 2021/22 the first three types of interventions listed above were carried out in 40 stores, while in FY 2022/23 the project involved another 50 stores, reaching a total of 90 points of sale. Considering BMS installation work alone, the green project is acting as an accelerator; in fact, about 170 sales points have been equipped with this technology in recent years.

At the end of the planned four years of project development, the goal is to achieve savings in terms of reduced consumption of nearly 8 GWh.

#### 4.2.1. Calculation of Scope 1 and 2 emissions: new methodology

During the year, following the launch of the project that will lead to the measurement of the Group's carbon footprint, the Company decided to adopt a new methodology for calculating Scope 1 and 2 emissions, in line with the dictates of the GHG Protocol. Values referring to the previous year have therefore also been restated. Detailed analysis of emissions classified as "Scope 3" at the time of publication of this document is in progress and will therefore be published in next year's Non-Financial Statement. Only partial data is proposed in this edition, in continuity with what has been reported in previous reports.

Compared with the previously adopted methodology, the perimeter of Scope 1 and 2 emissions calculation has been defined using the operational control approach to include the following direct facilities of Unieuro<sup>75</sup>:

- Unieuro Headquarters
- Sales points

<sup>75</sup> Since Unieuro does not have operational control (as defined by the GHG Protocol) over Monclick, the latter's consumption will be reported in Scope 3 emissions.

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- Logistics platform (Piacenza hub)

In addition, the scope of operations was expanded to include the following emission sources.

### Scope 1:

- Stable combustion (natural gas and diesel fuel combustion)<sup>76</sup>

In the calculation of emissions due to thermal energy, the share of natural gas and diesel fuel combusted at Unieuro's direct facilities was also included.

- Non-stable combustion (previously placed in Scope 3)<sup>77</sup>

Considering the operational control approach, it was deemed appropriate to add the contribution of emissions related to the owned fleet and vehicles leased under long-term contracts. Expenditure incurred on fuelling the fleet was converted to litres by considering the average monthly cost of diesel fuel and gasoline over the fuel purchase period, extracted from the Ministry for Economic Development (MiSE) website. The values obtained were reported in CO<sub>2e</sub> emissions using ISPRA factors for the Italian vehicle fleet, which provides impact values per unit of energy released during fuel combustion. The energy released when fuelling the fleet was obtained by applying to the litres value a conversion factor inclusive of lower heating value and average fuel density.

- Fugitive emissions (leakage of climate-altering gases)<sup>78</sup>

All F-GAS topping up, corresponding to fugitive emissions of climate-altering gases, at Unieuro's direct facilities were included. Climate-altering fluids were converted to emissions by means of GWP (100-year scenario) values provided by IPCC's Fifth Assessment Report.

### Scope 2:

- Imported electricity (Location-based and Market-based approach)<sup>79</sup>

A decision was made to change the source of the Emission Factors chosen to calculate the environmental impact of electricity withdrawal mainly for the following two reasons. The emission factor used in the NFS (ENERDATA 2015) does not report the contribution of the six GHG gases under the GHG Protocol, while the Ecoinvent Emission Factor allows the impact of Scope 2 to be reported separately from that of Scope 3. In the Market-based approach, the AIB

<sup>76</sup> Source - Emission factor: DEFRA 2022

<sup>77</sup> Source - Emission factor: ISPRA 2020 and MiSE

<sup>78</sup> Source - Emission factor: IPCC AR5

<sup>79</sup> Source - Location-Based Emission Factor: Ecoinvent 3.8 (FY22) and 3.9.1.(FY23) Source - Market-based emission factor: AIB-Residual Mix 2021 (latest update available)

(Residual Mix) source is used for FY 2021/22, as the Supplier Emission Factor is not available. In FY 2022/23, since the supply was completely through GO (Guarantees of Origin), the Emission Factor is zero, in accordance with Scope 2 Guidance of the GHG Protocol.

For emissions classified as Scope 3, as noted above, only emissions generated by private car travel are included. In the absence of detail on the type of vehicles and kilometres driven for each type of car, an approximate calculation is made using the DEFRA 2022, medium car emission factor.

This methodology is also applied to FY 2021/22 data, which are then adjusted as specified in the tables below.

Electricity consumption (amounting to 238,695 GJ) decreased by approx. 2% on the previous year. The related emissions of 17,104 tCO<sub>2</sub>e (calculated using the Location-based approach) were down 3% on the previous year. In contrast, due to the use of electricity derived from 100% renewable sources (certified with GO), the emissions calculated using the Market-based method are 0 (zero). These certified purchases, which covered the entire requirement in FY 2022/23, began in FY 2020/21 and will continue in future years.

Diesel and natural gas consumption also decreased from the previous year (-31%). The Scope 1 emission calculation shows a reduction in emissions from direct combustion of 36%.

The direct and indirect GHG emissions generated by Unieuro in FY 2022/23 are 1,689 tCO<sub>2</sub>e using the Market-based approach, or 18,793 tCO<sub>2</sub>e if the Location-based method is adopted. In the former case, compared to FY 2021/22, there is an overall reduction of 89%, while in the latter case, the decrease in GHG emissions is 7%.

## Performance indicators

### Indirect energy consumption<sup>80</sup>

Electricity for the operation of offices	unit	28/02/2023	28/02/2022
Electricity	kWh	66,304,198	67,677,138
	GJ	238,695	243,638
Year-on-year change		-2%	n/d

<sup>80</sup> Indirect electricity consumption was used to calculate the organisation's GHG emissions; since Unieuro does not have operational control (as defined by the GHG Protocol) over Monclick, the latter's consumption will be reported in Scope 3 emissions. Energy purchased by Monclick in FY 2022/23 was 814,787 kWh (2,933 GJ), slightly up from FY 2021/22 (798,911 kWh, 2,875 GJ).

The figure published in FY 2021/22 for total electricity (69,276,642 kWh) purchased by Unieuro (68,477,731 kWh) and Monclick (798,911 kWh), was recalculated considering exact values without estimates (electricity consumption for Unieuro is thus 67,677,138 kWh).

### Emissions generated by indirect energy consumption

Indirect emissions – Scope 2	unit	28/02/2023	28/02/2022
<b>Location-based approach</b>			
Emissions from electricity consumption	t CO2e	17,104	17,668
<b>Market-based approach</b>			
Emissions from electricity consumption	t CO2e	0	12,959

### Direct fuel consumption for the operation of offices and sales points<sup>81</sup>

Fuel from non-renewable sources	unit	28/02/2023	28/02/2022
Natural gas	Scm	126,168	244,722
	GJ	4,527	8,781
Diesel	Litres	138,516	141,460 <sup>82</sup>
	GJ	4,995	5,102
<b>Total fuel from non-renewable sources</b>	<b>GJ</b>	<b>9,523</b>	<b>13,884</b>
Year-on-year change		-31%	n/d

### Emissions generated from direct fuel consumption

Direct emissions – Scope 1	unit	28/02/2023	28/02/2022
	t CO2e	1,689	2,628
Year-on-year change		-36%	n/d

### Summary sheet: Direct and indirect emissions (Scope 1 and 2)

	unit	28/02/2023	28/02/2022
Scope 1		1,689	2,628
Year-on-year change		-36%	n/d
Scope 2 Location-based		17,104	17,668
Year-on-year change		-3%	n/d
Scope 2 Market-based	t CO2e	0	12,959
<b>Scope 1 + 2 Location-based</b>		<b>18,793</b>	<b>20,296</b>
Year-on-year change		-7%	n/d
<b>Scope 1 + 2 Market-based</b>		<b>1,689</b>	<b>15,587</b>
Year-on-year change		-89%	n/d

<sup>81</sup> Data taken from bills sent by the supplier.

<sup>82</sup> The figure previously published in NFS 2021/22 has been restated. The figure shown in this table was obtained with exact data, while the previously published calculation contained a share of estimated data.

Kilometres travelled for staff travel<sup>83</sup>

Kilometres travelled for staff travel	unit	28/02/2023	28/02/2022
By private car		258,414	295,686
By company car	km	3,434,844	3,380,385
<b>Total kilometres travelled</b>		<b>3,693,258</b>	<b>3,676,071</b>
Year-on-year change		0.5%	

Emissions generated from direct and indirect fuel consumption<sup>84</sup>

Direct and indirect emissions - Scope 3	unit	28/02/2023	28/02/2022
Indirect emissions from private car consumption	t CO <sub>2</sub> e	45	52

### 4.3. Consumption of resources and materials

Since it does not engage in manufacturing activities in the strict sense, Unieuro has no particular impacts related to material consumption.

The printing of advertising flyers, which is commissioned from third-party suppliers, is the most significant activity in terms of raw material consumption for Unieuro S.p.A. Monclick, on the other hand, mainly conducts its advertising activities online.

In FY 2022/23, about 14 million copies of advertising materials were distributed nationwide, a 46% decrease on the previous year (26 million). During the pandemic period related to the spread of COVID-19, the Company decided to implement a series of initiatives targeted at encouraging the reduction of material consumption. These measures continued during the reporting year despite the end of the health emergency, with a further increase in full-digital publication and distribution of chain promotional campaigns, net of new-opening, relocation, and refurbishment campaigns that still use traditional print. Overall, paper consumption decreased by about 37% on the previous year and by about 95% on the pre-Covid period.

Regarding product packaging, Unieuro promotes practices targeting the use of sustainable packaging and pursues its proper disposal. We note that the Group sources from leading players active in the consumer electronics and domestic appliance markets who, in the vast majority of cases, in turn, pursue sustainable packaging strategies.

For Private Label products, Unieuro has incorporated value directions in scouting, sourcing and making sustainable packaging by seeking “plastic-free” solutions as much as possible, consistent with commercial positioning constraints, particularly for mainstream products centred on the concept of “value for money.” A cross-brand graphic system was also designed and implemented

<sup>83</sup> Company car kilometres are taken from fuel cards; private car kilometres are estimated from employee expense reimbursements and dividing the total monetary value by the average fuel cost of € 0.28. For FY 2022/23, in line with the previous year, the figure reported excludes taxi expenses as they are not available. The figure excludes the subsidiary Monclick S.r.l. because it is not significant.

<sup>84</sup> Department for Environment, Food and Rural Affairs (DEFRA) 2021 and 2022 conversion factors were used to calculate emissions.

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for all brands Unieuro owns to communicate to customers, effectively and in compliance with existing regulations, the correct way to dispose of the materials used in the packaging. For some products, in order to further facilitate disposal arrangements, Unieuro has included a QR code in the disposal graphic system. This is linked to an application which allows the request for disposal of packaging components to be geolocated and provides precise directions on where the materials can be disposed of depending on the provisions of the municipality or the disposal area.

Some examples of additional specific actions introduced in this area include the use of cardboard packaging for different categories of IT products and the use of cardboard ties for products such as multi-socket electrical equipment, extension cords, and TV cables.

## Performance indicators

### Consumption of resources<sup>85</sup>

Paper consumption	unit	28/02/2023	28/02/2022	29/02/2021
Paper consumption	q	3,607	5,720	10,733
Year-on-year change		-37%	-47%	

<sup>85</sup> The calculation of paper consumption was estimated by multiplying the number of copies purchased and distributed (14.3 million) by the average weight of about 25 grams.

## PALLET RECOVERY INITIATIVES AND USE OF RECYCLED MATERIAL AS PACKAGE FILLER



Packaging used to ship goods from logistics hubs to stores has an impact on the environment: in the past, it was designed not to be returned and, after use, became waste. With the goal of making responsible choices, monitoring and pallet recovery initiatives have been initiated to encourage subsequent reuse and a gradual reduction of plastic used for packaging filler.

Consistent with the contents of the Sustainability Plan, in FY 2022/23 Unieuro continued the pallet recovery project for reuse relative to the "HUB circuit" (Territorial Logistics Platforms that manage Home Delivery) by using data from the tracking system of incoming and outgoing pallets in the Piacenza platform.

The second initiative regarding pallets relates to the gradual shift toward 100% recycled plastic supports as an alternative to wooden ones. This choice, which is also dictated by considerations of cost and raw material availability, makes it possible to mitigate the risks of variability and discontinuity in wood pallet supplies. In the context of pallets, plastic constitutes a material with appreciable characteristics such as strength and recyclability.

The proportion of recovered pallets to those purchased during the year rose to over 80%, up from 35% in the previous year.

We also report that two cardboard perforators were purchased in 2022. Using these, the entire need for package filler can be covered with recycled and self-produced material. Thus, from March 2022, plastic fillers have been abandoned in favour of 100% recycled material. The goal is to further increase the use of paperboard and paper tape for Home Delivery shipments and reduce the creation of non-recyclable waste.

## METHODOLOGICAL NOTE

The Consolidated Non-Financial Statement (hereinafter also referred to as the “Statement” or “NFS”) of the Unieuro Group (hereinafter also referred to as the “Group”), prepared pursuant to Legislative Decree No. 254/2016 in implementation of Directive 2014/95/EU, sets out information and data on the policies in place and the management of environmental, social, personnel-related, human rights-related, and active and passive anti-corruption issues. These facilitate an understanding of the Group’s activities in these areas, its performance, the results achieved, and the impacts that have resulted. The Statement also explains the main non-financial risks, ESG (Environmental, Social and Governance) risks, and how they are managed.

The Statement is prepared in accordance with the GRI Sustainability Reporting Standards defined by the Global Reporting Initiative<sup>86</sup> (GRI). Concluding the NFS is the GRI Content Index table, which provides a summary of the GRI Standards used and lists all disclosures included in this document. The recommendations, “Priorities related to non-financial statements,” which ESMA published in its October 2022 Annual Statement, were also considered in preparing this document.

The reporting period is from March 1, 2022 to February 28, 2023 and is the same as the period considered for the preparation of the Financial Report. As required by Legislative Decree No. 254/2016, the Statement is published annually and is subject to an assessment of the conformity of the information provided with the requirements of that Decree and the standard used by the statutory auditor of statutory financial statements.

The breadth and quality of reporting reflect the principle of materiality, an element provided for in the relevant legislation and which characterises the GRI Standards: the topics covered within the Statement are those that, after careful evaluation, are found to be material in that they represent the most significant impacts of the organisation on the economy, the environment, and people, including the impact on their human rights.

As regards the restatements applied in this NFS, we note that within Chapter 3.1 on employees, performance appraisal data for FY 2021-22 has been recalculated; with regard to Chapter 4.2 on energy consumption and emissions, we note that a different methodology has been used to calculate Scope 1, Scope 2 and Scope 3 emissions in line with the GHG Protocol, as described in detail in the section called “*Calculation of Scope 1 and 2 emissions: new methodology*”.

As of FY 2021/22, as provided for in Article 5 of Legislative Decree No. 254/2016 “*Placement of the Statement and Disclosure Regime*,” this document constitutes a separate report from the Directors’ Report and is therefore marked with appropriate wording in order to be clearly identified as the document containing the non-financial information required by the regulations.

For information about the NFS, write to [sostenibilita@unieuro.com](mailto:sostenibilita@unieuro.com); the contact person for questions about the Declaration and the information in it is the Sustainability and M& A Director.

<sup>86</sup> *The Global Reporting Initiative is a not-for-profit organisation founded in Boston in 1997 providing support in the reporting of sustainable performances of organisations of any size, sector or country. In 2001, it was recognised as an Independent Body by the United Nations. In 2002, the United Nations Environment Program (UNEP) formally recognised its principles and invited all UN Member States to identify an official UN-recognised body.*



The “Letter to Stakeholders” in this Statement supplements and complements the letters from the Chairperson and Chief Executive Officer included at the opening of the Financial Report at February 28, 2023.

This document was submitted for approval by the Board of Directors on May 9, 2023, and is published in the “*Sustainability*” section of the Company’s Website ([www.unieurospa.com](http://www.unieurospa.com)) at least thirty days before the Shareholders’ Meeting, together with the remaining Shareholders’ Meeting documents.

The independent audit of the Non-Financial Statement was entrusted to KPMG S.p.A. and concluded with the issuance of the “Independent Auditors’ Report on the Consolidated Non-Financial Statement Pursuant to Article 3 of Legislative Decree No. 254/2016 and Article 5 of Consob Regulation No. 20267,”<sup>87</sup>. The limited review conducted by the independent audit firm on the NFS does not extend to the information contained in the section “*The European Environmental Taxonomy for Unieuro*” which is required by Article 8 of Regulation (EU) 852 of June 18, 2020.

### Reporting scope

The qualitative and quantitative information in the Statement refers to the performance of the Unieuro Group for the year ended February 28, 2023, consistent with the reporting scope of the Annual Financial Report.

The terms “Unieuro” or “Group” refer to the set of companies consisting of the parent company Unieuro S.p.A. and the wholly owned subsidiary Monclick S.r.l., while the terms “Unieuro S.p.A.” or “Company” refers exclusively to the parent company Unieuro S.p.A.

In order to facilitate understanding on the evolution of sustainability performance, quantitative information is presented over a three-year time frame.

Finally, certain aspects and indicators may have a differing reporting scope than the one related to the Group, where these are considered by management as non-significant for a specific company in consideration of the activities it carries out. In this case, the text clearly indicates the reporting scope of the aspect/indicator.

### Group material topic scope

The following table outlines the scope of each material topic, highlighting the entities inside and outside the Group that are affected by the possible impacts they entail. We also note that where the issue does not concern the Group as a whole, the company excluded from the scope was considered immaterial in view of the type of business conducted.

<sup>87</sup> Consob Regulation on the disclosure of non-financial information adopted by Consob Resolution No. 20,267 of January 18, 2018 [*informazioni\_carattere\_non\_finanziario*] ([consob.it](http://consob.it))

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Material topics	Internal perimeter	External perimeter
Business ethics and integrity	Group	Workers, Customers, Suppliers, Local Communities
Resilience and financial balance	Group	Key stakeholders
Stakeholder dialogue	Group	Key stakeholders
Combatting corruption	Group	Local Communities, Suppliers
Customer-centricity and innovation	Group	Customers
Protection of consumer privacy and cyber security	Group	Customers
Safety of products on the market	Group	Customers, Suppliers
Transparency of product information and offers to customers	Group	Customers, Suppliers
Respect for human rights and worker protection	Group	Workers, Suppliers
Diversity and equal opportunities	Group	Workers
Employee and contractor health and safety	Group	Workers, Suppliers
Staff training and career development	Group	Workers
<i>Company welfare</i>	Group	Workers
Sustainable supply chain	Group	Suppliers
Climate change and energy efficiency	Group	Local Communities, Suppliers
Waste management	Group	Local Communities, Suppliers
Distribution, logistics and mobility management	Group	Local Communities, Suppliers
Sustainable packaging	Group	Suppliers, Customers

The following is the correlation table between the aspects of Legislative Decree No. 254/2016, the material topics and the indicators provided by the GRI Standards.

Aspects of Legislative Decree No. 254/2016	Material topics	Material topic scope	GRI disclosure number and title	GRI Standards
<b>Environment</b>	Climate change and energy efficiency	Unieuro Group	GRI 301: Materials (2016)	GRI 301-1
			GRI 302: Energy (2016)	GRI 302-1
			GRI 305: Emissions (2016)	GRI 305-1 GRI 305-2 GRI 305-3
	Waste management	Unieuro Group	GRI 306: Waste (2020)	GRI 306-1 GRI 306-2 GRI 306-3 GRI 306-4 GRI 306-5
				GRI 305: Emissions (2016)
	Distribution, logistics and mobility management	Unieuro Group	GRI 301: Materials (2016)	GRI 301-1
	Sustainable packaging	Unieuro Group	GRI 2: Compliance with laws and regulations (2021)	GRI 2-27

Aspects of Legislative Decree No. 254/2016	Material topics	Material topic scope	GRI disclosure number and title	GRI Standards
Company	Sustainable supply chain	Unieuro Group	GRI 2: General Disclosures (2021)	GRI 2-6
			GRI 308: Supplier environmental assessment (2016)	GRI 308-1
			GRI 414: Supplier social assessment (2016)	GRI 414-1
	Protection of consumer privacy and cyber security	Unieuro Group	GRI 418: Customer privacy (2016)	GRI 418-1
	Safety of products on the market	Unieuro Group	GRI 416: Customer health and safety (2016)	GRI 416-2
	Support for local communities <sup>88</sup>	Unieuro S.p.A.	GRI 413: Local communities (2016)	GRI 413-1
	Transparency of product information and offers to customers	Unieuro Group	GRI 417: Marketing and labeling (2016)	GRI 417-1 GRI 417-2 GRI 417-3
			GRI 206: Anti-competitive behavior (2016)	GRI 206-1
	Business ethics and integrity	Unieuro Group	GRI 207: Tax (2019)	GRI 207-1 GRI 207-2 GRI 207-3 GRI 207-4
			GRI 2: General Disclosures (2021)	GRI 2-27
	Resilience and financial balance	Unieuro Group	GRI 201: Direct economic value generated and distributed (2016)	GRI 201-1
			GRI 202: Market presence (2016)	GRI 202-2
			GRI 203: Indirect economic impacts (2016)	GRI 203-1
			GRI 204: Procurement practices (2016)	GRI 204-1
	Customer-centricity and innovation	Unieuro Group	GRI 3: Material topics (2021) NPS project (see 2021-22 Annual Financial Report for more details)	GRI 3-3
Personnel	Diversity and equal opportunities	Unieuro Group	GRI 2: General Disclosures (2021)	GRI 2-7 GRI 2-8
			GRI 401: Employment (2016)	GRI 401-1
			GRI 405: Diversity and equal opportunity (2016)	GRI 405-1 GRI 405-2
	Staff training and career development	Unieuro Group	GRI 404: Training and education (2016)	GRI 404-1 GRI 404-2 GRI 404-3
			GRI 403: Occupational Health and Safety (2018)	GRI 403-1 GRI 403-2 GRI 403-3 GRI 403-4 GRI 403-5 GRI 403-6 GRI 403-7 GRI 403-9 GRI 403-10
	Company welfare	Unieuro Group	GRI 402: Labor /management relations (2016)	GRI 402-1

<sup>88</sup> The topic is not material, but because it is relevant to Unieuro, reporting on it is provided on a voluntary basis.

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Aspects of Legislative Decree No. 254/2016	Material topics	Material topic scope	GRI disclosure number and title	GRI Standards
Diversity on management and control boards	Diversity and equal opportunities	Unieuro Group	GRI 2: General Disclosures (2021)	GRI 2-9
			GRI 401: Employment (2016)	GRI 401-1
			GRI 405: Diversity and equal opportunity (2016)	GRI 405-1 GRI 405-2
Combatting corruption	Combatting corruption	Unieuro Group	GRI 205: Anti-corruption (2016)	GRI 205-1 GRI 205-2 GRI 205-3
Human Rights	Respect for human rights and worker protection	Unieuro Group	GRI 406: Non-Discrimination (2016)	GRI 406-1

# GRI CONTENT INDEX

The following table shows Group information prepared in accordance with the GRI Standards. For each disclosure, the following are provided: the reference number of the disclosure, the page numbers where the information can be found within this document or on other referenced documents, and any notes and/or omissions, where applicable.

<b>Statement of use</b>	Unieuro has prepared this non-financial disclosure in accordance with the GRI Standards for the period March 1, 2022 to February 28, 2023.
<b>GRI 1</b>	GRI 1: Foundation 2021
<b>GRI Sector Standard(s) applicable</b>	N/A

GRI STANDARD	CHAPTER / SECTION REFERENCE	PAGE NUMBER AND NOTES	OMISSION		
			REQUIREMENTS OMITTED	REASON EXPLANATION	
<b>GENERAL DISCLOSURES</b>					
<b>GRI 2: General Disclosures 2021</b>	2-1	Organizational details	1.1 Who we are	pp. 19-22	
	2-2	Entities included in the organization's sustainability reporting	Methodological Note	pp. 142-146	
	2-3	Reporting period, frequency and contact point	Methodological Note	pp. 142-146	
	2-4	Restatements of information	Methodological Note	pp. 142-146	
	2-5	External assurance	Methodological Note Independent Auditors' Report	pp. 142-146	
	2-6	Activities, value chain and other business relationships	3.3 Suppliers	pp. 121-124	
	2-7	Employees	3.1 Employees	pp. 81-96	
	2-8	Workers who are not employees	3.1 Employees	pp. 81-96	
	2-9	Governance structure and composition	2.1 Control bodies	pp. 46-58	
	2-10	Nomination and selection of the highest governance body	2.1 Control bodies	pp. 46-58	
	2-11	Chair of the highest governance body	2.1 Control bodies	pp. 46-58	
	2-12	Role of the highest governance body in overseeing the management of impacts	2.1 Control bodies	pp. 46-58	
	2-13	Delegation of responsibility for managing impacts	2.1 Control bodies	pp. 46-58	

GRI STANDARD		CHAPTER / SECTION REFERENCE	PAGE NUMBER AND NOTES	OMISSION	
				REQUIREMENTS OMITTED	REASON EXPLANATION
2-14	Role of the highest governance body in sustainability reporting	2.1 Control bodies	pp. 46-58		
2-15	Conflicts of interest	2.1 Control bodies	pp. 46-58		
2-16	Communication of critical concerns	2.1 Control bodies	pp. 46-58		
2-17	Collective knowledge of the highest governance body	2.1 Control bodies	pp. 46-58		
2-18	Evaluation of the performance of the highest governance body	2.1 Control bodies	pp. 46-58		
		3.1 Employees			
2-19	Remuneration policies	Remuneration policy and report, available at: <a href="#">Shareholders' Meeting 2022 - Unieuro S.p.A. (unieurospa.com)</a>	pp. 88-96		
		3.1 Employees			
2-20	Process to determine remuneration	Remuneration policy and report, available at: <a href="#">Shareholders' Meeting 2022 - Unieuro S.p.A. (unieurospa.com)</a>	pp. 88-96		
2-21	Annual total compensation ratio	3.1 Employees	pp. 88-96		
2-22	Statement on sustainable development strategy	Letter to the stakeholders	pp. 16-18		
		1.1 Who we are			
2-23	Policy commitments	2.2 Business model and regulatory compliance	pp. 19-22; 58-61		
2-24	Embedding policy commitments	2.1 Control bodies	pp. 54-68		
2-25	Processes to remediate negative impacts	2.2 Business model and regulatory compliance	pp. 58-61		
2-26	Mechanisms for seeking advice and raising concerns	2.2 Business model and regulatory compliance	pp. 58-61		
2-27	Compliance with laws and regulations	2.2 Business model and regulatory compliance	pp. 58-68; 120		
		3.2 Customers			

GRI STANDARD			CHAPTER / SECTION REFERENCE	PAGE NUMBER AND NOTES	OMISSION	
					REQUIREMENTS OMITTED	REASON EXPLANATION
	2-28	Membership associations	1.2 Involvement of Shareholders and other Stakeholders	pp. 23-26		
	2-29	Approach to stakeholder engagement	1.2 Involvement of Shareholders and other Stakeholders	pp. 23-26		
	2-30	Collective bargaining agreements	3.1 Employees	pp. 107-108		
<b>MATERIAL TOPICS</b>						
GRI 3: Material topics 2021	3-1	Process to determine material topics	1.3 Strategic Sustainability Path	pp. 27-37		
	3-2	List of material topics	1.3 Strategic Sustainability Path	pp. 27-37		
<b>RESILIENCE AND FINANCIAL BALANCE</b>						
GRI 3: Material topics 2021	3-3	Management of material topics	2.3 Economic-financial responsibility	pp. 69-70		
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	2.3 Economic-financial responsibility	p. 69		
GRI 202: Market presence 2016	202-2	Proportion of senior management hired from the local community	3.1 Employees	pp. 88-96		
GRI 203: Indirect economic impacts (2016)	203-1	Infrastructure investments and services supported	3.4 The community	pp. 125-128		
GRI 204: Procurement practices 2016	204-1	Proportion of spending on local suppliers	3.3 Suppliers	pp. 121-124		
<b>COMBATTING CORRUPTION</b>						
GRI 3: Material topics 2021	3-3	Management of material topics	2.2 Business model and regulatory compliance	pp. 58-68		
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	2.2 Business model and regulatory compliance	pp. 61		
	205-2	Communication and training about anti-corruption policies and procedures	2.2 Business model and regulatory compliance	pp. 61		
	205-3	Confirmed incidents of corruption and actions taken	2.2 Business model and regulatory compliance	pp. 61		
<b>BUSINESS ETHICS AND INTEGRITY</b>						
GRI 3: Material topics 2021	3-3	Management of material topics	3.2 Customers	pp. 109-120		
GRI 206: Anti-competitive behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	3.2 Customers	pp. 120		

GRI STANDARD			CHAPTER / SECTION REFERENCE	PAGE NUMBER AND NOTES	OMISSION	
					REQUIREMENTS OMITTED	REASON EXPLANATION
GRI 207: Tax 2019	207-1	Approach to tax	2.3 Economic-financial responsibility	pp. 69-70		
	207-2	Tax governance, control and risk management	2.3 Economic-financial responsibility	pp. 69-70		
	207-3	Stakeholder engagement and management of concerns related to tax	2.3 Economic-financial responsibility	pp. 69-70		
	207-4	Country-by-country reporting	Financial Report	pp. 69-70		
<b>SUSTAINABLE PACKAGING</b>						
GRI 3: Material topics 2021	3-3	Management of material topics	4.3 Consumption of resources and materials	pp. 139-141		
GRI 301: Materials 2016	301-1	Materials used by weight or volume	4.3 Consumption of resources and materials	pp. 139-141		
<b>DISTRIBUTION, LOGISTICS AND MOBILITY MANAGEMENT</b>						
GRI 3: Material topics 2021	3-3	Management of material topics	4.2 Electricity consumption and emissions	pp. 133-139		
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	4.2 Electricity consumption and emissions	pp. 133-139		
	305-2	Energy indirect (Scope 2) GHG emissions	4.2 Electricity consumption and emissions	pp. 133-139		
	305-3	Other indirect (Scope 3) GHG emissions	4.2 Electricity consumption and emissions	pp. 133-139		A partial figure is given for FY 2022/23. Unieuro reserves the right to improve disclosure in view of the launch of the Carbon Footprint measurement project in accordance with the GHG Protocol.
<b>CLIMATE CHANGE AND ENERGY EFFICIENCY</b>						
GRI 3: Material topics 2021	3-3	Management of material topics	4.2 Electricity consumption and emissions	pp. 133-139		
GRI 302: Energy 2016	302-1	Energy consumption within the organization	4.2 Electricity consumption and emissions	pp. 133-139		



GRI STANDARD			CHAPTER / SECTION REFERENCE	PAGE NUMBER AND NOTES	OMISSION	
					REQUIREMENTS OMITTED	REASON EXPLANATION
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	4.2 Electricity consumption and emissions	pp. 133-139		
	305-2	Energy indirect (Scope 2) GHG emissions	4.2 Electricity consumption and emissions	pp. 133-139		
	305-3	Other indirect (Scope 3) GHG emissions	4.2 Electricity consumption and emissions	pp. 133-139	A partial figure is given for FY 2022/23. Unieuro reserves the right to improve disclosure in view of the launch of the Carbon Footprint measurement project in accordance with the GHG Protocol.	
<b>WASTE MANAGEMENT</b>						
GRI 3: Material topics 2021	3-3	Management of material topics	4.1 Waste management	pp. 130-133		
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	4.1 Waste management	pp. 130-133		
	306-2	Management of significant waste-related impacts	4.1 Waste management	pp. 130-133		
	306-3	Waste generated	4.1 Waste management	pp. 130-133		
	306-4	Waste diverted from disposal	4.1 Waste management	pp. 130-133		
	306-5	Waste directed to disposal	4.1 Waste management	pp. 130-133		
<b>SUSTAINABLE SUPPLY CHAIN</b>						
GRI 3: Material topics 2021	3-3	Management of material topics	3.3 Suppliers	pp. 121-124		
GRI 308: Supplier environmental assessment 2016	308-1	New suppliers that were screened using environmental criteria	3.3 Suppliers	pp. 121-124		
GRI 414: Supplier social assessment 2016	414-1	New suppliers that were screened using social criteria	3.3 Suppliers	pp. 121-124		
<b>DIVERSITY AND EQUAL OPPORTUNITIES</b>						
GRI 3: Material topics 2021	3-3	Management of material topics	3.1 Employees	pp. 88-96		
GRI 401: Employment 2016	401-1	Recruitment and turnover	3.1 Employees	pp. 88-96		

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GRI STANDARD			CHAPTER / SECTION REFERENCE	PAGE NUMBER AND NOTES	OMISSION	
					REQUIREMENTS OMITTED	REASON EXPLANATION
GRI 405: Diversity and equal opportunity 2016	405-1	Diversity of governance bodies and employees	2.1 Control bodies 3.1 Employees	pp. 46-54; 88-96		
	405-2	Ratio of basic salary and remuneration of women to men	3.1 Employees	pp. 88-96		
<b>COMPANY WELFARE</b>						
GRI 3: Material topics 2021	3-3	Management of material topics	3.1 Employees	pp. 102-107		
GRI 402: Labor/Management Relations 2016	402-1	Minimum notice periods regarding operational changes			Unieuro establishes a notice period consistent with organisational needs, agreed, where possible, with the employee, in accordance with national collective bargaining agreements.	
<b>EMPLOYEE AND CONTRACTOR HEALTH AND SAFETY</b>						
GRI 3: Material topics 2021	3-3	Management of material topics	3.1 Employees	pp. 102-107		
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	3.1 Employees	pp. 102-107		
	403-2	Hazard identification, risk assessment, and incident investigation	3.1 Employees	pp. 102-107		
	403-3	Occupational health services	3.1 Employees	pp. 102-107		
	403-4	Worker participation, consultation, and communication on occupational health and safety	3.1 Employees	pp. 102-107		
	403-5	Worker training on occupational health and safety	3.1 Employees	pp. 102-107		
	403-6	Promotion of worker health	3.1 Employees	pp. 102-107		
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	3.1 Employees	pp. 102-107		
	403-9	Work-related injuries	3.1 Employees	pp. 102-107		
	403-10	Work-related ill health	3.1 Employees	pp. 102-107		
	<b>STAFF TRAINING AND CAREER DEVELOPMENT</b>					
GRI 3: Material topics 2021	3-3	Management of material topics	3.1 Employees	pp. 96-102		

GRI STANDARD			CHAPTER / SECTION REFERENCE	PAGE NUMBER AND NOTES	OMISSION	
					REQUIREMENTS OMITTED	REASON EXPLANATION
GRI 404: Training and education 2016	404-1	Average hours of training per year per employee	3.1 Employees	pp. 96-102		
	404-2	Employee training and development programmes	3.1 Employees	pp. 96-102		
	404-3	Percentage of employees receiving regular performance and career development reviews	3.1 Employees	pp. 96-102		
<b>RESPECT FOR HUMAN RIGHTS AND WORKER PROTECTION</b>						
GRI 3: Material topics 2021	3-3	Management of material topics	3.1 Employees	pp. 88-96		
GRI 406: Non- Discrimination 2016	406-1	Incidents of discrimination and corrective actions taken			No incidents of discrimination occurred during FY 2022/23.	
<b>SUPPORT FOR LOCAL COMMUNITIES<sup>89</sup></b>						
GRI 3: Material topics 2021	3-3	Management of material topics	3.4 The community	pp. 125-128		
GRI 413: Local communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	3.4 The community	pp. 125-128		
<b>SAFETY OF PRODUCTS ON THE MARKET</b>						
GRI 3: Material topics 2021	3-3	Management of material topics	3.2 Customers	pp. 113-114		
GRI 416: Customer health and safety 2016	416-2	Incidents of non- compliance concerning the health and safety impacts of products and services	3.2 Customers	pp. 113-114		
<b>TRANSPARENCY OF PRODUCT INFORMATION AND OFFERS TO CUSTOMERS</b>						
GRI 3: Material topics 2021	3-3	Management of material topics	3.2 Customers	pp. 114-117		
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	3.2 Customers	pp. 114-117		
	417-2	Incidents of non- compliance concerning product and service information and labeling	3.2 Customers	pp. 114-117		
	417-3	Incidents of non- compliance concerning marketing communications	3.2 Customers	pp. 114-117		

<sup>89</sup> The issue was not material, but because it was relevant and related to Unieuro's performance, it was voluntarily reported.

GRI STANDARD	CHAPTER / SECTION REFERENCE	PAGE NUMBER AND NOTES	OMISSION	
			REQUIREMENTS OMITTED	REASON EXPLANATION
<b>PROTECTION OF CONSUMER PRIVACY AND CYBER SECURITY</b>				
GRI 3: Material topics 2021	3-3	Management of material topics	3.2 Customers	pp. 118-120
GRI 418: Customer privacy 2016	418-1	<i>Substantiated complaints concerning breaches of customer privacy and losses of customer data</i>	3.2 Customers	pp. 118-120
<b>STAKEHOLDER DIALOGUE</b>				
GRI 3: Material topics 2021	3-3	Management of material topics	1.2 Involvement of Shareholders and other Stakeholders	pp. 23-26
<b>CUSTOMER-CENTRICITY AND INNOVATION</b>				
GRI 3: Material topics 2021	3-3	Management of material topics	3.2 Customers	pp. 111-113



(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

# Unieuro S.p.A.

**2023 consolidated non-financial statement**

(with independent auditors' report thereon)

KPMG S.p.A.

16 May 2023



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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

## **Independent auditors' report on the consolidated non-financial statement pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 and article 5 of the Consob Regulation adopted with Resolution no. 20267 of 18 January 2018**

*To the board of directors of  
Unieuro S.p.A.*

Pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 (the "decree") and article 5 of the Consob (the Italian Commission for listed companies and the stock exchange) Regulation adopted with Resolution no. 20267 of 18 January 2018, we have been engaged to perform a limited assurance engagement on the 2023 consolidated non-financial statement of the Unieuro Group (the "group") prepared in accordance with article 4 of the decree and approved by the board of directors on 9 March 2023 (the "NFS").

Our procedures did not cover the information set out in paragraph "2.3.3. The European Environmental Taxonomy for Unieuro" of the NFS required by article 8 of Regulation (EU) 852 of 18 June 2020.

### ***Responsibilities of the directors and board of statutory auditors ("Collegio Sindacale") of Unieuro S.p.A. (the "parent") for the NFS***

The directors are responsible for the preparation of an NFS in accordance with articles 3 and 4 of the decree and the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (the "GRI Standards"), which they have identified as the reporting standards.

The directors are also responsible, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the directors are responsible for the identification of the content of the NFS, considering the aspects indicated in article 3.1 of the decree and the group's business and characteristics, to the extent necessary to enable an understanding of the group's business, performance, results and the impacts it generates.

The directors' responsibility also includes the design of an internal model for the management and organisation of the group's activities, as well as, with reference to the aspects identified and disclosed in the NFS, the group's policies and the identification and management of the risks generated or borne.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree's provisions.

KPMG S.p.A. è una società per azioni di diritto italiano e fa parte del network KPMG di entità indipendenti affiliate a KPMG International Limited, società di diritto inglese.

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20124 Milano MI ITALIA



**Unieuro Group**  
 Independent auditors' report  
 28 February 2023

### **Auditors' independence and quality control**

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards, the IESBA Code) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our company applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Auditors' responsibility**

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the NFS with the requirements of the decree and the GRI Standards. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the NFS is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the NFS are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the NFS, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we performed the following procedures:

1. Analysing the material aspects based on the group's business and characteristics disclosed in the NFS, in order to assess the reasonableness of the identification process adopted on the basis of the provisions of article 3 of the decree and taking into account the reporting standards applied.
2. Analysing and assessing the identification criteria for the reporting scope, in order to check their compliance with the decree.
3. Comparing the financial disclosures presented in the NFS with those included in the group's consolidated financial statements.
4. Gaining an understanding of the following:
  - the group's business management and organisational model, with reference to the management of the aspects set out in article 3 of the decree;
  - the entity's policies in connection with the aspects set out in article 3 of the decree, the achieved results and the related key performance indicators;
  - the main risks generated or borne in connection with the aspects set out in article 3 of the decree.

Moreover, we checked the above against the disclosures presented in the NFS and carried out the procedures described in point 5. a).



**Unieuro Group**  
*Independent auditors' report*  
28 February 2023

5. Understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information disclosed in the NFS.

Specifically, we held interviews and discussions with the parent's management personnel. We also performed selected procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the NFS.

Furthermore, with respect to significant information, considering the group's business and characteristics:

- at parent and the subsidiary Monclick S.r.l. level:
  - a) we held interviews and obtained supporting documentation to check the qualitative information presented in the NFS and, specifically, the business model, the policies applied and main risks for consistency with available evidence,
  - b) we carried out analytical and limited procedures to check, on a sample basis, the correct aggregation of data in the quantitative information.

### **Conclusion**

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2023 consolidated non-financial statement of the Unieuro Group has not been prepared, in all material respects, in accordance with the requirements of articles 3 and 4 of the decree and the GRI Standards.

Our conclusion does not extend to the information set out in paragraph "2.3.3. The European Environmental Taxonomy for Unieuro" of the NFS required by article 8 of Regulation (EU) 852 of 18 June 2020.

Bologna, 16 May 2023

KPMG S.p.A.

(signed on the original)

Andrea Polpettini  
Director of Audit





**Unieuro S.p.A.**

Palazzo Herculani

Via Piero Maroncelli, 10

47121 Forlì (FC)

**[unieurospa.com](http://unieurospa.com)**



*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. 1  
OF THE AGENDA OF THE ORDINARY SHAREHOLDERS' MEETING OF  
UNIEURO S.P.A.  
CONVENED ON 22 JUNE 2023 IN SINGLE CALL**



**1. Financial Statements as at 28 February 2023, accompanied by the Management Report of the Board of Directors and including the Report of the Board of Statutory Auditors and the Report of the external Auditing Firm. Presentation of the Consolidated Financial Statements as at 28 February 2023 and the non-financial consolidated statement drawn up pursuant to Legislative Decree 254/2016. Related and consequential resolutions.**

Dear Shareholders,

the Annual Financial Report as at 28 February 2023, containing the draft financial statements of Unieuro S.p.A. (“**Company**”) and the consolidated financial statements, together with the Management Report of the Board of Directors, the statement pursuant to article 154-bis, paragraph 5 of Legislative Decree dated 24 February 1998 No. 58, duly approved by the Board of Directors on 9 May 2023, the Report of the Board of Statutory Auditors and the Report of the Auditing Firm, shall be made available to the public in accordance with the term and in the manner provided for by law.

Within the same term and manner, the consolidated non-financial statement drawn up pursuant to Legislative Decree 254/2016, as duly approved by the Board of Directors on 9 May 2023, accompanied by the Independent Auditors', shall be made available. It should be noted that this statement, which contains information regarding initiatives undertaken and results achieved by Unieuro in the various areas of sustainability: Environment, Social and Governance - shall be presented at the Shareholders' Meeting for information purposes only; it is not subject to Shareholders' Meeting approval.

Notwithstanding that the consolidated financial statements as at 28 February 2023, which show consolidated net profits resulting from the consolidated income statement of Euro 10,193/thousand, are brought to your attention, you are reminded that these are not subject to Shareholders' Meeting approval.

With reference to the above-mentioned documents, you are hereby invited to approve the financial statements as at 28 February 2023, showing net profits resulting from the income statement of the financial statements of Euro 11,926/thousand, and we respectfully propose that you pass the following resolution:

*“The Shareholders' Meeting of Unieuro S.p.A.,*

- *having examined the Management Report of the Board of Directors;*
- *having acknowledged the Report of the Board of Statutory Auditors and the Report of the Auditing Firm KPMG S.p.A.;*
- *having acknowledged the consolidated financial statements as at 28 February 2023, showing consolidated net profits resulting from the consolidated income statement of Euro 10,193/thousand;*
- *having acknowledged the consolidated non-financial statement as prepared by the Board of Directors;*
- *having examined the draft financial statements as at 28 February 2023 provided by the Board of Directors that closed with annual results showing resulting from the income statement of the financial statements of Euro 11,926/thousand;*



***resolves***

*that it approves the annual financial statements as at 28 February 2023 in its entirety as well as the individual parts thereof."*

\*\*\*

Forlì, 9 May 2023

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



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Share capital Euro 4,139,724.20 fully paid-up  
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**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ON THE  
PROPOSAL AT ITEM NO. 2 OF THE AGENDA OF THE SHAREHOLDERS'  
ORDINARY MEETING OF UNIEURO S.P.A. CONVENED ON 22 JUNE 2023  
IN SINGLE CALL**



## 2. Allocation of profits from the financial year and proposal for the distribution of a dividend. Related and consequential resolutions.

Dear Shareholders,

Having regard to:

- the net profit for the year, as is shown in the income statement of the annual financial statements as at 28 February 2023, equal to 11,926 thousand;
- the reserve fund, as is shown in the annual financial statements as at 28 February 2023, equal to Euro 828 thousand which corresponds to one fifth of the share capital as provided for by article 2430 of the Civil Code;
- the 20,698,621 Company shares currently in circulation;
- the fact that the Company currently holds 600,000 treasury shares that do not carry any right to profits;
- the stock options under the managerial incentive plan entitled 2018-2025 Long Term Incentive Plan as have been granted but not yet exercised, however the exercise of which would involve the issuance of a maximum of 159,584 ordinary shares; and
- the Company's policy on dividend distribution approved on 1 March 2017 as most recently amended on 10 January 2019 ("**Dividend Policy**"),

it is proposed that the above-mentioned net profit for the financial year 2022-2023 be earmarked for a dividend distribution to shareholders and for the extraordinary reserve of available and distributable profits in the manner set forth below.

More specifically, the Board of Directors invites you to approve distribution of a unit dividend per share of Euro 0.49 gross for each ordinary share issued carrying dividend rights on the record date referred to under article 83-*terdecies* Legislative Decree No 58/1998 ("record date"), to be calculated in compliance with the Dividend Policy, as follows:

**unit dividend** = *Adjusted Consolidated Result for the year (X) \*50% / No. of shares in circulation which carry rights to profits (20,098,621)*

commensurate to the total amount earmarked for the distribution of the dividend currently quantifiable at Euro 9,848 thousand. The definitive total amount earmarked for the dividend shall be determined with reference to the actual number of shares held that entitle the holder to the dividend on the record date.

The dividend shall be payable commencing as of 28 June 2023, with record date at 27 June 2023 and coupon detachment date (ex date) No. 6 at 26 June 2023.

In virtue of the above, we therefore respectfully propose that you pass the following resolution:

*"The Shareholders' at the Shareholders' Meeting of Unieuro S.p.A.,*

- *having examined the draft financial statements as at 28 February 2023 submitted by the Board of Directors;*
- *having examined the Explanatory Report of the Board of Directors,*



**resolve**

- a) *that the net profit for the business year 2022-2023 of as shown in the income statement of the financial statements as of 28 February 28, amounting to Euro 11,926 thousand be allocated as follows:*
- *a unit dividend of Euro 0.49 gross for each ordinary share carrying voting rights, also in consideration of the redistribution of the dividend pertaining to treasury shares, for a total amount as shall be calculated on the ordinary shares currently in circulation and the treasury shares currently in the portfolio totalling Euro 9,848 thousand, exception made for any changes as may be made to said total amount pertaining to the definitive number of shares carrying the right to a dividend on the record date and without prejudice in any event to the unit dividend as indicated above;*
  - *the residual amount, currently calculated at Euro 2,078 thousand to the extraordinary reserve of available and distributable profits, with powers conferred on the Board of Directors, and, on its behalf, the Chairman of the Board of Directors and the pro-tempore Chief Executive Officer in office, severally and with the power to sub-delegate said powers, to ascertain in due course the definitive number of shares carrying the right to a dividend payment on the record date. The above-mentioned residual amount of net profit shall be allocated to the extraordinary reserve of available and distributable profits;*
- b) *that the above-mentioned dividend be paid commencing as on 28 June 2023, with record date at 27 June 2023 and coupon detachment date No. 6 at 26 June 2023.”*

\* \* \*

Forlì, 9 May 2023

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





*Unieuro S.p.A - Registered Office in Forlì, Palazzo Herculani, via Piero Maroncelli, 10  
Share capital Euro 4,139,724.20 fully paid-up  
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**EXPLANATORY REPORT OF THE BOARD OF DIRECTORS ON THE  
PROPOSAL AT ITEM NO. 3 OF THE AGENDA OF THE SHAREHOLDERS'  
ORDINARY MEETING OF UNIEURO S.P.A. CONVENED ON 22 JUNE 2023  
IN SINGLE CALL**



**2. Proposed amendment to the plan based on shares of Unieuro entitled the “2023-2028 Performance Shares Plan” approved at the ordinary Shareholders’ Meeting held on 21 June 2022 pursuant to article 114-bis of Legislative Decree 24 February 1998 No. 58. Related and consequential resolutions.**

Dear Shareholders,

This Report (“**Report**”) has been drawn up pursuant to article 144-bis and 125-ter, paragraph 1, of Legislative Decree 24 February 1998 No. 58 (“**TUF**”) and article 84-ter of the Regulations adopted by means of Consob resolution No. 11971 of 14 May 1999 (“**Issuers’ Regulations**”).

The same Report was approved by the Board of Directors of Unieuro S.p.A. (“**Unieuro**” or “**Company**” or “**Issuer**”) at the meeting which took place on 9 May 2023, and shall be made available to the public, in accordance with the law and regulations, at the Company’s registered office, on its corporate website in section “*Unieurospa.com / Corporate Governance / Shareholders’ Meeting / Shareholders’ Meeting 2023*”, and in any further manner envisaged by current legislation.

\* \* \* \* \*

With refence to item 3 on the agenda of the Shareholders’ Meeting, the Board of Directors is desirous to submit for Shareholders’ approval the proposed amendments to the targets for the 1<sup>st</sup> Cycle of the 2023-2028 Performance Shares Plan (the “**Plan**”) with respect to the targets previously submitted to and approved at the Company’s Shareholders’ Meeting held on 21 June 2022 (“**Amendment**”).

The Amendment proposal was approved by the Company's Board of Directors on 9 May 2023, upon proposal of the Remuneration and Appointments Committee which sat on 3 May 2023, and subject to the prior favourable opinion from the Board of Statutory Auditors.

On 9 May 2023, the Board of Directors also approved a new Strategic Plan which takes into account the changed macro-economic and sectoral reference context.

Since the Plan objectives approved on 21 June 2022 were anchored to the previous Strategic Plan, it is necessary to submit the Amendment at the Shareholders’ Meeting so as to render the Plan consistent with the most recent version of the strategic plan and not compromise its relative incentive value. This is more specifically to: (i) Maintain the focus of Plan beneficiaries on dimensions of strategic interest for the Company, mindful of the compromised incentive value of the previous targets; (ii) Continue to ensure alignment of the interests of beneficiaries with those of Shareholders; (iii) Ensure that the overall remuneration of Plan recipients remains competitive and apposite to motivate management through challenging yet achievable objectives which are such as to ensure their retention in the long term.

The below table illustrates the target threshold values for the allocation of the First Cycle Shares, which are subject matter of the Amendment submitted for approval at the Shareholders' Meeting called for 22 June 2023, in comparison with the current target thresholds.

	Adjusted EBIT (Weighting 50%)		Adjusted Free Cash Flow (Weighting 25%)		ESG Indicator (Weighting 25%)	
	Result	Allocation of	Result	Allocation of	Result	Allocation of

	Euro/million	Shares	Euro/million	Shares		Shares
<b>Threshold 80%</b>	2022 Plan 202.2	50%	2022 Plan 156.7	50%	2022 Plan 0.8	50%
	Amended Plan 102.2		Amended Plan 46.3		Amended Plan 0.8	
<b>Target 100%</b>	2022 Plan 252.7	100%	2022 Plan 195.8	100%	2022 Plan 1.0	100%
	Amended Plan 127.7		Amended Plan 57.9		Amended Plan 1.0	
<b>Cap 150% or +150%</b>	2022 Plan 379.1	150%	2022 Plan 293.7	150%	2022 Plan 1.5	150%
	Amended Plan 191.6		Amended Plan 86.8		Amended Plan 1.5	

Save for the Amendment (and the clarifications and updates made in the Information Document), all other terms and conditions of the Plan, as was approved at the Shareholders' Meeting held on 21 June 2022, remain unchanged and, in so far as necessary, its text is deemed quoted herein in its entirety.

\* \* \*

In virtue of the above, the Board of Directors respectfully proposes that you pass the following resolution:

*"The Shareholders of Unieuro S.p.A. at the Shareholders' ordinary meeting:*

- *having examined the resolutions concerning the 2023-2028 Performance Shares Plan approved at the Shareholders' Meeting held on 21 June 2022;*
- *having examined the Explanatory Report of the Board of Directors drawn up pursuant to articles 114-bis and 125-ter of Legislative Decree No. 58 of 24 February 1998 and concerning the proposed amendment to the 2023-2028 Performance Shares Plan;*
- *having examined the amendment to the information document drawn up pursuant to article 84-bis of Consob resolution No. 11971/99;*

**resolve**

1. *that pursuant to and for the purposes of article 114-bis of Legislative Decree No. 58, they approve the amendment to the targets of the incentive and loyalty plan entitled the "2023-2028 Performance Shares Plan" ("Plan") approved at the Shareholders' Meeting held on 21 June 2022 as such amendment is set forth in the Explanatory Report of the Board of Directors and in the relevant Information Document, the remaining terms and conditions thereof remaining unvaried;*



2. *that they confirm the Board of Directors has all powers as may be necessary or appropriate, as were conferred at the Shareholders' Meeting held on 21 June 2022, to execute the Plan taking into account the amendment to said Plan as set forth in point 1 above of this resolution;*
  
3. *that they duly confer the broadest powers upon the Board of Directors, and on its behalf its Chairman and Chief Executive Officer for the time being in office who may use such powers acting individually and having the faculty to sub-delegate the tasks to third parties, also by means of special attorneys appointed for this purpose. Such powers include, by way of example and not by way of limitation, all powers to make any amendment or integration to the adopted resolution and to the Plan regulations as may be necessary to carry out any legal requirements and obligations as well legislative and regulatory requirements arising in relation to the adoption of the resolutions."*

\* \* \*

Forlì, 9 May 2023

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

ANNEX "G"



Unieuro S.p.A. - Registered office in Forlì, Palazzo Hercolani, Via Piero Maroncelli 10  
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## INFORMATION DOCUMENT ON THE "2023 - 2028 PERFORMANCE SHARES PLAN"

*(pursuant to article 114-bis of Legislative Decree 58/98 and article 84-bis paragraph 1, Regulation adopted by Consob by means of Resolution No. 11971 of 14 May 1999 as subsequently amended)*

*Update to the Information Document submitted at the Shareholders' Meeting held on 21 June 2022 which contains the proposed amendment to Paragraph 4.5 for put for approval at the Shareholders' Meeting convened, in single call, for 22 June 2023.*

## INTRODUCTION

This Information Document has been drawn up pursuant to article 84-*bis* and Scheme 7 of Annex 3A to the Issuers' Regulation ~~for the purpose of providing a proposal for an~~with regard to the incentive plan entitled "2023-2028 Performance Shares Plan" ~~which~~deemed of "particular relevance" pursuant to article 114-*bis*, paragraph 3 TUF and article 84-*bis*, paragraph 2 of the Issuers' Regulations and, therefore approved at the Company's Shareholders' Meeting held on 21 June 2022 ("Plan"). Said Plan envisages the grant to Directors and/or Managers with Strategic Responsibilities and/or employees of the Company or of the Group: (i) of non-transferable rights, subject to conditions, to be allocated shares on a gratuitous basis in the amount as shall be determined based on the achievement or over achievement of certain performance objectives and conditional upon occurrence of the vesting conditions provided for in the plan (ii) a cash bonus calculated with reference to any dividends as may be distributed and paid by the Company for each of the three cycles of the Plan, as better described below, which shall be paid to the Beneficiary conditional upon delivery of the shares relating to each cycle of the Plan provided that all the related vesting conditions have been met.

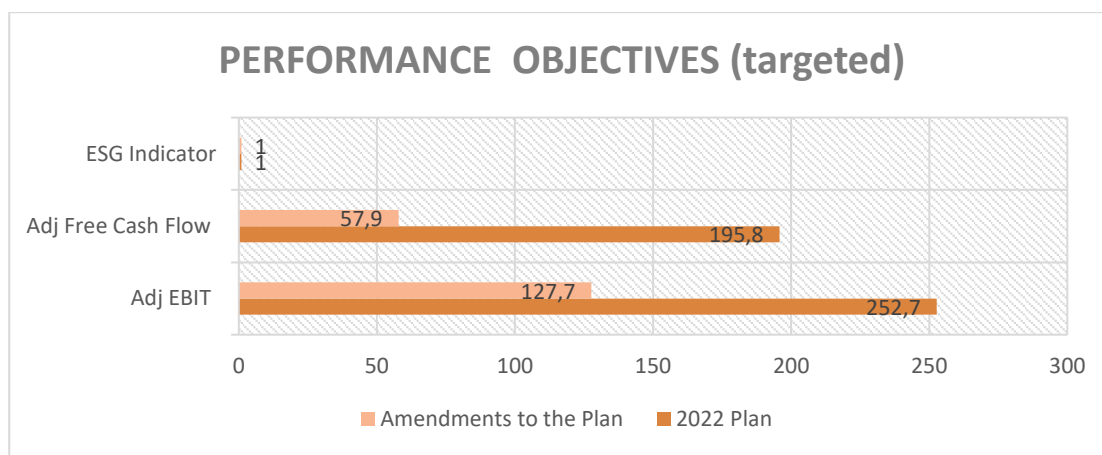
~~The~~More specifically, this Information Document has the purpose of illustrating to shareholders the proposed amendments to the targets for the 1<sup>st</sup> Cycle of the Plan with respect to the targets previously submitted to and approved at the Company's Shareholders' Meeting held on 21 June 2022 ("Amendment"). The Amendment is shown in blue track changes mode hereinbelow.

The Amendment proposal was approved by the Company's Board of Directors on 9 May 2023, upon proposal of the Remuneration and Appointments Committee which sat on 3 May 2023, and subject to the prior favourable opinion from the Board of Statutory Auditors.

On 9 May 2023, the Board of Directors also approved a new Strategic Plan which takes into account the changed macro-economic and sectoral reference context.

Since the Plan objectives approved on 21 June 2022 were anchored to the previous Strategic Plan, it is necessary to submit the Amendment at the Shareholders' Meeting so as to render the Plan consistent with the most recent version of the strategic plan and not compromise its relative incentive value. More specifically to: (i) Maintain the focus of Plan Beneficiaries on dimensions of strategic interest for the Company, mindful of the compromised incentive value of the previous targets; (ii) Continue to ensure alignment of the interests of Beneficiaries with those of Shareholders; (iii) Ensure that the overall remuneration of Plan recipients remains competitive and apposite to motivate management through challenging yet achievable objectives which are such as to ensure their retention in the long term.

For that purpose, the performance target goals for the 1<sup>st</sup> Cycle of the Plan have been recalculated with respect to those proposed in the previous year, as better illustrated in the graph below.



For the sake of clarity, please note that this Information Document fully reproduces the Information Document approved at the Shareholders' Meeting held on 21 June 2022 and sole amendment thereto shall be that indicated in paragraph 4.5 of the Amendment in such manner that, upon Amendment approval, this Information Document shall supersede and replace that submitted at the Shareholders Meeting held on of 21 June 2022.

In addition to the proposed Amendment, the Information Document (i) clarifies the intention to identify additional Beneficiaries of the 1<sup>st</sup> Cycle of the Plan as may be done on one or more occasions within the 30<sup>th</sup> (thirtieth) calendar day following the date on which the shareholders approve the Amendment at the Shareholders' Meeting, without prejudice to the already envisaged possibility that the Board of Directors may identify any additional Beneficiaries for each Cycle, including beyond such term where it deems it appropriate and (ii) has been updated to take account of the events that occurred after publication of the Information Document dated 20 May 2022, including approval of said Plan itself. Since such updates concern historical events and do not constitute changes to the Plan, they are not required to be put to resolution at the Shareholders' Meeting.

The Amendment proposed for the Shareholders' Meeting of 22 June 2023 has been included in the First Section of the Report on remuneration policy and recompense paid which shall also be submitted for approval at the Shareholders' Meeting.

Those Beneficiaries the Board of Directors identified by name following Plan approval, i.e. the Chief Executive Officer, the General Manager and the Chief Financial Officer, have confirmed they shall accept the Amendment in the event of its approval at the Shareholders' Meeting.

\* \* \*

We remind you that the Plan was approved at the Shareholders' Meeting of 21 June 2022 so as to allow for the continuation, without interruption, of the vesting periods relevant for the purposes of the long-term variable component compared to the previous "Performance Shares Plan 2020-2025" and reserved for employees and/or Executive Directors of Unieuro and/or other companies belonging to the Group.

More specifically, the Company's shares have STAR status and are traded on the Euronext STAR Milan segment. Pursuant to the Regulations governing markets organised and managed by Borsa Italiana S.p.A. in order to obtain and maintain STAR qualification for their shares, issuers having shares traded on the Euronext STAR Milan segment - as has Unieuro - shall adopt policies for the remuneration of executive directors and top management which lay down performance objectives tied to payment of any variable component which shall be predetermined, measurable and linked to a significant extent to the long-term horizon.

At the Shareholders' Meeting held on 17 December 2020, the plan called the "2020-2025 Performance Shares Plan" was approved in accordance with the above-mentioned requirement. This plan envisages the gratuitous assignment of rights to receive ordinary shares of Unieuro, conditional upon achievement of certain performance objectives which is reserved for employees and/or Executive Directors of Unieuro and/or of other companies belonging to the Group.

Said plan has three cycles starting from 1 March 2020; the third and final cycle started on 1 March 2022 with vesting of any rights and allocation of shares envisaged during 2025.

The ~~Board reference period of Directors has decided to put forward a proposal at the 2022 Shareholders' Meeting called to approve the financial statements as at 28 February 2022, for adoption~~ 1<sup>st</sup> Cycle of the new 2023 - 2028 Performance Shares Plan. ~~If approved, this new plan shall provide for the assignment of rights of the first cycle starting starts~~ from 1 March 2023 and is ~~not~~ a continuance of the prior 2020-2025 Performance Shares Plan.

The Company has been supported by a consulting firm of primary standing so as to confirm the correct preparation of the Plan and the alignment of the principles contained therein with the indications of the market, proxy advisors and best practices.

~~Therefore this Information Document exclusively discusses the Plan proposal approved by the Board of Directors of the Company on 11 May 2022. Each reference to the Plan contained in this Information Document is to be interpreted as that Plan as shall be put forward for approval at the shareholders' meeting.~~

As better described hereinbelow, certain aspects of Plan implementation shall be determined by the Board of Directors in virtue of powers that shall be conferred on said Board at the Shareholders' Meeting.

Information concerning the resolutions that the Board of Directors shall adopt to implement any such Plan as may have been approved by the Shareholders' Meeting and in compliance with the general criteria indicated therein, shall be provided, where necessary, in the manner and within the timelines indicated by article 84-*bis* paragraph 5 letter a), of the Issuers' Regulation and in any case by the regulatory provisions in force from time to time.

This Information Document is accessible to the public at the Company's registered office, as well as on the Company's corporate website in the section "Unieurospa.com / Corporate Governance / Shareholders' Meetings / Shareholders' Meeting 2022-2023", as well as in the manner and within the timelines established by the regulatory provisions in force from time to time.

We underline that the Plan is deemed of "particular relevance" for the purposes of art. 114-*bis*, paragraph 3 TUF and art. 84-*bis* paragraph 2 Issuers' Regulation, on grounds that its interested parties are, *inter alia*, directors with delegated powers and managers with strategic responsibilities of the Company.

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## DEFINITIONS

For the purposes of this Information Document, the below-listed defined terms are ascribed the meanings set forth below:

<b>Allocation</b>	Means the allocation of Shares on a gratuitous basis to each Beneficiary as described in the relevant resolution of the Company Board of Directors, in accordance with his/her degree of achievement of the Performance Objectives and in general subject to the continuance of the Vesting Conditions.
<b>Bad Leaver</b>	Means a Beneficiary whose relationship with the Company and/or the Group has ceased for the reasons specified in paragraph 4.8 letter b) of this Information Document.
<b>Base Number of Shares or BNS</b>	Means, for each Beneficiary, for each Performance Objective the number of Shares obtainable upon the attainment of 100% of said Performance Objective, which will in turn be equal to the number of Rights granted to said Beneficiary.
<b>Beneficiary or Beneficiaries</b>	Means recipients of the Plan, as identified by the Board of Directors for each of the Plan Cycles in accordance with paragraphs 1.1 and 1.2 of this Information Document.
<b>Board of Directors</b>	Means the Board of Directors of Unieuro S.p.A.
<b><u>Capital Increase</u></b>	<u>Means the capital increase subject to resolution pursuant to the combined provisions of articles 2349 and 2443 Civil Code up to a maximum amount of Euro 180,000.00 to be imputed in full to share capital through the issuance of a maximum of 900,000 ordinary shares, with no indication of nominal value and, having the same characteristics as those already in circulation, such shares to be assigned on a gratuitous basis to the Beneficiaries under the terms and conditions of the Regulations approved at the Extraordinary Shareholders' Meeting held on 21 June 2022.</u>
<b>Cash Bonus</b>	Means the cash bonus payable to a Beneficiary for an amount commensurate to any dividends as have been distributed and paid out by the Company for each Cycle, from the Cycle commencement date to Share Allocation Date in the amount the Beneficiary would have received in dividends had he/she held the Shares subject of an Allocation at the end of the Cycle. Such Cash Bonus shall be payable conditional upon the Delivery relating to each Cycle of the Plan, provided that all the Vesting Conditions are met.
<b>Claw-Back and Malus</b>	Mean the contractual mechanisms that provide for possible forfeiture of the right to and/or requirement for repayment of, including partial, both

	proceeds of sale of Shares that have become available and the Shares themselves, even if subject to a Lock Up Commitment as well as the Cash Bonus.
<b>Company</b>	Means Unieuro S.p.A., having its registered office in Via Piero Maroncelli No. 10 Forlì.
<b>Consolidated Adjusted EBIT (hereinafter “Adjusted EBIT”)</b>	Means EBIT (comprising the company’s consolidated earnings before interest and taxes) post application IFRS 16 adjusted 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 services, as a consequence of the change in the business model for directly managed assistance services. The cumulative Consolidated Adjusted EBIT is one of the indicators of the Performance Objectives of the 1 <sup>st</sup> Cycle of the Plan.
<b>Consolidated Adjusted Free Cash Flow (hereinafter also “Adjusted Free Cash Flow”)</b>	Means the consolidated cash flow generated/absorbed by operating 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 Consolidated Adjusted Free Cash Flow is one of the indicators of the Performance Objectives of the 1 <sup>st</sup> Cycle of the Plan.
<b>Corporate Governance Code</b>	Means the Corporate Governance Code for listed companies approved by the Corporate Governance Committee of Borsa Italiana S.p.A.
<b>Cycle of the Plan or Cycle</b>	Means, individually, a cycle of the Plan comprising of: (i) the Grant of Share Rights to the Beneficiaries; (ii) the Vesting Period; (iii) any Allocation of Shares to be made on the Allocation Date and (iv) any Lock Up Period, where applicable.
<b>Delivery</b>	Means the delivery of the Shares to each of the Beneficiaries of that Cycle of the Plan following Allocation approved by the Board of Directors at the end of the relevant Vesting Period. The delivery of any Shares allocated shall take place in the years 2026 (1 <sup>st</sup> Cycle), 2027 (2 <sup>nd</sup> Cycle) and 2028 (3 <sup>rd</sup> Cycle).
<b>ESG Indicator</b>	Means the composite indicator to be established having examined relevant aspects <del>in of</del> the Company's sustainability strategy <del>and which. It</del> demonstrates <del>Unieuro's</del> the attention <del>Unieuro gives</del> to sustainability. <del>ProjectsMatter. The projects</del> on which the indicator is based are included in the Company's <del>2022-2026</del> Sustainability Plan and are consistent with the ESG pillars set forth in the <del>2021-2026</del> corporate Strategic Plan. Said ESG Indicator is one of the Performance Objectives of the 1 <sup>st</sup> Cycle of the Plan.

<b>Executive Directors</b>	Means those Company directors who fall within the remit of 'executive' pursuant to the Corporate Governance Code as well as those directors vested with particular duties by the Board of Directors of the Company.
<b>Good Leaver</b>	Means a Beneficiary whose relationship with the Company and/or the Group has ceased for the reasons specified in paragraph 4.8 letter a) of this Information Document.
<b>Grant of Share Rights</b>	Means the grant, on gratuitous basis, to each Beneficiary of the number of Rights to Shares on the date set forth in the related resolution passed by of the Board of Directors having obtained the opinion of the Remuneration and Appointments Committee, for each Cycle of the Plan.
<b>Grant of Share Rights Date</b>	Means, with reference to each Beneficiary and to each Cycle of the Plan, the date of the resolution passed by the Board of Directors which identifies the particular Beneficiary and his/her Grant of Share Rights.
<b>Group</b>	Means collectively the Company and those companies controlled by it, whether directly or indirectly as provided for by the laws in force.
<b>Information Document</b>	Means this Information Document drawn up pursuant to article 114- <i>bis</i> TUF and article 84- <i>bis</i> Issuers' Regulation describing the Plan.
<b>Issuers' Regulations</b>	Means the regulations approved by Consob resolution No. 11971 as subsequently amended.
<b>Lock Up Commitment</b>	Means the commitment not to carry out any sale, transfer, disposal or in any case any transaction having as its purpose or effect the assignment or transfer of Shares allocated in accordance with the Plan to third parties (including the granting of option rights, pledges or other constraints, any loan security), under whatever title, in whatever manner and whether directly or indirectly (save that a number of Shares having a value corresponding to the tax, social security and welfare charges connected to the Delivery of the Shares may be freely disposed of).
<b>Lock Up Period</b>	Means the duration of the Lock Up Commitment.
<b>Managers with Strategic Responsibilities</b>	Means those managers of the Company who are entrusted with responsibility, directly or indirectly, for the planning, management and control of the Company's activities.
<b>Performance Objectives</b>	Means the objectives of each Cycle of the Plan, fixed by the Board of Directors, having heard the Remuneration and Appointments Committee, on the Grant of Right Date, the achievement of which objectives is a condition for the Allocation of Shares in the amount envisaged in the Plan, to each Beneficiary at the end of the Vesting Period.
<b>Plan</b>	Means the 2023-2028 Performance Shares Plan approved by <del>the Board of Directors under resolution dated 11 May 2022 and which</del> <u>Shareholders at the Shareholders' Meeting held on 21 June 2022, as</u> shall be <del>put for</del>

	<a href="#"><u>Shareholders' approval amendment in the event the Amendment is approved</u></a> at the Shareholders' Meeting to be held on 21 June <del>2022</del> 2023.
<b>Regulations</b>	Mean the regulations that shall provide the terms and conditions for implementation of the Plan which regulations shall be drawn up and approved by the Company Board of Directors.
<b>Relationship</b>	Means the relationship of directorship and/or employment in being between each Beneficiary and the Company or any Group company.
<b>Remuneration and Appointments Committee</b>	Means the Remuneration and Appointments Committee of Unieuro S.p.A.
<b>Rights or Unieuro Rights</b>	<p>Means the conditional, gratuitous and non-transferable rights granted to a Beneficiary to be allocated Shares free of charge conditional upon, and in an amount to be determined based on achievement of and/or overachievement of the Performance Objectives at the end of the relative Vesting Period, provided the Vesting Conditions are met at the Share Allocation Date for each of the three Cycles of the Plan as well as rights to receive a Cash Bonus.</p> <p>More particularly:</p> <ul style="list-style-type: none"> <li>- 1<sup>st</sup> Cycle Rights: the Rights granted with reference to the Vesting Period commencing as of 1 March 2023 and ending on 28 February 2026.</li> <li>- 2<sup>nd</sup> Cycle Rights: the Rights granted with reference the Vesting Period commencing as of 1 March 2024 and ending on 28 February 2027;</li> <li>- 3<sup>rd</sup> Cycle Rights: the Rights granted with reference the Vesting Period commencing as of 1 March 2025 and ending on 29 February 2028.</li> </ul>
<b>Scheme</b>	Means Scheme 7 of Annex 3A of the Issuers' Regulations.
<b>Shares</b>	Mean shares of Unieuro S.p.A., a company admitted to trade on the Euronext Star Milan, organised and managed by Borsa Italiana S.p.A., ISIN IT0005239881.
<b>Share Allocation Date</b>	Means, with reference to each Beneficiary and to each Cycle of the Plan, the date of the resolution passed by the Board of Directors providing for the Allocation of Shares to that particular Beneficiary.
<b>Share Delivery Date</b>	Means the date upon which the Shares are delivered to the Beneficiaries.
<b>Shareholders' Meeting</b>	Means the shareholders' meeting of the Company.
<b>TUF</b>	Means legislative decree No. 58 dated 24 February 1998 as subsequently amended.
<b>Vesting Conditions</b>	Means the conditions subject to which the Unieuro Rights vest in the Beneficiary being: (i) achievement of the Performance Objectives; (ii) continuation of the Relationship as better described in paragraph 4.5 below of this Information Document.

**Vesting Period**

Means the period in which the Performance Objectives are to be achieved. For 1<sup>st</sup> Cycle, this period runs from March 2023 and ends on 28 February 2026. For 2<sup>nd</sup> Cycle this period runs from 1 March 2024 and ends on 28 February 2027. For 3<sup>rd</sup> Cycle this period runs from 1 March 2025 and ends on 29 February 2028.



## 1. INTENDED RECIPIENTS

### 1.1 Recipients who shall be members of the board of directors or the management bodies of the issuer of financial instruments or of companies controlling the issuer or companies controlled by it directly or indirectly.

The Plan is intended for Executive Directors as well as Managers with Strategic Responsibilities and employees of the Company or of Group companies as shall be identified by the Board of Directors from among those persons possessing the characteristics set forth in paragraph 1.2 below.

Identification of named Beneficiaries, including members of the Board of Directors, determination of the number of Rights to be granted to each of them as shall correspond to a Base Number of Shares (it being understood that the actual number of Shares to be allotted to each Beneficiary shall depend on the degree of achievement of the Performance Objectives ) as well as any other decision in relation to Beneficiaries, shall be undertaken by the Board of Directors, subject to the prior opinion of the Remuneration and Appointments Committee and the Board of Statutory Auditors if required pursuant to article 2389 Civil Code, taking into account the relevance of the position covered by the Beneficiary within the Company and/or the Group and the function said Beneficiary performs in the value creation process. A Board member shall abstain from any decision hereunder in relation to which he/she is has an interest.

TheOn 14 July 2022, subject to the opinion of the Remuneration and Appointments Committee, the Board of Directors identified Chief Executive Officer Giancarlo Nicosanti Monterastelli and General Manager Maria Bruna Olivieri as Plan Beneficiaries and granted the former 40,000 rights and the latter 27,000 rights. For completeness, we mention that Marco Deotto, current Company Chief Financial Officer has also been identified as a Plan Beneficiary, as shall be discuss in more detail below.

Other Beneficiaries of the First Cycle may be identified on one or more occasions by the 30<sup>th</sup> (thirtieth) calendar day following the date of the Shareholders' Meeting that approves the Amendment to the Plan; ~~those~~Beneficiaries of the ~~second~~Second Cycle may be identified on one or more occasions by the 30<sup>th</sup> (thirtieth) calendar day following the date of the Shareholders' Meeting that approves the annual financial report -closed on 29 February 2024; those of the ~~third~~Third Cycle by the 30<sup>th</sup> (thirtieth) calendar day following the date of the Shareholders' Meeting at which the annual financial report as at 28 February 2025 is approved.

The Beneficiaries may vary for each of the three Cycles of the Plan. The participation of a Beneficiary in any one Cycle of the Plan does not oblige the Board of Directors to identify that Beneficiary as a Beneficiary in any of the subsequent Cycles. The Board of Directors shall have ample discretion to decide whether to include a Beneficiary in one or more Cycles of the Plan and may also recognise further benefits for Beneficiaries in each Cycle including outside the above-mentioned timescales.

In the event the Board of Directors has not granted all the Rights envisaged in the Plan, then said Grant of Share Rights may be made, including by subsequent resolution, to any Beneficiaries already identified as such or to other persons as may be identified by the Board of Directors, upon proposal of the Chief Executive Officer and having received the favourable opinion of the Remuneration and Appointments Committee.

Should the Beneficiaries referred to under point 1.2 below, include any persons required to be identified by name in accordance with current regulatory provisions, also in relation to the holding of any office of Director in any Subsidiary, the names of the said Beneficiaries and the other information provided for in paragraph 1 of Scheme 7 of Annex 3A to the Issuers' Regulations shall be provided at the time of the Grant of Share Rights in the manner set forth in article 84-*bis* paragraph 5 letter a) of the Issuers' Regulations and in any case in the manner and within the timelines provided by the laws in force from time to time.

~~As of the date of this Information Document, no Plan has been approved by the Shareholders' Meeting. The Board of Directors resolved on ~~11 May~~ 14 July 2022, having received the opinion of the Remuneration and Appointments Committee and of the Board of Statutory Auditors where required, that the Chief Executive Officer ~~as well as the~~ General Manager and Chief Financial Officer ~~in office on the Grant of Share Rights Date~~ shall be included among the Beneficiaries of the 1<sup>st</sup> Cycle of the Plan, ~~should it be approved at the Shareholders' Meeting.~~<sup>1</sup>~~

## **1.2 Categories of employees or collaborators of the issuer of financial instruments and of the parent or subsidiary companies of said issuer.**

Recipients of the Plan shall be Executive Directors and/or Managers with Strategic Responsibilities and/or personnel of the Company and/or of Group companies who hold positions having a major impact on the achievement of medium/long-term business results or those with strategic relevance for the purpose of achieving the long-term objectives of Unieuro and any additional positions as may be identified in relation to the performance actually achieved, the skills possessed or with a view to retention/attraction of staff and fall into one of the following categories:

- Company and/or Group company managers;
- Company or Group company personnel at first level (*primo livello impiegatizio*) (or higher),

up to a maximum of 60 Beneficiaries for the 1<sup>st</sup> Cycle, not yet identified by name, save for the Chief Executive Officer, the General Manager and the Chief Financial Officer in office on the Grant of Share Rights Date.

The identification of Beneficiaries from the employee category of the Company or of any Group company, the determination of the number of any Rights to be granted to any of them corresponding to the Base Number of Shares and any other decision pertaining to Beneficiaries, shall be made by the Board of Directors having received the opinion of the Remuneration and Appointments Committee. The Board of Directors may delegate such decision to the Chief Executive Officer, having regard to the relevance of the respective position covered within the Company and/or the Group and taking into account the function any such Beneficiary performs in the process of creation of Company value.

In the event the Board of Directors has not granted all the Rights envisaged in the Plan, then said grant may be made, including by subsequent resolution, to any Beneficiaries already identified as such or to other persons as may be identified by the Board of Directors, upon proposal of the Chief Executive Officer and having received the favourable opinion of the Remuneration and Appointments Committee.

The information provided for in paragraph 1.2 of this Information Document and the other information provided for in paragraph 1 of Scheme 7 of Annex 3A to the Issuers' Regulations shall be provided at the time of the Grant of Share Rights in the manner set out in art. 84-*bis*, paragraph 5 letter a) of the Issuers' Regulations.

## **1.3 Identification of persons who may benefit from the plan belonging to the following classes:**

### **a) general managers of the issuer of financial instruments**

<sup>1</sup> Please note that, following approval of the Information Document pertaining to the Plan at the Shareholders' Meeting of 21 June 2022, on 14 July 2022 the then CFO, Marco Pacini, was identified as a Plan beneficiary. Upon his resignation he lost the right to receive shares for the 1<sup>st</sup> cycle of the Plan on grounds he was deemed a bad leaver in accordance with the Information Document. On 23 December 2023, Marco Deotto, the company's current CFO, was identified by the Board as a Beneficiary of the 1<sup>st</sup> Cycle of the Plan.

~~On 11 May 2022 the~~The Board of Directors holding office on 14 July 2022, having consulted with the Remuneration and Appointments Committee, ~~indicated that the General Manager in office on the Grants of Share Rights Date shall be identified~~ Maria Bruna Olivieri as Beneficiary of the 1<sup>st</sup> Cycle of the Plan ~~should said Plan be approved at the Shareholders' Meeting and granted her 27,000 rights.~~

- b) other managers with strategic responsibilities of the issuer of financial instruments not considered of "lesser importance", pursuant to article 3 paragraph 1 letter f) of Regulation No. 17221 of 12 March 2010, in the event that during the reference year they have received overall remuneration (obtained by adding together cash remuneration and remuneration based on financial instruments) that is greater than the highest overall remuneration between those attributed to the members of the board of directors, the management board and general managers of the issuer of financial***

As mentioned in the preceding paragraphs, Beneficiaries shall be identified by the Board of Directors ~~following approval of~~ within the Plan at terms set forth under paragraph 1.1. above.

On 23 December 2023, the Shareholders' Meeting Board of Directors, having consulted with the Remuneration and Appointments Committee, granted 10,000 rights to Marco Deotto, current Chief Financial Officer of the Company. On 9 May 2023, a further 3,000 rights to receive Unieuro shares were granted to said Chief Financial Officer<sup>2</sup>.

In any case, the issue in the above sub-heading b) is not applicable on grounds that during the financial year that ended on 28 February ~~2022~~2023, no Manger with Strategic Responsibilities of the Company received overall remuneration greater than that of the highest overall remuneration attributed for any reason to the members of the Board of Directors.

- c) any natural persons controlling the share issuer, who are employees or who collaborate with the share issuer***

Not applicable as Unieuro is not controlled by natural persons.

#### **1.4 Description and number of beneficiaries, separated into the categories laid down in point 1.4 letters a), b) and c) of Annex 3A, Scheme 7 of the Issuers' Regulation.**

The Plan also includes as potential Beneficiaries, persons within the class that the Company has identified from time to time as Managers with Strategic Responsibilities.

As at the date of preparation of this Information Document, the Company has identified as Managers with Strategic Responsibilities, those persons holding the offices of:

- Chief Strategy Officer (currently the office is held by the Chief Executive Officer)<sup>3</sup>;
- General Manager;
- Chief Financial Officer.

<sup>2</sup> Please note that following the resignation of CFO Marco Pacini, the 17,000 rights assigned to him on 14 July 2022 were revoked on grounds he was deemed a bad leaver in accordance with the Information Document.

<sup>3</sup> Please note that on 9 May 2023 the Board of Directors considered the retirement notice received from Giancarlo Nicosanti Monterastelli, Chief Executive Officer and Chief Strategy Officer of Unieuro, in accordance with which, his employment in the role of Chief Strategy Officer shall end as of 1 June 2023. Giancarlo Nicosanti Monterastelli is still a Plan Beneficiary in his office of Chief Executive Officer.

As stated in the previous paragraphs, Beneficiaries shall be identified by the Board of Directors upon approval of the Plan at the Shareholders' Meeting. You are referred to the information as shall be furnished pursuant to article 84-*bis* paragraph 5 letter a) of the Issuers' Regulations.

## 2. REASONS UNDERPINNING THE ADOPTION OF THE PLAN

### 2.1 Objectives to be achieved through the implementation of such a plan.

In line with national and international best market practices, the Company believes that share-based compensation plans constitute an effective incentive and loyalty instrument for personnel who hold key roles as well as for employees, so as to maintain high levels of - as well as improve - performance which in turn contributes to an increase in the growth and sustainable success of the Company.

Indeed, the Plan is part of a set of instruments used by the Company to integrate the fixed component of the remuneration ~~package~~<sup>treatment</sup> of strategic resources with a variable component connected to continuance of the employment relationship, in line with best market practices and of the previous medium-long term incentive plan approved at the Shareholders' Meeting held on 17 December 2020.

The Plan includes the following objectives:

- (i) to focus the attention of Plan Beneficiaries on factors of strategic interest of the Company and direct key resources towards the pursuing of medium-long term results with a view to sustainability of the Group's economic and financial performance;
- (ii) build loyalty among the Plan Beneficiaries and incentivize their continuance with the Company by developing retention policies;
- (iii) align the interests of the Beneficiaries with those of the shareholders, with a view to developing the growth of the Company's value; and
- (iv) ensure that the overall remuneration of recipients of the Plan remains competitive whilst at the same time developing policies to attract new talent to managerial and professional roles.

The reasons and criteria on the basis of which the Company established the relationship between the Allocation of the Shares under the Plan and other components of overall remuneration are grounded, on the one hand, in the facilitation of loyalty and, on the other, in recognition of an overall benefit for the interested parties in line with market practices.

In addition, the adoption of a share-based remuneration plan responds to the recommendations under the Corporate Governance Code which acknowledges that such plans constitute an instrument which is apposite to align the interests of executive directors and managers with strategic responsibilities of listed companies with those of shareholders, thus facilitating the priority objective which is creation of value in the medium-long term.

The Plan shall be developed over a medium-long term horizon since this is considered the most suitable timespan for achievement of the incentive and loyalty objectives that said Plan pursues.

### 2.2 Key variables, including any performance indicators considered for the purposes of realising plans based on financial instruments.

For each Plan Cycle, each Beneficiary shall be granted a number of non-transferable Rights on a gratuitous basis and subject to conditions to be allocated Shares in Unieuro, also on a gratuitous basis, upon the achievement or overachievement of certain Performance Objectives as fixed for each Cycle, and conditional upon occurrence of the Vesting Conditions provided for in the Plan. Moreover, the Plan provides for a Cash Bonus as better described in article 4.2 below which shall be paid to the Beneficiary conditional upon Delivery

of the Shares relating to each Cycle of the Plan provided that all the related Vesting Conditions have been met.

The incentive levels shall be defined, in terms of the maximum number of Shares that may be awarded, in accordance with the following principles of the remuneration policy adopted by Unieuro, foreseeing in particular an adequately balanced management remuneration structure with coherent weighting given to:

- the fixed component and the powers and/or responsibilities assigned;
- a variable component having maximum limits and aimed at anchoring the remuneration to the performance actually achieved;
- variable remuneration of those managerial roles having greater influence on company results and characterized by a significant incidence of the long-term incentive components, such remuneration more appropriate for deferral over a period of at least three years.

For each of the Performance Objectives, an incentive curve is envisaged that links the number of Shares as may be allocated, to the level of Performance Objectives achieved or overachieved by the Company:

- a minimum performance threshold set at 80% of the performance threshold (target) below which no Shares shall be allocated and upon attainment of which a number of shares shall be allocated commensurate to 50% of ~~the Shares to be allocated upon achievement of the target threshold~~ Base Number of Shares;
- ~~an~~ performance threshold (target) upon achievement of which a Base Number of Shares shall be allocated;
- a maximum performance threshold (cap) fixed at 150% of performance threshold (target) upon achievement or overachievement of which a maximum number of Shares shall be allocated commensurate to 150% of ~~the Shares to be allocated upon achievement of the target threshold~~ Base Number of Shares.

The Performance Objectives applicable to each Plan Cycle shall be determined by the Board of Directors having consulted with the Remuneration and Appointments Committee prior to the Grant of Share Rights and shall be formulated with reference to the 1<sup>st</sup> Cycle by:

- **Adjusted EBIT Indicator**

Meaning the consolidated EBIT post application IFRS 16 adjusted 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 Performance Objectives based on Adjusted EBIT indicator has a 50% percentage weighting of the total Shares subject to Allocation and coincides with the Unieuro adjusted cumulative EBIT relating to the accounting periods of the 1<sup>st</sup> Cycle. Achievement of Performance Objectives shall be calculated with reference to the methodology described in the table in Section 4.5 of this Information Document.

- **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 Performance Objectives based on Adjusted Free Cash Flow indicator has a 25% percentage weighting of the total Shares subject to Allocation and coincides with the Unieuro cumulative Free Cash Flow relating to the accounting periods of a Cycle. Achievement of Performance Objectives shall be calculated with reference to the methodology described in the table in Section 4.5 of this Information Document.

- **ESG Indicator**

Indicates Unieuro's level of sustainability in line with its ESG strategy, as laid down in the 2022-2026 Sustainability Plan adopted by the Company. The weaving of environmental, social and governance issues into business activity is reflected by the choice of an ESG performance indicator based on KPIs ("**Key Performance Indicators**") attributable to 4 specific projects: 1<sup>st</sup> KPI: number of contacts (audience) achieved by the #Cuoriconnessi initiatives against cyberbullying; 2<sup>nd</sup> KPI: acquisitions of energy with certification attesting its origin from renewable sources; 3<sup>rd</sup> KPI: level of Employee Net Promoter Score (eNPS), as a tool for measuring human resources' level of satisfaction; 4<sup>th</sup> KPI: Group employees involved in specific training on sustainability issues.

The ESG indicator has a percentage weighting of 25% on the total of the Shares subject to Allocation and shall be measured in accordance with the methodology described in the table in Section 4.5 of this Information Document.

The Shares shall be allocated at the end of each Vesting Period 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;
- the minimum performance threshold for at least one of the Performance Objectives has 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 accounts of the Company, to carry out the Share capital Increase or the purchase of Shares pursuant to articles 2357 and 2357-ter 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 Board of Directors shall verify the Vesting Conditions no later than the 30<sup>th</sup> (thirtieth) calendar day following the date of the Shareholders' Meeting that approves the annual Financial Report as of: 28 February 2026 with reference to the 1<sup>st</sup> Cycle of the Plan; as of 28 February 2027 with reference to the 2<sup>nd</sup> Cycle of the Plan; as of 29 February 2028 with reference to the 3<sup>rd</sup> Cycle of the Plan. Said Board shall also duly assess achievement of the Performance Objectives on the basis of the Non-Financial Declarations ([as concerns the EGS indicator](#)) and the relevant annual financial reports- ([as concerns other indicators](#)).

For more information on the Performance Objectives, please refer to paragraph 4.5 below of this Information Document.

### 2.3 Elements underpinning the determination of the amount of remuneration based on financial instruments; the criteria for its determination.

On the Grant of Share Rights Date, the Board of Directors shall set the number of Rights to be granted to each Beneficiary, having duly: heard the opinion of the Remuneration and Appointments Committee; evaluated the importance and strategic value of each Beneficiary in creating new value for the Company and/or the Group; taken into account the particular relevance of the office held; evaluated the importance of the Beneficiary in terms of loyalty.

Please note that for the 1<sup>st</sup> Cycle of the Plan, a total of 200,000 shares shall be allocated to Beneficiaries of the Cycle upon achievement of target threshold.

More specifically, the Board of Directors, having received the prior opinion of the Remuneration and Appointments Committee, ~~has provided, should this Plan be approved at and of the Shareholders' Meeting, Board of Statutory Auditors where requested, resolved on 14 July 2022~~ for the grant of the following Rights to receive Unieuro Shares in relation to the 1<sup>st</sup> cycle of the 2023-2028 Performance Shares Plan to Managers with Strategic Responsibilities: (i) Chief Executive Officer: 40,000, ~~(ii) General Manager: 27,000, (iii) Chief Financial Officer: 17,000~~ Rights, (ii) General Manager: 27,000 Rights. On 23 December 2022, subject to the opinion of the Remuneration and Appointments Committee, the Board of Directors resolved to grant 10,000 Rights to Marco Deotto, current Company Chief Financial Officer. On 9 May 2023, said Chief Financial Officer was granted a further 3,000 Rights. Thus, the total number of Rights granted to him is 13,000.<sup>4</sup>

The amount of maximum share incentive rights corresponding to the attainment of maximum performance threshold for all Performance Objectives allocated to a particular Beneficiary, shall be determined with reference to the level of responsibility/criticality of the office held by the particular assignee.

As regards the connection with the Vesting Conditions you are referred to point 4.5 below.

### 2.4 Reasons underpinning any decision to implement compensation plans based on financial instruments not issued by the issuer of financial instruments, such as financial instruments issued by subsidiaries or parent companies or third-party companies with respect to the group to which they belong. In the event that such instruments are not traded on regulated markets, indication of the criteria used to determine the value attributable to them.

Not applicable on grounds that the Plan is based exclusively on financial instruments issued by the Company.

### 2.5 Evaluations of significant tax and accounting implications that have impacted the definition of the plan.

No significant implications of a tax and accounting nature have impacted the definition of the Plan.

### 2.6 Any support of the plan from special Funds for incentivizing the participation of workers in the company as referred to in article 4, paragraph 112, of Law 24 December 2003, No. 350.

The Plan subject of this Information Document is not supported from any special Funds for incentivizing the participation of workers in the company as referred to in article 4 paragraph 112 of Law 24 December 2003 No. 350.

<sup>4</sup> As previously mentioned above, in light of the resignation given by CFO Marco Pacini, the 17,000 rights granted to him on 14 July 2022 were revoked on grounds he was deemed a bad leaver in accordance with the Information Document.



### 3. APPROVAL PROCESS AND TIMING FOR ASSIGNMENT OF FINANCIAL INSTRUMENTS

#### 3.1 Scope of powers and duties delegated at the Shareholders' Meeting to the Board of Directors so as to implement the Plan.

The proposal of the Plan to be presented at the Ordinary Shareholder's Meeting and this Information Document were subject to approval by the Board of Directors on 11 May 2022, upon the proposal of the Remuneration and Appointments Committee which convened on 6 May 2022.

The Plan ~~is subject to Shareholders' approval~~ was approved at the ordinary Shareholders' Meeting, ~~to be held on 21 June 2022.~~

At said Shareholders' Meeting, the Shareholders ~~shall be~~ was invited to confer broad powers on the Board of Directors as required to implement the Plan (the opinion of the Remuneration and Appointments Committee having been duly obtained). Such powers shall be exercised in compliance with terms and conditions as ~~shall were~~ likewise be established at the Shareholders' Meeting.

In this regard, ~~at the next session convened for the Shareholders, at said~~ Ordinary and Extraordinary Shareholders' Meetings, Shareholders ~~shall be asked to confer~~ conferred certain powers on the Board of Directors, *inter alia*, powers, to:

- determine the number and names of Beneficiaries and the particular number of Rights to be granted to each of them up to the maximum number as approved at the Meeting as described herein and - if appropriate - vary the Vesting Conditions as provided for under this Information Document;
- approve the Plan Regulations and any updates thereof, identify the Performance Objectives for 2<sup>nd</sup> and 3<sup>rd</sup> Cycles as well as the target values thereof to be presented to the Shareholders on occasion of approval of the Remuneration Policy and carry out any and all formalities and give all notices as may be necessary or appropriate to facilitate the management and/or implementation of the Plan insofar as this does not conflict with that resolved on at the Shareholders' Meeting;
- right to increase Company share capital on a gratuitous basis for a period of five years to run as of the resolution approving such increase, and thus from 21 June 2022, in one or more tranches pursuant to article 2349 Civil Code up to a maximum nominal amount of Euro 180,000.00 to be fully imputed to capital, through the issuance of a maximum number of 900,000 ordinary shares not showing nominal value and having the same characteristics as those already in circulation, earmarked for allocation to Plan Beneficiaries under the terms and conditions ~~of the Regulation envisaged under such Plan~~; and/or
- purchase buy back and dispose of treasury shares also to service the Plan.

The proposed Amendment to the Plan as shall be submitted at the Ordinary Shareholders' Meeting to be held on 22 June 2023 as well as the update of the Information Document were approved by the Board of Directors on 9 May 2023, upon the proposal of the Remuneration and Appointments Committee which sat on 3 May 2023.

#### 3.2 Persons appointed to administer the plan; their duties and competencies.

Competence for the administration and execution of the Plan shall lie with the Board of Directors, which shall be appointed at the Shareholders' Meeting in relation thereto.

Without prejudice to Shareholders' decision rights at the Shareholders' Meeting, the Board of Directors may delegate all or part of its powers, duties and responsibilities for the execution of the Plan to one or more of its members, to the Remuneration and Appointments Committee and/or to the competent corporate bodies in conjunction with the Remuneration and Appointments Committee.

### **3.3 Any existing procedures for the revision of the plan including changes to the basic objectives thereof.**

The Board of Directors shall be entitled, having heard the Remuneration and Appointments Committee, to amend or add to the Plan in the most appropriate manner as it deems useful or necessary for the most effective pursuit of the Plan's purposes, having regard to the interests of the Company and of the Beneficiaries. In case of events such as:

- i. transactions concerning the Company capital such as, but not limited to, capital reductions to account for losses through the cancellation of shares, increases of Company share capital, whether gratuitous or for consideration, offers to shareholder with or without option rights, possibly also to be conferred as a contribution in kind, any grouping or splitting of Shares;
- ii. mergers or company splits, purchase or sales of equity investments, companies or a part of company business;
- iii. events or circumstances, including those caused by external factors (e.g., COVID-19) of an exceptional nature that have potential to or will affect the results and/or performance of the Company and/or the Group perimeters;
- iv. legislative or regulatory changes or other events likely to affect the Rights, the Shares and/or the Company and/or Group companies.

Within the above context, the Board of Directors may, having heard the opinion of the Remuneration and Appointments Committee, make all amendments or integrations it deems necessary and/or appropriate to maintain unaltered the substantial and economic contents of the Plan itself, within the limits provided for by the legislation in force from time to time, autonomously and without any need to seek further approval at any Shareholders' Meeting.

More specifically, upon the occurrence of extraordinary events that materially impact the performance scenarios on which the Performance Objectives in the Plan are based, the Board of Directors of the Company, upon the proposal of the Remuneration and Appointments Committee, may make apposite corrections to the Performance Objectives so that the substantial and economic contents of the Plan remain unvaried.

For the purposes of the foregoing, "extraordinary event" means: (i) any material change in the macroeconomic and/or competitive scenarios or any other extraordinary event having a material impact beyond the management's control; and/or (ii) the occurrence of any material adverse effect whether or not of an economic or financial nature, e.g., the effects of the Covid-19 emergency or high intensity events of belligerence.

Any variations to the Performance Objectives must be for the purpose of safeguarding the principles and guidelines which underpin the Plan and shall not be made to create undue advantages or penalties for either the Beneficiaries or the Company.

If, during the Vesting Period:

- i. any public offer to purchase or public tender to exchange Shares were to be promoted; or
- ii. trading of the Shares on the electronic stock exchange (*Mercato Telematico Azionario*) organized and managed by Borsa Italiana S.p.A. were to be revoked;
- iii. a Shareholder were to acquire control of the Company pursuant to and for the purposes of article 93 TUF;

the Board of Directors shall be entitled to grant the Beneficiaries the right to receive the Shares *pro rata temporis* and *pro rata* performance.

### 3.4 Description of the methods applied to determine the availability and allocation of the financial instruments on which the plans are based.

The Plan concerns the Grant of Share Rights on a gratuitous basis which, conditional upon achievement of the Performance Objectives, give rise to the Allocation of Shares also on a gratuitous basis.

The number of Shares subject to any Allocation shall be fixed with reference to the level of achievement of - and/or any achievement in excess of - the Performance Objectives.

Shares deriving from a buy-back programme or from a ~~capital increase~~ new Capital Increase may be used to service the Plan ~~pursuant to the combined provision of articles 2349 and 2443 Civil Code up to a maximum value of Euro 180,000.00 by means of issuance of a maximum of No. 900,000 ordinary shares with no indication of their nominal value and having the same characteristics as those in circulation, to be assigned free of charge to the Beneficiaries under the terms and conditions of the Regulations.~~

The proposed ~~capital increase~~ Capital Increase referred to above to service the Plan, together with the description of the terms and conditions thereof, ~~are have been~~ illustrated by in a specific explanatory report prepared pursuant to article 72 and Annex 3A of the Issuers' Regulations, available to the public on the Company's corporate website in the section "Unieurospa.com / Corporate Governance / Shareholders' Meetings / Shareholders' Meeting December 2022" as well as on the centralized storage mechanism e-market STORAGE within the timelines provided for by law and applicable regulations.

Such proposal ~~shall be submitted to~~ has been approved at the Company's Extraordinary Shareholders' Meeting ~~for due consideration and approval.~~

### 3.5 Role played by each director in determining the characteristics of the plan; directors' conflicts of interest.

The determination of the main features and guidelines of the Plan, as shall be submitted for approval by the Shareholders' Meeting pursuant to and for the purposes of article 114-*bis* TUF, has been performed by the Board of Directors with the proactive and consultative support of the Remuneration and Appointments Committee in accordance with the recommendations of the Corporate Governance Code and in line with the best applicable corporate practices.

~~Attention~~ Without prejudice to identification of the Chief Executive Officer and the General Manager among the Beneficiaries of the First Cycle of the Plan, which is referred to under Paragraph 1.1. above, attention is drawn to the fact that Directors of the Company may also be Beneficiaries of the Plan. In such case, the board's decision on the Grant of Share Rights shall be adopted in compliance with the provisions of article 2391 Civil Code and, to the extent necessary, article 2389 Civil Code.

As concerns Beneficiaries, the Plan is deemed to constitute a related-party transaction. Therefore, the specific procedures envisaged under Consob resolution No. 17221 of 12.3.2010 ("Regulations for related-party transactions") are not applicable in virtue of the exemption provided for by internal regulations adopted by Unieuro relating to management of Related-Party Transactions adopted by Unieuro for compensation plans based on financial instruments approved at the Shareholders' Meeting in accordance with article 114-*bis* TUF and the relative executive transactions.

**3.6 For the purposes of the requirements under article 84-*bis* paragraph 1 Issuer's Regulations, the date the decision was taken by the corporate organ competent to propose the approval of the plan at the shareholders' meeting and any proposal of the remuneration committee.**

On 6 May 2022, the Remuneration and Appointments Committee proposed the guidelines for adoption of the Plan to the Board of Directors.

On 11 May 2022, the Board of Directors, following the indications of the Remuneration and Appointments Committee, approved the Plan guidelines and agreed that they be submitted for approval at the Shareholders' Meeting. Moreover, on the same date, the Board of Directors, having obtained favourable opinion from the Remuneration and Appointments Committee, approved this Information Document and the Directors' explanatory report on the Plan pursuant to article 114-*bis* TUF.

**3.7 For the purposes of the requirements under article 84-*bis*, paragraph 5 letter a) Issuer's Regulations, the date the decision was taken by the competent corporate body regarding the allocation of the instruments and any proposal to said body as may have been formulated by the remuneration committee.**

~~The Rights envisaged for the 1<sup>st</sup> Cycle of the Plan shall be granted to the Beneficiaries by the Board of Directors having heard the opinion of the Remuneration and Appointments Committee and following approval of the Plan at the Shareholders' Meeting.~~

~~The~~The Board of Directors having received the prior opinion of the Remuneration and Appointments Committee and of the Board of Statutory Auditors where requested, resolved on 14 July 2022 for the grant of the following Rights to receive Unieuro Shares in relation to the 1<sup>st</sup> cycle of the 2023-2028 Performance Shares Plan to Managers with Strategic Responsibilities: (i) Chief Executive Officer: 40,000 Rights, (ii) General Manager: 27,000 Rights. On 23 December 2023, subject to the opinion of the Remuneration and Appointments Committee, the Board of Directors resolved to grant 10,000 Rights to Marco Deotto, current Company Chief Financial Officer. On 9 May 2023, said Chief Financial Officer was granted a further 3,000 Rights. Thus, the total number of Rights granted to him is 13,000.

Other Beneficiaries of the First Cycle may be identified on one or more occasions by the 30<sup>th</sup> (thirtieth) calendar day following the date of the Shareholders' Meeting that approves the amendment to the Plan; ~~those~~ Beneficiaries of the second Cycle by the 30<sup>th</sup> (thirtieth) calendar day following the date of the Shareholders' Meeting that approves the annual financial report as at 29 February 2024; those of the third Cycle by the 30<sup>th</sup> (thirtieth) calendar day following the date of the Shareholders' Meeting at which the annual financial report as at 28 February 2025 is approved. The Beneficiaries may vary for each of the three Cycles of the Plan. The participation of a Beneficiary in any one Cycle of the Plan does not oblige the Board of Directors to identify that Beneficiary as a Beneficiary in any of the subsequent Cycles. The Board of Directors shall have ample discretion to decide whether to include a Beneficiary in one or more Cycles of the Plan and may also recognise further benefits for Beneficiaries in each Cycle including outside the above-mentioned timescales.

The Shares shall be allocated to the Beneficiaries by the Board of Directors, subject to the opinion of the Remuneration and Appointments Committee and of the Board of Statutory Auditors where requested, at

the end of the Vesting Period subject to the Performance Objectives having been achieved and in general the continuance of the Vesting Conditions.

The dates for the Grant of Share Rights and Allocation of Shares shall be communicated in the manner and within the timeline provided for in article 84-*bis* paragraph 5 letter a) of the Issuers' Regulations.

**3.8 Market price recorded on the above-mentioned dates, for the financial instruments on which the plans are based, if traded on regulated markets.**

On 6 May 2022 and on 11 May 2022 the Remuneration and Appointments Committee and the Board of Directors respectively met to establish the proposal for the Plan guidelines for submission at the Shareholders' Meeting. On said dates, the official closing price of the Stock Exchange was, respectively, Euro 15.60 and Euro 15.58.

We draw your attention to the fact that, on 12 July 2022 and on 14 July 2022, the dates in which the Remuneration and Appointments Committee and the Board of Directors met, respectively, to resolve on the Grant of the Rights to Giancarlo Nicosanti Monterastelli and Maria Bruna Olivieri, the official closing price of the Stock Exchange was, respectively, Euro 12.93 and Euro 12.32. Please also note that on those dates on which the Remuneration and Appointments Committee and the Board of Directors held sittings to resolve on the Grant of Rights to Marco Deotto which dates are: 21 December 2022; 23 December 2022; 3 May 2023; 9 May 2023, the official closing price of the Stock Exchange was, respectively, Euro 11.97 (Remuneration and Appointments Committee of December 21, 2022) and Euro 12.01 (Board of December 23, 2022) and Euro 10.8 (Remuneration and Appointments Committee of May 3, 2023) and Euro 11.1 (Board of May 9, 2023).

The Share price at the time of the Grant of Share Rights and of Allocation of Shares by the Board of Directors shall be communicated in the manner and within the timeline provided for under article 84-*bis*, paragraph 5 letter a) of the Issuers' Regulations.

**3.9 For those plans based on financial instruments traded on regulated markets, and in the context of setting the timing of allocation of the instruments in implementation of the plan, the manner in which the issuer may co-ordinate timing between: (i) the allocation or any decisions taken in relation thereto by the remuneration committee; and (ii) the giving of notice of any relevant information pursuant to article 114 paragraph 1 TUF.**

The task of establishing any safeguards shall be delegated to the Board of Directors at the time the Plan Regulations are drawn up. Execution of the Plan subject of this Information Document shall take place in full compliance with the disclosure obligations imposed on the Company, in such way as to ensure transparency and consistency of information to the market, as well as in compliance with the procedures adopted by the Company in relation thereto.

It is submitted that the structure of the Plan, its conditions and the manner of Grant of Share Rights and Allocation of Shares, are such that they shall not be influenced by any dissemination of privileged information for the purposes of article 17 of Regulation (EU) No. 596/2014, given that the procedure for the Grant of Share Rights shall be performed in any case, in full compliance with the disclosure obligations imposed on the Company, in order to ensure transparency and consistency of information to the market, as well as in compliance with the internal procedures adopted by the Company for such matters.

The Beneficiaries are obliged to comply with the provisions governing the abuse of privileged information provided for under the applicable legislation and regulations, with specific reference to the prohibition on the conducting of Share transactions in the closed period pursuant to article 19 paragraph 11 Regulation

(EU) No. 596/2014, as well as with reference to transactions concerning the disposal of any Shares that may be subject to Allocation after verification of Performance Objectives achievement.

The Board of Directors, having consulted the Remuneration and Appointments Committee, may also provide for further closed periods that prevent disposal of the Shares and which may apply to all or only certain of the Beneficiaries.

## 4. CHARACTERISTICS OF THE FINANCIAL INSTRUMENTS ASSIGNED

### 4.1 Description of the manner in which plans are structured.

Subject matter of the Plan is the Grant of Share Rights on a gratuitous basis to Executive Directors and/or Managers with Strategic Responsibilities and/or employees of the Company or of companies of the Group, which entitle a Beneficiary to receive Shares on a gratuitous basis: a) in an amount as shall be decided with reference to the level of achievement or overachievement - of certain Performance Objectives, conditional upon the occurrence of the Vesting Conditions under the Plan and b) for the Cash Bonus.

Shares deriving from a buy-back programme or from a ~~capital increase may be used to service the Plan pursuant to the combined provisions of articles 2349 and 2443 Civil Code up to a maximum value of Euro 180,000.00 by means of issuance of a maximum of No. 900,000 ordinary shares with no indication of their nominal value and having the same characteristics as those in circulation, to be assigned free of charge to the Beneficiaries under the terms and conditions of the Regulations.~~ new Capital Increase may be used to service the Plan.

The Shares subject to Allocation shall carry regular dividend rights which shall pass to each Beneficiary as of the moment in which title therein passes to him/her.

### 4.2 Period of effective implementation of the plan with reference also to any different cycles envisaged.

The Plan has a time horizon of 5 years (2023-2028) as concerns the Vesting Period running from 1 March 2023.

More specifically, the Plan provides for three Cycles, each consisting of four stages: (i) Grant of Share Rights to the Beneficiaries; (ii) relative Vesting Period; (iii) Allocation of the Shares on the Share Allocation Date and (iv) Lock Up Period where applicable.

More specifically: the 1<sup>st</sup> Cycle has a three-year duration (i.e., Grant of Share Rights to the Beneficiaries for 1<sup>st</sup> Cycle, Vesting Period relating to the business years 2023/2024, 2024/2025, 2025/2026 with any Allocation to be carried out after the approval of the annual financial report relating to the business year closed on 28 February 2026) in addition to the Lock Up Period where applicable. The 2<sup>nd</sup> Cycle has a three-year duration (i.e., Grant of Share Rights to the Beneficiaries for 2<sup>nd</sup> Cycle, Vesting Period relating to the business years 2024/2025, 2025/2026, 2026/2027 with any Allocation to be carried out after the approval of the annual financial report relating to the business year closed on 28 February 2027) in addition to the Lock Up Period where applicable. The 3<sup>rd</sup> Cycle has a three-year duration (i.e., Grant of Share Rights to the Beneficiaries for 3<sup>rd</sup> Cycle, Vesting Period relating to the business years 2025/2026, 2026/2027 and 2027/2028 with any Allocation to be carried out after the approval of the annual financial report relating to the business year closed on 29 February 2028) in addition to the Lock Up Period where applicable.

By way of illustration only, the following graph shows the proposed three Cycles of the Plan each having a three-year duration:

	FY 2023 – 2024 (01/03/23 – 29/02/24)	FY 2024 – 2025 (01/03/24 – 28/02/25)	FY 2025 – 2026 (01/03/25 – 28/02/26)	FY 2026 – 2027 (01/03/26 – 28/02/27)	FY 2027 – 2028 (01/03/27 – 29/02/28)	FY 2028 – 2029 (01/03/28 – 28/02/29)	FY 2029 – 2030 (01/03/29- 28/02/30)
1 <sup>st</sup> Cycle	Vesting Period			Lock Up Period <sup>5</sup>			
2 <sup>nd</sup> Cycle		Vesting Period			Lock Up Period <sup>5</sup>		
3 <sup>rd</sup> Cycle			Vesting Period			Lock Up Period <sup>5</sup>	

Delivery of the Shares allocated to each Beneficiary shall take place once the relative civil and administrative-accounting obligations have been performed, by way of transfer of said Shares to the securities account designated by that Beneficiary or, with reference to any part of Shares subject to a Lock Up Period, then to the escrow account in the name of the Beneficiary arranged by the financial intermediary appointed by the Company as Plan administrator, on the date set forth in the relevant Allocation notice and in any case within fifteen day of the date of Allocation notice.

### **Cash Bonus**

The Rights further entitle each Beneficiary to receive a Cash Bonus for an amount commensurate to any dividends as have been distributed and paid out by the Company up to Share Allocation Date.

More precisely, the gross amount of the Cash Bonus shall be commensurate to the sum the Beneficiary would have received by way of dividends in relation to the year for each Cycle from the Cycle start date to the Share Allocation Date had he/she held the Shares Allocated to him/her at the end of the Cycle.

For the purpose of the determination of any Cash Bonus, a maximum of three resolutions for the distribution of ordinary dividends per Cycle shall be allowed; therefore, each Beneficiary may receive, for each Cycle of the Plan as concern ordinary dividends, a Cash Bonus not exceeding in any event an aggregate maximum of three ordinary dividends.

The above-mentioned limit does not apply to any extraordinary dividends as may be distributed and paid from the start date of the Cycle up to Allocation Date, whereby ‘extraordinary dividend’ means a dividend deriving from a part of the Company's earnings/capital reserves, rather than a dividend from the distribution of annual profits.

Such Cash Bonus shall be payable conditional upon the Delivery relating to each Cycle of the Plan provided that all the Vesting Conditions are met.

Upon delivery of the Shares and/or at the time of payment of any Cash Bonus as mentioned above, Unieuro shall have the right to withhold from the sums due for any reason to the Beneficiary - including any sums due as remuneration - the minimum amount deemed sufficient to meet any obligation to pay tax and/or contributions due at source. In the event that it is not possible for any reason to withhold the relative amounts from sums due to the Beneficiary, then the Company may, prior to Delivery, ask the Beneficiary to remit to the Company, or where appropriate to another Group company, those amounts as are necessary to satisfy the obligations for tax and/or contributions due at source.

<sup>5</sup> The Lock-up Period will be effective for 24 months from the Share Delivery Date.



Any amount of Cash Bonus due shall be paid by the Company in the pay-slip for the month following Delivery date or within 30 days of Delivery date should the Beneficiary not be an employee.

#### 4.3 Term of the Plan.

Please refer to the information set forth in the previous paragraph 4.2 of this Information Document.

#### 4.4 Maximum number of financial instruments, including in the form of options, allocated in each fiscal year to persons identified by name or qualifying category.

The maximum total of Shares to service the Plan (inclusive of all three Cycles) shall be No. 900,000 Shares to be allocated in one or more tranches upon achievement of all the Performance Objectives up to a maximum cap. The Board of Directors at its sitting of 11 May 2022 determined that the maximum number of Shares to service the first Cycle of the Plan be 300,000 (200,000 on achievement of the target threshold).

Shares earmarked to service the Plan for the second and third Cycles shall be subject to approval by the competent bodies in accordance with the legislation in force.

The exact number of Rights to be granted and Shares allocated to each Beneficiary shall be established by the Board of Directors at the time of the Grant of Share Rights and of the Allocation of Shares respectively.

#### 4.5 Manner of and clauses for implementation of plans, stating whether the allocation of the instruments is dependent on the occurrence of conditions or the achievement of certain results, including performance; description of said conditions and results.

Allocation of Shares shall be conditional, *inter alia*, on achievement of the minimum performance threshold of at least one Performance Objective. The Performance Objectives applicable to each Plan Cycle shall be determined by the Board of Directors having consulted the Remuneration and Appointments Committee on the Grant of Rights and for the 1<sup>st</sup> Cycle are:

- **EBIT-Adjusted EBIT Indicator**

Meaning the consolidated EBIT post application IFRS 16 adjusted 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 Performance Objective based on the Adjusted EBIT indicator has a 50% percentage weighting of the total Shares subject to allocation and coincides with the Unieuro adjusted cumulative EBIT relating to the accounting periods of the 1<sup>st</sup> Cycle. Achievement of Performance Objectives shall be calculated with reference to the methodology described in the table below.

- **Adjusted Free Cash Flow-Adjusted 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 Performance Objective based on the Adjusted Free Cash Flow indicator has a 25% threshold percentage weighting of the total Shares subject to allocation and coincides with the Unieuro adjusted cumulative Free Cash Flow relating to the accounting periods of a Cycle. Achievement of Performance Objectives shall be calculated with reference to the methodology described in the table below.

- **ESG Indicator**

Is the ESG performance indicator based on KPIs attributable to 4 specific projects: 1<sup>st</sup> KPI: number of contacts (audience) achieved by the #Cuoriconnessi initiatives against cyberbullying; 2<sup>nd</sup> KPI: acquisitions of energy with certification attesting its origin from renewable sources; 3<sup>rd</sup> KPI: level of Employee Net Promoter Score (eNPS), as a tool for measuring human resources’ level of satisfaction; 4<sup>th</sup> KPI: Group employees involved in specific training on sustainability issues. Overall, it indicates Unieuro's level of Sustainability in line with its ESG strategy, as laid down in the Sustainability Plan 2022-2026 as has been adopted by the Company and reflects the integration of environmental, social and governance issues into business activities.

The ESG indicator has a percentage weighting of 25% on the total of the Shares subject to Allocation and shall be measured in accordance with the methodology set forth in the table below.

Calculation methodology of ESG Indicator:

### **ESG Indicator**

$$= \left( \frac{\text{Audience \#cuoriconnessi}}{\text{Target}} * \frac{1}{3} \right) + \left( \frac{\text{Green Sources}}{\text{Target}} * \frac{1}{3} \right) + \left( \frac{\text{eNPS}}{\text{Target}} * \frac{1}{6} + \frac{\text{Sustainability Training}}{\text{Target}} * \frac{1}{6} \right)$$

#### **Project No. 1 – Community Pillar**

- KPI Name: Audience #cuoriconnessi
- KPI description: The KPI delta number of contacts<sup>6</sup> reached through in the #cuoriconnessi anti-cyberbullying initiatives compared to the baseline
- KPI Target: +0.61 million contacts compared to the baseline. Cumulative data over the three years of the cycle.

#### **Project No. 2 – Sustainable Innovation Pillar**

- KPI Name: Green Sources
- KPI description: % of energy purchased with green certification from the supplier
- KPI Target: purchase of 100% of energy with certification of origin from renewable sources in each year of the cycle<sup>7</sup>

#### **Project No. 3 – Talent Pillar**

- KPI Name: eNPS (employee NPS)
- KPI description: employee NPS<sup>8</sup> (% employee promoters minus % employee detractors)

<sup>6</sup> 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 FY2021/22 were 1.45M (baseline). By the end of FY 2025/26 the number of contacts is expected to be 1.71M.

<sup>7</sup> Baseline FY 2021/22 is 58%

<sup>8</sup> Unieuro employees shall be asked: ‘What is the probability that you would recommend a friend or relative to come and work for your organisation?’ and to weight their answer by giving a score from 0 to 10 where 0 is the most negative judgement on the Company and 10 is the most positive. “Promoters” will be those having given scores of 9 or 10; “Detractors” are those having given scores from

- KPI Target: average value of the eNPS calculated over the three years of the cycle equal to 0 (zero)<sup>9</sup>.

#### **Project No. 4 – Talent Pillar**

- KPI Name: Sustainability Training<sup>10</sup>
- KPI description: % of eligible<sup>11</sup> employees, participating in the ESG training project, with reference to the total eligible company population
- KPI Target: ESG training project carried out, in each year of the cycle by 100% of eligible employees.

Values achieved by individual targets shall be reported in the Non-Financial Statement drawn up by the Company pursuant to Legislative Decree 254/2016.

Achievement of the Plan Performance Objectives shall be ascertained upon completion of each three-year vesting period - without prejudice to the provisions herein governing Good Leaver and Bad Leaver - following a timely assessment process on the part of the Board of Directors (having received the prior opinion of the Remuneration and Appointments Committee), of the results actually achieved.

For each of the Performance Objectives, an achievement curve is provided that links the number of shares as may be allocated to the level of Performance Objective achieved or overachieved in accordance with different thresholds: a) a minimum performance threshold fixed at 80% of performance threshold (target) below which no Shares shall be allocated and upon ~~attainment~~achievement of which 50% of Base Number of Shares ~~to~~shall be allocated on achievement of the threshold;- b) a performance threshold (target) upon achievement of which a Base Number of Shares shall be allocated; and c) ~~(c)~~a maximum performance threshold (cap), set at 150% of the performance threshold (target) upon the ~~attainment~~achievement or over-achievement of which the maximum number of Shares, equal to 150% of ~~the~~Base Number of Shares attributable to the attainment of the target threshold, ~~will~~shall be allocated.

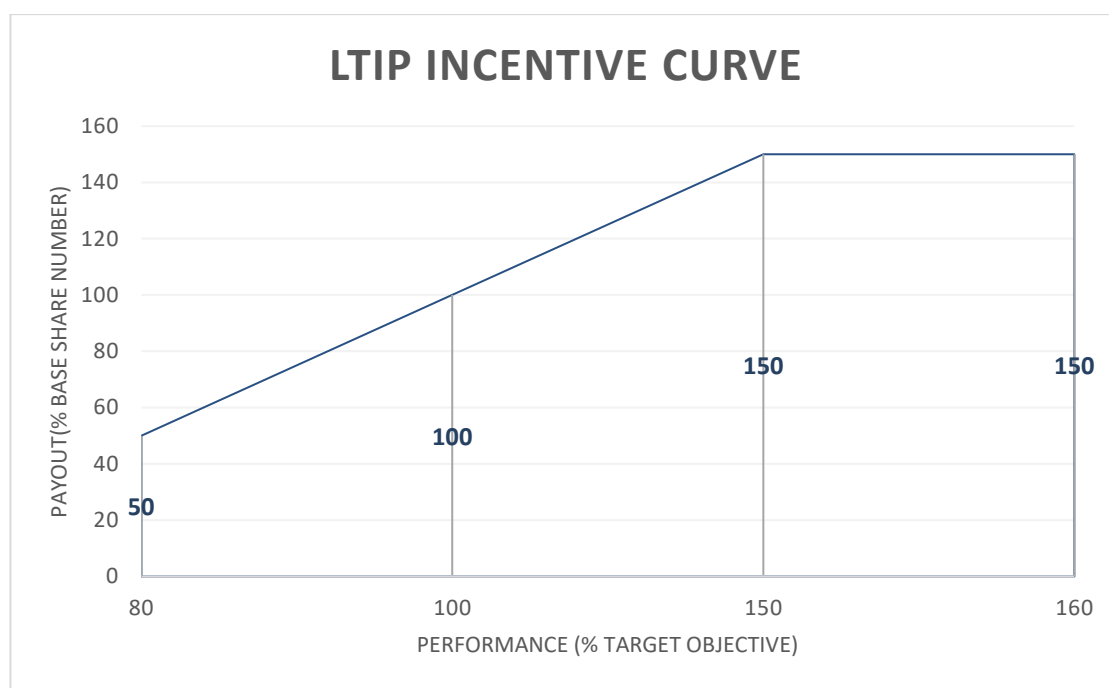
Achievement of Performance Objectives entails the vesting of the Rights (for each weighted Performance Objective) in the manner set forth in the chart and table below:

0 to 6 (inclusive). "Passives" are those having given scores of 7 or 8 (inclusive). The Passive category is deemed neutral, therefore is excluded from the eNPS calculation). Please note that eNPS index values are between -100 and +100.

<sup>9</sup>In each year of the cycle, the eNPS value resulting from the survey conducted on employees shall be that taken into consideration to calculate the average over the three years.

<sup>10</sup>Please note that to render the training path more complete and articulated, there are three different modules on sustainability, one for each year of the cycle.

<sup>11</sup>Employees considered "eligible" for the purposes of the calculation are those engaged under permanent contracts and in force on February 28 of each year. Personnel on leave, on maternity leave or on prolonged illness (over 1 month) are excluded from this calculation. The training modules shall in any event be also offered to employees engaged under fixed-term contracts, albeit said latter shall not be taken into consideration for the purpose of achieving the above-mentioned target.



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

The below table illustrates the target threshold values for the Allocation of the First Cycle Shares, which are subject matter of the Amendment submitted for approval at the Shareholders' Meeting called for 21 June 2023, in comparison with the current target thresholds.

	Adjusted EBIT (Weighting 50%)		Adjusted Free Cash Flow (Weighting 25%)		ESG Indicator (Weighting 25%)	
	Result Euro/million	Allocation of Shares	Result Euro/million	Allocation of Shares	Result	Allocation of Shares
<b>Threshold 80%</b>	<a href="#">2022 Plan</a> 202.2	50%	<a href="#">2022 Plan</a> 156.7	50%	<a href="#">2022 Plan</a> 0.8	50%
	<a href="#">Amended Plan</a> <u>102.2</u>		<a href="#">Amended Plan</a> <u>46.3</u>		<a href="#">Amended Plan</a> <u>0.8</u>	
<b>Target 100%</b>	<a href="#">2022 Plan</a> 252.7	100%	<a href="#">2022 Plan</a> 195.8	100%	<a href="#">2022 Plan</a> 1.0	100%
	<a href="#">Amended Plan</a> <u>127.7</u>		<a href="#">Amended Plan</a> <u>57.9</u>		<a href="#">Amended Plan</a> <u>0.8</u>	

					<u>1.0</u>	
<b>Cap</b>  <b>150% or +150%</b>	<u>2022 Plan</u> 379.1	150%	<u>2022 Plan</u> 293.7	150%	<u>2022 Plan</u> 1.5	150%
	<u>Amended Plan</u> 191.6		<u>Amended Plan</u> 86.8		<u>Amended Plan</u> 1.5	

Performance Objectives and the target thresholds relating to subsequent Grant of Share Rights for second and third Cycles shall be determined and disclosed in the Remuneration Report for the fiscal year of the Grant of Share Rights.

With reference to the manner of and clauses for implementation of the Plan, please refer to the provisions of the individual sections of this Information Document.

The Allocation of the Shares on a gratuitous basis for each of the three Cycles of the Plan is dependent upon the achievement of specific Performance Objectives at the end of the Vesting Period subject to fulfilment of the following Vesting Conditions:

- on the Share Allocation Date, the Beneficiary's Relationship with the Company and/or a Group company is still in continuance, unless the Beneficiary is a Good Leaver;
- the minimum performance threshold of at least one Performance Objective has 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 accounts of the Company, to carry out the Capital Increase or the purchase of Shares to service the Plan pursuant to articles 2357 and 2357-ter Civil Code. 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 Board of Directors shall verify occurrence of the Vesting Conditions no later than the 30<sup>th</sup> (thirtieth) calendar day following the date of the Shareholders' Meeting that approves the annual Financial Report as of: 28 February 2026 with reference to the 1<sup>st</sup> Cycle of the Plan; as of 28 February 2027 with reference to the 2<sup>nd</sup> Cycle of the Plan; as of 29 February 2028 with reference to the 3<sup>rd</sup> Cycle of the Plan. Said Board shall also duly assess achievement of the Performance Objectives on the basis of the Non-Financial Declarations and the relevant annual financial reports.

**4.6 Any constraints encumbering the allocated instruments including in relation to the exercise of options, with particular reference to any timeline within which the subsequent transfer to the company or to third parties is permitted or prohibited.**

Share Rights are personal, non-transferable and otherwise non disposable *inter vivos* and must not be pledged or used as security.

The Rights granted to each Beneficiary must not be traded, transferred or otherwise disposed of in any way and must not be subject to any third-party enforcement or interim legal measures. In case of breach of the provisions under this paragraph the Beneficiary shall forfeit the Rights granted to him/her.

Transfer of Rights means any and all transactions by means of which the Rights are disposed of to third parties, whether directly or indirectly, and including on a gratuitous basis, by exchange and or by conferment.

Any sale, assignment, encumbrance or transfer made in breach of the obligation in the previous paragraph shall not be binding on the Company and the breaching Beneficiary shall forfeit the Rights granted to him/her.

Once the Shares have been duly delivered to a Beneficiary, he/she may freely trade them.

Beneficiaries who are also members of the Board of Directors and/or Managers with Strategic Responsibilities are obliged to make a Lock Up Commitment from the Share Delivery Date for each Cycle in which they are a Beneficiary. Such commitment consists of the obligation to continuously and personally hold 100% of the Shares granted to the particular Beneficiary under the Plan for at least 24 months starting from the Share Delivery Date (having deducted a number of Shares commensurate to the tax, social security and welfare charges arising in virtue of the Delivery of Shares which, instead, may be freely disposed of).

The Plan provides a Claw-Back clause which applies in the event that - within 3 (three) years from the Share Delivery Date - it transpires that the Performance Objectives ascertained by the Board of Directors were achieved:

- on the basis of data and/or information furnished by the competent company bodies, that is proven to be "manifestly incorrect", meaning a material or calculation error of the results that caused an objective to be achieved whereas, had the error not been made, such objectives would not have been achieved or would have been achieved differently;
- due to a wilful or grossly negligent alteration by a Beneficiary of the data used to achieve his/her objective/s;
- due to acts and/or conduct on the part of the Beneficiary in violation of laws, regulations or Company rules which impact on the achievement of the objective/s.

The Board of Directors reserves the right to take appropriate measures:

- (i) to demand the return of the Shares allocated under the Plan and any Cash Bonus paid out, 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) to cancel any Cash Bonus accrued but not yet paid out;
- (iii) to demand payment of the proceeds of any sale of Shares allocated under the Plan, less the amount commensurate to the tax, social security and welfare charges arising as a consequence of 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.

A Malus clause is also provided which envisages that: the number of Shares may be reduced or; Shares subject of a Grant of Share Rights not be Allocated or; any Cash Bonus not be paid out, to a Beneficiary in

the event that, in the period between the Share Allocation Date and the Share Delivery Date or Cash Bonus payment date, it transpires that the Rights have been granted or the Shares have been Allocated:

- on the basis of data and/or information furnished by the competent company bodies, that is proven to be "manifestly incorrect", meaning a material or calculation error of the results that caused an objective to be achieved whereas, had the error not been made, such objectives would not have been achieved or would have been achieved differently;
- due to a wilful or grossly negligent alteration by a Beneficiary of the data used to achieve his/her objective/s
- due to acts and/or conduct on the part of the Beneficiary in violation of laws, regulations or company rules which impact on the achievement of the objective/s.

**4.7 Description of any termination conditions in relation to the assignment of plans applicable in the event that the recipients carry out hedging operations that allow for the neutralization of prohibitions on the sale of the allocated financial instruments, including as options, or of the financial instruments deriving from the exercise of those options.**

The Plan Regulations may provide for the prohibition of hedging operations aimed at limiting or neutralizing the restrictions on the Shares of the Shares allocated and subject to a Lock Up Commitment where applicable.

**4.8 Description of the effects of cessation of the employment relationship.**

The Rights are genetically and functionally linked to the continuation of the Relationship between the Beneficiary and the Company. Therefore, in the event of cessation of said Relationship<sup>12</sup> - the following provisions a) and b) shall apply:

- a) in the event of cessation of the Relationship on grounds of: (i) dismissal without just cause or (ii) retirement, death or incapacity which renders impossible continuance by the Beneficiary of the relationship (each case considered a "**Good Leaver**" event), during the Vesting Period and in any case before the Share Allocation date, the Beneficiary (or, where appropriate, his/her legal guardian/heirs) maintains the right to receive, subject to the other conditions set out in the Plan and the Regulations, a certain number of Shares to be determined with reference to the Rights granted and calculated *pro rata temporis* and *pro rata* performance in accordance with the criteria set down in these regulations for each Plan Cycle.
- b) in the event of cessation of the Relationship on grounds of: (i) voluntary resignation from office/role; or (ii) dismissal for just cause; or (iii) any circumstances other than those mentioned in the preceding letter a), (each case considered a "**Bad Leaver**" event) during the Vesting Period and in any case before the Share Allocation Date, the Beneficiary shall definitively forfeit all the Rights granted to him/her.

In any event, the Board of Directors of the Company may, at its sole discretion, assign the relative Rights to other Beneficiary/ies.

Having obtained the favourable opinion of the Remuneration and Appointments Committee, the Board of Directors, may, based on assessment made on a case-by-case basis and in any case within 30 days of

<sup>12</sup> Relationship termination date means the date on which the employment relationship ceases to have effect therefore any notice period is to be disregarded.

termination of the Relationship, decide to derogate in a favourable manner, from one or more of the provisions under letters. a) and b) of the previous paragraph, on the conditions as shall be provided for in the Regulations for each Plan Cycle.

#### **4.9 Any other causes for cancellation of the plans.**

The Board of Directors may choose not to proceed with the Allocation:

- in the event of an effective and significant deterioration in the equity or financial situation of the Company, as may be ascertained by the Board of Directors; or
- if, following the entry into force of primary and/or secondary legislation (including of social security and tax nature) and/or following the publication of official interpretative clarifications and/or following variation of the current interpretations of the applicable rules, the implementation of the Plan could entail material increases of tax, social security or other charges for the Company.

In the aforementioned hypotheses, the Plan may be temporarily suspended, modified or cancelled.

If that occurs, then the Company shall not have any liability for any damage, indemnity or responsibility on any other grounds towards the Beneficiaries and none of the Beneficiaries shall have any right or claim vis-a-vis the Company arising in virtue of the Rights assigned to them, to receive any free Shares not yet duly assigned.

Further causes for cancellation of the Plan may be determined by the Board of Directors, having consulted the Remuneration and Appointments Committee.

#### **4.10 Grounds for any provision which envisages the company redeeming the financial instruments under the plans pursuant to articles 2357 et seq. Civil Code. Beneficiaries subject to such redemption and indication of whether only particular categories of employees are subject to redemption: Effects of the cessation of the employment relationship on redemption.**

Not applicable.

#### **4.11 Any loans or other concessions to be granted for the purchase of the shares pursuant to article 2358 paragraph 3 Civil Code.**

No loans or other concessions are envisaged for the subscription or purchase of Shares.

#### **4.12 Assessment of the expected burden for the company at the date of assignment, as determined on the basis of already defined terms and conditions, by the total amount of each financial instrument.**

The maximum number of Shares as may be earmarked for the achievement of the maximum level of results for all the Performance Objectives for each cycle is 300,000 Shares. To be added to this the amount of any Cash Bonus attributable to each Beneficiary pursuant to paragraph 4.2 of this Information Document and in line with Unieuro's dividend policy in force from time to time<sup>13</sup>.

The corresponding charge for the Company arising from the implementation of the Plan, depending on the number of Unieuro Shares effectively Allocated and the price of the Unieuro Shares at time of allocation, is

<sup>13</sup> You are informed that cash bonus assigned in accordance with the Stock Option Plan 2018-2025 is Euro 3.07 per Share.



not quantifiable at the present time. It shall be disclosed pursuant to article 84-*bis* of the Issuers' Regulations.

The administrative and management expenses of the Plan are not yet quantifiable with precision. However, it is submitted that they shall not be significant.

#### **4.13 Dilutive effect of the compensation plans on capital.**

Any dilutive effects arising as a result of the implementation of the Plan depend on the Company's decision whether to realise the plan by way of Allocation from Company's existing share capital or by way of issuance of new shares pursuant to the provisions of articles 2349 and 2443 Civil Code.

In the event the maximum number of Shares serving the Plan are made available exclusively by issuance of new shares, then the diluting effect (in the event of any over performance) arising in relation to the Plan (inclusive of all three Cycles) shall be 4.1%, in the scenario that all stock options currently in circulation are exercised and in case of maximum allocation of stock grants pertaining to the 2020-2025 Performance Shares Plan.

#### **4.14 Limits on the exercise of the right to vote and for the assignment of property rights.**

As concerns the Shares that would be allocated under the Plan, there are no limits on the exercise of property rights and voting rights.

Shares subscribed to following the exercise of the Rights shall carry regular dividend rights.

#### **4.15 In the event that the shares are not traded in a regulated market any information useful for a complete assessment of the value attributable to them.**

Not applicable as the Shares are traded on Euronext Star Milan which is a regulated market.

#### **4.16 Number of financial instruments underlying each Option.**

Not applicable on grounds that the Plan envisages the free Allocation of Shares upon achievement of Performance Objectives.

#### **4.17 Expiry of the options.**

Not applicable on grounds that the Plan envisages the free Allocation of Shares upon achievement of Performance Objectives.

#### **4.18 Methods (American/European) timing (for example, any periods valid for exercise) and exercise clauses (for example knock-in and knock-out clauses).**

Not applicable on grounds that the Plan envisages the free Allocation of Shares upon achievement of Performance Objectives.

#### **4.19 Exercise price of the option or the manner and criteria for its determination, with particular regard to: a) the formula for calculating the exercise price in relation to fair market value (for example: exercise price at 90%, 100% or 110% of the market price), and b) the 26 methods for determining the market price taken as a reference for determining the exercise price (for example: the day's closing price on day before assignment, average of the day, average of the last 30 days, etc.).**

Not applicable on grounds that the Plan envisages the free Allocation of Shares upon achievement of Performance Objectives.

**4.20 Reasons for the difference in the exercise price compared to the market price as indicated in point 4.19 (fair market value).**

Not applicable on grounds that the Plan envisages the free Allocation of Shares upon achievement of Performance Objectives.

**4.21 Criteria on the basis of which different exercise prices are envisaged between various subjects or various categories of recipients.**

Not applicable on grounds that the Plan envisages the free Allocation of Shares upon achievement of Performance Objectives.

**4.22 In the event that the financial instruments underlying the options are not traded on regulated markets, the value attributable to the underlying instruments or the criteria for determining this value.**

Not applicable on grounds that the Plan envisages the free Allocation of Shares upon achievement of Performance Objectives.

**4.23 Adjustments in the event of extraordinary capital transactions and other transactions involving a change in the number of underlying instruments.**

The Board of Directors shall have the right, having heard the Remuneration and Appointments Committee, to vary or integrate the Plan in the most appropriate manner and as it deems useful or necessary to ensure better pursuit of the aim of the Plan and having regard to the interests of the Company and the Beneficiaries in the case of events such as:

- (i) transactions concerning the Company capital such as, but not limited to, capital reductions to account for losses through the cancellation of shares, increases of Company share capital, whether gratuitous or for consideration, offers to shareholders with or without option rights, possibly also to be conferred as a contribution in kind, any grouping or splitting of Shares as may affect the Shares;
- (ii) events or circumstances, including those caused by external factors (e.g., COVID-19) of an exceptional nature that have potential to or will affect the results and/or performance of the Company and/or the Group perimeters;
- (iii) mergers or company splits, purchase or sales of equity investments, companies or a part of company business; or
- (iv) legislative or regulatory changes or other events likely to affect the Rights, the Shares and/or the Company and the Group.

The Board of Directors may, having heard the opinion of the Remuneration and Appointments Committee, make all modifications and additions it deems necessary and/or appropriate to maintain unaltered the substantial and economic contents of the Plan itself, within the limits provided for by the legislation in force from time to time, autonomously and without any need to seek further approval at any Shareholders' Meeting.

More specifically, upon the occurrence of extraordinary events that materially impact on the performance scenarios on which the Performance Objectives in the Plan are based, the Board of Directors of the Company, upon the proposal of the Remuneration and Appointments Committee, may make apposite corrections to the Performance Objectives so that the substantial and economic contents of the Plan remain unvaried.

For the purposes of the foregoing, "extraordinary event" means: (i) any material change in the macroeconomic and/or competitive scenarios or any other extraordinary event having a material impact beyond the management's control; and/or (ii) the occurrence of any material adverse effect whether or not of an economic or financial nature, e.g., the effects of the Covid-19 emergency or high intensity events of belligerence.

Any variations to the Performance Objectives must be for the purpose of safeguarding the principles and guidelines which underpin the Plan and shall not be made to create undue advantages or penalties for either the Beneficiaries or the Company.

Any such decision shall be binding on the Beneficiaries.

If, during the Vesting Period:

- (i) any public bid to purchase or public tender to exchange the Shares were promoted;
- (ii) the listing of the Shares for trading on the electronic stock market (*Mercato Telematico Azionario*) organized and managed by Borsa Italiana S.p.A. were revoked;
- (iii) a Shareholder were to acquire control of the Company pursuant to and for the purposes of article 93 TUF;

the Board of Directors shall be entitled to grant the Beneficiaries the right to receive the Shares *pro rata temporis* and *pro rata* performance.

#### **4.24 Table.**

The table referred to in Paragraph 4.24 of the Scheme shall be completed in detail and made known during the implementation phase of the Plan in the manner set out in article 84-*bis* paragraph 5, letter a) of the Issuers' Regulations, or in any case pursuant to the laws and regulations applicable from time to time.



*Unieuro S.P.A - Registered Office in Forlì, Palazzo Herculani, 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*

**BOARD OF DIRECTORS' EXPLANATORY REPORT ON THE PROPOSAL AT  
ITEM NO. 4 OF THE AGENDA OF THE SHAREHOLDERS' ORDINARY  
MEETING OF UNIEURO S.P.A. CONVENED ON 22 JUNE 2023 IN SINGLE  
CALL**



#### **4. Report concerning the policy for remuneration and recompense paid:**

**4.1. approval of the first section of the report pursuant to article 123-ter paragraphs 3-bis and 3-ter of Legislative Decree of 24 February 1998 No. 58;**

**4.2. resolutions on the second section of the report pursuant to article 123-ter paragraph 6 of Legislative Decree of 24 February 1998 No. 58.**

Dear Shareholders,

The Report concerning the policy for remuneration and recompense paid ("**Report**") has been drawn-up by the Board of Directors pursuant to Article 123-ter of Legislative Decree dated 24 February 1998 No. 58 ("**TUF**") and Article 84-quater of the CONSOB Issuers' Regulation adopted pursuant to resolution No. 11971/1999, as per Schedule 7-bis of Annex 3A of said Regulation, and shall be made available to the public within the term and in the manner provided for by law.

#### **4.1. approval of the first section of the report pursuant to article 123-ter paragraphs 3-bis and 3-ter of Legislative Decree of 24 February 1998 No. 58;**

The first section of the Report illustrates the Company's policy on remuneration to be adopted for the 2023/2024 financial year, for Company Directors, the General Director, Auditors and Managers with Strategic Responsibilities, and sets down the procedures for the adoption and implementation of such policy.

We therefore respectfully invite you to approve the contents of the first section of the Report in accordance with the provisions of paragraphs 3-bis and 3-ter of Article 123-ter of Legislative Decree of 24 February 1998 No. 58.

In light of that stated above, we would propose that you pass the following resolution:

*"The Shareholders' Meeting of Unieuro S.p.A.,*

- having examined the first section of the Report concerning the policy for remuneration and recompense paid, drawn up by the Board of Directors pursuant to Article 123-ter of Legislative Decree of 24 February 1998 No. 58 and Article 84-quater of CONSOB Regulation no. 11971/1999;*
- having acknowledged that, pursuant to Article 123-ter paragraphs 3-bis and 3-ter of Legislative Decree of 24 February 1998 No. 58, the Shareholders' Meeting is called to cast its binding vote regarding the first section of the Report concerning the policy for remuneration and recompense paid;*

***resolves***

*that it approves the first section of the Report concerning the policy for remuneration and recompense paid, as has been prepared in accordance with Article 123-ter of Legislative Decree of 24 February 1998 No. 58 and Article 84-quater of CONSOB Regulation no. 11971/1999."*



**4.2. resolutions on the second section of the report pursuant to article 123-ter paragraph 6 of Legislative Decree of 24 February 1998 No. 58.**

The second section of the Report sets forth the individual items that make up the remuneration of members of the Company Directors, the General Director, Auditors and Managers with Strategic Responsibilities for the year ending 28 February 2023.

We therefore respectfully invite you to express your favorable opinion on the contents of the second section of the Report pursuant to the provisions of paragraph 6 of Article 123-ter TUF.

In light of that stated above, we would respectfully propose that you pass the following resolution:

*“The Shareholders’ Meeting of Unieuro S.p.A.,*

*having examined the second section of the Report concerning the policy for remuneration and recompense paid, drawn up by the Board of Directors pursuant to Article 123-ter of Legislative Decree of 24 February 1998 No. 58 and Article 84-quater of CONSOB Regulation No. 11971/1999;*

*having acknowledged that, pursuant to Article 123-ter sixth paragraph of Legislative Decree of 24 February 1998 No. 58, the Shareholders’ Meeting is called to cast a non-binding vote on the second section of the Report on the policy concerning the policy for remuneration and recompense paid;*

***resolves***

*in favour of that stated in the second section of the Report concerning the policy for remuneration and recompense paid, as has been drawn up pursuant to Article 123-ter of Legislative Decree of 24 February 1998 No. 58 and Article 84-quater of CONSOB Regulation no. 11971/1999.”*

\* \* \*

Forlì, 9 May 2023

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



*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*

## **Report concerning the policy for remuneration and recompense paid**

**in accordance with article 123-ter TUF and article 84-quater Issuers' Regulations**

**Traditional management and control model**

**Issuer: Unieuro S.p.A.**

**Website: [www.unieurospa.com](http://www.unieurospa.com),  
section "Corporate Governance/Shareholders' Meetings/Meeting 2023"**

**Approved by Board of Directors on 9 May 2023**

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

*“Ladies and gentlemen shareholders,*

*I am delighted to present this Report on the Remuneration Policy of Unieuro S.p.A for the year ending 29 February 2024 (“FY 2023-2024”), as well remuneration paid by the Company in the previous year which ended on 28 February 2023 (“FY 2022-2023”).*

*The primary objective of the Remuneration Policy is to enable our company to pursue the strategic and sustainability goals set forth in the new Strategic Plan “Beyond Omni-Journey” thus attracting and retaining the talent which is indispensable for our success.*

*At the Shareholders' Meeting held on 21 June 2022, the new Board of Directors of Unieuro was appointed and shall remain in office until the date of the Shareholders' Meeting called to approve the financial statements as of 28 February 2025. This new board faced some significant changes to the environment within which Unieuro was and is operating. An unexpected geopolitical crisis led to – inter alia - an increase in inflation causing energy and logistics costs to suddenly and unforeseeably soar; the temporary unavailability of certain products or specific brands; as well as an increase in store operating expenses (in addition to rents and related property service charges). Notwithstanding the Company has reacted promptly to these unexpected changes, the new operating context has led to a profound strategy rethinking which underpins the recently launched Strategic Plan “Beyond Omni-Journey”.*

*In such an increasingly challenging context, the Remuneration Policy is an essential tool to ensure that Unieuro has the ability to draw and retain talent, and to engage those people deemed essential for pursuing our strategic plans. One of the objectives of this report is the increase of stakeholder awareness as regards the tight correlation between the Company's compensation policies and its business strategies, particularly in a framework in which changes arise with ever increasing speed. It follows that the company must continue to react as quickly as possible. We will only succeed in keeping ahead provided that people we consider essential to the company's future are likewise determined to pursue the results envisaged in the new Strategic Plan “Beyond Omni-Journey”.*

*As mentioned above, at its meeting on 9 May 2023, the Board of Directors resolved to approve a new Strategic Plan that factors in the alteration of context and which consequently necessitates certain changes in the remit of the Company's Remuneration Policy.*

*We appreciate that remuneration choices aim to ensure an effective alignment of interests, giving due weighting to interests of top management leading the company and the equally important ones of our shareholders and key stakeholders. Only an effective Remuneration policy can support the pursuit of corporate strategy and the creation of value through profitable and sustainable Company growth in the long term. Unsurprisingly, the ability to attract, retain and motivate management is a key factor for any company; such ability requires constant and prompt alignment with market-imposed requirements and the evolving external environment.*



*To address such needs, the Board of Directors, on a proposal of the Remuneration and Appointments Committee, approved a Remuneration Policy for FY 2023-2024, as illustrated below in the first section of this Report. Its content is consistent with Unieuro's business reality as well as the objectives laid down in the new Strategic Plan. Said policy, which is functional to the pursuit of sustainable success of the business, focusses on continuance of a corporate strategy that, far from being limited to economic, financial and equity results, also concretely and appropriately enhances human, social, relational and environmental assets, thus inspiring corporate policies grounded in sustainability, neutrality, inclusiveness and encouragement of equal opportunities.*

*As explained in more detail below, this new policy has some differences from the previous one. The most significant change relates to the Company's desire to maintain a remuneration system which is effectively capable of motivating management through challenging yet attainable objectives, so as to ensure management retention in the long term. To this end, at its meeting of 9 May 2023, the Board of Directors of Unieuro resolved to submit to the Shareholders' Meeting convened for 22 June 2023 certain amendments to the Performance Shares Plan 2023-2028 (as was approved at the Shareholders' Meeting held on 21 June 2022 - a year prior to the beginning of the vesting period). Such decision takes account of the evolution of the context caused by the above-mentioned exceptional events which have compromised the relative incentive value and provides for the granting of shares on achievement of performance targets measured over the 2023-2028 period in line with the forecasts set forth in the new updated Strategic Plan.*

*As is usual practice, the content of the Policy we are presenting to you, takes into account: the analysis of national and international best practices; the vote cast by shareholders at the Shareholders' Meeting of 21 June 2022; ongoing dialogue with investors and stakeholders, within the framework of the Policy for the Management of Dialogue with Shareholders and Other Interested Parties approved by the Board of Directors on 23 February 2022.*

*We also inform you that on 9 May 2023 the Board of Directors considered the retirement notice received from Giancarlo Nicosanti Monterastelli, Chief Executive Officer and Chief Strategy Officer of Unieuro in accordance with which, his employment in the role of Chief Strategy Officer shall end as of 1 June 2023 albeit he has shown his willingness to maintain his office of Chief Executive Officer. Consequently, the Board of Directors deemed it appropriate that an increase in the total compensation earmarked for the Board of Directors be submitted at the Shareholders' Meeting convened for 22 June 2023. Such increase would be dedicated entirely to remunerating Giancarlo Nicosanti Monterastelli as Director and Chief Executive Officer (to date he has waived his right to remuneration for his performance of the office of director and received solely that for his role of Chief Strategy Officer).*

*As part of the consideration of the shift of relations with the Chief Executive Officer, the Remuneration and Appointments Committee, in the remuneration proposal detailed below, has taken into account, the intentions expressed by the incumbent Chief Executive Office as to reduce the overall weight of his cost to the company.*

*I believe the Remuneration Policy described in this Report duly takes into account input received from the Company's stakeholders, in that it both incentivises the Company's achievement of its strategic objectives and aligns the interests of the members of the corporate*

*bodies and top management with the fundamental objective of creating long-term sustainable value for shareholders.*

*I thank you for giving your kind attention in examining the FY 2023-2024 Remuneration Policy, trusting you will appreciate the transparent approach we have, as always, taken, in showing you and all stakeholders, the items that make up the Remuneration Policy.*

Paola Elisabetta Galbiati  
CHAIRMAN OF THE REMUNERATION AND APPOINTMENTS  
COMMITTEE

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## DEFINITIONS and GLOSSARY

<b>Articles of Association</b>	The articles of association of the Company.
<b>Board/Board of Directors</b>	The Company's board of directors.
<b>Board of Statutory Auditors</b>	The Company's Board of Statutory Auditors.
<b>Borsa Italiana</b>	Borsa Italiana S.p.A., with its registered office at Piazza degli Affari 6 – Milan.
<b>Base Number of Shares/BNS</b>	Means for each beneficiary of a medium-long-term variable incentive plan, the number of shares allocated upon achievement of 100% of his/her performance target. Such shares shall carry a commensurate number of share rights transferred to said beneficiary.
<b>Civil Code</b>	The Italian Civil Code.
<b>Corporate Governance Code</b>	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).
<b>Consob Related Parties Regulation</b>	The Regulation on related-party transactions approved by Consob with Resolution no. 17221 of 12 March 2010, as subsequently amended and integrated.
<b>Executive Directors</b>	Directors entrusted with specific operative or managerial powers including any specific duties allocated to him/her by the Board of Directors.
<b>EXM STAR:</b>	Euronext Star Milan (formerly Mercato Telematico Azionario - Star Segment), organised and managed by Borsa Italiana S.p.A.
<b>Financial Period 2023 or FY2023</b>	The Company's financial period from 1 March 2022 to 28 February 2023.
<b>Financial Period 2024 or FY2024</b>	The Company's financial period from 1 March 2023 to 29 February 2024.
<b>Independent Directors</b>	Directors possessing the independence requisites laid down by TUF and the Corporate Governance Code.
<b>Instructions to the Stock Market Regulations</b>	The Instructions to the Regulations of the Markets Organised and Operated by Borsa Italiana S.p.A.
<b>Issuer/Company /Unieuro</b>	Unieuro S.p.A., with its registered office in Forlì, via Maroncelli No. 10.

<b>Issuers' Regulation</b>	The listing Regulation approved by Consob with Resolution no. 11971 of 14 May 1999, as subsequently amended and integrated.
<b>Long Term Incentive Plan 2018-2025 or Stock Option Plan</b>	The long-term incentive plan that pays a bonus in financial instruments.
<b>Managers with Strategic Responsibilities</b>	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.
<b>Non-Executive Directors</b>	Directors not entrusted with any specific operative or managerial powers nor having been allocated any specific duties by the Board of Directors.
<b>Performance Shares Plan 2020-2025</b>	The Performance Shares Plan 2020-2025 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.
<b>Performance Shares Plan 2023-2028</b>	The Performance Shares Plan 2023-2028 which provides for the grant of rights on a gratuitous basis, conditional on achievement of certain performance objectives, which entitle the Beneficiary to be allocated Company ordinary shares, again on a gratuitous basis.
<b>Report</b>	This report concerning the policy for remuneration and recompense paid.
<b>Shareholders' Meeting/Meeting</b>	The Company shareholders' meeting.
<b>Stock Market Regulations</b>	The Regulations of the Markets Organised and Operated by Borsa Italiana S.p.A.
<b>Trading Start Date</b>	The first day on which the shares of Unieuro were traded on the Mercato Telematico Azionario - Star Segment (now Euronext STAR Milan), i.e., 4 April 2017.
<b>TUF</b>	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.
<b>Remuneration Policy or Policy</b>	Section I of this Report.

## FORWARD

### PILLARS UNDERPINNING REMUNERATION

The Unieuro Remuneration Policy shall be adopted by the Board of Directors, a prior preliminary investigation having been undertaken and upon the proposal of the Remuneration and Appointments Committee. It shall be implemented in a manner consistent with the business strategy, governance model and the principles of the Corporate Governance Code.

As further detailed in Paragraph E. of Section I of this document, Unieuro's Remuneration Policy is for the purposes of:

- pursuing corporate objectives, sustainable success and improved results in the medium to long term;
- creating value for all Group stakeholders (investors and shareholders, employees, suppliers, customers, and so forth);
- structuring incentive systems grounded on predetermined, measurable objectives consistent with the Strategic Plan and the Sustainability Plan;
- training and investing in people holding high-level professional attributes and fostering the commitment of key resources;
- fostering the sharing of the Company's values respecting the principles of inclusion, diversity, equal opportunity, meritocracy and fairness in accordance with the Company's Code of Ethics.

For such reasons, each year the Remuneration and Appointments Committee evaluates the fairness of Unieuro's Remuneration Policy, with a primary focus on the elements that constitute its pillars:





## LINK BETWEEN REMUNERATION AND THE STRATEGIC PLAN

The Remuneration Policy underpins the achievement of the pointers set forth in the Company's Strategic Plan by promoting the alignment of management interests with the overriding objective of creating sustainable value for shareholders in a medium-to long-term perspective. This is achieved by way of the balancing of performance parameters of the short-term and long-term incentive systems.

STRATEGIC DRIVERS	OPERATING AND FINANCIAL EFFICIENCY	OMNICHANNEL	SUSTAINABILITY
<b>MBO SYSTEM</b>			
EBITDA (70%)*	✓		
Net Financial Position (20%)*	✓		
Net Promoter Score (10%)*		✓	✓
<b>PERFORMANCE SHARES PLAN</b>			
EBIT Adjusted (50%)*	✓		
Adjusted Free Cash Flow (25%)*	✓		
Audience #Cuoriconnessi			✓
Purchases of energy from renewable sources			✓
e-NPS		✓	✓
Sustainability Training			✓
=			
<b>CREATION OF VALUE FOR THE STAKEHOLDERS</b>			

\* Indicatori definiti al paragrafo “Executive Summary”

## LINK BETWEEN REMUNERATION AND SUSTENIBILITY

Respect for people and the environment are goals which buttress the Company's strategic vision and commitment. Nowadays, such concepts are set forth in a detailed plan of action, which entails deadlines and targets to be achieved and involves the entire organization at all levels in a virtuous path of continuous growth: from managers to employees, from customers to suppliers and all other stakeholders and their ever-stronger expectations in terms of sustainability.

Unieuro's Sustainability Plan 2022-2026 is made up of 31 projects divided into the four ESG areas, indicated as high-level guidelines in the Strategic Plan, to render the connection between these two plans both effective and organic.

Most of the actions fall within the remit of projects that can be considered "integrated," insofar as they blend with multiple business areas. Above all else, there is a process of progressive refinement of the ESG factor metrics within the remuneration and incentive systems of the management team and employees. More specifically, the priority aim is the integration of sustainability into business decisions and, even more so, the enrichment of ESG indicators-targets to which short-medium to long-term variable remuneration of company management can be linked so as to increase engagement on sustainability matters.

The main areas of engagement related to compensation profiles of interest in this area include:

I. **Enhancement of technology potential, so as to render it increasingly accessible for the benefit of young people, the elderly, families and the entire community.**

In this regard, we remind you of the **#cuoriconnessi** initiative: the project created in 2016 in collaboration with the State Police to raise awareness among adolescents, parents and teachers on the problem of cyberbullying and on informed use of network-connected devices. This is an initiative carried out with passion and which the Company particularly cares about because of the social value it represents. The audience reached has been included as a key ESG indicator for medium to long-term remuneration.



II. **Careful and responsible analysis of the environmental impact of the Company's activities**

has led us to include the purchase of electricity from renewable sources with certification attesting production at origin among the ESG objectives for medium to long-term remuneration. This reflects Unieuro's desire to reduce its Scope 2 emissions. At the same time, the Company is developing a system for measuring gas emissions and the greenhouse effect ("Carbon Footprint") with the ultimate aim of determining further decarbonisation actions, and is also pursuing a project to optimize energy consumption at its outlets thanks to a mix of interventions ranging from the adoption of more efficient lighting and climate control solutions to the introduction of building automation systems. In the social area, customer focus is regularly monitored by way of calculation of the Net Promoter Score, which is useful for the purposes of measuring customer satisfaction and improving the profile of the offer. The latter has been selected as an ESG parameter for the short-term remuneration system.



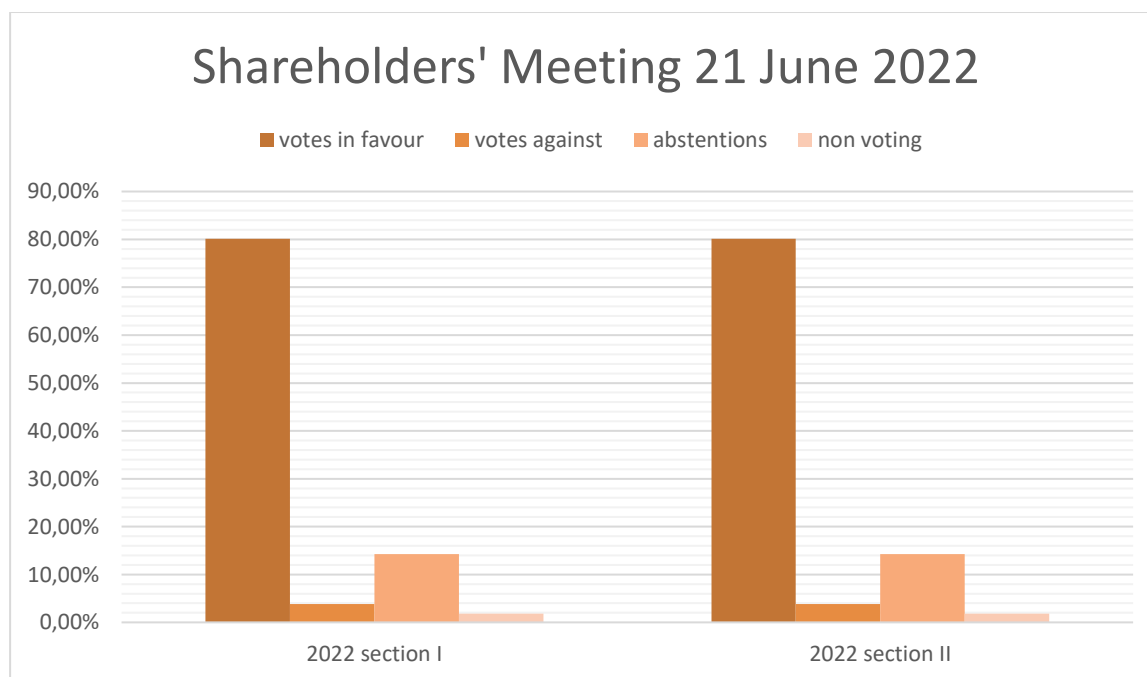
III. **People engagement** as a key element in the process toward full corporate sustainability in the company and to facilitate performance of the Sustainability Plan. In this regard, the Company: promotes engagement and community-building initiatives for the corporate population, aimed at stimulating a "sustainability culture" within the company and gathering operational improvement cues; provides hours of training on sustainability issues to corporate Academy participants, resources destined to undertake the position of outlet manager; is developing a three-year sustainability training programme for the entire corporate population; ensures the measurement of employee satisfaction levels through an annual corporate climate survey (Employee NPS).



### SHAREHOLDERS AND INVESTORS

Unieuro recognises the fundamental importance of feedback from its shareholders, institutional investors and asset managers. Reliance on such feedback promotes opportunities for discussion to ensure adequate disclosure, acquire opinions and proposals, and more generally maintain an appropriate channel of communication with such parties.

For such purposes, the Company analysed the outcomes of the votes cast by shareholders on the Remuneration Policy as was approved last year as well the voting preferences expressed on said policy by the principal proxy advisors.



Unieuro's Report on Remuneration Policy and Recompense Paid was approved at the Shareholders' Meeting held on 21 June 2022, with 80.092% of the voting capital voting in favour on the first and second sections.

More specifically, it was observed that, in accordance with the perspective outlined by the proxy advisors, the high percentage of votes in favour of the Policy demonstrates how shareholders appreciated the company's compensation practices. Moreover, it emerged that the company has improved several aspects of its Remuneration Policy compared to the previous year's.

The analyses of shareholders' votes were complemented by a review of feedback received from investors and shareholders during dialogue sessions with the financial community. This review had the scope of making a thorough evaluation of such input on the issue of remuneration policies. Said

dialogue ensures a valuable channel of feedback regarding the position of investors and the market more generally on the features of the Remuneration Policy adopted by the Company.

### ***New aspects of the Policy***

In light of the voting results of the 2022 Shareholders' Meeting and also mindful of main projects that Unieuro intends pursuing within the remit of continuous alignment with best market practices, the most significant amendments introduced in the Report on Remuneration Policy and Recompense Paid 2023 ("**Report**") are summarised below, also trusting to render the Report a tighter fit with stakeholders' expectations.

The principal amendments to the Report have their roots in the Board of Directors' approval on 9 May 2023 of an update to the Strategic Plan which takes into account the changed macro-economic and sectoral reference context.

As a consequence of such amendments, the Board of Directors shall firstly propose at the Shareholders' Meeting at which this Report is submitted for approval, to amend the target of the performance objectives of the 1<sup>st</sup> cycle of the Performance Shares Plan 2023-2028 duly approved at the Shareholders' Meeting held on 21 June 2022 one year prior to the commencement of the vesting period.

This replacement is consistent with the Company's desire to have in place a strong and effective incentive policy effectively able to attract, motivate and retain Company top management and key positions having interests aligned with those of Shareholders. Therefore, this Policy will set forth performance objectives and related targets of the 1<sup>st</sup> cycle of the Performance Shares Plan 2023-2028, as approved at the Shareholders' Meeting held on 21 June 2022 on the assumption that - at the Shareholders' Meeting called on 22 June 2023 - Shareholders shall approve the amendments to said Plan and the performance objectives of the 1<sup>st</sup> Cycle.

Thus, with a view to rendering the Report more user-friendly for Company's stakeholders and the market, a new introductory part has been created which explains the pillars upon which the Policy of Unieuro S.p.A. is constructed. In particular, for this year, the Company aimed to highlight the connection between the Remuneration Policy, the Strategic Plan and the Sustainability Plan as have been adopted.

The Remuneration Policy takes into account the retirement notice given by Giancarlo Nicosanti Monterastelli, Chief Executive Officer and Chief Strategy Officer of Unieuro and thus the termination of his employment as Chief Strategy Officer, effective as of 1 June 2023, without prejudice to his willingness to maintain the role of Chief Executive Officer. In light of this news, the Board of Directors deem it appropriate that an increase in the total compensation earmarked for the Board of Directors be submitted at the Shareholders' Meeting called for 22 June 2023, such increase to be fully granted to Giancarlo Nicosanti Monterastelli as the Chief Executive Officer, who, to date, has waived his right to compensation for such office, having consequently received compensation solely for his office as Chief Strategy Officer.

The Board of Directors has also resolved, subject to the approval of this Policy at the Shareholders' Meeting, that the following be provided for the Chief Executive Officer: end-of-office compensation ("**EOC**") accruing at Euro 50,000.00 gross per annum, such EOC to be paid to him upon the termination of his office, adjusted pro rata at that time in accordance with the effective period of holding such office; a non-compete undertaking. Therefore, this Policy envisages the possibility of making economic provision in the event of termination of office and the entering into of non-compete undertakings also with Executive Directors, as mentioned in the following Paragraph M, to which you are referred for further details.

Moreover, to further enhance Shareholder positive involvement, the Company has decided that the elements of the Policy which may be temporarily derogated from on the occurrence of exceptional circumstances, shall be limited to those linked to the variable components (and consequently to the pay mix), thus excluding the fixed components, structure and amount of consideration for non-compete undertakings and non-monetary benefits. Last but not least, we advise you that the Board of Directors has updated the regulations of the MBO system for FY 2023-2024, considering it appropriate and in line with that envisaged for medium-long term incentive plans so as to extend the pool of potential beneficiaries to Executive Directors as well as Managers with Strategic Responsibilities, to reflect their effective contribution to company results.

Greater emphasis has also been placed on the analyses of the votes as cast by shareholders at the last shareholders' meeting.

Having the desire to preserve continuous and fruitful dialogue with the market, the Board of Directors - upon the proposal of its Chairman, in agreement with the Chief Executive Officer and subject to the favourable opinion on the part of the Sustainability Committee - approved on 23 February 2022 the "Policy for the Management of Dialogue with Shareholders and Other Interested Parties". Taking into account the centrality of remuneration for the Group, such remuneration, including variable incentive plans, is one of the issues subject to dialogue by way of the relative policy.

With specifically regard to the management of dialogue with Interested Parties (as defined in the above-mentioned policy), the Company shall: ensure compliance with the principles of transparency, correctness, timeliness, fairness and symmetry in the dissemination of information; ensure all interested parties have access to the information they require through the most appropriate means of communication so they may fully exercise their rights; regularly publish pertinent information of an ongoing, periodic or extraordinary nature; safeguard integrity in the distribution, communication and management of regulated and unregulated corporate information; comply with the provisions on market abuse in conformance with the Laws in force from time to time, the policies, guidelines and procedures and, generally, the rules of corporate governance laid down by the Company.

## **OUR PEOPLE**

In line with the Company's strategic vision, Unieuro's Remuneration Policy is reflected across the entire corporate population, which is testament to the principle that Unieuro's progress is inextricably linked to the growth and development of each individual.

Unieuro applies remuneration criteria made up of tools and logic applied over the entire corporate population, based on principles of fairness, equal opportunity, meritocracy and competitiveness with respect to the market. The Policy aims at attracting, motivating and retaining people with the professional attributes deemed necessary to the Company's growth, strategy and to strengthen its long-term interests and sustainability.

It goes without saying that employees are a valuable resource and for that reason the Company invests in their professional growth and training to promote the achievement of results and obtain success. For such purpose, Unieuro's personnel selection and training is tailored by criteria of competency, meritocracy and free of any forms of discrimination.

On the specific subject of remuneration and so as to evaluate individual performance always with a view to maximum objectivity, the Company examines the organisational and professional conduct of each person taking into account the role held and the nature of responsibility assigned. This exercise is to: direct performance toward corporate objectives and professional conduct in the environment of a corporate organisational culture based on results and merit; highlight training needs and develop

personnel potential; consolidate strengths and intervene in areas requiring improvement; develop a sense of belonging and identity with the corporate mission; collect feedback. The determination of remuneration for the corporate population also factors in the company's internal fairness and comparisons with the external market.

We also submit that the following basic prerequisites are fundamental to determination of Unieuro's remuneration policies: ensuring sustainability of the company's results and the creation of value in the medium to long-term for shareholders, likewise taking into account the interests of the Company's other relevant stakeholders; ensuring a safe working environment for all employees; providing employees with a level of remuneration which is apposite to the nature of tasks they perform. Variable compensation and the annual fixed component are modulated differentially in relation to position, responsibilities undertaken and skill-set.

In any case, for a more precise illustration of the instruments put in place by Unieuro for this purpose and ensure appropriate working conditions for and compensation to the Company's population, please refer to Paragraph C of Section I ("Recompense and Employment Conditions of Company Employees in the Determination of the Remuneration Policy").

Employee satisfaction is an important element contributing to Company success, such that it is included within the Key Performance Indicator which are the parameters relevant for the purpose of achieving variable remuneration. To this end, the Company has implemented the "UniVersus" project to ensure that internal feedback is listened to and evaluated through the same metrics adopted to survey customer satisfaction levels. In such a context, the E - NPS (Employee Net Promoter Score) has particular relevance, being a certified indicator that allows the Company to verify corporate population overall satisfaction through identification of a series of macro-areas investigated through an employee sentiment questionnaire.

In this regard, the use of UniVersus allows us to harvest growth insights for the Company. Based on such insights the Human Resources Department prepares the launch of new initiatives that either are more tailored to the needs of the corporate population or entail the updating of existing projects. These include the "Talent Management," project for methods of talent management and development in Unieuro, comprised of various initiatives. One of such initiatives is the creation of an onboarding path being the structured process which provides that new colleagues are accompanied when they first join the company. Other initiatives already underway concern training, both in terms of the process (promoting manager involvement in identifying employees' training needs) and of the training offer to be enriched and systematised. Finally, the "Benefit Hub" initiative is also underway. This is a platform reaching the entire corporate population, through which said population may access a series of favourable corporate rates covering different areas of personal life (clothing, technology, leisure and so forth).

One of the Unieuro commitments in recent months having most impact has certainly been the creation and implementation of the "Leadership Model". This is a model which facilitates inspiration of Company's leaders on a daily basis, having a core concept of people growth and development. In concrete terms, the leadership model identifies appropriate managerial behaviour and skills which are consistent with the company's values and support the achievement of the company's strategic goals, leading change and people development.

The Company has also confirmed the continuation of the organisation of work based on smart working for those staff in the offices in Forlì, Piacenza, Milan and Carini, thus restructuring the work experience by putting the employee at the centre and ensuring sustainable growth for the company. To this end, the Forlì headquarters was also completely restructured by the transfer of the offices to Palazzo Herculani, in the centre of Forlì, mindful that the office is an environment for collaboration, socialising and support for the corporate culture. This strategy has promoted the well-being of employees both

inside and outside the office which has enhanced the ability to attract new talent, retain current personnel and promote a sense of belonging.

The adoption of a policy to protect victims of gender-based violence during FY2023-2024 is also planned. Indeed, the Company strongly opposes all forms of physical, sexual and psychological harassment and other forms of victimisation and is committed to promoting a corporate culture based on respect and equal treatment for all workers, regardless of gender, sexual orientation or identity. The Company shall implement appropriate measures to prevent and eradicate such behaviour. For such purpose, the improved conditions shall be provided for female workers who are victims of gender-based violence:

- the Company shall grant, at its own expense, an additional month to the 3-month paid leave provided by the above-mentioned legal regulations, providing for payment of an allowance equal to that recognized by Article 24 of Legislative Decree 80/2015;
- wherever possible according to its organisational availability, the Company shall accommodate any requests received from victims of gender violence as regards any change, including where temporary, of the employment relationship from full-time to part-time or from horizontal to vertical;
- recognizing the fundamental role played by better knowledge, the Company shall identify within the first six months of the validity of said policy, at least one association which assists victims of gender-based violence and shall ensure such association is assessable to interested persons.

## 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
<b>Fixed Remuneration</b>	To 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 entrusted to the role and taking into account market references to ensure competitiveness therewith.	<b>CEO</b> <sup>1</sup> € 350,000
			<b>GM</b> <sup>2</sup> € 300,000
			<b>CFO</b> <sup>3</sup> € 270,000
<b>Short-term variable remuneration ("MBO")</b>	To promote the achievement of annual business objectives, with the aim of motivating management, maintaining an alignment with the Company strategy, interests and sustainability also through	<p>The short-term variable remuneration is subject to the overcoming a gateway threshold that determines access thereto: Indeed, in order to trigger the bonus, an EBITDA of at least 70% of the EBITDA* target set for the year must be reached.</p> <p>1) EBITDA* 70%                      Measurement of performance:                      Target 100% (target annual <i>budget</i> approved by the BoD from time to time)                      EBITDA threshold: 80% of the budgeted value</p>	<p>From 50% to 150% of the bonus contractually determined on the basis of the target achievement level.</p> <p>Upon reaching 100% of the target: 100% of the contractually determined bonus.</p>

<sup>1</sup> It should be noted that the amount indicated with reference to the figure of Chief Executive Officer ("CEO") refers to the amount that the Board of Directors intends to assign to Giancarlo Nicosanti Monterastelli as director and CEO, taking into account the communication made by the aforementioned to the Company regarding his retirement and, therefore, the termination of his position as Chief Strategy Officer of Unieuro, as of 1 June 2023. The assignment of the aforesaid remuneration (also including any advance payment on an annual basis of non-competition agreements) is conditioned by the approval by the Shareholders' Meeting convened for 22 June 2023 of the resolution to increase the remuneration of the Board of Directors, in order to remunerate Giancarlo Nicosanti Monterastelli for the office of director and CEO.

<sup>2</sup> The component is determined on the basis of the existing executive relationship, the General Manager having waived her right to the compensation granted to her pursuant to article 2389 paragraph 3 Civil Code. The amount indicated for the General Manager ("GM") is inclusive of Euro 40,000.00 gross annual consideration for a non-compete obligation, such amount payable in 14 monthly instalments during the period of employment.

<sup>3</sup> The amount indicated for the Chief Financial Officer ("CFO") is inclusive of Euro 30,000.00 gross annual consideration for a non-compete obligation, such amount payable in 14 monthly instalments during the period of employment. Solely with reference to FY 2023-2024, the gross annual consideration for the non-compete obligation is Euro 60,000, thus the fixed gross annual remuneration for the FY 2023-2024 is Euro 300,000. It should be noted that the employment relationship of the previous CFO terminated on 31 December 2022 and, on 20 February 2023, the new CFO took office.



the provision of an ESG performance objective.

The amount of the annual short-term incentive pertains to the function of the role held and the corporate and individual performance and is paid to Managers with Strategic Responsibilities and Executive Directors.

2) Net Financial Position\*\* 20%

Measurement of performance:

Target 100% (target annual *budget* approved by the BoD from time to time)

Gateway: 70% EBITDA

Net Financial Position threshold: 80% of the budgeted value (e.g., 80% liquidity)

3) Net Promoter Score\*\*\* 10%

Measurement of performance:

Target 100% (target annual *budget* approved by the BoD from time to time)

Gateway: 70% EBITDA

Net Promoter Score threshold: 80% of the budgeted result

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 warranty 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.

\*\*\* Net Promoter Score (NPS) measures customer satisfaction and it can range from -100 (if each customer is a Detractor) to 100 (if each customer is a Promoter).

**CEO:** min Euro 175,000 – *target* Euro 350,000 - max Euro 525,000

**GM<sup>4</sup>:** min Euro 150,000 – *target* Euro 300,000 - max Euro 450,000

**CFO:** min Euro 67,500 - *target* Euro 135,000 - Euro max 202,500

Please note that both for the CEO and the GM the ratio between the MBO and the fixed component is equal to min 50% - target 100% - max 150%

Please also note that, for the CFO, the ratio between the MBO and the fixed component is equal to min 25% - target 50% - max 75%

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### Medium - long term variable remuneration

To promote the creation of sustainable success in the medium-long term and the achievement of the

**Performance Shares Plan 2023-2028:** Medium to long-term variable incentive with three-year performance and equity award.

- Grant frequency: annual (rolling plan).
- Period of performance: three-years.

**CEO:** the BoD put forward the right to subscribe to 40,000<sup>6</sup> Unieuro shares such right to be granted upon approval of the Plan by the Shareholders' Meeting

<sup>4</sup> Remuneration is provided in a single allotment, notwithstanding the dual role held of General Manager and Executive Director.

<sup>6</sup> Rights granted on 14 July 2022 further to the approval of the Information Document of the Plan by the Shareholders' Meeting held on 21 June 2022.

objectives of the Company's strategic and sustainability plans, while encouraging loyalty and engagement of management<sup>5</sup>.

- Claw back and malus clauses.
- Lock-up commitment for Directors and Managers with Strategic Responsibilities.
- Grant to beneficiaries of the right to receive a cash bonus parameterized with reference to any dividends distributed and paid by the Company up to the date of allocation.

With reference to the 1<sup>st</sup> cycle of the plan the performance objectives are expressed by:

- 1) Adjusted EBIT\*\*\* (as defined at page 39) 50%
- 2) Adjusted Free Cash Flow\*\*\*\* (as defined at page 39) 25%
- 3) ESG objective (as defined at page 39) 25%

\*\*\* Adjusted EBIT is given by the Consolidated EBIT adjusted for (i) non-recurring expenses/(income), (ii) the effects deriving from the adjustment of revenues for warranty extension services net of the related future costs estimated for the provision of the assistance service, as a consequence of the change in the business model for directly managed assistance services and (iii) non-recurring depreciation.

\*\*\*\* Adjusted Free Cash Flow indicates the consolidated cash flow generated/absorbed by operating and investing activities including financial charges, pre-adoption of IFRS 16. The Adjusted Free Cash Flow is adjusted by non-recurring operating and investment flows, and includes adjustments for non-

**GM:** the BoD put forward the right to subscribe to 27,000<sup>7</sup> Unieuro shares such right to be granted upon approval of the Plan by the Shareholders' Meeting

**CFO:** the BoD put forward the right to subscribe to 13,000<sup>8</sup> Unieuro shares such right to be granted upon approval of the Plan by the Shareholders' Meeting

- minimum performance threshold (**threshold**) 80% of target: below which no shares will be awarded and upon reaching which a number of shares equal to 50% of the target award will be awarded;
- performance objective threshold (**target**) upon achievement of which a base number of actions will be awarded;
- maximum performance threshold (**cap**), 150% of the target goal, upon reaching or exceeding which the maximum number of shares, equal to 150% of the target award, will be granted.

<sup>5</sup> The 2020-2025 LTI Plan approved at the shareholders' meeting of 17 December 2020 is also in place. Such Plan provides for the potential grant of a maximum number of no. 900,000 shares. At present – considering the onset of exogenous factors which made the preparation of the new strategic plan appropriate, as well as, consequently, the proposed amendment of the 2023-2028 Performance Shares Plan – it can be assumed that only 25% of the shares shall actually be granted.

<sup>7</sup> Rights granted on 14 July 2022 further to the approval of the Information Document of the Plan at the Shareholders' Meeting held on 21 June 2022.

<sup>8</sup> Further to the approval of the Information Document at the Shareholders' Meeting held on 21 June 2022, on 14 July 2022, 17,000 rights to receive Unieuro shares were granted to the CFO Marco Pacini. Please note that having tendered his voluntary resignation, Mr Pacini's termination of office fell within the condition of Bad Leaver pursuant to the Information Document; thus, his share rights were revoked. On 23 December 2022, 10,000 rights to receive Unieuro shares were granted to Marco Deotto, current CFO of the Company. On 9 May 2023, a further 3,000 rights to receive Unieuro shares were granted.

recurring expenses (income), their non-monetary component and the related tax impact.

	<p><b>Non-monetary benefits</b></p>	<p><b>CEO</b></p> <p>Directors &amp; Officers Liability ("D&amp;O") policy, use of a company vehicle for personal and business use.</p> <p><b>GM</b> <b>CFO</b></p> <p>Pursuant to the provisions of the applicable national collective bargaining agreements and the provisions of individual employment contracts.</p> <p>Contributions to mandatory social security funds and supplementary medical care coverage, life risk insurance coverage, accident and occupational and non-professional illness and Directors &amp; Officers Liability ("D&amp;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.</p>
<p><b>Other compensation</b></p> <p>To promote the attraction and retention of managerial resources, ensuring organisational stability and the contribution of key resources.</p> <p>Safeguarding against competition and preventing any disputes related to the termination of the relationship.</p>	<p><b>Non-compete undertaking</b></p>	<p><b>CEO</b> <b>GM</b> <b>CFO</b></p> <p>Present</p> <p>(for details see page 53)</p>

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**End of term compensation / severance pay**

**DG  
CFO**

Not expressly provided for; the provisions of the applicable law and of the national collective bargaining agreements apply.

(for details see page 53)

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**End of office compensation**

**CEO**  
(for details see page 53)

## SECTION I

### 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 as well as the possible review of the same.

The Remuneration Policy is adopted according to a process that involves the Shareholders' Meeting, the Board of Directors, the intra-board committees as well as the Directorships and Corporate Functions, in accordance with the rules and regulations in force and the principles set out in the Corporate Governance Code.

The remuneration of directors entrusted with particular duties shall be determined by the Board of Directors having consulted the Remuneration and Appointments Committee, and having heard the Board of Statutory Auditors.

The Shareholders, at the Shareholders' Meeting may set an overall amount for the remuneration of all the directors, including those entrusted with particular duties<sup>9</sup>.

#### I. Shareholders' Meeting

With regard to remuneration, Shareholders, at Shareholders' Meeting:

- pursuant to article 2364, paragraph 1, 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 Shareholders' 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 share based compensation plans or other financial instruments.

#### II. Board of Directors

The Board of Directors of Unieuro S.p.A., availing itself of the advisory and propositional function of the Remuneration and Appointments Committee, ensures that the remuneration and incentive

<sup>9</sup> In this regard, it should be noted that the Board of Directors has taken into account the retirement notice given by Giancarlo Nicosanti Monterastelli, Chief Executive Officer and Chief Strategy Officer of Unieuro and thus the termination of his employment as Chief Strategy Officer, effective as of 1 June 2023. In light of this news, the Board of Directors deems it appropriate that an increase in the total compensation earmarked for the Board of Directors be submitted at the Shareholders' Meeting called for 22 June 2023. Such increase would be dedicated entirely to remunerating the Chief Executive Officer whom to date has waived his right to remuneration for his performance of the office of director and received solely that for his role of Chief Strategy Officer.

systems adopted are consistent with the overall choices in terms of risk-taking, strategies, long-term objectives, corporate governance structure and internal controls.

Within this framework, without prejudice to the decisions to be taken by Shareholders at the Shareholders' Meeting, 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, set the remuneration of Directors entrusted with specific duties, on proposal of the Remuneration and Appointments Committee having heard to the opinion of the Board of Statutory Auditors;
- draws up and approves a policy for the remuneration of directors, the General Manager, members of the Board of Statutory Auditors and Managers with Strategic Responsibilities, which is functional for the creation of long-term value for shareholders, taking into account the interests of other stakeholders of the Company, and which considers the need to attract, retain and motivate personnel having the skills and professionalism required by the positions held in the Company;
- monitors proper execution of and compliance with the remuneration policy, taking care - in particular - that remuneration paid and accrued is consistent with the principles and criteria defined in said policy, in the light of the results achieved and other circumstances relevant to its implementation; and
- draws up, approves and submits to the Shareholders' Meeting, the remuneration plans based on financial or monetary instruments for the long or short term, having as its recipients Directors, the General Manager, Managers with Strategic Responsibilities, and other employees of the Company and of the Group.

### **III. Executive Directors**

With regard to remuneration, the Executive Directors:

- submit any proposal for compensation plans based on shares or other financial instruments to the Remuneration and Appointments Committee and to the Board of Directors, or where appropriate assist the Remuneration and Appointments Committee with the drawing up of said plans;
- provide the Remuneration and Appointments Committee and to the Board of Directors with all information as may be useful so as to enable said parties 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 provides 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

Pursuant to the guidelines set forth in article 5 of the Corporate Governance Code, the Remuneration and Appointments Committee is responsible for providing advice and offering suggestions to the Board of Directors in evaluating and deciding, *inter alia*, the remuneration of Directors and Managers with Strategic Responsibilities.

For more details on the Remuneration and Appointments Committee, see Paragraph B. of this Report.

## 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 particular, in the event that, upon the occurrence of exceptional circumstances, the Company intends to take decisions in derogation of the Policy, as better explained in Paragraph Q below, such derogations shall be approved in compliance with the aforementioned procedure, with the involvement of the RPT Committee.

## VIII. Sustainability Committee

As provided for in the Sustainability Committee Regulations, said Committee plays an advisory role regarding ESG performance targets to be achieved with reference to annual and long-term incentive plans in coordination with the Remuneration and Appointments Committee.

## IX. Human Resources Department

Unieuro's Human Resources Department supports top management in the definition of the Remuneration Policy. Together with the Remuneration and Appointments Committee, the other Corporate Functions involved and the top management, it also oversees that the implementation of the Remuneration Policy is consistent with the need to attract and retain personnel having the professional skills as are necessary to achieve long-term objectives and, at the same time, ensure sound and prudent risk management.

Within this remit, the Human Resources Department:

- draws up and submits to the Remuneration and Appointments Committee the revised Report on Remuneration Policy and Recompense Paid;

- availing itself of the contribution of the Corporate Functions, ensures due compliance with applicable regulations of current policies and the proper application thereof;
- proposes the performance appraisal system, remuneration criteria and career pathways in accordance with the Remuneration Policy; in this regard, it also coordinates the determination and assignment of performance objectives within the incentive systems;
- availing itself of the contribution of the Corporate Functions, verifies due achievement of the objectives and that the conditions are met to access the variable remuneration components;
- monitors the relevant labour market trends and practices in order to put forward proposals to revise the Policy and solutions to revise the remuneration and incentive system in terms of tools, methods, operating mechanisms and parameters adopted by the Group.

#### **X. Legal Department**

Unieuro's Legal Department carries out activities of preventive control and monitoring of the Remuneration Policy so as to ensure its compliance with the regulatory framework; it also verifies the consistency between this Policy and internal regulations and procedures.

#### **B. REMUNERATION AND APPOINTMENTS COMMITTEE AND ANY OTHER MEASURES FOR AVOIDING OR MANAGING CONFLICTS OF INTEREST**

On 7 February 2017, the Board of Directors, in conformity with the corporate governance recommendations contained in the then current Self-Regulation Code for Listed Companies, resolved, with effect from the Trading Start Date, to establish a Remuneration and Appointments Committee, and approved the regulations for the operation of such committee. Such regulations were last updated on 13 May 2021.

##### *a) Composition of Remuneration and Appointments Committee*

Following the appointment of a new Board of Directors which occurred at the Shareholders' Meeting held on 21 June 2022, on 28 June 2022, the Board of Directors moved to appoint the members of the Remuneration and Appointments Committee, and appointed: Pietro Caliceti, Alessandra Stabilini and Paola Elisabetta Galbiati, this latter in the office of Chairman. In accordance with the provisions of the Corporate Governance Code, the Remuneration and Appointments Committee is deemed to be made up of Independent Directors and at least one member who possesses knowledge and experience in financial matters and remuneration policies.

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

In view of the Company's organisational needs, its manner of operation and the size of its Board of Directors, the Company has established a single committee for remuneration and appointments pursuant to the Corporate Governance Code, which is responsible for making enquiries, providing advice and offering suggestions to the Board of Directors.

Operation of the Remuneration and Appointments Committee is governed by the relative Regulation approved by the Board of Directors on 7 February 2017 as 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 corporate website in the "Corporate Governance" section - with the most important provisions reproduced below.

Specifically, with reference to remuneration, the Remuneration and Appointments Committee is entrusted with the following tasks:

- supporting the Board of Directors in the development of the remuneration policy and the recompense paid; more specifically, the Committee seeks approval of the remuneration report inclusive of the relative remuneration policy from the Board of Directors in view of 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 and 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 projects for 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 the above-mentioned instruments may be provided 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 on the subject of remuneration.

Whenever the Remuneration and Appointments 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 RPC Committee.

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 conformance with the provisions of recommendation No. 17 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 may only perform advisory and recommendation functions, whereas the power to set the remuneration of the Directors entrusted with specific duties remains in all cases with the Board of Directors, in consultation with the Board of Statutory Auditors, without prejudice to the right of Shareholders to decide at Shareholders' Meeting on the overall amount of the remuneration of all the directors, including those entrusted 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 said director's remuneration, unless the proposals regard all members generally 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**

As already mentioned in the description of the "Our People" Pillar Policy, Unieuro Group also takes into strong consideration the compensation and working conditions of its employees, in its determination of its Remuneration Policy. This on grounds that the Company's purpose is to foster continuous development of its resources and create sustainable value, also through the preparation of ESG objectives for which in-depth information is also provided in the annual Non-Financial Statement. It follows that by focussing on maximum enhancement of professional skill sets and recognition of individual merits, the Company's remuneration policy ensures competitive levels on the market, in full compliance with the fundamental principles of equal opportunity, equality and non-discrimination.

To such ends, Unieuro employs multiple tools to motivate and promote loyalty its people, such as:

- promoting actions and behaviour that are an expression of the corporate culture, in compliance with the principles of plurality, equal opportunities, personnel knowledge enhancement, professionalism, fairness and non-discrimination as set forth in Unieuro's Code of Ethics;
- recognising the responsibilities assigned, results achieved and quality of each professional contribution made, taking into account the context and market references applicable for similar positions or roles of a similar level in terms of responsibility and complexity as well as the individual's experience and professional background;
- stressing the attribute of merit as the basis of management as well as rewarding actions in terms both of professional development and of career opportunities having equal footing as benchmarks so personnel management meets fairness and sustainability criteria;
- basing the variable remuneration structure on different components, both short-term and medium to long-term, grounded as much in the economic-financial component as the sustainability one, to attract, retain and motivate qualified resources as well as to protect company assets by way of non- compete undertakings for persons holding specific positions;
- to set the remuneration of all Company employees in conformance with the remuneration parameters provided for in the National Collective Bargaining Agreement applicable from time to time (the "NCBA");

Recognising the value of flexible and hybrid working arrangements in 2021 Unieuro introduced the smart working tool into its organisation structure for those staff in the offices of Forlì, Piacenza and Milan thus maintaining an employee-centric work experience and ensuring sustainable growth for the company. To this end, the relocation of the Forlì headquarters to Palazzo Hercolani in the centre of Forlì was completed, mindful that the office is an environment for collaboration, socialising and support for the corporate culture. This strategy has promoted the well-being of employees both inside and outside the office which has enhanced the ability to attract new talent, retain current personnel and promote a sense of belonging. For this purpose, the corporate structure has taken care to provide all its personnel with the appropriate technological and information technology tools to ensure a proper and comfortable work experience.

### **D. INDEPENDENT EXPERTS INVOLVED IN THE PREPARATION OF THE REMUNERATION POLICY**

For the preparation of the Remuneration Policy, the Company has not been supported by independent experts.

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

In accordance with the Corporate Governance Code recommendations, the Remuneration Policy is mainly designed to:

- attract, motivate and retain adequate human resources and professional 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.

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 achieve performance objectives.

In drawing up its Policy, Unieuro has been mindful of article 2.2.3, third paragraph, letter. o) set forth in the Rules of the Markets Organised and Managed by Borsa Italiana approved by Consob with Resolution No. 22008 dated 22 September 2021 as most recently updated, so as to obtain and maintain STAR status. Moreover, with particular regard to the remuneration of Directors, Unieuro has taken into account the principles and recommendations of the Corporate Governance Code.

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

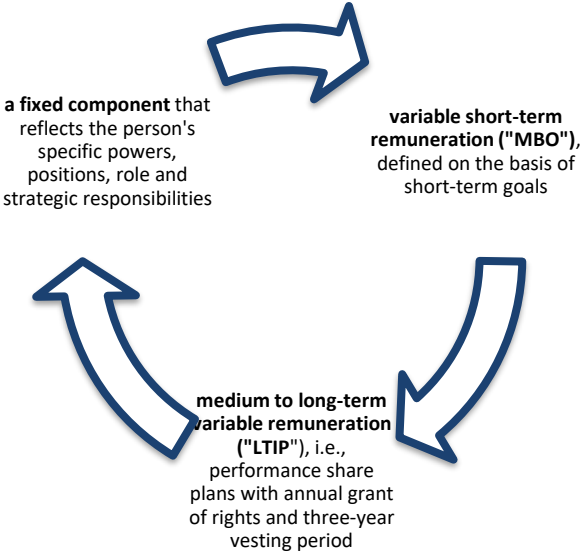
- (i) a fixed annual component, commensurate with the position and the commitment required;
- (ii) a variable component, measured on the performance of the Company, in the form of equity, equity-based or cash-based incentive plans in the case of Executive Directors, the General Manager and other and 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 in connection with the termination of the employment relationship within the limits of the applicable NCBA or as consideration for any non-compete obligations agreed with the Managers with Strategic Responsibilities.

With regard to the new provisions of this Remuneration Policy with respect to the previous year and to the feedback from proxy advisors on the shareholders' votes cast, we refer you to the above Forward concerning the Pillars and dedicated to "Shareholders and Investor" (page 14).

**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, General Director and Managers with Strategic Responsibilities are adequately balanced to ensure alignment between short-term growth objectives and the creation of sustainable value in the medium-long term.

In particular, the remuneration structure comprises the following components:



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.

Regarding Managers with Strategic Responsibilities and Executive Directors, when determining the relevant Remuneration Policy, the Board of Directors takes as a base starting point an assessment of the current agreed remuneration with each Executive Director and each Manager with Strategic Responsibilities, which includes, inter alia, benefits, variable short-term remuneration ("MBO") connected to the achievement of company performance targets set for each financial period, as well as a variable medium-long term component linked to achievement of company performance objectives laid down for company strategic objectives, 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, the General Manager and Managers with Strategic Responsibilities must be linked

to economic results and sustainability 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, the General Manager and Managers with Strategic Responsibilities are in line with the priority objective of creating medium/long-term value for the Company and its shareholders also taking into account the interests of other key stakeholders; and
- retain and motivate staff holding the required qualities to manage the Company 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 specifically for each beneficiary manager. The recognition of the bonus is conditional upon the continuance of relations for the reference period and reaching the performance targets which are given predetermined weighting, and its payment is conditional upon overcoming of specific 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.

On 9 May 2023 the Board of Directors updated the regulations of the MBO system for FY 2023-2024, considering it appropriate and in line with that envisaged for medium-long term incentive plans so as to extend the pool of potential beneficiaries to Executive Directors as well as Managers with Strategic Responsibilities, to reflect their effective contribution to company results.

The MBO system for the year 1 March 2023 - 29 February 2024, as approved by the Board of Directors on 9 May 2023 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 28 February 2023, is subject to a gateway condition that subjects activation of the bonus to the condition precedent that actual EBITDA 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<sup>10</sup> (common to all Managers with Strategic Responsibilities) (“EBITDA Performance Target”) and (ii) the net financial position<sup>11</sup> or net debt (depending on the corporate role performed) (“NFP

<sup>10</sup> As described in the executive summary at page 19.

<sup>11</sup> As described in the executive summary at page 19.

Performance Target”) and (iii) Net Promoter Score, a criterion based on customer satisfaction as resulting from questionnaires obtained from to customers (“NPS Performance Target”)<sup>12</sup>;

- 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:

- a) 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;
- b) equal to 80% of the EBITDA Performance Target, then 50% of the EBITDA Target Bonus would be due;
- c) 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;
- d) 100% of the EBITDA Performance Target, then an amount equal to the EBITDA Target Bonus would be due;
- e) 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 EBITDA Actual Performance above 120% of the EBITDA Performance Target.

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;

<sup>12</sup> The final determination of achievement of the Net Promoter Score objective is made by way of adjustment of the results of those survey collected online through a “proprietary” platform and subtracting the number of “detractors” from the number of “promoters”.

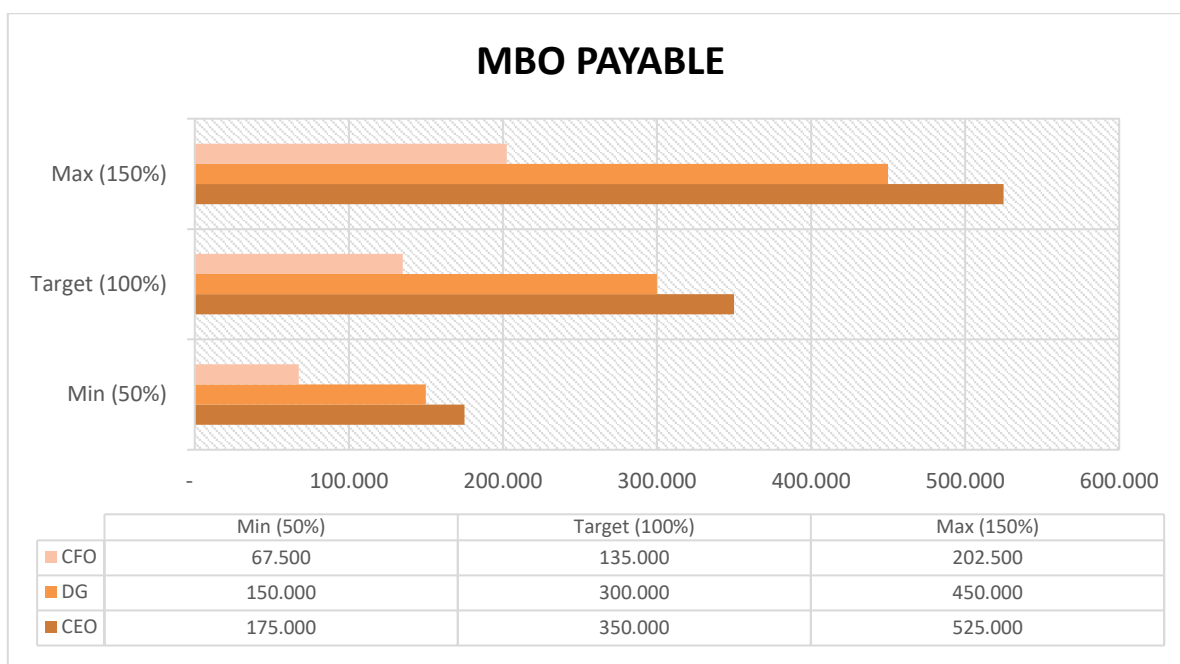
- c) between 81% and 99% of the NFP Performance Target, then - in addition to the amount indicated in point b) above - 2.5% of the NFP Target Bonus would be due for each plus percentage point of the NFP Actual Performance above 80% of the NFP Performance Target;
- d) 100% of the Performance Target, then 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/Executive Managers.

The actual value of this component is:



Please note that, as far as the CEO and GM are concerned, the incidence between the MBO and the fixed component is min. 50% - target 100% - max 150%.

As far as the CFO is concerned, the incidence between the MBO and the fixed component is min. 25% - target 50% - max 75%.

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.

	EBITDA (WEIGHTING 70%)	NFP (WEIGHTING 20%)	NPS (WEIGHTING 10%)
	Bonus Allocation	Bonus Allocation	Bonus Allocation
<b>FOR RIGHT TO A BONUS TO BE TRIGGERED EBITDA LEVEL REACHED MUST BE AT LEAST 70% OF THE EBITDA TARGET</b>			
<b>80%</b>	<b>50%</b>	<b>50%</b>	<b>50%</b>
<b>BETWEEN 81% AND 99%</b>	<b>50% + 2.5%</b> for each percentage point of improvement	<b>50% + 2.5%</b> for each percentage point of improvement	<b>50% + 2.5%</b> for each percentage point of improvement
<b>100% (TARGET)</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



<b>BETWEEN 101% AND 120% (INCLUSIVE)</b>	<b>100% + 2.5%</b> for each percentage point of improvement	<b>100% + 2.5%</b> for each percentage point of improvement	<b>100% + 2.5%</b> for each percentage point of improvement
<b>+120%</b>	100%+ 2.5% up to 120% of the target (inclusive) + <b>3%</b> for each additional percentage point of improvement	100%+ 2.5% up to 120% of the target (inclusive) + <b>3%</b> for each additional percentage point of improvement	100%+ 2.5% up to 120% of the target (inclusive) + <b>3%</b> for each additional percentage point of improvement
<b>CAP ON TOTAL CASH BONUS: 150% OF THE MAXIMUM AMOUNT PAYABLE IN THE EVENT OF ACHIEVING 100% OF THE OBJECTIVES</b>			

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, 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 reevaluate 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 shares:

- 2020-2025 Performance Shares Plan;
- 2023-2028 Performance Shares Plan.

The details of these Plans are given below.

### **Performance Shares Plan 2020-2025**

Said 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* Issuers' 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 Shares 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.

The 2020-2025 Performance Shares Plan is intended for Executive Directors and/or Managers with Strategic Responsibilities and/or employees of the Company or of Group companies classified as management (at 'quadro' level) as well as, for the 3<sup>rd</sup> and final cycle only, those employees classed as at or higher than first clerical level ('impiegatizio') ("**Beneficiaries**"). 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 Shares 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.

It should be noted that as the vesting period of the First Cycle of the 2020-2025 Performance Shares Plan expired on 28 February 2023, the Board of Directors, after consultation with the Remuneration and Appointments Committee and based upon the draft financial statement as of 28 February 2023, identified: i) 64,950 shares to be allocated to Giancarlo Nicosanti Monterastelli (CEO); ii) 25,980 shares to be allocated to Maria Bruna Olivieri (GM). The material delivery of the shares shall take place following the Shareholders' Meeting to be held for approval of the annual financial report as of 28 February 2023. Further to the material delivery of the shares, the cash bonus shall be paid in compliance with the manners set forth in the Information Document for the First Cycle of the 2020-2025 Performance Shares Plan.

Further free share awards will be made in the years 2024 (relative to the three-year period 2022-2024, 2nd cycle) and 2025 (relative to the three-year period 2023-2025, 3rd cycle). 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.

For more details on the 2020-2025 Performance Shares Plan, please refer to the specific Information Document thereon drawn up in accordance with article 114-*bis* TUF and article 84-*bis* of the Issuers' Regulations, which shall be made available by the Company in the manner and within the time limits set forth in the applicable provisions.

### **2023-2028 Performance Shares Plan**

Unieuro has in place a medium-long-term incentive system based on performance shares, approved at the Shareholders' Meeting held on 21 June 2022.

As already mentioned above, following approval of an update to the Strategic Plan that takes into account the changed macroeconomic and sectoral reference environment, at its sitting of 9 May 2023 Unieuro's Board of Directors resolved to put to shareholders' vote the amendment of the performance targets of the First Cycle of the 2023-2028 Performance Shares Plan on grounds that the evolution of the context caused by the exceptional events of which you are reminded above have negatively impacted its incentive value. Therefore, the shareholders shall be requested to approve said amendments to envisage performance targets in line with the above-mentioned updated Strategic Plan.

Save for the amendment to the 1<sup>st</sup> cycle performance objectives, as mentioned above, and subject to certain factual updates not deemed to constitute a change to the plan, the other terms and conditions of the 2023-2028 Performance Shares Plan ("**Plan**"), as was submitted to and approved at the Shareholders' Meeting held on 21 June 2022, remain unvaried. For the sake of clarity, please note that reference in this Section to the Information Document relating to the Plan shall be intended to refer to the Information Document approved at the 2022 Shareholders' Meeting, as such Plan shall be integrated with proposed amendments submitted for approval at the Shareholders' Meeting called for 22 June 2023.

As described in detail in the Information Document, the Plan is entirely based on Unieuro ordinary shares and envisages the following objectives:

- (i) to focus the attention of Beneficiaries on factors of strategic interest of the Company and direct key resources towards the pursuing of medium-long term results with a view to sustainability of the Group's economic and financial performance;
- (ii) build loyalty among the Plan Beneficiaries and incentivize their continuance with the Company by developing retention policies;
- (iii) align the interests of the Beneficiaries with those of the shareholders, with a view to developing the growth of the Company's value; and
- (iv) ensure that the overall remuneration of recipients of the Plan remains competitive whilst at the same time developing policies to attract new talent to managerial and professional roles.

The amendments to the objectives of the 1<sup>st</sup> cycle of the Plan follow a new Strategic Plan as has been approved in the light of the changed macroeconomic and reference sector context; therefore, in such context, the Board of Directors deemed it opportune that the target values of the performance objectives be varied to better pursue the Plan's aims, and in particular to: 1. Maintain the focus of Plan Beneficiaries on dimensions of strategic interest for the Company, mindful of the compromised incentive value of the previous targets; 2. Continue to ensure alignment of the interests of Beneficiaries with those of Shareholders 3. Ensure that the overall remuneration of Plan recipients remains competitive and apposite to motivate management through challenging yet achievable objectives which are such as to ensure their retention in the long term.

The Plan is intended for Executive Directors, Managers with Strategic Responsibilities as well as directors of the Company or of the Group and employees of first level ('impiegatizio') (or higher) of the Company or of Group ("**Beneficiaries**"). The identification of Beneficiaries shall be made by the Board of Directors having received the opinion of the Remuneration and Appointments Committee having regard to the relevance of the respective position covered within the Company and/or the Group and taking into account the function any such Beneficiary performs in the process of creation of Company value.

The Plan envisages the grant to each Beneficiary of rights to be allotted Unieuro ordinary shares on a gratuitous basis, *inter alia* upon achievement of certain performance objectives and conditional upon occurrence of the vesting conditions with a three-year vesting period. AS regards Beneficiaries who are members of the Board of Directors and/or managers with strategic responsibilities are subject to a lock up commitment of 24 months of share delivery date.

The allocation of shares on a gratuitous basis shall take place, as regards each three-year period: in 2026 for 1<sup>st</sup> Cycle (2023 - 2026), in 2027 for 2<sup>nd</sup> Cycle (2024-2027) and in 2028 for 3<sup>rd</sup> Cycle (2025-2028). The material allocation of shares for each of the three cycles shall be carried out in accordance with the terms and conditions set forth in the Plan, by virtue of a Board of Directors' resolution taking into account the degree of achievement of the performance objectives.

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.

#### *Performance objectives of the First Cycle of the Performance Share Plane LTIP 2023-2028*

As already described in the Information Document of the Plan as was approved at the Shareholders' Meeting held on 21 June 2022, with reference to the 1<sup>st</sup> 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 consolidated EBIT post application IFRS 16, adjusted 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 Performance Objective based on Adjusted EBIT indicator has a percentage weighting equal to 50% of the total Shares subject to allocation. It coincides with the Unieuro adjusted cumulative EBIT relating to the accounting periods of the First 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 Performance Objective based on Adjusted Free Cash Flow indicator has a percentage weighting equal to 25% of the total Shares subject to allocation. It coincides with the Unieuro cumulative 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.

- **ESG indicator**

meaning the ESG performance indicator based on KPIs traceable to 4 specific projects: 1<sup>st</sup> KPI: number of contacts (audience) reached by the #Cuoriconnessi initiatives against cyberbullying; 2<sup>nd</sup> KPI: energy purchases with certification attesting they come from renewable sources; 3<sup>rd</sup> KPI: employee Net Promoter Score (eNPS) level, as a tool for measuring the level of satisfaction of human resources; 4<sup>th</sup> KPI: Group employees involved in a specific training on sustainability. Overall, this indicator illustrates Unieuro's level of Sustainability consistent with its ESG strategy as set forth in the Sustainability Plan 2022-2026 adopted by the Company and reflects due integration of environmental, social and governance matters into business activities.

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.

Methodology of calculation of the ESG indicator:

### **ESG Indicator**

$$= \left( \frac{\text{Audience \#cuoriconnessi}}{\text{Target}} * \frac{1}{3} \right) + \left( \frac{\text{Fonti Green}}{\text{Target}} * \frac{1}{3} \right) + \left( \frac{\text{eNPS}}{\text{Target}} * \frac{1}{6} + \frac{\text{Formazione Sostenibilità}}{\text{Target}} * \frac{1}{6} \right)$$

#### **Project no. 1 – Community Pillar**

- KPI name: Audience #cuoriconnessi
- KPI description: the KPI delta number of contacts<sup>13</sup> reached through in the #cuoriconnessi anti-cyberbullying initiatives compared to the baseline
- KPI Target: +0.61 million contacts compared to baseline. Cumulative data over the three years of the cycle.

#### **Project no. 2 – Sustainable Innovation Pillar**

- KPI name: Green Sources
- KPI description: % energy purchased with green certificate by supplier
- KPI target: purchase of 100 % of energy with certificate of origin from renewable sources in each cycle operation <sup>14</sup>.

#### **Project no. 3 – Talent Pillar**

- KPI name: employee NPS (or “eNPS”)
- KPI description: eNPS<sup>15</sup> (% employee *promoters* - % employee *detractors*)
- KPI Target: Average value of eNPS calculated over the three years of the cycle equal to 0 (zero)<sup>16</sup>.

#### **Project no. 4 – Talent Pillar**

<sup>13</sup> 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 FY21/22 were 1.45M (baseline). By the end of FY 2025/26 the number of contacts is expected to be 1.71M.

<sup>14</sup> Baseline FY 2021/22 equal to 58%

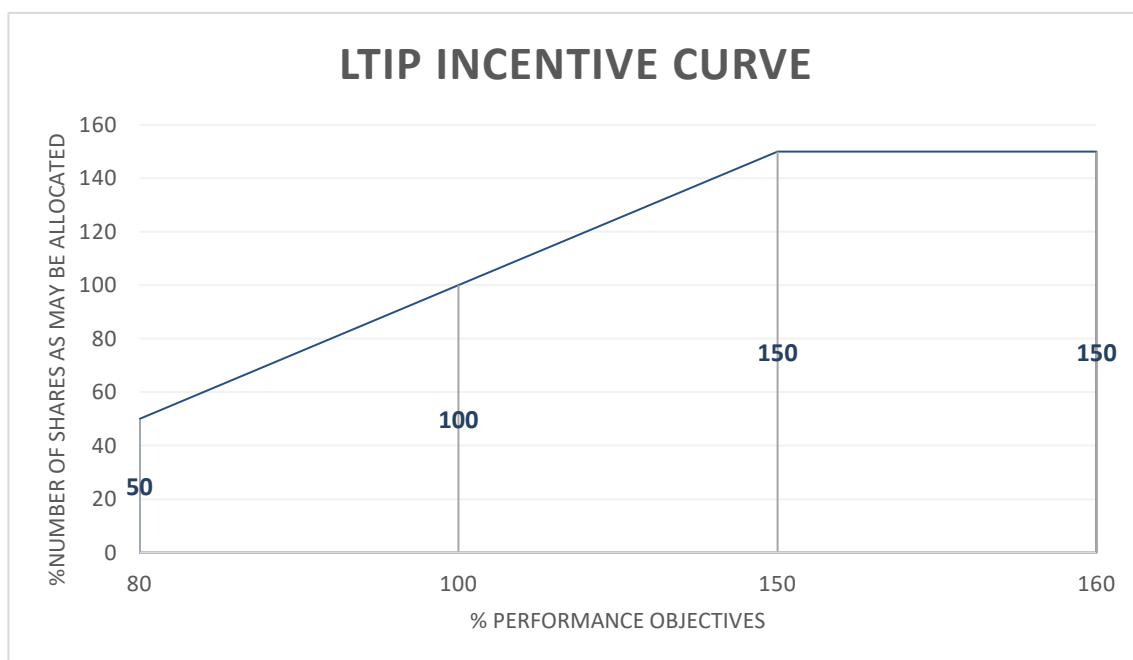
<sup>15</sup> Unieuro employees shall be asked: ‘What is the probability that you would recommend a friend or relative to come and work for your organisation?’ and they will be asked to weight the answer by giving a score from 0 to 10 where 0 equals the most negative judgement on the Company and 10 equals the most positive. ‘Promoters’ will be those having given scores of 9 or 10; ‘Detractors’ are those having given scores from 0 to 6 (both inclusive). ‘Passives’ are those having given scores of 7 or 8 (inclusive). The Passive category is deemed neutral, therefore is excluded from the calculation of the eNPS. Please note that the eNPS index values are between -100 and +100.

<sup>16</sup> In each year of the cycle, the eNPS value to be taken into consideration for calculating the average over the three years is that resulting from the survey conducted on employees.

- KPI name: Sustainability Training<sup>17</sup>
- KPI description: % of employee *eligible*<sup>18</sup>, ESG training project participants, compared to the total eligible corporate population
- KPI Target: ESG training project carried out, in each year of the cycle, by 100% of eligible employees.

Values achieved by the individual targets ESG shall be reported in the Non-Financial Statement drawn up by the Company in accordance with Legislative Decree 254/2016. The values achieved in the economic/financial targets will be reported in the Annual Financial Report drawn up in compliance with the provisions of art. 154 ter. c.5. of Legislative Decree 58/98 – T.U.F. – and subsequent modifications and additions.

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% of base number of shares (target objective); (b) a 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 base number of shares 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.

The following table illustrates the comparison of performance target goals for the 2023 - 2028 Performance Share Plan approved at the Shareholders' Meeting held on 21 June 2022 (for the purposes

<sup>17</sup> It should be noted that, in order to make the training more comprehensive and articulated, three different modules on sustainability are planned, one for each year of the cycle.

<sup>18</sup> Employees considered "eligible" for the purpose of calculation are those employees employed on permanent contracts and in force as of February 28 of each year. Excluded from this calculation are employees on leave, maternity leave or extended sick leave (more than 1 month). However, the training modules will also be offered to employees hired on fixed-term contracts although they will not be taken into account for the purpose of reaching the above target.

of the table below, "2022 Plan") and the performance targets submitted to the Shareholders' Meeting called on 22 June 2023 (for the purposes of the table below "Amended Plan"):

	EBIT Adjusted (Weighting 50%)		Adjusted Free Cash Flow (Weighting 25%)		ESG Indicator (Weighting 25%)	
	Result Euro/million	Shares Allocation	Result Euro/million	Shares Allocation	Result	Shares Allocation
<b>Threshold</b> <b>80%</b>	Plan 2022 202.2	50%	Plan 2022 156.7	50%	Plan 2022 0.8	50%
	Amended Plan 102.2		Amended Plan 46.3		Amended Plan 0.8	
<b>Target</b> <b>100%</b>	Plan 2022 252.7	100%	Plan 2022 195.8	100%	Plan 2022 1.0	100%
	Amended Plan 127.7		Amended Plan 57.9		Amended Plan 1.0	
<b>Cap</b> <b>150%</b> <b>+150%</b>	Plan 2022 379.1	150%	Plan 2022 293.7	150%	Plan 2022 1.5	150%
	Amended Plan 191.6		Amended Plan 86.8		Amended Plan 1.5	

### Manner of Allocation

The shares shall be allocated at the end of the vesting period and in any case no later than the 30<sup>th</sup> (thirtieth) calendar day following the date of the Shareholders' Meeting which approves the annual financial report as at 28 February 2026 for the 1<sup>o</sup> cycle of the plan, at 28 February 2027 for the 2<sup>o</sup> cycle of the plan and at 28 February 2029 for the 3<sup>o</sup> cycle of the plan. Allocation 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 pertaining to said Plan to which we refer you on this issue);

- the minimum performance threshold has been achieved for at least one of 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 articles 2357 and 2357-ter of the 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 subject to the Delivery for each Plan cycle, as described in the Information Document pertaining to said Plan) and provided that the vesting conditions 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<sup>19</sup> - 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; or (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, 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*; calculated in accordance with the criteria set forth in the Regulations for Plan Cycle;
- 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.

The Board of Directors having: obtained the favourable opinion of the Remuneration and Appointments Committee and made an assessment on a case-by-case basis, and in any event within 30 days of termination of the Relationship, may waive, to the extent any such waiver is positive, any one or more of the provisions referred to in letters a) and b) of the previous paragraph, under the conditions described in the Regulations for each Plan Cycle.

We draw you attention to the fact that the Board of Directors may, having heard the opinion of the Remuneration and Appointments Committee, make all amendments or integrations it deems necessary and/or appropriate to maintain unaltered the substantial and economic contents of the Plan having regard to most effective way to achieve the purposes of the Plan, mindful of interests of the Company and the Beneficiaries; the desire to maintain intact the substantive and economic contents of the Plan to the extent permitted by the regulations applicable from time to time, mindful of the interests of the Company and the Beneficiaries in case of events such as:

<sup>19</sup> As concerns employees, the date of termination of the relationship shall be that on which the employment relationship effectively ceases, regardless of the expiry of the notice period.



- (i) extraordinary transactions concerning the Company's capital;
- (ii) events or circumstances of an exceptional or extraordinary nature whether or not exogenous (e.g. COVID-19) which impact or may impact on the Company results/performance and/or that of the Group;
- (iii) mergers or company splits, purchase or sales of equity investments, companies or any part of company business; or
- (iv) legislative or regulatory changes or other events likely to affect the Rights, the Shares and/or the Company and/or Group companies.

For further information on the 2023-2028 Performance Shares Plan, please refer to the Information Document drawn up pursuant to article 114-*bis* TUF and 84-*bis* Issuers' Regulations available to the public on the Company's corporate website ([https://unieurospa.com/en/\\_home/](https://unieurospa.com/en/_home/)) section "Corporate Governance/Shareholders' Meetings/Meeting 2023", as well as on the authorised storage mechanism "EMARKET STORAGE" (<https://www.emarketstorage.it/en>).

\* \* \*

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)<sup>20</sup>.

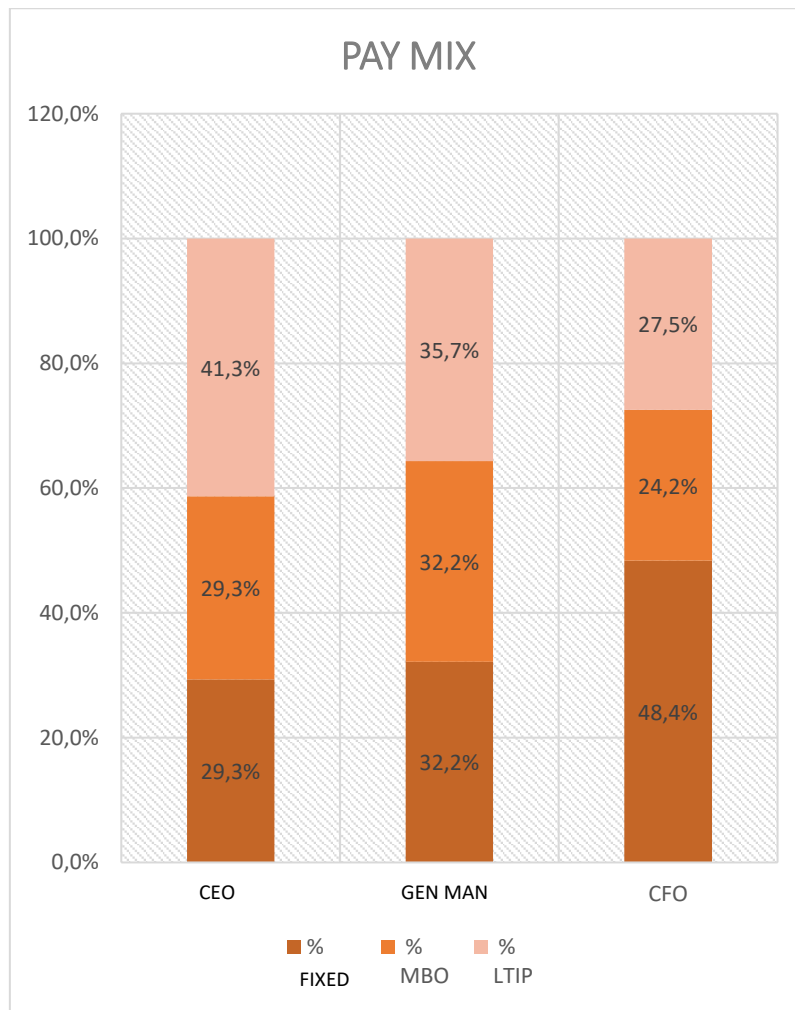
<sup>20</sup> Please note that the fixed component for the CEO includes the amount of Euro 350,000 (also including any advance payments on an annual basis of non-competition agreements) that the Board of Directors intends to grant to the Giancarlo Nicosanti Monterastelli subject to approval at the Shareholders' Meeting convened for 22 June 2023 of the increase of the overall compensation of the Board of Directors. The fixed component of the General Manager does not include any compensation as Director, since Maria Bruna Olivieri has waived her right thereto.

The below graph 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 number of shares as shall be allocated upon achievement of the objective target values for the First Cycle of the three-year period of the 2023-2028 Performance Shares. This incentive has been quantified by using the value of the shares as at 14 July 2022 (Grant of Share Rights Date in regard to the right to be allocated Shares for the 1<sup>st</sup> cycle<sup>21</sup>) equal to Euro 12.32 (including the value of the cash bonus) for the number of rights reported to the Chief Executive Officer and General Manager. With regard to the number of rights granted to the Chief Financial Officer, this incentive has been calculated taking as the reference the share value as at 23 December 2022 (Grant of 10,000 Share Rights Date of the 1<sup>st</sup> cycle) which was Euro 12.01 (inclusive of the amount of Cash Bonus) and the share value as at 9 May 2023 (Grant of further 3,000 Share Rights Date of the 1<sup>st</sup> cycle) which was Euro 11.10 (inclusive of the amount of Cash Bonus)<sup>22</sup>. The value with regard to pay mix of shares for the 1<sup>st</sup> cycle of the 2020-2025 Performance Shares Plan having vesting period expiry on 28 February 2023, is included in the pay mix for the year of said cycle.

<sup>21</sup> Please note that on 14 July 2022, the Board of Directors granted the following rights to receive Unieuro shares in relation to the 1<sup>st</sup> cycle of the 2023-2028 Performance Shares plan to Managers with Strategic Responsibilities: (i) Chief Executive Officer: 40,000, (ii) General Manager: 27,000.

<sup>22</sup> Further to the approval of the Information Document at the Shareholders’ Meeting held on 21 June 2022, on 14 July 2022, 17,000 rights to receive Unieuro shares were granted to the CFO Marco Pacini. Please note that having tendered voluntary resignation, Mr Pacini’s termination of office fell within the condition of Bad Leaver pursuant to the Information Document; thus his share rights were revoked. On 23 December 2023, 10,000 rights to receive Unieuro shares were granted to Marco Deotto, current CFO of the Company. On 9 May 2023, further 3,000 rights to receive Unieuro shares were granted.



*Please note that, as concerns the CEO, should the target be achieved, the percentage incidence of the entire value of the LTIP incentive over three years compared to fixed annual remuneration shall be 140.8%. In the event of over-achievement, then the incidence is 211.2%. Such percentages have been calculated with reference to the share price on 14 July (Euro 12.32)*

As concerns the incidence of the medium/long-term variable component on fixed remuneration, we draw your attention to the fact that the Company's remuneration policy has the purpose of incentivising Managers with Strategic Responsibilities to achieve increasingly more challenging levels of performance. To this end, a greater weight has been imputed to the variable part, both for the short and medium-long term and is linked to the achievement of targets that increase the value of the Company, including through the levelling of the fixed component.

**IV. Remuneration Policy for Directors, the General Manager, Managers with Strategic Responsibility 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.

In virtue of the appointment of the Chairman of the Board of Directors as resolved at the Shareholders' Meeting held on 21 June 2022, said Chairman is entitled to be paid gross annual compensation of Euro 186,000<sup>23</sup> such amount net of VAT and social security charges, where applicable.

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.

To date, a vice president has not been 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.

#### *Executive Directors*

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

As at the date of this Report, the Company's sole Executive Directors are: Giancarlo Nicosanti Monterastelli as Chief Executive Officer and Maria Bruna Olivieri as General Manager.

We draw your attention to the fact that on 9 May 2023 the Board of Directors considered the retirement notice received from Giancarlo Nicosanti Monterastelli, Chief Executive Officer and Chief Strategy Officer of Unieuro in accordance with which, his employment in the role of Chief Strategy

<sup>23</sup> Until 20 June 2022 the gross annual compensation of the Chairman of the Board of Directors was equal to Euro 160,000.

Officer shall end as of 01 June 2023. Consequently, the Board of Directors deemed it appropriate that an increase in the total compensation earmarked for the Board of Directors be submitted at the Shareholders' Meeting convened for 22 June 2023, such increase to be entirely earmarked to the remuneration of Giancarlo Nicosanti Monterastelli as Chief Executive Officer whom, to date, has waived his right to remuneration for his performance of the office of director and received solely that for his role of Chief Strategy Officer. The Board of Directors intends to put forward to the Shareholders' Meeting the proposed amount which is equal to that paid to the CEO within the remit of his employment relationship, which is significant saving for the Company. It should be noted that the amount that the Board of Directors proposes to allocate to Giancarlo Nicosanti Monterastelli as Director and Chief Executive Officer also includes any amount advanced on an annual basis for non-competition agreements.

We remind you that Maria Bruna Olivieri, in virtue of her employment relationship with the Issuer and in particular the gross annual remuneration paid to her in her capacity as General Manager has elected to waive the remuneration resolved on at the Shareholders' Meeting in her favour in relation to her office of Director.

We underline that that the variable component constitutes a relevant part within the pay mix in order to recognise and enhance the results achieved in a sustainable way over time, aligning management behaviour with corporate strategy thus creating value for stakeholders.

#### **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**

In continuance with past practice, Executive Director, Giancarlo Nicosanti Monterastelli shall participate in the short-term incentive plan.

Given that the previous MBO system only included Company employees among the class of Beneficiaries, on 9 May 2023 the Board of Directors varied the MBO Regulation for FY 2023-2024 so as to include Executive Directors within said class of Beneficiaries to reward their active contribution to company results.

On 14 July 2022, the Chief Executive Officer, in his capacity as Executive Director, was identified as a Beneficiary of the 1<sup>st</sup> cycle of the 2023-2028 Performance Share Plan. This is in line with that stated by the Board of Directors on 11 May 2022 for the purpose of drawing up the Information Document to support the current Plan.

Kindly note that, since the vesting period of the 1<sup>st</sup> Cycle of the 2020-2025 Performance Shares Plan expired on 28 February 2023, the Board of Directors, subject to the opinion of the Remuneration and Appointments Committee and based upon the draft financial statement as at 28 February 2023, has earmarked 64,950 Unieuro shares to be allocated to Giancarlo Nicosanti Monterastelli (Chief Executive Officer) and 25,980 Unieuro shares to be allocated to Maria Bruna Olivieri (General Manager). The material delivery of the shares shall take place following approval at the Shareholders' Meeting called to approve the annual financial statement as at 28 February 2023. As well as the material share delivery, the cash bonus shall be paid in the manner set forth in the Information Document for the 1<sup>st</sup> Cycle of the 2020-2025 Performance Shares Plan.

## **Non-monetary benefits**

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

### *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, Pietro Caliceti, Paola Elisabetta Galbiati, Alessandra Stabilini, Alessandra Bucci, Laura Cavatorta and Daniele Pelli. Benedetto Levi and Giuseppe Nisticò are Non-Executive and non-independent Directors.

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, professionalism and commitment required from each of them to perform their roles.

Following the Shareholders' Meeting held on 21 June 2022 at which the new composition of the Board of Directors was determined to hold office until approval of the financial statements as at 28 February 2025, the Board of Directors resolved on 24 June 2022 that the gross annual amount of Euro 50,000<sup>24</sup> be paid to each non-executive Director, save for Benedetto Levi and Giuseppe Nisticò who both waived their right to gross annual remuneration. Remuneration of the Chairman of the Board of Directors is illustrated in the dedicated paragraph herein. All such amounts are net of VAT and social security contributions, where applicable.

In any case, all non-executive Directors shall be entitled to reimbursement of food, lodging and travel expenses as required in the performance of their duties. An attendance fee for participation in board meetings is not envisaged.

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

### *Compensation for participation on Committees*

Following the Shareholders' Meeting held on 21 June 2022 which appointed the new Board of Directors to hold office until approval of the financial statements as at 28 February 2025, the Board of Directors resolved on 24 June 2022 to pay an annual gross sum of:

- Euro 15,000 for each member of the Remuneration and Appointments Committee, of the Control and Risks Committee, and the Sustainability Committee, with the exception of the Chairman of the relevant Committee;
- Euro 12,000 for the members of the Committee for Related Party Transactions, with the exception of the Chairman of the Committee;
- Euro 20,000 for the Chairman of the Control and Risks Committee, of the Remuneration and Appointments Committee and Sustainability Committee;
- Euro 15,000 for the Chairman of the Related Party Transactions Committee.

All such amounts<sup>25</sup> are deemed net of VAT and social security contributions, where applicable.

<sup>24</sup> The gross annual remuneration was Euro 50,000 also as concerns the previous term of office.

<sup>25</sup> The gross annual sums were the same as those envisaged for the previous term of office.

#### *d) General Manager*

Taking into account the appointment of the current General Manager as a company Director following the Shareholders' Meeting held on 21 June 2022, and thus without prejudice to the provisions in the section herein dedicated to Executive Directors, we draw your attention to the following.

##### **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-compete 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 (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).

Following approval at the Shareholders' Meeting held on 21 June 2022, the General Manager, was identified on 14 July 2022 as a Beneficiary of the 1<sup>st</sup> cycle of the 2023-2028 Performance Share Plan. This is in line with that stated by the Board of Directors on 11 May 2022 for the purpose of drawing up the Information Document to support the 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.

Kindly note that, since the vesting period of the 1<sup>st</sup> Cycle of the 2020-2025 Performance Shares Plan expired on 28 February 2023, the Board of Directors, subject to the opinion of the Remuneration and Appointments Committee and based upon the draft financial statements as at 28 February 2023, has earmarked 25,980 shares for Maria Bruna Olivieri. The material delivery of said shares shall take place following approval Shareholder approval of the annual financial statement as at 28 February 2023. As well as material delivery of the shares, the cash bonus shall be paid in the manner set forth in the Information Document for the 1<sup>st</sup> Cycle of the 2020-2025 Performance Shares Plan.

##### **Non-Monetary Benefits**

The General Manager shall be attributed a series of benefits, including, in accordance with the provisions of any applicable National Collective Bargaining 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*

As at the date of this Report, the Issuer has identified two Managers with Strategic Responsibilities from among the persons who, in the opinion of said Issuer, have the power and responsibility, directly

or indirectly, for the planning, management and supervision of Unieuro's activities<sup>26</sup>; these are executives who currently hold the positions of: (i) General Manager (ii) 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 including compensation for the non-compete 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 – 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's continuance with the Company for the reference period (see point (c), Part One, Section II).

Following approval at the Shareholders' Meeting held on 21 June 2022, Managers with Strategic Responsibilities were identified on 14 July 2022 as Beneficiaries of the 1st cycle of the 2023-2028 Performance Share Plan. This is in line with that stated by the Board of Directors on 11 May 2022 for the purpose of drawing up the Information Document to support the 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, occupational and non-occupational illness, Directors & Officers Liability insurance ("D&O"), and in certain 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.

Following the appointment of the Board of Statutory Auditors at the Shareholders' Meeting held on 21 June 2022, the Chairman of the Board of Statutory Auditors shall be entitled to gross annual compensation of Euro 45,000; each Standing Auditor shall be entitled to a gross annual compensation of Euro 30,000. All such amounts are net of VAT and social security contributions, where applicable.

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.

<sup>26</sup> Please note that, as of 1 June 2023, the responsibilities entailed for the office of Chief Strategy Officer (identified as Manager with Strategic Responsibilities) were entrusted to the Chief Executive Officer as Executive Director. Therefore, the office has been removed from the organization chart of the 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; INFORMATION ON THE CONNECTION BETWEEN RESULTS' VARIATIONS AND REMUNERATION VARIATIONS**

Refer to letters D. and F. above.

**I. CRITERIA USED TO ASSESS THE PERFORMANCE OBJECTIVES ON WHICH BASIS SHARE GRANTS, 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 provides that the established performance objectives and the manner of payment of the variable component shall be consistent with the risk management policy adopted by the Company, taking into account the risks assumed by the Company during the period 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 Pillar "Connection between Remuneration and Strategic Plan" in the Forward hereto and under 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 plan shall be allocated no later than the 30<sup>th</sup> calendar day following the date of the Shareholders' Meeting at which the annual Financial Statements have been approved with reference to those closed on: 28 February 2023 for the 1<sup>st</sup> cycle of the plan; 29 February 2024 for the 2<sup>nd</sup> cycle of the plan; 28 February 2025 for the 3<sup>rd</sup> 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.

With reference to the 2023-2028 Performance Shares Plan, as better detailed in letter F above, there is a three-year vesting period. Moreover, the shares servicing the Plan in conformance with the terms and condition thereof, shall be allotted no later than the 30<sup>th</sup> calendar day following the date of the Shareholders' Meeting at which the annual Financial Statements have been approved with reference to those closed on: 28 February 2026 for the 1<sup>st</sup> cycle of the plan; 28 February 2027 for the 2<sup>nd</sup> cycle of the plan; 29 February 2028 for the 3<sup>rd</sup> 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 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 both the 2020-2025 Performance Shares Plan and the 2023-2028 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 in accordance with the specific plan. 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 their discontinuance of office, save for that already mentioned above.

On 9 May 2023 the Board of Directors, having received the favourable opinion of the Remuneration and Appointments Committee, resolved, subject to approval of this Policy at the Shareholders' Meeting, on the payment of end of office compensation (“**EOC**”) for the Chief Executive Officer, Giancarlo Nicosanti Monterastelli, in the amount of Euro 50,000 gross per year. Such annual amount shall be adjusted *pro rata* in line with the effective period of office held: fractions of a month equal to or greater than 15 days shall be calculated as a full month. An amount for EOC shall be earmarked in the Company's financial statements. Accrued EOC shall be paid upon termination of office. Such amount is substantially equivalent to that as would be due to Giancarlo Nicosanti Monterastelli as annual severance pay granted to an employee relationship and the allocation to funds for executives envisaged under the provisions of the National Collective Bargaining Agreement for executives of industry, distribution and services companies.

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-compete undertaking may also be entered into with Executive Directors and/or Managers with Strategic Responsibilities - in compliance with the provisions and within limits of the laws in force - whereunder the Executive Director and/or the Manager undertakes for the period following the expiry of office and/or 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, any company in competition with Unieuro. The non-compete undertaking 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. Euro 30,000.00 or Euro 40,000 is paid as consideration for accepting the non-competition obligations in 12 or 14 monthly instalments for as long as the office/employment relationship is ongoing in accordance with the beneficiaries remuneration/RAL (exception to this is the Chief Financial Officer Marco Deotto whom, solely for his first year in office shall be paid the gross amount of EUR 60,000, and for subsequent years 30,000 gross per annum). Solely for Managers with Strategic Responsibilities, thus those persons having a subordinate employment relationship with the Company, it is envisaged - with a view to aligning their consideration with the principles laid down in article 2125 of the Civil Code - that if, on the date the employment relationship is terminated, the consideration paid by the Company during the term of the relationship is lower - with respect to the applicable amount for each year of the duration of the non-compete undertaking -, than a percentage of between 25%-30% of the gross annual remuneration paid to the particular Manager with Strategic Responsibilities at the time of termination, then the Company shall pay said Manager an adjustment calculated at the difference between the consideration actually paid during the term of the relationship and the above-mentioned percentage. As of the date of publication of this Report, Giancarlo Nicosanti Monterastelli and the General Manager shall not be entitled to receive any adjustment, since they have already achieved the minimum percentage envisaged.

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.

In the case of infringement of non-competition obligations, and in accordance with article 1382 of the Civil Code, the Executive Director and/or the Manager with Strategic Responsibilities shall be liable to pay the Company liquidated damages in an amount equal to 3 (three) times the consideration received by said person such calculation inclusive of any adjustment referred to above. In addition to liquidated damages, the Company is entitled to seek compensation 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 (Directors&Officers Liability) liability insurance is provided to cover third-party civil liability for actions of the corporate bodies and of 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 intra-board committees, including in accordance with the Corporate Governance Code.

For further details refer to that stated above under letter F. 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, this Remuneration Policy has not been determined on the basis of remuneration policies of any other particular company.

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

Without prejudice to the provisions under letters F.I. and F.II above with reference to short and medium-long term incentive plans respectively, in accordance with the provisions of article 123-ter paragraph 3-bis TUF, the Company may, on the occurrence of any exceptional circumstances, vary - on a temporary basis - the variable components (and consequently the pay-mix) as set forth in this Policy.

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 assess 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 then 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 2022-2023 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 Issuers' Regulations which concerns investments held, whether directly or indirectly, in the Company or in other connected companies controlled by the Directors, the Auditors, the General Manager 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 Issuers' Regulations.

The above-mentioned compensation has been determined 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. REMUNERATION OF THE BOARD OF DIRECTORS

##### Fixed remuneration

With reference to the financial year 2022-2023, we draw your attention to the following:

- At the Shareholders' Meeting held on 18 June 2019 was resolved that the Board of Directors in office until 21 June 2022<sup>27</sup> be granted annual gross fixed maximum remuneration of Euro 580,000. On 26 June 2019, the Board of Directors resolved to distribute part of the above-mentioned remuneration as follows: (i) Euro 43,750 for each Non-Executive Director;, (ii) Euro 10,000 for the members of the Remuneration and Appointments Committee and the Control and Risks Committee and the Sustainability Committee; (iii) Euro 14,000 for the Chairman of the Control and Risks Committee; (iv) Euro 13,000 per committee, for 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 resignation of Mr Bernd Erich Beetz and the appointment of Mr Stefano Meloni as was approved at the Shareholders' Meeting held on 24 February 2020, the compensation of Euro 130,000 resolved on by the Board of Directors on 26 June 2019, was adjusted to Euro 160,000 gross annually, in full compliance with the remuneration approved for the Board of Directors at the Shareholders' Meeting held on 18 June 2019. Thereafter, at the Shareholders' Meeting held on 15 June 2021, it was resolved to - with effect as of the Shareholders' Meeting and for the remaining duration of the term of office: (i) increase the overall gross annual remuneration granted to the Board of Directors from Euro 580,000 to Euro 710,000 plus VAT and social security contributions thereon, where applicable; thus, the specific increase was a total of Euro 130,000 plus VAT and social security contributions thereon, where applicable and (ii) taking into account the waiver of the Chief Executive Officer and

<sup>27</sup> The amounts indicated do not include social security contribution and VAT, where applicable

without any amendment to the remuneration of the Chairman of the Board of Directors, determine the gross annual remuneration of each other Board member as included in the above-mentioned maximum amount, at Euro 50,000 plus VAT and social security contributions thereon, where applicable, and to allocate the residual amount arising from the increase under point (i) above to remunerate participation on the intra-board Committees;

- At the Shareholders' Meeting held on 21 June 2022, it was resolved that the Board of Directors in office from 21 June 2022<sup>28</sup> be granted the annual gross fixed maximum remuneration of Euro 710,000. On 24 June 2022, the Board of Directors resolved to distribute part of the above-mentioned compensation pot as follows: (i) Euro 50,000 for each Non-Executive Director<sup>29</sup>, (ii) Euro 15,000 for the members of the Remuneration and Appointments Committee and the Control and Risks Committee and the Sustainability Committee, (iii) Euro 12,000 for the members of the Related Party Transaction Committee, (iv) Euro 20,000 for the Chairman of the Control and Risk Committee, of the Remuneration and Appointments Committee and of the Sustainability Committee; (v) Euro 15,000 for the Chairman 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 was approved at the Shareholders' Meeting of 21 June 2022, the annual gross compensation is Euro 186,000.

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

It should be noted that the Chief Executive Officer and the General Manager, in virtue of the agreements inherent in their employment relationship with the Issuer, have waived their right to the remuneration resolved in their favour in connection with their position as directors. By virtue of such agreements, and in particular remuneration paid to the Chief Executive Officer and the General Manager with reference to their executive positions, the amount of remuneration paid to them in FY 2022-2023 is included in the remuneration paid to Managers with Strategic Responsibilities as is shown in detail in the attached tables<sup>30</sup>.

### **Variable remuneration**

The members of the Board of Directors, with the exception of the Chief Executive Officer and General Manager, have not participated in the Stock Option Plan, the Performance Shares Plans, the MBO system or other forms of variable remuneration.

It should be noted that the Chief Executive Officer and the General Manager participated in the 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> cycles of the 2020-2025 Performance Shares Plan, were identified as Beneficiaries of the 1<sup>st</sup> cycle of the 2023-2028 Performance Shares Plan and participated in the stock option 2018-2025 Long Term Incentive Plan as Managers with Strategic Responsibilities. Details of their participation in the incentive plans are explained in the section on compensation of Managers with Strategic Responsibilities.

### **Non-monetary benefits**

<sup>28</sup> The amounts indicated do not include social security contribution and VAT, where applicable

<sup>29</sup> Excluding Benedetto Levi and Giuseppe Nisticò, who waived their fixed gross annual remuneration.

<sup>30</sup> It should be noted that on 9 Mar 2023 the Board of Directors has taken into account the retirement notice given by Giancarlo Nicosanti Monterastelli and thus the termination of his employment as Chief Strategy Officer, effective as of 01 June 2023 while remaining Chief Executive Officer of the Company. In light of this news, the Board of Directors deems it appropriate that an increase in the total compensation earmarked for the Board of Directors be submitted at the Shareholders' Meeting called for 22 June 2023, so as to allocate a portion of Board compensation to the Chief Executive Officer, who, to date, has waived his right to compensation for such office, having consequently received compensation solely for his office as Chief Strategy Officer.

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. REMUNERATION OF THE BOARD OF STATUTORY AUDITORS**

On 21 June 2022 the Shareholders' Meeting resolved to appoint a Board of Statutory Auditors<sup>31</sup> consisting of three standing members and two alternate members, for the duration of three fiscal years (and thus until the Shareholders' Meeting to approve the financial statements as of 28 February 2025), composed of Giuseppina Manzo, as Chairman, Paolo Costantini, as standing auditor, Stefano Antonini, as standing auditor, Emiliano Barcaroli, as alternate auditor, Davide Barbieri, as alternate auditor.

##### **Fixed remuneration**

On 21 June 2022 the Shareholders' Meeting resolved to award to the members of the Board of Statutory Auditors in office as at the date of this Report, for the entire term of their office, a total remuneration of Euro 105,000. At the same meeting, the Shareholders' Meeting allocated the said compensation as follows: (i) to the Chairman an amount equal to Euro 45,000, (ii) to each Statutory Auditor an amount equal to Euro 30,000<sup>32</sup>.

Please note that at Shareholders' Meeting held on 18 June 2019, it was resolved that the same amounts be awarded to the Board of Statutory Auditors in office until 21 June 2022.

##### **Variable remuneration and non-monetary benefits**

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

#### **c. REMUNERATION OF THE GENERAL MANAGER**

The Shareholders' Meeting held on 21 June 2022 appointed General Manager Maria Bruna Olivieri as Executive Director of the Company. Without prejudice to that set forth in the section on the Board of Directors' compensation, the following should be noted.

##### **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 above 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 above point (c), Part One, Section II).

<sup>31</sup> Part of the former Board of Statutory Auditors were Giuseppina Manzo, as Chairman, Maurizio Voza and Federica Mantini both as effective members.

<sup>32</sup> The amounts indicated do not include social security contribution and VAT, where applicable.



The Board of Directors designated the General Manager as one of the beneficiaries: (i) under the 3<sup>rd</sup> cycle of the 2020-2025 Performance Shares Plan on 23 March 2022; and (ii) under the 1<sup>st</sup> cycle of the Performance Shares Plan 2023-2028 on 14 July 2022. In both cases, the Board had received prior favourable opinion from the Remuneration and Appointments Committee.

### **Non-monetary Benefits**

The General Manager shall be attributed a series of benefits, including, in accordance with the provisions of any applicable National Collective Bargaining 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.

### **d. REMUNERATION OF MANAGERS WITH STRATEGIC RESPONSIBILITY**

During 2022-2023, the Issuer has identified three Managers with Strategic Responsibilities as individuals who, in the Issuer's judgment, have the power and responsibility, directly or indirectly, for planning, directing, and controlling Unieuro's activities; these are the executives who currently hold the positions of:

- Chief Executive Officer who, as of 19 May 2021 held the position of Chief Strategy Officer until the date of the 31 May 2023;
- General Manager;
- Chief Financial Officer.

Without prejudice to that specifically provided for in paragraphs a. and c. above of this Section with reference, respectively, to the Chief Executive Officer and the General Manager, this chapter describes the compensation of the Managers with Strategic Responsibilities identified during the reporting year.

### **Fixed remuneration**

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 period ending 28 February 2023, the 3 Managers with Strategic Responsibilities (including Giancarlo Nicosanti Monterastelli who, in the reference year, held the office of Chief Strategy Officer and Maria Bruna Olivieri who holds the office of General Manager) were paid a total of Euro 1,021,564.86, as their part of the fixed remuneration<sup>33</sup>.

### **Variable remuneration**

Managers with Strategic Responsibilities participated in the MBO scheme were designated by the Board of Directors as beneficiaries of (i) the 3<sup>rd</sup> cycle of the 2020-2025 Performance Shares Plan on 23 March 2022 and (ii) the 1<sup>st</sup> cycle of the 2023-2028 Performance Shares Plan as follows: on 14 July 2022 as regards the Chief Strategy Officer and General Manager; on 23 December 2022 as regards the Chief

<sup>33</sup> Such amount is inclusive of the fixed remuneration of Mr Marco Pacini, who held the position of Chief Financial Officer until 31 December 2022, and that of Mr Marco Deotto, who has held the position of Chief Financial Officer since 20 February 2023.

Financial Officer. In all cases, the Board had received prior favourable opinion from the Remuneration and Appointments Committee.

In this regard, total gross variable remuneration paid out (relating the MBO scheme applicable to financial period ending 28 February 2022 and actually paid out in the financial period ending 28 February 2023) was Euro 822,000.00.

#### Stock Option Plan

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; 250,887 to the CEO / Chief Strategy Officer; 83,629 to the General Manager and the residual part of 238,343 to Managers with Strategic Responsibilities in office until 15 April 2021) 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 31 July 2020, option rights holders may exercise their subscription within the final deadline of 31 July 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 amount commensurate to the amount of dividend which he/she would have received from the Stock Option Plan 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.

#### 2020-2025 Performance Share Plan

In connection with the 3<sup>rd</sup> cycle of the 2020-2025 Performance Shares Plan, on 23 March 2022, (i) 44,000 shares were awarded to the CEO, Giancarlo Nicosanti Monterastelli, (ii) 27,000 shares to the General Manager (iii) 17,000 shares to the Chief Financial Officer.

We draw your attention to the fact that Marco Pacini, Chief Financial Officer presented his resignation from office on 28 September 2022 to undertake a new professional experience. Mr Pacini carried out all duties pertaining to his Unieuro offices until 31 December 2022 to ensure necessary business continuity and a smooth transition.

We underline that no indemnity or other benefits have been paid to Mr Pacini, other than those set forth in the applicable national collective bargaining agreement and the contractual adjustment provided for to ensure validity of the non-competition obligation entered into with the manager in line with the Company's Remuneration Policy.

As at his date of resignation, Mr Pacini had been granted a total of 54,000 share rights under the 2020-2025 Performance Shares Plan and the 2023-2028 Performance Shares Plan. Such share rights were subject to conditions set forth in the respective Information Documents. Having tendered voluntary resignation, Mr Pacini's termination of office fell within the condition of Bad Leaver; thus his share rights were revoked.

With regard to the 1<sup>st</sup> Cycle of the Plan, we point out that the vesting period ended on 28 February 2023. On 9 May 2023 and upon the proposal of the Remuneration and Appointments Committee, the Board of Directors ascertained the performance conditions to have been duly achieved.

With reference to the incentive of Managers with Strategic Responsibilities, the diagram below illustrates the performance targets pertaining to the 1<sup>st</sup> Cycle of the 2020-2025 Performance Shares Plan and the results obtained on the performance curve<sup>34</sup>.

	Performance Objectives	Consolidated results of the 1 <sup>st</sup> Cycle	Level of achievement
Chief Executive Officer and General Manager	Adjusted EBIT (Weighting 60%)	193.7€	+ 16.5% with respect to the target value <i>(over-performance)</i>
	Adjusted Free Cash Flow (Weighting 40%)	197,2M€	+ 61.1% with respect to the target value <i>(over-performance)</i>

Upon achievement of the performance target, the Board of Directors, after consultation with the Remuneration and Appointments Committee and based upon the draft financial statement as at 28 February 2023, identified: i) 64,950 shares to be allocated to Giancarlo Nicosanti Monterastelli (Chief Executive Officer); ii) 25,980 shares to be allocated to Maria Bruna Olivieri (General Manager) as Beneficiaries. The material delivery of the shares shall take place following the Shareholders' Meeting to be held for approval of the annual financial statements as at 28 February 2023 and shall be subject to a 24-months lock-up period as of the date of delivery of the shares. Further to the material delivery of the shares, the cash bonus shall be paid in the manners set forth in the Information Document as regards the of the First Cycle of the 2020-2025 Performance Shares Plan.

#### Short-term variable compensation MBO

In particular, the compensation effectively paid to the Chief Executive Officer in FY 2022-2023 (from 1 March 2022 to 28 February 2023) by way of short-term variable component for FY 2021-2022 (from 1 March 2021 to 28 February 2022 ) was Euro 359,625.00, mindful that, on 11 May 2022, the Board of Directors, having considered the proposal of the Remuneration and Appointed Committee, ascertained the achievement of the specific over-performance conditions<sup>35</sup>.

With reference instead to FY 2022-2023, the table below illustrates the performance objectives linked to short -term variable remuneration and the effects deriving from the performance curve, with reference to the MBOs of Managers with Strategic Responsibilities.

<sup>34</sup> The table takes into account the achievement of the performance objectives for Giancarlo Nicosanti Monterastelli and Maria Bruna Olivieri, who at the date of the close of the vesting period held the position of Managers with Strategic Responsibilities. On the other hand, the table does not take into account the achievement of the Chief Financial Officer's objectives because as of the date of the close of the vesting period said role was held by a person who was not a Beneficiary of the First Cycle of the 2020-2025 Performance Shares Plan.

<sup>35</sup> Specifically, these DRs were entitled to variable compensation equal to 102.8% of the contractually established amount.

	Performance Objectives <sup>36</sup>	Results FY 2022-2023	Level of achievement
Chief Executive Officer and other Managers with Strategic Responsibilities	EBITA (Weighting 70%)	67.7 M€	- 9.6% with respect to the target value <i>(under-performance)</i>
	NFP (Weighting 20%)	124.4 M€	+ 3.6 % with respect to the target value <i>(over-performance)</i>
	NPS (Weighting 10%)	51.9	+ 5.6 % with respect to the target value <i>(over-performance)</i>

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, all Managers with Strategic Responsibilities are awarded a series of benefits, including – according to the provisions of the applicable national collective bargaining agreements and individual employment contracts – a motor vehicle for personal and business use, contributions for mandatory social security funds and supplementary medical 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 for non-compete undertakings**

During the 2022-2023 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, with the sole exception of Marco Pacini Chief Financial Officer. We underline that no indemnity or other benefits have been paid to Mr Pacini, other than those set forth in the applicable national collective bargaining agreement and the contractual adjustment provided for in the non-competition undertaking entered into with the manager in line with the Company's Remuneration Policy. In total, the Company has paid Euro 130,000 of which: Euro 66,333.49 gross for the non-compete undertaking during his office and Euro 66,666.51 gross as adjustment.

The Company has non-compete agreements in place with Managers with Strategic Responsibilities entered into in accordance with article 2125 of the Civil Code. The non-compete obligations therein provide an undertaking that Managers shall not work for companies in competition with Unieuro (therefore any entity in the specific product sector in which the Company operates in the large-scale retail trade and including online sales channels) following termination of their employment relationship. This non-compete obligation is binding within the territory of the Italian Republic. The non-competition undertaking is applicable for 24 months from date of termination of the employment

<sup>36</sup> 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 warranty 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 (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).

relationship. The gross annual amount of Euro 40,000.00 is provided as consideration for accepting the non-competition undertaking. Such consideration is paid in 14 monthly instalments for as long as the employment relationship is ongoing. In the event that, on the date the employment relationship is terminated, the consideration paid by the Company during the term of the relationship is lower than such amount for each year of the duration of the non-competition agreement, than a percentage of between 25%-30% of the gross annual remuneration paid to the particular Manager at the time of termination, then the Company shall pay said Manager an adjustment calculated at the difference between the consideration actually paid during the term of the relationship and the above-mentioned percentage. As of the date of publication of this Report, Giancarlo Nicosanti Monterastelli and the General Manager, having already achieved the minimum fixed percentage, shall not be entitled to receive any adjustment as at the date of termination.

In the event of a breach of the non-competition obligation on the part of the Manager, in conformance with article 1382 of the Civil Code, the breaching manager shall pay the Company liquidated damages of three times the consideration paid to him/her relationship for the non-competition undertaking during the employment as well as any final adjustments paid.

#### **Derogations from the remuneration policy relating to the 2022 financial period**

There have been no derogations from the remuneration policy relating to the 2021-2022 financial period.

#### **Application of ex post correction mechanisms**

During the 2022-2023 financial period, no ex post correction mechanism 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 three financial periods: (i) of the total remuneration as regard 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 different to those under point (i).

<b>Total remuneration<sup>37</sup></b>	<b>FY 2023</b>	<b>FY 2022<sup>38</sup></b>	<b>FY 2021<sup>39</sup></b>	<b>FY 2020</b>
<i>Board of Directors<sup>40</sup></i>				
Stefano Meloni – Chairman	186,166.67	160,000.00	160,000.00	33,261.49

<sup>37</sup> Inclusive of fixed remuneration, participation in committees, bonuses and other incentives, except for social contribution or reimbursement of expenses.

<sup>38</sup> Compensation proportionate to the months actually spent in the office.

<sup>39</sup> Compensation proportionate to the months actually spent in the office.

<sup>40</sup> The amounts are given by the sum of the *pro rata temporis* resolved on at the Shareholders' Meeting held on 15 June 2021 as of 15 June 2021 and the *pro rata temporis* resolved on at the Shareholders' Meeting held on 21 June 2022.

Giancarlo Nicosanti Monterastelli <sup>41</sup> – CEO	659,561.34	718,569.26	1,188,510.72 <sup>42</sup>	740,445.92
Maria Bruna Olivieri <sup>43</sup> – General Manager	564,133.38	872,641.98 <sup>44</sup>	-	-
Michele Bugliesi – Director <sup>45</sup>	18,958.34	61,718.75	47,250	1,257.18
Catia Cesari – Director <sup>46</sup>	24,791.67	79,677.08	57,750	37,625
Pietro Caliceti – Director	82,458.34	73,135.42	63,750	38,285.92
Paola Elisabetta Galbiati – Director	98,333.34	75,260.42	57,250	1,257.18
Marino Marin – Director <sup>47</sup>	30,625.00	98,802.08	83,750	85,625
Monica Luisa Micaela Montironi – Director <sup>48</sup>	73,135.42	63,750	44,625	44,625
Alessandra Stabilini – Director	87,333.34	48,177.08	43,750	30,625
Alessandra Bucci – Director <sup>49</sup>	57,750.00	-	-	-
Laura Cavatorta – Director <sup>50</sup>	60,000.00	-	-	-

<sup>41</sup> The remuneration of Giancarlo Nicosanti Monterastelli is determined on the basis of the managerial relationship in place, as the Chief Executive Officer waived his right to the compensation granted to him pursuant to article 2389 paragraph 3 Civil Code.

<sup>42</sup> The total remuneration also includes the 2018 -2025 LTIP cash bonus equal to Euro 307,000.

<sup>43</sup> The remuneration of Maria Bruna Olivieri is determined on the basis of the managerial relationship in place, as she waived her right to the compensation granted to her pursuant to article 2389 paragraph 3 Civil Code.

<sup>44</sup> Of which 302,919.91 as fixed remuneration, 90,229.55 as contribution reimbursement on the portion exceeding the contribution ceiling (art. 2 paragraph 18, Law 335/1995) for the period from 2015 to 2018, 308,250 referred to MBO FY22 and 256,741 ,03 cash bonus LTIP 2018 -2025

<sup>45</sup> The Director concluded his mandate as at the Shareholders' Meeting held on 21 June 2022.

<sup>46</sup> The Director concluded her mandate as at the Shareholders' Meeting held on 21 June 2022.

<sup>47</sup> The Director concluded his mandate as at the Shareholders' Meeting held on 21 June 2022.

<sup>48</sup> The Director concluded her mandate as at the Shareholders' Meeting held on 21 June 2022.

<sup>49</sup> The Director was appointed at the Shareholders' Meeting held on 21 June 2022.

<sup>50</sup> The Director was appointed at the Shareholders' Meeting held on 21 June 2022.

Daniele Pelli – Director <sup>51</sup>	52,500.00	-	-	-
Benedetto Levi <sup>52</sup> – Director	-	-	-	-
Giuseppe Nisticò <sup>53</sup> – Director	-	-	-	-
<i>Board of Statutory Auditors<sup>54</sup></i>				
Giuseppina Manzo – Chairman of the Board of Statutory Auditors	46,875.00	39,458.33	26,000	18,164.38
Maurizio Voza – Standing Auditor <sup>55</sup>	8,750.00	26,208.33	17,000	19,712.33
Federica Mantini – Standing Auditor <sup>56</sup>	8,750.00	26,208.33	17,000	11,876.61
Paolo Costantini – Standing Auditor <sup>57</sup>	22,500.00	-	-	-
Stefano Antonini – Standing Auditor <sup>58</sup>	22,500.00	-	-	-
<b>Company's results<sup>59</sup></b>	<b>FY 2023</b>	<b>FY 2022</b>	<b>FY 2021</b>	<b>FY 2020</b>
EBITDA	67.7	101.2	111.0	82,1
NFP	124.4	135.7	154.8	29,6

<sup>51</sup> The Director was appointed at the Shareholders' Meeting held on 21 June 2022.

<sup>52</sup> It should be noted that said Director has waived the right to the compensation awarded by the Board pursuant to article 2389, paragraph 1 of the Civil Code, as stated in the Minutes of the Shareholders' Meeting of 15 June 2021.

<sup>53</sup> It should be noted that said Director has waived the right to the compensation awarded by the Board pursuant to article 2389, paragraph 1 of the Civil Code, as stated in the Minutes of the Shareholders' Meeting of 15 June 2021.

<sup>54</sup> The sum is comprised of the amount resolved on at the Shareholders' Meeting held on 15 June 2021 *pro rata temporis* as of 15 June 2021 and that *pro rata temporis* resolved on at ordinary and extraordinary Shareholders' Meeting of 21 June 2022.

<sup>55</sup> The Standing Auditor concluded his mandate as at the Shareholders' Meeting held on 21 June 2022.

<sup>56</sup> The Standing Auditor concluded her mandate as at the Shareholders' Meeting held on 21 June 2022.

<sup>57</sup> The Standing Auditor was appointed at the Shareholders' Meeting held on 21 June 2022.

<sup>58</sup> The Standing Auditor was appointed at the Shareholders' Meeting held on 21 June 2022.

<sup>59</sup> The EBITDA is given by the Consolidated EBITDA before the adoption of IFRS16 adjusted by (i) non-recurring expenses / (income) and (ii) the effects deriving from the adjustment of revenues for warranty extension services net of the related future costs estimated for the provision of the assistance service, as a consequence of the change in the business model for directly managed assistance services. The Net Financial Position (NFP) indicates the (Net financial debt) / Consolidated net cash without incorporating the effects related to the application of IFRS 16. The Net Promoter Score (NPS) measures 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).

NPS	51.9	48.5	45.8	46,3
Average remuneration FTE <sup>60</sup>	FY 2023	FY 2022	FY 2021	FY 2020
	26,974.51	26,684.22	26,618.34	26,455.92

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

At the Ordinary Shareholders' Meeting held on 21 June 2022, the second section of the Remuneration Report for the year ended as at 28 February 2022 was approved with 7,971,516 votes in favour, representative of 80.092% of those in attendance (there were: 379,729 votes against, representative of 3.815% of those in attendance; 1,418,910 abstainers, representing 14.256% of those in attendance; 182,850 non-voters representing 1.837% 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 2023 of whatever nature and grounds or by the Company or by any company controlled by or connected to the Issuer.

<sup>60</sup>The contractual gross annual fixed salary in relation to Full Time Equivalents ("FTE") has been considered, with the exclusion of the gross fixed compensation due to the Chief Executive Officer as Chief Strategy Officer. It should be noted that the average company population for FY21 is equal to 4,485 FTEs of which 4,160 operate in the retail outlets having the role of sales staff while 325 are employees at the headquarters. In FY22 the average company population was 4,822 FTEs of which 4,470 work in the retail outlets having the role of sales staff while 352 are employees at the headquarters. In FY23 the average company population was 4,843 FTEs of which 4,457 work in the retail outlets having the role of sales staff while 386 are employees at the headquarters.



## TABLE 1: COMPENSATION PAID TO MEMBERS OF MANAGEMENT AND CONTROL BODIES AND OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES <sup>61</sup>

Legend:

- BOD: Board of Directors
- RAC: Remuneration and Appointments Committee
- CRC: Control and Risk Committee
- RPTC: Related-Party Transactions Committee
- SC: Sustainability Committee

Name and surname	Office	Period office held	End of period in office	Fixed compensation	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	BOD Chiarman	01/03/2022 20/06/2022	20/06/2022	46,666.67 <sup>62</sup>						46,666.67		
Stefano Meloni	BOD Chairman	21/06/2022 28/02/2023	Balance Sheet approval Meeting 2025	139,500.00 <sup>63</sup>						139,500.00		
Marino Marin	Independent Director	01/03/2022 20/06/2022	20/06/2022	14,583.34 <sup>64</sup>						30,625.00		

<sup>61</sup> All compensation is paid by the Company in charge of preparing the financial statements. Amounts stated in Euro.

<sup>62</sup> Compensation determined by the Board of Directors on 24 February 2020 on the basis of what was approved at the Shareholders' Meeting of 18 June 2019. Fully paid.

<sup>63</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 93,000.00 paid in FY23 and Euro 46,500.00 paid in FY24

<sup>64</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

	Chairman of the RAC	01/03/2022 20/06/2022			5,833.33 <sup>65</sup>							
	Chairman of the CRC	01/03/2022 20/06/2022			5,833.33 <sup>66</sup>							
	Chairman of the RPTC	01/03/2022 20/06/2022			4,375.00 <sup>67</sup>							
Catia Cesari	Independent Director	01/03/2022 20/06/2022	20/06/2022	14,583.34 <sup>68</sup>								
	Member of RAC	01/03/2022 20/06/2022			4,375.00 <sup>69</sup>					24,791.67		
	Chairman of SC	01/03/2022 20/06/2022			5,833.33 <sup>70</sup>							
Pietro Caliceti	Independent Director	01/03/2022 20/06/2022	20/06/2022	14,583.34 <sup>71</sup>								
	Member of RPTC	01/03/2022 20/06/2022			3,500.00 <sup>72</sup>					22,458.34		
	Member of RAC	01/03/2022 20/06/2022			4,375.00 <sup>73</sup>							
Pietro Caliceti	Independent Director	21/06/2022 28/02/2023			37,500.00 <sup>74</sup>						60,000.00	

<sup>65</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

<sup>66</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

<sup>67</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

<sup>68</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

<sup>69</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

<sup>70</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

<sup>71</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

<sup>72</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

<sup>73</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

<sup>74</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 25,000.00 paid in FY23 and Euro 12,500.00 paid in FY24.

	Chairman of RPTC	21/06/2022 28/02/2023	Balance Sheet approval Meeting 2025		11,250.00 <sup>75</sup>						
	Member of RAC	21/06/2022 28/02/2023			11,250.00 <sup>76</sup>						
Alessandra Stabilini	Independent Director	01/03/2022 20/06/2022	20/06/2022	14,583.34 <sup>77</sup>						14,583.34	
Alessandra Stabilini	Independent Director	21/06/2022 28/02/2023	Balance Sheet approval Meeting 2025	37,500.00 <sup>78</sup>						72,750.00	
	Chairman of CRC	21/06/2022 28/02/2023			15,000.00 <sup>79</sup>						
	Member of RAC	21/06/2022 28/02/2023			11,250.00 <sup>80</sup>						
	Member of RPTC	21/06/2022 28/02/2023			9,000.00 <sup>81</sup>						
Monica Luisa Micaela Montironi	Independent Director	01/03/2022 20/06/2022	20/06/2022	14,583.34 <sup>82</sup>						22,458.34	
	Member of CRC	01/03/2022 20/06/2022			4,375.00 <sup>83</sup>						
	Member of RPTC	01/03/2022 20/06/2022			3,500.00 <sup>84</sup>						
Michele Bugliesi	Independent Director	01/03/2022 20/06/2022	20/06/2022	14,583.34 <sup>85</sup>						18,958.34	
	Member of SC	01/03/2022 20/06/2022			4,375.00 <sup>86</sup>						

<sup>75</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 7,500.00 paid in FY23 and Euro 3,750.00 paid in FY24.

<sup>76</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 7,500.00 paid in FY23 and Euro 3,750.00 paid in FY24.

<sup>77</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

<sup>78</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 25,000.00 paid in FY23 and Euro 12,500.00 paid in FY24.

<sup>79</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 10,000.00 paid in FY23 and Euro 5,000.00 paid in FY24.

<sup>80</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 7,500.00 paid in FY23 and Euro 3,750.00 paid in FY24.

<sup>81</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 6,000.00 paid in FY23 and Euro 3,000.00 paid in FY24.

<sup>82</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

<sup>83</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

<sup>84</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

<sup>85</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

<sup>86</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.



Giuseppe Nisticò	Non-executive Director	01/03/2022 20/06/2022	20/06/2022	- <sup>97</sup>								
Giuseppe Nisticò	Non-executive Director	21/06/2022 28/02/2023	Balance Sheet approval Meeting 2025	- <sup>98</sup>								
Alessandra Bucci	Independent Director	21/06/2022 28/02/2023	Balance Sheet approval Meeting 2025	37,500.00 <sup>99</sup>							57,750.00	
	Member of RPTC	21/06/2022 28/02/2023			9,000.00 <sup>100</sup>							
	Member of SC	21/06/2022 28/02/2023			11,250.00 <sup>101</sup>							
Laura Cavatorta	Independent Director	21/06/2022 28/02/2023	Balance Sheet approval Meeting 2025	37,500.00 <sup>102</sup>							60,000.00	
	Member of CRC	21/06/2022 28/02/2023			11,250.00 <sup>103</sup>							
	Member of SC	21/06/2022 28/02/2023			11,250.00 <sup>104</sup>							
Daniele Pelli	Independent Director	21/06/2022 28/02/2023	Balance Sheet approval Meeting 2025	37,500.00 <sup>105</sup>							52,500.00	
	Chairman of SC	21/06/2022 28/02/2023			15,000.00 <sup>106</sup>							
Maurizio Voza	Standing Auditor	01/03/2022 20/06/2022	20/06/2022	8,750.00 <sup>107</sup>							8,750.00	

<sup>97</sup> At the Shareholders' Meeting held on 15 June 2021, the Director waived his right to the compensation granted to him pursuant to article 2389 paragraph 1 Civil Code.

<sup>98</sup> At the Shareholders' Meeting held on 21 June 2022, the Director waived his right to the compensation granted to him pursuant to article 2389 paragraph 1 Civil Code.

<sup>99</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022. Fully paid in FY23.

<sup>100</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022. Fully paid in FY23.

<sup>101</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022. Fully paid in FY23.

<sup>102</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022. Fully paid in FY23.

<sup>103</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022. Fully paid in FY23.

<sup>104</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022. Fully paid in FY23.

<sup>105</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022. Fully paid in FY23.

<sup>106</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022. Fully paid in FY23.

<sup>107</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

Giuseppina Manzo	Chairman of the Board of Auditors	01/03/2022 20/06/2022	20/06/2022	13,125.00 <sup>108</sup>	-	-	-	-	13,125.00	-	-
Giuseppina Manzo	Chairman of the Board of Auditors	21/06/2022 28/02/2023	Balance Sheet approval Meeting 2025	33,750.00 <sup>109</sup>	-	-	-	-	33,750.00	-	-
Federica Mantini	Standing Auditor	01/03/2022 20/06/2022	20/06/2022	8,750.00 <sup>110</sup>	-	-	-	-	8,750.00	-	-
Paolo Costantini	Standing Auditor	21/06/2022 28/02/2023	Balance Sheet approval Meeting 2025	22,500.00 <sup>111</sup>	-	-	-	-	22,500.00	-	-
Stefano Antonini	Standing Auditor	21/06/2022 28/02/2023	Balance Sheet approval Meeting 2025	22,500.00 <sup>112</sup>	-	-	-	-	22,500.00	-	-
Giancarlo Nicosanti Monterastelli <sup>113</sup>	CEO, Chief Strategy Officer- Executive Director	01/03/2022 28/02/2023	Balance Sheet approval Meeting 2025 <sup>114</sup>	353,406.88	298,375.00 <sup>115</sup>	-	7,779.46	-	659,561.34	-	-
Maria Bruna Olivieri	General Manager	01/03/2022 28/02/2023	-	302,857.28	255,750.00 <sup>116</sup>	-	5,526.10	-	564,133.38	-	-

<sup>108</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

<sup>109</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 22,500.00 paid in FY23 and Euro 11,250.00 paid in FY24.

<sup>110</sup> Compensation approved at the Shareholders' Meeting of 15 June 2021 from 15 June 2021 as was apportioned by the Board of Directors on 24 June 2021. Fully paid.

<sup>111</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 7,500.00 paid in FY23 and Euro 15,000.00 paid in FY24.

<sup>112</sup> Compensation approved at the Shareholders' Meeting of 21 June 2022, of which Euro 7,500.00 paid in FY23 and Euro 15,000.00 paid in FY24.

<sup>113</sup> It is noted that Mr Nicosanti Monterastelli, in virtue of his office held as CEO and, since May 2021, as Chief Strategy Officer and of the agreements inherent to his subordinate employment relationship with the Issuer and, more specifically, the agreed omni-comprehensive nature of his gross annual remuneration inclusive of any other compensation deriving also as a result of his additional positions and company duties, waived his right to compensation resolved in his favour in connection with the office of Executive Director held during year 2023.

<sup>114</sup> Limited to the office of Executive Director.

<sup>115</sup> Euro 298,375.00 refers to MBO FY23 not yet paid, pending approval of the Financial Statements. It is specified that in the FY2023 Euro 359,625.00 was paid out by way of MBO applicable for the year 2022.

<sup>116</sup> Euro 255,750.00 refers to MBO FY23 not yet paid, pending approval of the Financial Statements. It is also specified that in FY2023 Euro 308,250.00 was paid out by way of MBO applicable for the year 2022.

Maria Bruna Olivieri <sup>117</sup>	Executive Director	21/06/2022 28/02/2023	Balance Sheet approval Meeting 2025	-	-	-	-	-	-	-	-
Marco Pacini	Chief Financial Officer	01/03/2022 31/12/2022		359,166.63	0 <sup>118</sup>		3,164.66	66.666,51 <sup>119</sup>	428.997,8		35,856.48 <sup>120</sup>
Marco Deotto	Chief Financial Officer	20/02/2023 28/02/2023		6,134.07			282.53		6,416.60		

<sup>117</sup> It is noted that Mrs Olivieri, in virtue of his office held as General Manager and of the agreements inherent to his subordinate employment relationship with the Issuer and, more specifically, the agreed omni-comprehensive nature of her gross annual remuneration inclusive of any other compensation deriving also as a result of her additional positions and company duties, waived her right to compensation resolved in her favour in connection with the office of Executive Director held during year 2023.

<sup>118</sup> It is noted that in FY2023 Euro 154,125.00 was paid out by way of MBO applicable for the year 2022.

<sup>119</sup> Amount paid as an adjustment for the non-competition agreement.

<sup>120</sup> Severance pay paid on 02/10/2023 pursuant to the CCNL applied.

**TABLE 2: STOCK OPTIONS GRANTED TO THE MEMBERS OF THE BOARD OF DIRECTORS, TO GENERAL MANAGERS AND TO THE OTHER MANAGERS WITH STRATEGIC RESPONSIBILITIES <sup>121</sup>**

Name and surname	Office	Plan <sup>122</sup>	Options held at the start of the financial period			Options awarded during the financial period						Option Exercised during the financial period			Option expired during the financial period	Options held at the end of the financial period	Options accrued in the financial period
			N° options	Exercise price	Period of possible exercise (from - to)	N° options	Exercise price	Period of possible exercise (from - to)	Fair value at grant date	Grant date <sup>123</sup>	Market price of the shares underlying options granted <sup>124</sup>	N° options	Exercise price	Market price of underlying shares at the exercise date	N° options	N° options	Fair value <sup>125</sup>
Giancarlo Nicosanti Monterastelli	CEO – Executive Director	Long Term Incentive Plan 2018-2025	150,887	11 Euro	From 31/07/20 to 31/07/25	-	-	-	-	-	-	-	-	-	-	150,887	1,075,220.76

<sup>121</sup> All compensation is paid by the Company in charge of preparing the financial statements. Amounts stated in Euro.

<sup>122</sup> 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.

<sup>123</sup> Long Term Incentive Plan 2018-2025: The allocation letter was delivered on 23 October 2017 with retroactive effect to 29 June 2017.

<sup>124</sup> Market price as of 29 June 2017 for the Long Term Incentive Plan 2018-2025.

<sup>125</sup> Value of reserves as of 28 February 2022 for share-based payments inclusive of possible exit of Plan beneficiaries.



**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** <sup>126</sup>

Name and surname	Office	Plan <sup>127</sup>	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 period and not awarded	Financial instruments vested during the financial period and awarded		Financial instruments for the financial period	
			Number and type of financial instruments	Periodo di vesting	Numero e tipologia degli strumenti finanziari	Fair value alla data di assegnazione	Periodo di vesting	Data di assegnazione	Prezzo di mercato all'assegnazione	Numero e tipologia strumenti finanziari	Numero e tipologia di strumenti finanziari	Valore alla data di maturazione	Fair value <sup>128</sup>	
Giancarlo Nicosanti Monterastelli	CEO e Chief Strategy Officer	1 <sup>st</sup> Cycle Performance shares plan 2020-2025		From 01/03/2020 to 28/02/2023	-	-	-	-	-	-	64,950 <sup>129</sup>	-	-	935,930
Luigi Fusco	COO	1 <sup>st</sup> Cycle Performance shares plan 2020-2025		From 01/03/2020 to 28/02/2023	-	-	-	-	-	-	25,980 <sup>130</sup>	-	-	374,372
Maria Bruna Olivieri	COCO	1 <sup>st</sup> Cycle Performance shares plan 2020-2025		From 01/03/2020 to 28/02/2023	-	-	-	-	-	-	25,980 <sup>131</sup>	-	-	374,372
Italo Valenti <sup>132</sup>	CFO	1 <sup>st</sup> Cycle		From	-	-	-	-	-	-	-	8,750 <sup>133</sup>	-	-

<sup>126</sup> All compensation is paid by the Company in charge of preparing the financial statements. It then describes the remuneration of the Managers with Strategic Responsibilities who were identified as such at the time of the assignment of the rights.

<sup>127</sup> Performance Shares Plan 2020-2025: Plan approved at the Shareholders' Meeting on 17 December 2020; the rights were granted, and the regulation, respectively of the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> Cycle, of the Plan was approved by the Board of Directors at the meetings held on 13 January 2021, on 14 July 2021 and on 23 March 2022. Said regulation determined the terms and conditions for implementing the Plan. Performance Shares Plan 2023-2028: Plan Approved at the Shareholders' Meeting of the Company on 21 June 2022. On 14 July 2022 the Board of Directors granted the rights of the 1<sup>st</sup> Cycle of the Plan to the Chief Executive Officer, Giancarlo Nicosanti Monterastelli, and to the General Manager, Maria Bruna Olivieri, as well as to the Chief Financial Officer, Marco Pacini, who, due to his resignation, lost his rights. On 23 December the rights were assigned to the Chief Financial Officer Marco Deotto.

<sup>128</sup> Value of the reserve as at 28 February 2023 for share-based payments including the probability of achieving the objectives and leaving the Plan beneficiaries.

<sup>129</sup> Allocated 64,950 shares against 50,000 rights assigned

<sup>130</sup> Allocated 25,980 shares against 20,000 rights assigned

<sup>131</sup> Allocated 25,980 shares against 20,000 rights assigned

<sup>132</sup> On 12 April 2021, a Consensual Termination Agreement has been signed to terminate the relationship with the Chief Financial Officer, Italo Valenti.

<sup>133</sup> Allocated 8,750 shares against 8,750 rights assigned

		Performance shares plan 2020-2025		01/03/2020 to 28/02/2023									
Andrea Scozzoli	CCDO	1 <sup>st</sup> Cycle Performance shares plan 2020-2025		From 01/03/2020 to 28/02/2023							7,794 <sup>134</sup>		112.312
Gabriele Gennai	CCO	1 <sup>st</sup> Cycle Performance shares plan 2020-2025		From 01/03/2020 to 28/02/2023							18,186 <sup>135</sup>		262,060
Total assigned to Managers with Strategic Responsibilities		1 <sup>st</sup> Cycle Performance shares plan 2020-2025		From 01/03/2020 to 28/02/2023							142,890 <sup>136</sup>	8,750	2,059.046
Giancarlo Nicosanti Monterastelli	CEO and Chief Strategy Officer	2 <sup>nd</sup> Cycle Performance shares plan 2020-2025	48,000	From 01/03/2021 to 29/02/2024									183,123
Maria Bruna Olivieri	General Manager	2 <sup>nd</sup> Cycle Performance shares plan 2020-2025	30,000	From 01/03/2021 to 29/02/2024									114,452
Marco Pacini	CFO	2 <sup>nd</sup> Cycle Performance shares plan 2020-2025	20,000 <sup>137</sup>	From 01/03/2021 to 29/02/2024									0
Total assigned to Managers with Strategic Responsibilities		2 <sup>nd</sup> Cycle Performance shares plan 2020-2025	98,000	From 01/03/2021 to 29/02/2024									554,368
Giancarlo Nicosanti Monterastelli	CEO and Chief Strategy Officer	3 <sup>rd</sup> Cycle Performance shares plan 2020-2025			44,000	18.14	From 01/03/2022 to 28/02/2025	23/03/2022	16.65				62,192
Maria Bruna Olivieri	General Manager	3 <sup>rd</sup> Cycle Performance shares plan 2020-2025			27,000		From 01/03/2022 to 28/02/2025	23/03/2022	16.65				38,163

134 Allocated 7,794 shares against 6,000 rights assigned

135 Allocated 18,186 shares against 14,000 rights assigned

136 Allocated 142,890 shares against 118,000 rights assigned

<sup>137</sup> Rights lost as a bad leaver due to resignation

Marco Pacini	CFO	3 <sup>rd</sup> Cycle Performance shares plan 2020-2025			17,000 <sup>138</sup>	18.14	From 01/03/2022 to 28/02/2025	23/03/2022	16.65					0
Total assigned to Managers with Strategic Responsibilities		3 <sup>rd</sup> Cycle Performance shares plan 2020-2025			188,000		From 01/03/2022 to 28/02/2025							100,355
Giancarlo Nicosanti Monterastelli	CEO and Chief Strategy Officer	1 <sup>st</sup> Cycle Performance shares plan 2023-2028			40,000	12.32	Dal 01/03/2023 al 28/02/2026	14/07/2022	12.32					0
Maria Bruna Olivieri	General Manager	1 <sup>st</sup> Cycle Performance shares plan 2023-2028			27,000	12.32	Dal 01/03/2023 al 28/02/2026	14/07/2022	12.32					0
Marco Pacini	Chief Financial Officer	1 <sup>st</sup> Cycle Performance shares plan 2023-2028			17,000 <sup>139</sup>	12.32	Dal 01/03/2023 al 28/02/2026	14/07/2022	12.32					0
Marco Deotto	Chief Financial Officer	1 <sup>st</sup> Cycle Performance shares plan 2023-2028			10,000 <sup>140</sup>	12.01	Dal 01/03/2023 al 28/02/2026	23/12/2022	12.01					0
Total assigned to Managers with Strategic Responsibilities		1 <sup>st</sup> Cycle Performance shares plan 2023-2028			94,000		Dal 01/03/2023 al 28/02/2026							0

<sup>138</sup> Rights lost as a bad leaver due to resignation.

<sup>139</sup> Rights lost as a bad leaver due to resignation.

<sup>140</sup> It is noted that on 9 May 2023, the Board of Directors granted Marco Deotto further 3,000 rights to receive Unieuro shares for the 1<sup>st</sup> Cycle of the 2023-2028 Performance Share Plan.

**Table 3B: Monetary incentive plans for members of the management body, general managers and other managers with strategic responsibilities.<sup>141</sup>**

Name and surname	Office	Plan	Annual bonus		Bonuses paid out in previous years				Other bonuses
			Payable <sup>142</sup> / Paid	Deferred	Deferral period	No longer payable	Payable / Paid <sup>143</sup>	Still deferred	
Giancarlo Nicosanti Monterastelli	CEO – Chief Strategy Officer	MBO	298,375.00	-	-	-	359,625.00	-	-
Maria Bruna Olivieri	Chief Omnichannel Officer	MBO	255,750.00	-	-	-	308,250.00	-	-
Marco Pacini	Chief Financial Officer	MBO	0	-	-	-	154,125.00	-	-
Marco Deotto	Chief Commercial Officer	MBO	0	-	-	-	-	-	-
Total	-	-	554,125.00	-	-	-	822,000,00	-	-

<sup>141</sup> All compensation is paid by the Company in charge of preparing the financial statements. Amounts stated in Euro.

<sup>142</sup> Amounts referred to FY23 MBO.

<sup>143</sup> Amounts referred to FY22 MBO.

**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 28 February 2022	No. of shares purchased	No. of shares sold	Number of shares held at the end of 28 February 2023
Giancarlo Nicosanti Monterastelli <sup>144</sup>	CEO and Chief Strategy Officer	Unieuro S.p.A.	296,977	-	-	296,977
Maria Bruna Olivieri	General Manager	Unieuro S.p.A.	-	-	-	-
Stefano Meloni <sup>145</sup>	Chairman of the Board of Directors	Unieuro S.p.A.	75,000	25,000	-	100,000

<sup>144</sup> Shareholding held also through the subsidiary GNM Investimenti S.r.l.

<sup>145</sup> 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 28 February 2022	No. of shares purchased	No. of shares sold <sup>146</sup>	Number of shares held at the end of 28 February 2023 <sup>147</sup>
1 <sup>148</sup>	Unieuro S.p.A.	296,977			296,977

<sup>146</sup> This column also includes the sale of shares subscribed under the medium / long-term variable incentive plans.

<sup>147</sup> This column also includes the possession of shares subscribed under the medium / long-term variable incentive plans.

<sup>148</sup> The shareholdings held by the CEO, Giancarlo Nicosanti Monterastelli, as a Manager with Strategic Responsibilities of the Company are also reported, the shareholdings are also held through GNM Investimenti S.r.l.

## ANNEX PURSUANT TO ARTICLE 84-BIS OF THE ISSUERS' REGULATION – TABLE NO. 1 OF SCHEDULE 7 OF ANNEX 3A OF REGULATION NO. 11971/1999 ISSUERS

### Long Term Incentive Plan 2018-2025

#### PART 2, SECTION 1 – Stock Option <sup>149</sup>

Option related to plans, currently valid, resolved based on previous shareholders' meeting

Name and surname or category	Office	Shareholders' resolution date	Instrument description <sup>150</sup>	Number of Options	Grant Date <sup>151</sup>	Exercise price	Prezzo di mercato delle azioni sottostanti alla data di assegnazione	Timeline for exercise of Options (from-to) <sup>152</sup>
Giancarlo Nicosanti Monterastelli	CEO and Chief Strategy Officer	6/02/2017	Subscription Rights	250,887	29/06/2017	11.00	16.29	From 31/07/2020 to 31/07/2025
Luigi Fusco	Chief Operating Officer	6/02/2017	Subscription Rights	83,629	29/06/2017	11.00	16.29	From 31/07/2020 to 31/07/2025
Maria Bruna Olivieri	General Manager	6/02/2017	Subscription Rights	83,629	29/06/2017	11.00	16.29	From 31/07/2020 to 31/07/2025
Andrea Scozzoli	Chief Corporate Development Officer	6/02/2017	Subscription Rights	45,996	29/06/2017	11.00	16.29	From 31/07/2020 to 31/07/2025

<sup>149</sup> All compensation is paid by the Company in charge of preparing the financial statements. It then describes the remuneration of the Managers with Strategic Responsibilities who were identified as such at the time of grant of the rights.

<sup>150</sup> Subscription rights for Unieuro shares.

<sup>151</sup> The allocation letter was delivered on 23/10/2017 with retroactive effect to 29/06/2017.

<sup>152</sup> It should be noted that the rights not yet exercised as of 28 February 2022 are equal to 150,887.



## Long Term Incentive Plan 2020-2025

### PART 1, SECTION 1 – Financial instruments other than stock option<sup>153</sup>

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

Name and surname or category	Office	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
<b>1<sup>st</sup> cycle</b>								
Giancarlo Nicosanti Monterastelli	CEO and Chief Strategy Officer	17/12/2020	shares	50,000	13/01/2021	-	14.54	From 01/03/2020 to 28/02/2023
Luigi Fusco	Chief Operating Officer	17/12/2020	shares	20,000	13/01/2021	-	14.54	From 01/03/2020 to 28/02/2023
Maria Bruna Olivieri	General Manager	17/12/2020	shares	20,000	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
<b>2<sup>nd</sup> cycle</b>								
Giancarlo Nicosanti Monterastelli	CEO and Chief Strategy Officer	17/12/2020	shares	48,000	14/07/2021	-	24.89	From 01/03/2021 to 29/02/2024
Maria Bruna Olivieri	General Manager	17/12/2020	shares	30,000	14/07/2021	-	24.89	From 01/03/2021 to 29/02/2024
Marco Pacini	Chief Financial Officer	17/12/2020	shares	20,000	14/07/2021	-	24.89	From 01/03/2021 to 29/02/2024
<b>3<sup>rd</sup> cycle</b>								
Giancarlo Nicosanti Monterastelli	CEO and Chief Strategy Officer	17/12/2020	shares	44,000	23/03/2022	-	17.12	From 01/03/2022 to 28/02/2025
Maria Bruna Olivieri	General Manager	17/12/2020	shares	27,000	23/03/2022	-	17.12	From 01/03/2022 to 28/02/2025
Marco Pacini	Chief Financial Officer	17/12/2020	shares	17,000	23/03/2022	-	17.12	From 01/03/2022 to 28/02/2025

<sup>153</sup> All compensation is paid by the Company in charge of preparing the financial statements. It then describes the remuneration of the Managers with Strategic Responsibilities who were identified as such at the time of the assignment of the rights.