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Registration number with the Forlì-Cesena Companies Register and FC 00876320409*

CONSOLIDATED NON-FINANCIAL STATEMENT

Pursuant to Legislative Decree 254/2016

Issuer: Unieuro S.p.A.

Website: www.unieurospa.com

Year to which the Report refers: the financial year ended 28 February 2021

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Letter to the Stakeholders

Stakeholders,

The path of Unieuro towards sustainability, understood as a model of conduct to be pursued without compromise, has gradually been strengthened and structured over the years. It draws inspiration from the values underlying the Group's history: passion in the desire to do, grow and anticipate, proximity both territorial and in understanding the needs of customers, experience inherent in its history and commitment to activities and actions towards the community.

The understanding of these values, together with the pursuit of the corporate mission and objectives, translates into respect for ethical principles, in the belief that this is an indispensable condition for the Group's sustainable growth in the long term, also through the affirmation of its reputation and credibility towards stakeholders.

All the more reason, in the complex context created in the year 2020/21 due to the pandemic, Unieuro's choices were guided by the intention - even before the need - to protect and safeguard its stakeholders from the risks deriving from the emergency. Customers benefited from the prompt adoption of sanitation measures in stores and the strengthening of the online channel. Employees were provided with Personal Protective Equipment, enabled for smart working, economically protected by an insurance policy in the event of Covid, reimbursed of the flu shot and finally rewarded with an extraordinary bonus. Finally, suppliers, partners, creditors and shareholders benefited from Unieuro's solidity and ability to react and adapt. Said qualities enabled them to protect their legitimate interests.

By virtue of the growing importance of social and environmental aspects in the corporate governance systems of listed companies, Unieuro's commitment to compliance with market best practices therefore found a winning impulse in the pandemic period, with the establishment within the Board of Directors of the Sustainability Committee, approved in November 2020. The latter is called upon to carry out propositional and advisory functions towards the Board on sustainability matters, evaluating the processes, initiatives and activities aimed at overseeing Unieuro's commitment to create long-term value for the benefit of all its stakeholders.

The creation of the Sustainability Committee clearly testifies that Unieuro's path towards sustainability does not follow a program in itself and disconnected from company management, but is an integral part of it, stimulating innovation and the achievement of economic and financial objectives.

Also in light of the ways in which the Group has been able to react to the epochal crisis still underway, innovation is confirmed as the key to a winning and differentiating approach. Indispensable from an omnichannel perspective, innovation is in fact the mother of all positive developments for companies: from it derive the consideration of consumers, the appreciation of the market, and therefore the best interest for shareholders.

Furthermore, sellers of innovation must inevitably focus on innovation themselves, even internally. It is on this that Unieuro constantly works, to add to innovation the value component for which stakeholders feel the need today. "Responsible" innovation, as a pervasive element of Unieuro's strategy, will make it possible to achieve not only an improvement in terms of economic results, but also of the Company's environmental and social impact.

“The virtuous path of Unieuro is destined to continue unstoppably, pursuing the market consolidation and company strengthening that create sustainable value for everyone: shareholders, customers, employees, suppliers, partners, the community, even for competitors, who in Unieuro must be able to recognise a responsible market leader, respectful of business ethics and with a strong value base”.

**Stefano Meloni
Chairman of the Board of Directors**

Lastly, I would like to point out that this Consolidated Non-Financial Statement - which for the fourth consecutive year outlines in-depth the Company's commitment to the management of environmental, social, people-related and anti-corruption aspects, as well as effective and transparent governance - is for the first time a separate document from the Report on Operations. This too is a clear sign of Unieuro's renewed and growing attention to increasingly essential issues, for you as well as for us.

6 May 2021

*Catia Cesari
Chair of the Sustainability Committee*

1. INTRODUCTION

1.1 About us

Unieuro S.p.A.¹ is the leader in the distribution of consumer electronics and household appliances in Italy, thanks to an omnichannel approach that integrates direct stores (about 270), affiliated stores (about 250) and the digital platform unieuro.it., in addition to the digital pure player Monclick. The Company is based in Forlì. It has a central logistics platform in Piacenza and a staff of approximately 5,400 employees. Listed on the STAR segment of the Italian Stock Exchange since 2017, Unieuro recorded revenues of approximately Euro 2.7 billion in the year ended 28 February 2021.

Unieuro's mission is to combine the needs of today's customers with tomorrow's technological solutions, thanks to the convenience of its products and services and the acceptance of its people, the widespread presence, the very vast assortment, the ability to organise the offer in a pleasant, clear and relevant way.

In this regard, it should be noted that the concomitance of important company changes and new emerging sensitivities, also linked to the increasingly important role of sustainability, have led to a rethinking of the mission, currently under review.

SUSTAINABILITY AT THE CENTRE

For Unieuro **sustainability will be one of the central strategic topics for the coming years**, meeting the challenges of the various forces driving in this direction:



- **demanding and informed consumers**, who are increasingly asking companies to take a position;
- **careful investors** who use “ESG” (environmental, social and governance) criteria in their investment approaches;
- **interested talent motivated** to work for companies that operate sustainably;
- **well-established manufacturers** with “ESG” targets at the centre of their strategy.

Therefore, sustainability will be at the centre of the company's new mission, built based on the “ESG” initiatives that have already been launched.

The **corporate values** that inspire the Group's activities are:



PASSION

In the desire to do, to grow, to anticipate



CLOSENESS

Both territorial and in the timely and accurate understanding of its customers' needs



EXPERIENCE

Inherent in the history and tradition of Unieuro



COMMITMENT

In activities, actions and towards the community

¹ As specified in the “Procedural note”, the terms “Unieuro” or “Group” shall mean the group of companies consisting of the parent company Unieuro S.p.A. and the wholly-owned subsidiary Monclick S.r.l., whereas by the terms “Unieuro S.p.A.” or “Company” we refer exclusively to the parent company.

All the over 500 stores, both direct and affiliated, are marked by the Unieuro brand: one of the most recognisable and successful in the sector, with a claim - *“Batte. Forte. Sempre”* (Beating Strong Always) - unique and memorable in the retail context. Today, the Unieuro brand presents itself as an interlocutor of a systematic communication ecosystem across all channels, online and offline.

Through the five various distribution sectors - integrated and converging - in which it operates, Unieuro markets a wide range of consumer electronics products, household appliances as well as ancillary services. More specifically, the product categories in which the Company operates are:

- **GREY**, which includes telephony, tablets, information technology, telephone accessories, cameras, as well as all wearable technology products;
- **WHITE**, which includes both large household appliances (MDA) such as washing machines, dryers, refrigerators or freezers and ovens, and small appliances (SDA) such as vacuum cleaners, food processors, coffee machines, in addition to the air-conditioning segment;
- **BROWN**, consisting of televisions and related accessories, audio devices, smart TV devices, car accessories, as well as memory systems;
- **OTHER PRODUCTS**, includes both the sales of the entertainment sector and other products not included in the consumer electronics market such as hoverboards and bicycles;
- **SERVICES**, including home delivery, installation, collection of used items, extended warranty, consumer credit services through financial intermediaries and after-sales assistance.

In addition to the sale of products from third-party suppliers, Unieuro S.p.A. also markets products with private brand. This is some lines of appliances, large and small, produced by third parties that are marketed under the "Electroline" brand.

The subsidiary Monclick S.r.l., in turn, sells IT, electronics, telephony and household appliance products through the website www.monclick.it guaranteeing a total shopping experience, which ends with the home delivery and installation of the purchased product. It also operates in the segment Business to Business to Consumer (B2B2C), where the customers are operators which need to purchase electronic products to distribute to their regular customers or employees to accumulate points or participate in competitions or incentive plans.

Unieuro adheres to external associations, at local, national and international level with the aim of optimising public and institutional relations.

At local level, Unieuro is associated with **Confindustria** (Forlì), **Ascom** (Forlì) and **Confapi** (Piacenza), to protect its interests in the territories in which the head office and the logistics hub are located respectively.

At national level, Unieuro S.p.A. is a member of **Aires** (Italian Association of Specialised Appliances Retailers). It brings together the main companies and specialised distribution groups of household appliances and consumer electronics, and in turn is a member of Confcommercio Imprese for Italy. From 5 April 2018, Unieuro expresses the President of the Association. The Company also adheres to **Confimprese**, which groups primary operators with direct and franchised distribution networks, regardless of the product sector in which they operate.

At international level, Unieuro was one of the founders, at the end of 2019, of the new European association **EuCER** (European Consumer Electronic Retailer Council), based in Brussels. It brings together European consumer electronics chains and purchasing groups. EuCER was in turn

admitted, in March 2020, to EUROCOMMERCE, one of the major associations representing European retailers.

Shareholding and corporate structure

Since April 2017, Unieuro shares have been listed on the STAR segment of the Italian Stock Exchange. Since January 2020, Unieuro S.p.A. has been a public company to all intents and purposes.

The new status was acquired following the gradual withdrawal from the capital by the private equity operator Rhône. Thanks to the IPO on the Italian Stock Exchange in April 2017 and three subsequent placements, it zeroed its interest in the beginning of 2020, initially equal to 70.5% of the share capital.

The free float expanded further in January 2021, following the sale on the market through an accelerated bookbuilding procedure of 7.17% of the share capital of Unieuro originally owned by Dixons Carphone Plc. through Alfa S.r.l.

In September 2020, Mr Giuseppe Silvestrini announced that his equity investment in the Issuer had exceeded the threshold of 3% in the previous April, as he directly and indirectly held 4.3% of the share capital of Unieuro.

On 6 April 2021, the telecommunications operator Iliad announced the purchase of a stake equal to approximately 12% of the share capital of Unieuro, of which 1.9% through an equity swap contract expiring on 17 September 2021.

At the date of this Report, the Unieuro free float amounted to roughly 80% of the Company's share capital.

The breakdown of the Company's share capital is provided below:

Share capital of Unieuro S.p.A.²

Share capital	%
Iliad S.A. ³	10.2
Amundi Asset Management	6.8
Mediolanum Gestione Fondi SGR p.A.	4.9
Giuseppe Silvestrini	4.3
JP Morgan Asset Management Holding Inc.	3.3
Other institutional and individual shareholders	70.5

² In line with the *Report on Corporate Governance and ownership structure* at 28 February 2021, information on the shareholding structure, starting from the *Consolidated Non-Financial Statement* at 28 February 2021, is provided at the date of this Report and only on the basis of public information available to the Company (communications relating to significant equity investments reported by Consob pursuant to art. 120 of Italian Legislative Decree 58/1998).

³ In addition to 1.9% subject to an equity swap contract signed by Iliad Holding S.p.A. expiring on 17 September 2021, with Unieuro shares as the underlying asset.

1.2 Stakeholder Engagement



Stakeholder engagement represents a moment for listening and dialogue for the Group, with a view to the utmost transparency, which is critical to understand the level of satisfaction with respect to its actions and to best pursue the dual objective of creating economic value and shared value. The stakeholder identification process was launched in the course of 2017 for the preparation of the Group's first Disclosure, also in order to identify material topics for the Group. In particular, a mapping of the stakeholders was carried out, in keeping with those identified in the Code of Ethics, selecting: the categories whose interests are relevant based on direct and indirect relationships with the Group, the categories whose interests may be directly or indirectly conditioned or influenced by the company's activities and, finally, those on which the effects of the activities carried out by the Group would have the most impact.

1.2.1 Open dialogue with Shareholders

In a critical and volatile year such as 2020/21, Unieuro guaranteed an even greater willingness to dialogue and discuss thanks to the Investor Relations (IR) function, which operated carefully and diligently to ensure information alignment of the financial market in light of the rapid succession of events, and to highlight the solidity of Unieuro and its medium and long-term prospects.

The unprecedented and challenging context, which began in March 2020, initially raised investors' fears of the sustainability of the business itself. In the first months of the year, Unieuro showed proactivity, seriousness and transparency in communication, seizing the most appropriate moments to share the current state of operations, highlighting risks and opportunities, objectives and actions adopted to deal with the emergency situation.

Starting from May, with the emergence of strong consumption trends favourable to the Company's business, the Corporate IR & Communication function focused on sharing gradually emerging messages with external stakeholders, with particular attention to the criterion of uniform information

and the significance of the information for the purposes of the correct valuation of the stock on the Stock Exchange.

Among the main issues touched upon during the meetings with the Financial Community, it is worth mentioning the resilience capacity and solidity of Unieuro in the face of the pandemic emergency in progress; the levers available to Management to preserve people's health, profitability and corporate assets; medium and long-term prospects and the ability to return to remunerate capital once the emergency is over.

IR & CORPORATE COMMUNICATION ACTIVITIES

Specifically, IR & Corporate Communication activities for the year 2020/21 regarded:



- promotion of quality coverage of the Unieuro stock by brokers, followed by a pan-European broker (Kepler Cheuvreux) and three Italian brokers (Mediobanca, Banca Akros and Alantra);
- organisation of conference calls, dedicated to financial analysts and investors for a public and direct discussion with Management on the evolution of the emergency and on the economic, financial and equity results of the Company;
- participation in investor conferences and roadshows - strictly virtual - organised by third parties, with particular reference to the STAR Conference in May 2020 promoted by Borsa Italiana;
- constant updating of the corporate website, www.unieurospa.com, dedicated to all stakeholders, in particular financial ones, interested in exploring the corporate identity of Unieuro, its strategies, its results and, more generally, the investment case. The website also acts as an archive for corporate documentation, for the benefit of shareholders and investors;
- promoting the visibility of Unieuro on the main financial, traditional and digital media, on the occasion of the dissemination of periodic results and extraordinary transactions;
- use of the professional social network LinkedIn, functional to the sharing of corporate content for the benefit, in particular, of small shareholders and employees.

1.3 Materiality

Based on what is governed by the regulations and defined by the GRI Standards, an analysis of materiality (significance) of the Group's non-financial issues was carried out, which allowed the set of aspects to be reported in the Disclosure to be defined.

The materiality analysis process on the Group's non-financial topics was carried out for the first time on the occasion of the Consolidated Non-Financial Statement as at 28 February 2018 and subsequently updated during the year 2020/21, also to bring out the new sensitivities introduced by the pandemic context.

This process is divided into the three main phases: 1) *preliminary identification*, 2) *evaluation* and 3) *definition* of the material issues.

1. Considering as a starting point the indications provided by Legislative Decree 254/2016, the potentially relevant issues were first identified on the basis of an analysis of the activities carried out by Unieuro, the characteristics of the sector, the approaches adopted by comparable companies at national and international level and the themes suggested by the GRI for each economic sector;
2. the issues that emerged were discussed and evaluated by Top Management in dedicated meetings, so as to allow the definition of those most representative of the socio-environmental impacts generated by the Group, based on their relevance for the achievement of corporate objectives (relevance for Unieuro) and for internal and external stakeholders of the Company (relevance for stakeholders);
3. at the end of the analysis, the **12 material issues** were defined, related to the aspects governed by Legislative Decree 254/2016.

Based on the most recent update, a higher priority was assigned to topics such as: "Health and safety of employees and collaborators", "Transparency of information on products and offers to customers" and "Diversity and equal opportunities". Three issues ("Safety of products on the market", "Combat against corruption" and "Consumer privacy protection") were characterised by utmost and unquestionable materiality, therefore acquired and correctly supervised by Unieuro also in compliance with applicable regulations.

The following matrix shows the Group's material topics organised in relation to the priorities of the topics in the two dimensions evaluated.

Materiality matrix



■ Safety of commercial products ■ Corruption ■ Consumer Privacy ■ Human rights

1.4 Beyond compliance: Unieuro's contribution to sustainable development and ESG risk management

1.4.1 Unieuro's contribution to the SDGs

Unieuro contributes to the achievement of the United Nations Sustainable Development Goals (SDGs). Based on the material issues identified and in light of the new emerging sensitivities, linked to the increasingly important role of sustainability, the Group is increasingly striving to communicate to stakeholders its commitment to achieving the sustainability objectives set. In this direction, we represent the link between the actions and projects undertaken by the Group and the SDGs, which represent a reference for Unieuro's strategies.



Activities and projects carried out by Unieuro	
<ul style="list-style-type: none"> Awarding of an extraordinary, one-off bonus of Euro 500 to Unieuro employees as a gesture of concrete gratitude to all those who, with great passion, have allowed record results in this particular year Activation of specific insurance coverage in the event of a Coronavirus infection The cost of the flu vaccine is expected to be reimbursed to all employees who have used it 	
<ul style="list-style-type: none"> Since 2019 a company Academy has been active for new store managers and affiliated entrepreneurs. Participants, who are identified through an internal candidacy process, assessment centres and individual interviews, participate in on-the-job and classroom training that lasts 6 months. 	
<ul style="list-style-type: none"> The Articles of Association have been adapted to the current regulatory provisions on gender balance in the composition of the administrative and control boards 	
<ul style="list-style-type: none"> The company evaluation process was extended to all organisational roles, covering 83% of the company population in the year 2020/21 Defined a business model, conceived and developed in light of the Group's strategic vision, which provides, in addition to the continuous profitable growth of the business, also the enhancement of the centrality of the customer and the opportunities of omnichannel 	
<ul style="list-style-type: none"> Installed energy efficiency systems at 88 points of sale Installed building automation systems to manage all the systems of a specific building in an integrated and intelligent way Installed 11 charging stations at some points of sale Signed an important commercial agreement for the provision of "Demand Response" services in 9 points of sale Started cutting 100% of paper copies, followed, from September 2020, by the launch of a specific site to allow the transition from paper to digital and that provides for a 50% cut of the print run in favor of an increase in digital readings Started pallet recovery activity for reuse (currently completed for the "HUB" circuit) Started the project for the renewal of Unieuro S.p.A. printer machines 	
<ul style="list-style-type: none"> Started in 2016 the NoCyberbullying project, conceiving and promoting, with the State Police, the #Cuoriconnessi tour Renewed the support for the local basketball team, as main sponsor, and sponsorship of the sports hall in the city of Forlì "Unieuro Arena" Over 2,000 smartphones donated for the benefit of Covid-19 patients 	

1.4.2 Main ESG risks and management methods

For Unieuro, risk management is a priority. Aside from financial risks, the Group also focuses on environmental, social and governance risks, with the conviction that an effective risk management process cannot neglect these aspects as they are factors which enable sustainable success.

In consideration of the activities carried out by Unieuro and the characteristics of the reference market, the main non-financial risks, i.e. ESG risks, of the Group and the relative management methods are outlined below.



Environment

The Group companies operate in the retail sector of small and large household appliances, mainly through the retail and e-commerce channel, where there are environmental risks related above all to compliance with applicable regulations on correct waste disposal, which could imply limitations on business activity or significant additional costs. Specifically, there is the risk of incorrect or non-disposal of waste, in particular of WEEE (Waste Electrical and Electronic Equipment). Unieuro is in fact among the subjects that are obliged to the free collection of WEEE, as well as the possession of the technical requirements for carrying out the activities of preliminary deposit, collection, subsequent transport and conferment.

The Group's Code of Ethics promotes waste management in compliance with current legislation through selected suppliers, requiring verification of the authorisations, registrations and communications of third parties necessary for the exercise of the activities and the traceability of the process and control of the supply chain. To control this risk, the Group also has a specific operating manual that defines roles, responsibilities and operating methods for:

- initial and periodic verification of the possession and validity of communications/registrations required by regulations for the pick-up/collection/transport of WEEE and the relative deadlines and timing for renewal requests;
- correct management of activities in compliance with current regulations, with reference to: types of WEEE collected, compliance of the grouping place with the applicable regulatory requirements, maintenance of the documentation required by regulations;
- verification of compliance with the obligations required by regulations for third parties entrusted with the collection of WEEE;
- traceability of all activities relating to the pick-up/transport /collection of WEEE.

Furthermore, in order to limit any risks of co-responsibility in the disposal of waste (not WEEE), also due to the annual contractual obligation⁴ with a single supplier, specific mitigation actions have been implemented, such as: the definition of a master contract (to be adapted on the basis of the suppliers and the sales points involved). It allows the Company to release itself from the supplier, with the possibility of terminating the contract at any time and for any reason (e.g. reasons for a supplier's actions, commercial choices, etc.), the conduct of audits on the supplier and respective subcontractors, as well as the identification of a new supplier for the diversification of the service. For further details, refer to the section on Waste management.

Additional possible environmental risks concern emissions into the atmosphere caused by network gas systems and refrigerant gas leaks from "rooftop refrigeration units" (air conditioners and/or

⁴ It should be noted that the Company is introducing, on an experimental basis, three-year contracts for economic savings. Also in this case, the early termination clause included in the annual standard contracts applies.

climatisers). However, given the nature of its business, the management of energy consumption and related emissions does not represent a high risk factor for Unieuro.

With reference to these latter aspects, as recalled by the Code of Ethics, Unieuro conducts its business taking account of the need to protect the environment and the sustainable use of natural resources, in compliance with the environment regulations in force. For further details, refer to the section on Energy consumption and emissions.



Clients

As a retail distributor of consumer goods, the Group is exposed to the risk of actions for product liability pursuant to the provisions of the Consumer Code (Legislative Decree 205/2006).

Possible violations may emerge from: (i) advertising messages concerning the characteristics and quality of the products or about the mechanics of prize operations, published at points of sale and/or e-commerce site and/or media channels; (ii) warranty extension agreements; (iii) information contained in the product labels or in the illustrative documents inside the packages.

The sale by suppliers of products potentially harmful to the health or not in line with European standards in terms of safety or quality of products, albeit governed by supply framework agreements and subject to certification by third parties, could expose Unieuro to the risk of claims for compensation and criminal proceedings for damages caused by defects in products sold and negative repercussions on the Group's reputation with possible negative effects on its economic, asset and financial situation. Likewise, Unieuro could be exposed to reports to consumer associations or the Competition and Market Authority (AGCM) for complaints on various accounts.

The Unieuro Code of Ethics, in addition to promoting relationships with consumers based on full transparency and satisfaction with the products and services offered, guarantees the Group's commitment to safeguarding the safety and security of its customers. The high standing that characterises the selected suppliers and the stringent sector regulations currently in force in Europe for the marketing of products (in particular the RoHS Directive⁵), guarantee the maximum possible control over said risks. For further details, refer to the section on Health and safety of customers.

Being particularly active in online sales, further potential risks for Unieuro may be related to hacker attacks and the cloning of customer credit cards or personal data, but also to malfunctions or interruptions of computer systems. Unieuro is in fact exposed to the risk of negative repercussions on the perception of the quality of the e-commerce service offered, caused by potential cyber frauds perpetrated by third parties. Likewise, it is exposed to the risk that the personal data of customers and subjects with whom the Company entertains relationships might be damaged, stolen, lost, disclosed or processed for purposes other than those permitted.

The Group Code of Ethics requires particular caution in the processing of information relating to corporate activity and the data of employees and third parties in general (including customers), and undertakes to protect information generated or acquired within the corporate structure and/or during the management of business relationships. Unieuro S.p.A. has in fact implemented specific control systems to monitor physical and IT access, the data center, as well as e-mail. The Company has also implemented and shared a Disaster Recovery Plan with all corporate functions. This Plan, in addition to including a series of activities to be implemented in the event of an emergency, also includes a series of measures to be implemented periodically to verify their validity.

Furthermore, in 2018, Unieuro started a process of continuous adaptation to the data protection regulation (GDPR), adopting an organisational model that contains policies and procedures that aim

⁵ The Directive establishes rules regarding the restriction of the use of hazardous substances in electrical and electronic equipment (EEE) in order to contribute to the protection of human health and the environment, including the environmentally correct recovery and disposal of EEE waste.

to mitigate possible data breaches. For further details on privacy aspects, refer to the section on Security and protection of customer data.

Lastly, with reference to the pandemic crisis, further risks may concern the health and safety of its customers at the points of sale. To this end, Unieuro S.p.A. has introduced new services designed to regulate entry flows to the points of sale in order to contain the risk of contagion as much as possible and therefore guarantee maximum safety. For further details, refer to the section on Customers.



Personal

Unieuro considers its people as valuable resources. In fact, the Group's results and success also depend on the ability to attract and retain qualified personnel and those who have held key positions in the business development stages. In this sense, the main risks relating to personnel management are connected to: difficulties in finding resources with specific IT and digital skills; loss of key resources with possible negative effects (albeit temporary) on company operations; possible changes and interpretability of the reference legislation (labour law, social security, tax and administrative practices related to personnel management); excessive branching of the sales network throughout the national territory and distance from the head office.

Additional risks may be attributable to inadequate or inefficient internal communication processes, inadequate personnel training and to occupational accidents and/or illnesses, mainly deriving from the manual handling of warehouse loads at the goods storage sites.

The Group is also very attentive to respect for the fundamental principles relating to human rights, universally recognised to all human beings indistinctly and ratified by the most important international declarations and agreements. From the assessments carried out by the management, no activities directly carried out by the Group that present risks of violation of human rights emerged (equality, life and security, personal freedom, economic, social and cultural freedoms).

Within the Code of Ethics, the Group undertakes to respect a series of fundamental principles for the management of human resources. Among these is the principle of equal opportunity and non-discrimination, to be respected both at the time of hiring and in the continuation of the employment relationship, ensuring fair and merit-based treatment. Unieuro undertakes to comply, in all personnel management policies, with the National Collective Labour Agreement and current labour legislation. In addition to the Code of Ethics, the Group has also formalised a Company Regulation with the aim of sharing and disseminating the Group's values, principles and rules of conduct to all its collaborators.

In order to attract and retain its employees, Unieuro has adopted an individual performance assessment system that examines organisational and professional conduct and offers managerial and professional training courses for both store and head office personnel.

The Group is also committed to building a work environment open to dialogue and discussion, giving all of its employees and collaborators the opportunity to contact their direct manager or the HR function when necessary, by direct contact, by telephone or by e-mail. Furthermore, thanks to the whistleblowing system implemented, Unieuro provides its employees with the possibility of reporting unlawful or illegitimate conduct or behaviour. For further information, refer to the sections on "Staff training and career development" and "Organisation, Management and Control Model and company regulatory system".

To control the risk of occupational accidents and/or illnesses, Unieuro S.p.A. has adopted an Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 and related verification protocols, in compliance with Legislative Decree 81/2008. For further information, refer to the section on Well-being, health and safety.

Consistent with Monclick's business, the risk of occupational accidents and illnesses is not significant.

Moreover, regarding occupational health and safety, in response to the pandemic crisis, Unieuro promptly issued and disseminated specific protocols and operating procedures to all its people, in compliance with the "*Shared Protocol for regulating measures to combat and contain the spread of the Covid-19 virus in the workplace*" of 14/03/2020 as amended on 24/04/2020, in order to inform workers on the Covid issue. The protocols and operating procedures can be consulted by all employees in their personal area of the Zucchetti management system.

In the context of a health emergency, Unieuro S.p.A. has managed its personnel by making choices aimed at safeguarding health and has taken steps to ensure that employees at the head office can work remotely, where possible. For store personnel, the Company has introduced "aTUpperTU" and "filaVia" services designed to regulate the flow of entry into the store and ensure maximum safety for workers and customers.

A special Committee has been set up in which the following actively participate: Employer, Head of the Prevention and Protection Service (RSPP), Company Doctor (MC) and Workers' Safety Representatives (RLS).

In addition, Unieuro has made available to all personnel the Personal Protective Equipment (PPE) required by the legislation, hydroalcoholic solutions for hand sanitation, barriers in checkout and financing areas, guarantee of daily cleaning and sanitation, quota rules for access to common areas and related signage. For further information, refer to the section on Well-being, health and safety.



Corruption

Among the activities identified by the Company as potentially susceptible to corruption, we highlight the relationships that the company may have with the authorities and public officials for the opening of new stores, for the organisation of promotional events or during tax audits. There may also be incidents of corruption during inspections on health and safety at work, on the protection of personal data or on the correct disposal of waste.

Risks of corruption among individuals can instead be generated in the relationships established for the identification of the properties for the points of sale and in the definition of the related contractual conditions, in relations with third parties in situations of litigation undertaken against the Company as well as in the negotiation of contracts of purchase with suppliers, to obtain advantageous conditions as well as during the verification of customs formalities.

In order to minimise the risk of conduct that may be attributable to corruption, the Unieuro Group has adopted a specific Anti-corruption Policy, in compliance with its Code of Ethics and in line with the best practices in terms of Anti-corruption Compliance Program and with the international standard ISO 37001:2016.

Furthermore, in order to encourage the collaboration of workers to encourage the emergence of corruption, the Group has implemented a whistleblowing process. It has been formalised in a specific company policy (Whistleblowing Policy), which provides stakeholders with tools for reporting of unlawful conduct or violations of Model 231, of the Code of Ethics, of the Anti-corruption Policy and, in general, of all internal company regulations adopted by the Company.

For further details, refer to the sections on Organisation, Management and Control Model and company regulatory system and the combat against corruption.



Supply chain

The Unieuro Group markets a wide range of products supplied by a large number of third parties, including the leading global manufacturers of home appliances, IT equipment and consumer electronic goods. Almost all the products marketed by the Company, as widely happens in the reference market, 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 maintain lasting commercial relationships with these suppliers: otherwise, it could have an impact on the company's reputation and operations, with possible negative repercussions on its economic, equity and financial situation.

Furthermore, given the location of the main suppliers, the main environmental risks along the supply chain are the risks associated with the typical activities of manufacturers of household appliances and consumer electronic goods. Among these, the main ones are soil and water pollution due to incorrect disposal of water and liquids, pollution in the atmosphere caused by the fumes from the processing of materials and by the consumption of electricity and fuels, as well as incorrect waste disposal (e.g. processing and packaging waste).

From a social point of view and respect for human rights, the risks associated with the supply chain mainly refer to non-compliance with reference regulations. Especially in some countries characterised by social instability, they can concern risks of violation of human rights (e.g. child labour, forced labour and freedom of association and bargaining).

Other risks related to procurement may refer to delays in the arrival of goods or the receipt of goods in conditions that do not comply with the order (in terms of quantity and quality).



With specific reference to direct imports, products follow a qualification process during the production phase. Subsequently, they are certified by third parties to be able to enter the market in compliance with all the sector regulations in force in Europe (in particular the RoHs Directive). For further details, refer to the section on Health and safety of customers.

To mitigate these risks, the Group has set out in the Code of Ethics a series of principles that must be respected both by its employees when selecting new suppliers, and by suppliers in the context of relations with the Group. For further details, refer to the section on Selection and management of suppliers.

2. GOVERNANCE

2.1 Governance Bodies



<p>SUSTAINABILITY COMMITTEE</p> <p><i>Created in November 2020, in light of the increasing importance of social and environmental aspects within corporate governance systems of listed companies</i></p> 	<p><i>4 women within the Board of Directors</i></p>  <p><i>20% reduction of directors' fees for the months of April and May 2020 approved to deal with the health emergency</i></p>
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Unieuro has adopted a so-called traditional management system, which enhances the role of the Board of Directors as an executive body while the audit function is delegated to the Board of Statutory Auditors. The Company's corporate bodies are the Shareholders' Meeting, the Board of Directors

and the Board of Statutory Auditors, whose powers and operating methods are governed by law, by the Articles of Association and by the resolutions adopted by the appropriate bodies, as the case may be.

The Board of Directors has set up three internal committees with advisory and propositional functions: the *Remuneration and Appointments Committee*, the *Control and Risks Committee* and the *Sustainability Committee*. In addition to these is the *Committee for Transactions with Related Parties*. It is assigned the duties and functions envisaged by the Consob Related Party Regulations.

Specifically, the establishment of *the Sustainability Committee* is part of the broader context of progressive integration of sustainability into the strategies, risk management and remuneration policies of listed companies. The increasing centrality of Corporate Social Responsibility (CSR) issues in corporate governance is also confirmed by the new Corporate Governance Code (previously called the Self-Conduct Code) approved by the Corporate Governance Committee in January 2020. For Unieuro, it will come into force starting from the year 2021/22. Among the objectives pursued by the Committee, in the overall revision of the Code, there is in fact also the greater importance and centrality of the “principle of sustainability of the business activity”.

In terms of **diversity and gender balance**, in line with:

- the adaptation of the Articles of Association to the current regulatory provisions on gender balance in the composition of the administration and control boards, which took place, in an extraordinary session, on the occasion of the Shareholders' Meeting of 12 June 2020;
- the substantial uniformity of the provisions on the subject of diversity between the previous Corporate Governance Code - to which the Company was already aligned - and the new Corporate Governance Code;

the administration and control boards, in continuity with the previous year, confirmed, in their composition, compliance with current legislation, including regulations, on the subject of gender balance. In fact, at present the boards have a composition that takes into account the gender combination required by the regulations in force, as well as a composition of age, experience, professional and personal characteristics such as to make these boards adequately productive.

For further information on the Governance system, refer to the Report on Corporate Governance and ownership structures as at 28 February 2021

MEASURES FOR LIMITING THE EFFECTS OF THE HEALTH EMERGENCY

With reference to the package of measures aimed at containing the effects of the health emergency, on 14 April 2020, the Board of Directors of Unieuro S.p.A. approved a 20% reduction in the remuneration of the Directors for April and May 2020. This follows the complete waiver by the Chief Executive Officer of related remuneration for the same months and the simultaneous reduction in salary by the entire company management (by 20% for top managers and 10% for other managers and function managers). Said measures were already announced on 30 March 2020.



2.1.1 Board of Directors

The management of the Company is entrusted to a Board of Directors, pursuant to art. 12 of the Articles of Association, consisting of an odd number of members of not less than seven and not more than fifteen. The Meeting determines the number of members of the Board of Directors from time to time, before their appointment, and within the limit indicated above may increase during the term the

number of directors who terminate their mandate together with those in office. Directors remain in office for the term set by the shareholders' resolution appointing them, subject to a maximum of three financial years and are re-eligible for office. The members of the Board of Directors must possess the requisites of professionalism and honourableness provided for by the regulations, also regulatory, in force and a minimum number, not less than that established by the pro tempore legislation in force, must meet the independence requisites prescribed by the applicable provisions.

The Company's Articles of Association provide that the appointment of directors takes place through the list voting mechanism and that the current Board of Directors as well as the shareholders who alone or in concert represent the percentage of share capital required by applicable regulations are entitled to submit lists. Article 14 of the Articles of Association also provides that if, after the vote and the application of the preceding paragraph a gender balance is not achieved as provided for by regulations, the candidate from the most represented gender elected last in order from the list with the highest number of votes will be excluded and replaced by the first unelected candidate in numerical order on the same list and from the least represented gender. If fewer candidates are elected based on the lists submitted than there are directors to be elected, the remainder will be elected by the shareholders' meeting, which will ensure that the minimum number of independent directors are elected and that the gender balance required by regulations is achieved.

If no lists are submitted or if the directors are not appointed for any reason in accordance with the procedures established herein, the shareholders' meeting will act according to the statutory majority, in compliance with any minimum allotment ratio between genders (male and female) provided by law and regulations.

Members of the Board of Directors

The Board of Directors, appointed on 18 June 2019 and integrated on 20 February following the resignation of three original directors, is currently made up of 9 members (5 men and 4 women) and will expire with the approval of the financial statements as at 28 February 2022.

As at the date of this Disclosure, the Board of Directors is therefore composed as indicated in the following table:

Members of the Board of Directors

Assignment	Age	Gender	Type	Independence	Membership of groups of stakeholder
Chair	72	M	Non-Executive	Independent ⁶	-
Chief Executive Officer ⁷	62	M	Executive	Not independent	Management
Director	59	M	Non-Executive	Independent	-
Director	56	M	Non-Executive	Independent	Assogestioni
Director	54	F	Non-Executive	Independent	-
Director	63	F	Non-Executive	Independent	-
Director	53	M	Non-Executive	Independent	-
Director	52	F	Non-Executive	Independent	-
Director	51	F	Non-Executive	Not independent	-

⁶ Pursuant to the Consolidated Finance Act but not the Corporate Governance Code for listed companies (2018 version), as an important representative of the Company.

⁷ CEO and Sole Director of Monclick S.r.l.

Members of the Board of Directors by age group

Age range	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woma n	Total	Man	Woma n	Total	Man	Woma n	Total
<i>under the age of 30</i>		-	-	-	-	-	-	-	-	-
<i>between 30 and 50 years</i>	N°	-	-	-	-	1	1	2	-	2
<i>age over 50 years</i>		5	4	9	5	3	8	5	-	5
Total		5	4	9	5	4	9	7	0	7

Control and Risk Committee

The Control and Risk Committee, appointed by the Board of Directors on 26 June 2019 and integrated into the current composition on 4 March 2020, has the task of assisting the Board of Directors with preparatory, advisory and consultative functions, in evaluations and decisions relating to the internal control and risk management system, as well as those concerning the approval of periodic financial reports.

As at the date of this Disclosure, the Control and Risk Committee is made up of 3 non-executive and independent directors (1 man and 2 women over the age of 50).

Remuneration and Appointments Committee

The Remuneration and Appointments Committee was appointed by the Board of Directors on 26 June 2019 and integrated into its current composition on 06 February 2020.

As a Remuneration Committee, the task is to assist the Board of Directors with preparatory, advisory and consultative functions, in evaluations and decisions relating to the remuneration policy of directors and managers with strategic responsibilities, evaluating periodically the adequacy, the overall consistency and the concrete application of the remuneration policy.

As an Appointments Committee, the task is instead to assist the Board of Directors with preparatory, advisory and consultative functions, in preparing the criteria for the designation of its members and in formulating opinions on the size and composition thereof. The Committee also formulates assessments on the designations of the managers and members of the corporate bodies and boards.

The Remuneration and Appointments Committees are made up of 3 non-executive and independent directors (2 men and one woman, over the age of 50).

Committee for Transactions with Related Parties

The Committee for Transactions with Related Parties, appointed by the Board of Directors on 26 June 2019, mainly has the task of formulating specific reasoned opinions on the interest of Unieuro in the performance of Transactions with Related Parties, whether these are of greater or lesser importance, expressing a judgement regarding the convenience and substantial correctness of the relative conditions, upon receipt of timely and adequate information flows.

The Committee for Transactions with Related Parties is made up of 3 non-executive and independent directors (2 men and 1 woman over the age of 50).

Sustainability Committee

In light of the above-mentioned growing importance of social and environmental aspects in the corporate governance systems of listed companies, on 12 November 2020, the Board of Directors approved the establishment of a Sustainability Committee within it. This body carries out propositional and advisory functions towards the Board on sustainability and responsible innovation

matters, evaluating the processes, initiatives and activities aimed at overseeing Unieuro's commitment to create long-term value for the benefit of all its stakeholders.

The Committee is currently made up of 3 non-executive and independent directors (1 man and 2 women over the age of 50).

2.1.2 Board of Statutory Auditors

The Board of Statutory Auditors is appointed by the ordinary Shareholders' Meeting of the Company, pursuant to articles 21 and 22 of the Articles of Association, through a transparent procedure that guarantees, among other things, adequate and timely information on the personal and professional characteristics of the candidates for the position. As long as the Company's shares are listed on an Italian regulated market or other member states of the European Union, the Board of Statutory Auditors is elected by the ordinary Meeting on the basis of lists presented by shareholders and ensuring gender balance according to the provisions of applicable regulations. If the balance between the genders is not insured according to the provisions of regulations, the necessary substitutions will be carried out according to the progressive order in which the candidates are listed. Statutory Auditors remain in office for three financial years. Their term of office expires on the date of the shareholders' meeting convened to approve the financial statements for their third year in office.

Members of the Board of Statutory Auditors

The Board of Statutory Auditors, appointed on 18 June 2019 and in office for a period of three years, is made up of 5 auditors including the Chair, 2 standing auditors and 2 alternate auditors.

Members of the Board of Statutory Auditors

Assignment	Age	Gender	Independence	Membership of groups of stakeholder
Chair	40	F	Independent	Assogestioni
Statutory Auditor	48	F	Independent	-
Statutory Auditor	45	M	Independent	-
Alternate auditor	37	M	Independent	-
Alternate auditor	40	F	Independent	-

Members of the Board of Statutory Auditors by age group

Age range	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woma n	Total	Man	Woma n	Total	Man	Woma n	Total
<i>under the age of 30</i>		-	-	-	-	-	-	-	-	-
<i>between 30 and 50 years</i>	N°	2	3	5	2	3	5	2	-	2
<i>age over 50 years</i>		-	-	-	-	-	-	3	-	3
Total		2	3	5	2	3	2	5	-	5

2.2 Compliance and Ethical Business

2.2.1 Organisation, Management and Control Model and corporate regulatory system

Unieuro S.p.A. is sensitive to the need to ensure fairness and transparency in the conduct of business and related business activities, to protect its image and reputation, the expectations of its stakeholders and the work of its employees.

The Company has therefore adopted an Organisation, Management and Control Model in accordance with Legislative Decree 231/2001 (hereinafter also "Model 231"), suitable for preventing unlawful conduct on the part of its directors, employees and collaborators subject to management or supervision by the Company. Although the adoption of the Model 231 at the time of its adoption did not constitute an obligation, but an optional choice assigned to each individual body, the Company decided to adapt by launching a project to analyse its organisational, management and control tools, verify the correspondence of the behavioural principles and of the existing safeguards with respect to the requisites envisaged by Legislative Decree 231/2001 and, where necessary, proceed with the integration of the system in force. Through the adoption of the Model 231, Unieuro S.p.A. intends to prevent and combat the commission of crimes and to promote a corporate culture based on legality, compliance with regulations and internal regulations.

The Company has appointed a Supervisory Body (SB) to which it has entrusted the task of supervising the widespread and effective implementation of Model 231, its observance by the recipients, as well as proposing its updating in order to improve the efficiency of prevention of crimes and offenses. The Unieuro SB is configured as a multi-subject body with autonomous powers of initiative and control.

The Organisation, Management and Control Model is constantly updated in order to incorporate the new types of offenses which, from time to time, are introduced in the catalog of predicate offenses 231. The last update performed dates back to November 2020, with respect to which the Company has adapted to the new tax and smuggling offenses.

In compliance with the provisions on whistleblowing (Law no. 179 of 30 November 2017 - "*Provisions for the protection of the authors of reports of crimes or irregularities of which they have become aware in the context of a public or private employment relationship*"), a reporting system is made available to the recipients of Model 231 in order to highlight unlawful conduct, on the basis of specific and consistent facts (article 6, paragraph 2-bis of Legislative Decree no. 231/2001). The reports are collected through specific channels (the whistleblowing portal, made available on the company Intranet and the e-mail address odv@unieuro.com) and managed in line with the provisions of the Whistleblowing Policy (adopted starting from March 2019 and updated to November 2020). The Internal Audit Director prepares, at least every six months (on the occasion of the periodic meetings of the SB), a report summarising the reports received, the possible outcome of the analyses carried out and those in progress and sends them to the SB of the Company.

The Legal Director deals with updating and any revision of the Policy and undertakes to ensure that it is correctly disseminated and applied.

To share values, principles and behavioural rules with their collaborators and communicate them to all other stakeholders in order to build a transparent reality geared towards compliance with ethical and behavioural standards, Unieuro has also adopted a Code of Ethics in which it requires its employees and collaborators to operate in compliance with the laws in force, professional ethics and internal regulations, in no way justifying conduct contrary to the principles of fairness and honesty. Unieuro's success cannot be separated from ethics in the conduct of business and, consequently, the competitive context in which it operates must be inextricably linked with ethical sensitivity, social involvement and respect for the environment. The principles, sanctioned by the Company's Code of Ethics, concern transparency, fairness and honesty, impartiality, protection of competition, prevention of conflict of interest, confidentiality and protection of privacy, compliance with current regulations, workplace safety and environmental protection, accounting control and transparency, prevention of money laundering, prevention of computer crimes, protection of intellectual property and protection of company assets. Compliance with the provisions of the Code of Ethics is considered an essential part of the contractual obligations of the Company's employees (pursuant to and for the purposes of articles 2104 and 2105 of the Italian Civil Code) and of all those who have

commercial relationships with the Company. Therefore, any breach of the above provisions may constitute non-fulfilment of these obligations, with all legal consequences.

As regards Monclick, with reference to the integration plan with the Parent Company, it is working to adopt the same Organisation, Management and Control Model of Unieuro S.p.A.

2.2.2 The combat against corruption

As required by the Code of Ethics, no employee must directly or indirectly accept, solicit, offer or pay sums of money or other benefits, even as a result of illicit pressures. Unieuro does not tolerate any kind of bribery of public officials, or any other party connected with public officials, in any form or manner, in any relevant jurisdiction, including those where such activities are permitted in practice or not prosecuted.

In addition to the principles and rules of conduct outlined in the Code of Ethics, Model 231 identifies the activities "sensitive" to the commission of the offenses referred to in Legislative Decree 231/2001, including the crime of corruption. It defines specific control measures to support the instrumental processes deemed exposed to the potential risk of commission of crimes. A sanctioning system is also adopted to ensure the effective implementation of Model 231 and information and training activities on its contents are outlined. The training courses are generally provided in the classroom with regard to the top managers (Directors and Area Managers) and through the e-learning platform for the remaining employees.

Training on anti-corruption was carried out together with the training pursuant to Legislative Decree 231/2001 and on the subject of whistleblowing, for a total of 2,157 hours and 4,314 participants⁸ (of which 0.02% executives, 0.53% middle managers, 97.84% office workers and 1.6% blue collar workers), excluding members of the Board of Directors. The significant increase in terms of hours of training and participation, compared to the previous year (279 hours and 377 participations), is mainly attributable to the rescheduling of training activities that had been blocked in correspondence with the Covid emergency in the year 2019/20.

As already mentioned above, thanks to the whistleblowing system implemented, Unieuro also establishes the methods by which to report illegal or illegitimate conduct or behaviour, committed or omitted, which constitute or may constitute a violation, or induce a violation of Group controls.

On the basis of the principles defined in the Code of Ethics and in addition to Model 231, in March 2019, Unieuro defined a specific Anti-corruption Policy. It dictates to personnel a series of rules to follow in order to strengthen the anti-corruption controls. In particular, the Policy establishes the obligation to adhere to anti-corruption regulations, providing a definition of what can be interpreted as corruption and establishing the obligation to report illegal practices in which personnel may be actively or passively involved. This Policy was subsequently updated in November 2020, on the occasion of the updating of Model 231.

Performance indicators

During the risk assessment activities carried out by the Company during the year 2020/21 in order to identify "sensitive" activities and processes deemed to be exposed to the potential risk of commission of offences pursuant to Legislative Decree 231/2001, 34 sensitive activities were mapped, of which 25 potentially at risk of committing the crime of corruption (about 74%), considering both crimes in relations with the PA and corruption crimes between private individuals. At the same time, the related procedures and controls were defined.

⁸ This value does not represent the actual number of employees trained in the fiscal year, but the number of times they have taken part in training courses.

During the 2020/21 financial year, no reports were found for the Group that concerned incidents involving corruption.

2.2.3 Tax liability

Although the Unieuro Group has not formalised its own tax strategy, in implementation of the general principles of transparency, correctness and truthfulness of information, it applies Italian tax legislation in a timely manner (the only country in which the Group companies are based) to ensure the logic and purpose that the norm or legal system envisage for the matter being interpreted are observed. In cases where the tax legislation is not sufficiently clear or unambiguous in the meaning attributable to it, the competent tax unit pursues a reasonable interpretation thereof, inspired by the principles of legality and availing itself of the advice of external professionals.

The principles and general rules of the Code of Ethics are also respected in the fiscal area. Furthermore, following the introduction of tax offenses (article 25- *quinquiesdecies*) within the offenses envisaged by the catalog of Legislative Decree 231/2001, an update of the Organisation, Management and Control Model has been envisaged by providing for a specific Special Section "O": Tax offenses.

With regard to 231 compliance, the Parent Company's Supervisory Body, as part of its activities, checks the controls for the prevention of tax offenses, in order to ensure proper management of tax compliance.

Furthermore, the processes relating to tax compliance, with specific reference to the Parent Company, are the subject of the audit activity to support the issue of the certification pursuant to Law 262/2005 "*Provisions for the protection of savings and the regulation of financial markets*", which provides for specific monitoring, control and responsibility obligations for listed companies regarding the preparation of accounting documents and financial communications disseminated to the market.

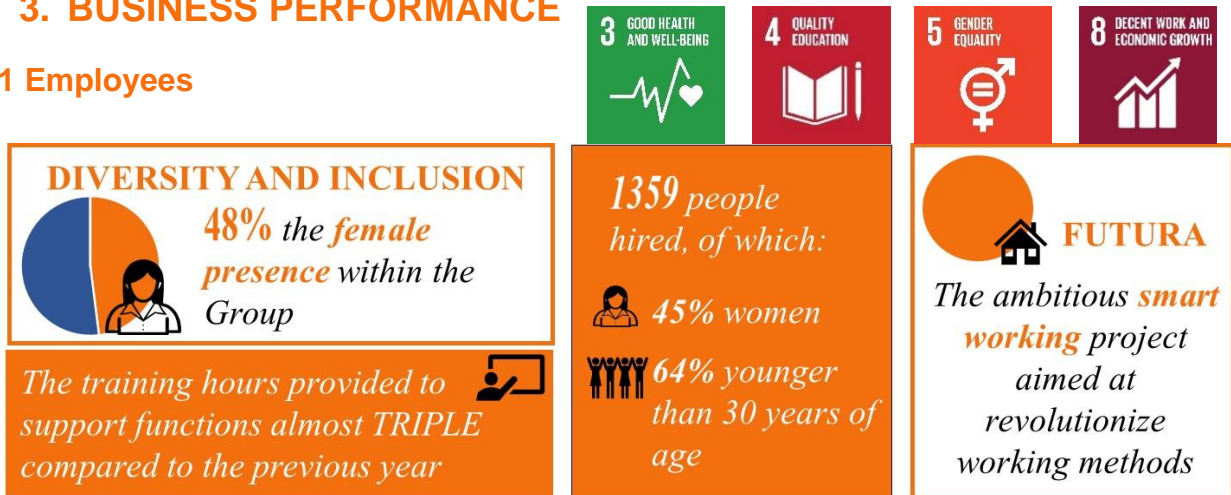
The organisation of the Parent Company provides for a Tax Manager on staff to the Administration & Control Director who reports directly to the Chief Financial Officer. With reference to the subsidiary Monclick, tax activities report directly to the Head of Administration.

In order to manage and contain the tax compliance risk, mapped as part of the Risk Assessment activity conducted by the Company, appropriate control measures and the associated risk owners have been defined.

The Unieuro Group adopts a collaborative approach with the tax authorities and guarantees transparency and fairness in relations with them, both in the event of audits relating to Group companies and to third parties.

3. BUSINESS PERFORMANCE

3.1 Employees



3.1.1 Personnel management

The Unieuro Group employs 5,391 resources, an increase of approximately 7% compared to the previous year.

Employees are divided between business activities (clerks, cashiers, storekeepers and store managers), amounting to 4,991 employees, and support activities (employees, specialists, coordinators, managers, director of headquarters functions - Finance and Control, Commercial, Omnichannel, Marketing, Property, Technical Office, Human Resources, IT, Logistics, Service, Customer Care and Sales, Investor Relations), equal to 400 employees. The majority of the resources (84%) are employed on permanent contracts, guaranteeing the Group the possibility to retain qualified personnel within the company. All employees are covered by collective bargaining agreements.

Effective employee management is central to Unieuro's success. The competence and commitment that every single individual dedicates to company activity are at the base of the competitive advantage achieved by the Group, to the point of considering the costs for professional growth and training among the most significant investments in intangible capital (in this respect, refer to section "Staff training and career development"). 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 establishes the principles of equal opportunities and non-discrimination, health and safety of workers, prevention of corruption risk and conflicts of interest, correct remuneration policies and, finally, the centrality of employee orientation towards the client. All personnel management policies are also defined in the utmost compliance with the applied National Collective Labour Contract and of the current labour regulations.

In particular, the Company requires all the functions responsible for processes or procedures concerning personnel management to:

- adopt selection criteria based on merit and competence;
- select, hire, train and remunerate employees without discrimination;
- comply with employment laws and standards.
- guarantee the physical and moral integrity of the collaborators;
- guarantee the right to working conditions that respect the dignity of the person.

Through the e-mail address managed by the Supervisory Body and communicated to all employees, it is possible to send reports for violations of the Code of Ethics or Model 231. This tool allows to establish a direct dialogue with the supervisors and guarantees the anonymity of the reporter.

Unieuro has formalised a system that provides annual assessment interviews and direct interviews with store personnel by store managers and, informally, the Area Managers, during which employees can report any problems in a climate of open dialogue and mutual exchange.

Personnel management also involves the well-being and satisfaction of its employees. On 11 February 2021, the ambitious "FUTURA" smart working project was presented to the more than 300 employees of the central functions during a digital event via live streaming. The project is intended to revolutionise the methods of work and integration between people, placing them at the centre of an innovative, rewarding and more sustainable work experience. The project, implemented with the support of a specialised external consultancy company, was created from listening to the needs of employees through surveys, interviews and focus groups. Thanks to the adoption of cutting-edge technologies, during the transfer to the new Forlì office to Palazzo Hercolani, it was possible to start a more flexible way of working in terms of hours and spaces. There is a 45-day presence at the office throughout the year and each employee can benefit from ample time flexibility throughout the day and the right to log off. By focusing on trust and individual responsibility in achieving the objectives, Unieuro is evolving its offices into places of collaboration, sociality and support for the corporate culture, with significant benefits in terms of motivation of people, balance between private and working life and lower emissions related to transport.

UNIEURO PEOPLE AT THE CENTRE

Unieuro wanted to provide a sign of its specific focus on its employees, with the assignment of an extraordinary, one-off bonus of Euro 500 (excluding C-Levels). This initiative, unanimously approved by the Board of Directors of Unieuro S.p.A., represented a gesture of concrete gratitude towards all those who, with great passion, have allowed record results in this particular year.



Performance indicators

Employees divided by age group, gender and function

Employees	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woma n	Total	Man	Woma n	Total	Man	Woma n	Total
Employees employed in support functions		217	183	400	196	171	367	190	157	347
<i>under the age of 30</i>		16	28	44	15	24	39	11	22	33
<i>between 30 and 50 years</i>		143	132	275	136	124	260	146	119	265
<i>age over 50 years</i>	N°	58	23	81	45	23	68	33	16	49
Employees employed in business activities		2581	2,410	4,991	2,442	2,225	4,667	2,184	2,177	4,361
<i>under the age of 30</i>		404	310	714	351	259	610	335	242	577
<i>between 30 and 50 years</i>		1753	1,736	3,489	1,730	1,675	3,405	1,634	1,648	3,282

age over 50 years	424	364	788	361	291	652	215	387	502
Total	2,798	2,593	5,391	2,638	2,396	5,034	2,374	2,334	4,708

Number of employees by type of contract and geographical area⁹

Employees	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woma n	Total	Man	Woma n	Total	Man	Woma n	Total
Fixed-term contract		453	420	873	375	304	679	372	294	666
North		297	288	585	231	195	426	240	198	438
Centre		90	83	173	89	53	142	115	83	198
South and Islands		66	49	115	55	56	111	17	13	30
Permanent contract	N°	2345	2,173	4,518	2,263	2,092	4,355	2,072	1,970	4,042
North		1369	1,366	2,735	1,286	1,284	2,570	1,269	1,250	2,519
Centre		583	532	1,115	586	542	1,128	581	550	1,131
South and Islands		393	275	668	391	266	657	222	170	392
Total		2,798	2,593	5,391	2,638	2,396	5,034	2,444	2,264	4,708

Employees per region

Employees	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woma n	Total	Man	Woma n	Total	Man	Woma n	Total
Valle d'Aosta		7	10	17	5	10	15	5	10	15
Lombardy		488	459	947	381	338	719	378	328	706
Piedmont		229	291	520	193	257	450	200	274	474
Trentino Alto Adige		25	20	45	23	20	43	21	24	45
Veneto		298	273	571	305	258	563	304	239	543
Friuli-Venezia-Giulia		61	61	122	62	61	123	69	72	141
Liguria		135	142	277	125	144	269	116	131	247
Emilia-Romagna	N°	423	398	821	423	391	814	416	370	786
Tuscany		100	116	216	95	114	209	93	116	209
Abruzzo		27	29	56	28	30	58	31	31	62
Marche		118	102	220	112	101	213	122	105	227
Umbria		20	15	35	18	15	33	17	14	31
Molise		22	15	37	24	15	39	24	15	39
Lazio		386	338	724	398	320	718	409	352	761
Sardinia		64	66	130	67	66	133	66	63	129

⁹ The subdivision by geographical areas is distributed as follows:

North: Valle d'Aosta, 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

<i>Campania</i>	17	12	29	18	10	28	20	7	27
<i>Apulia</i>	86	51	137	88	47	135	93	60	153
<i>Basilicata</i>	36	24	60	35	24	59	35	24	59
<i>Calabria</i>	9	14	23	10	14	24	11	15	26
<i>Sicily</i>	247	157	404	228	161	389	14	14	28
Total	2,798	2,593	5,391	2,638	2,396	5,034	2,444	2,264	4,708

3.1.2 Diversity, equal opportunities and respect for human rights

For Unieuro, diversity represents a real value. This is why it constantly strives to guarantee its respect in all phases of personnel selection, ensuring that there is no room for discrimination on grounds of race, gender, nationality, sexual orientation, social status, physical appearance, religion and political orientation.

Unieuro's goal is to build a transparent reality oriented towards compliance with ethical and behavioural standards, in the belief that the success of the company cannot be separated from ethics in the conduct of business and that competitiveness must not only indissolubly accompany ethical sensitivity, but also social involvement and respect for the environment.

To this end, a Code of Ethics and Company Regulations have been formalised to share the values, principles and rules of conduct with their collaborators and communicate them to all other interlocutors. The Company has also adopted specific selection procedures based on the principles of impartiality, speed and economy in the performance of the selection and selection publication process. The processes are based on the adoption of objective and transparent criteria, suitable to ascertain the correspondence of the professional skills, abilities and aptitudes of the candidates to the characteristics of the positions to be filled, ensuring equal opportunities in access to employment and avoiding any type of discrimination. In specific cases, such as the selection of managerial or executive profiles, Unieuro can use companies specialised to guarantee greater impartiality and objectivity in the selection.

Unieuro's commitment to respecting diversity and equal opportunities does not end in the selection phase, but is reaffirmed at every stage of the relationship with its employees, adopting criteria based on merit and competence also in remuneration policies. As indicated in the Code of Ethics, the physical and moral integrity of employees is considered a primary value for the Group, which aims to ensure for its employees the right to working conditions that are always mindful of the dignity of the person.

In line with the previous year, training courses were provided for managers, focused on personnel management and labour regulations, aimed at guaranteeing all workers the same opportunities, so that everyone can enjoy fair treatment based on merit criteria and strict compliance with the law.

Confirming the Group's commitment to equal opportunities, female presence within the company is 48%. The age group that is composed of the largest number of employees is between 30 and 50 years (70%) for both female and male staff. During the last financial year, 1,359 resources were included, of which 45% were women, with a prevalence of the under-30s age group (64%).

Furthermore, the Group has activated a series of part-time employment contracts, prevalently to female personnel, in order to promote work-life balance.

Performance indicators

Employees divided by age group, gender and level

Employees	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woma n	Total	Man	Woma n	Total	Man	Woma n	Total
Executives		27	1	28	24	1	25	23	1	24
<i>under the age of 30</i>		-	-	-	-	-	-	-	-	-
<i>between 30 and 50 years</i>		11	1	12	15	1	16	17	1	18
<i>age over 50 years</i>		16	-	16	9	-	9	6	-	6
Middle managers		45	18	63	39	15	54	38	14	52
<i>under the age of 30</i>		-	-	-	-	-	-	-	-	-
<i>between 30 and 50 years</i>		32	13	45	29	10	39	31	11	42
<i>age over 50 years</i>		13	5	18	10	5	15	7	3	10
Office workers		2726	2,573	5,299	2,505	2,359	4,864	2,383	2,248	4,631
<i>under the age of 30</i>		420	338	758	359	281	640	346	264	610
<i>between 30 and 50 years</i>	N°	1835	1,854	3,707	1,762	1,773	3,535	1,732	1,755	3,487
<i>age over 50 years</i>		453	381	834	384	305	689	305	229	534
Factory workers		-	1	1	70	21	91	-	1	1
<i>under the age of 30</i>		-	-	-	7	2	9	-	-	-
<i>between 30 and 50 years</i>		-	-	-	60	15	75	-	-	-
<i>age over 50 years</i>		-	1	1	3	4	7	-	1	1
Total		2,798	2,593	5,391	2,638	2,396	5,034	2,444	2,264	4,708
<i>under the age of 30</i>		420	338	758	366	283	649	346	264	610
<i>between 30 and 50 years</i>		1896	1,868	3,764	1,866	1,799	3,665	1,780	1,767	3,547
<i>age over 50 years</i>		482	387	869	406	314	720	318	233	551

Employees divided by type of employment and gender

Employees	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woma n	Total	Man	Woma n	Total	Man	Woma n	Total
Full-time employees		2126	1,193	3,319	2,036	1,141	3,177	1,897	1,103	3,000
Part-time employees	N°	672	1,400	2,072	602	1,255	1,857	547	1,161	1,708
Total		2,798	2,593	5,391	2,638	2,396	5,034	2,444	2,264	4,708

New hires, by age group, gender and geographical area

Number of new hires	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woma n	Total	Man	Woma n	Total	Man	Woma n	Total
North		495	406	901	363	298	661	365	316	681
<i>under the age of 30</i>		341	272	613	229	180	409	215	178	393
<i>between 30 and 50 years</i>		147	121	268	111	100	211	118	118	236
<i>age over 50 years</i>	N°	7	13	20	23	18	41	32	20	52
Centre		149	131	280	151	103	254	123	101	224
<i>under the age of 30</i>		106	81	187	98	58	156	76	46	122

<i>between 30 and 50 years</i>	40	50	90	50	45	95	43	54	97
<i>age over 50 years</i>	3	-	3	3	0	3	4	1	5
South and Islands	97	81	178	72	70	142	31	28	59
<i>under the age of 30</i>	38	36	74	29	26	55	13	4	17
<i>between 30 and 50 years</i>	53	44	97	40	44	84	16	23	39
<i>age over 50 years</i>	6	1	7	3	0	3	2	1	3
Total	741	618	1,359	586	471	1,057	519	445	964
<i>under the age of 30</i>	485	389	874	365	264	620	304	228	532
<i>between 30 and 50 years</i>	240	215	455	201	189	390	177	195	372
<i>age over 50 years</i>	16	14	30	29	18	47	38	22	60

Employees who have left the company, by age group, gender and geographical area

Employees who have left the company	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woma n	Total	Man	Woma n	Total	Man	Woma n	Total
North		422	310	732	368	274	642	322	225	547
<i>under the age of 30</i>		264	210	474	222	187	409	207	134	341
<i>between 30 and 50 years</i>		145	87	232	129	79	208	100	79	179
<i>age over 50 years</i>		13	13	26	17	8	25	15	12	27
Centre		143	109	252	166	132	298	140	118	258
<i>under the age of 30</i>		87	58	145	98	50	148	63	55	118
<i>between 30 and 50 years</i>		53	50	103	61	78	139	71	61	132
<i>age over 50 years</i>		3	1	4	7	4	11	6	2	8
South and Islands	N°	64	62	126	63	40	103	21	41	62
<i>under the age of 30</i>		19	25	44	26	10	36	3	1	4
<i>between 30 and 50 years</i>		39	37	76	33	30	63	18	40	58
<i>age over 50 years</i>		6	-	6	4	-	4	-	-	-
Total		629	481	1,110	597	446	1,043	483	384	867
<i>under the age of 30</i>		370	293	663	346	247	593	273	190	463
<i>between 30 and 50 years</i>		237	174	411	223	187	410	189	180	369
<i>age over 50 years</i>		22	14	36	28	12	40	21	14	35

Turnover rate¹⁰

Turnover rate	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woma n	Total	Man	Woma n	Total	Man	Woma n	Total
Inbound turnover rate		26.5%	23.8%	25.2%	22.2%	19.7%	21.0%	21.2%	19.7%	20.5%
Outgoing turnover rate	%	22.5%	18.2%	20.6%	22.6%	18.6%	20.7%	19.7%	17.0%	18.4%

Gender relationship between the average basic salary and the average remuneration divided by level¹¹

¹⁰ The figure is calculated as the ratio between total inbound/outgoing and total employees in the reference year.

¹¹ The figure is calculated as the ratio between the average basic salary of men over that of women and between the average remuneration of men over that of women. For 2020/21 and 2018/19, the value for the "Workers" level is not reported as it is made up of only one resource.

Employees by level	u.m.	28/02/2021		29/02/2020		28/02/2019	
		Basic salary	Remuneration	Basic salary	Remuneration	Basic salary	Remuneration
Executives		53%	39%	52%	39%	50%	39%
Middle managers		110%	108%	107%	111%	113%	112%
Office workers	%	121%	122%	120%	121%	126%	128%
Factory workers		-	-	112%	108%	-	-

The incoming turnover rate increased compared to the year 2019/20, from 21% to 26.5%. Specifically, the incoming turnover rate broken down by geographical area is equal to 27% for the north, 22% for the center and 23% for the south and islands; with reference to the breakdown by age group, it is equal to 115% for the age category under 30, 12% for the age category between 30 and 50 and 3% for the age category over 50 years.

The outgoing turnover rate is in line with the year 2019/20. Specifically, the outgoing turnover rate broken down by geographical area is equal to 22% for the north, 20% for the center and 16% for the south and islands; with reference to the breakdown by age group, it is equal to 87% for the age category under 30, 11% for the age category between 30 and 50 and 4% for the age category over 50 years.

The indicators referring to personnel remuneration should be read in conjunction with the composition of the company population, the high incidence of part-time contracts on the total of female employees (approximately 54%) and the limited presence of women in the managerial population (executives and middle managers). Specifically, the table "Gender ratio between the average basic salary and average remuneration divided by level" shows a higher value for the male gender for office workers and middle managers categories, both as regards the basic salary and remuneration. For the office workers category, the difference in average remuneration between men and women is 21% for the basic salary and 22% for remuneration. This gap is mainly attributable to the part-time effect and to the organisational framework, as the directors and heads of sectors are predominantly men and only the former receive an MBO (which compose the remuneration). For middle managers, the difference in average pay between men and women is 10% as regards the basic salary and 8% as regards remuneration. This gap is mainly attributable to a female presence equal to 29% of the category, to the presence of a single female manager who works part-time and to the presence of 17 Area Managers, men, who by the very nature of the role receive a significant result bonus linked to the commercial performance of the network they oversee. For the executive category, the gender ratio relating to remuneration is not significant, as over 96% of the category is represented by men and the only woman is a top manager who receives a basic salary and remuneration significantly above the average.

3.1.3 Staff training and career development

Training activity represents the instrument on which Unieuro bases its competitiveness and professionalism, which over the years has become an essential strategic lever for developing the potential of resources, creating a homogeneous corporate identity and culture, accompanying professional development paths and supporting business changes. Every year, Unieuro devotes important resources to the professional growth of employees through classroom lessons, webinars, conferences, tutoring, simulations, training on the job, e-learning and staff training. Unieuro S.p.A. has also established an Academy for aspiring Executives.

The Company aims, through training, to place its employees in the condition to perform their work in the best possible way, strengthen and develop professional skills and competences, create a

homogeneous corporate identity and culture, as well as accompany the professional development paths and support changes.

In addition to the training courses provided or suggested for legal obligations (Health and Safety, Model 231, Privacy), the Group offers managerial and professional training courses, both for store and head office staff. The inclusion of employees in the company and their professional growth are supported through targeted training actions, activating insertion paths for new recruits, programs to support continuous updating on the product news of the various product categories (staff training) and to improve Client reception. Among the training tools made available is the portal dedicated to training, Human Resources module - Training in Zucchetti, through which it is possible to register for the courses, to trace all the training/informative initiatives and to collect satisfaction questionnaires on the initiatives carried out. The protocols and procedures issued during the health emergency are also available and can be consulted by all employees on the Zucchetti portal.

To complete the training offer, since 2009 a company Academy has been active for new store managers and affiliated entrepreneurs. Participants, who are identified through an internal candidacy process, assessment centres and individual interviews, participate in on-the-job and classroom training that lasts 6 months.

During the year 2020/21, 10,515 hours of training were provided to 7,396¹² employees, recording a decrease of approximately 81% compared to the previous year. This change is mainly attributable to the cyclical nature of training obligations and the pandemic period. On the other hand, considering only the support functions, the hours of training provided increased compared to the previous year. This is attributable to the training course on smart working, which recorded about 300 people at various times.

Performance indicators

Hours of training provided

Hours of training by gender and function	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woma n	Total	Man	Woma n	Total	Man	Woma n	Total
Employees employed in support functions	Hour s	1963	2,299	4,282	934	196	1,130	269	75	344
Employees employed in business functions		3835	2,399	6,233	34,637	18,296	52,932	23,915	10,574	34,489
Total		5,818	4,698	10,515	35,571	18,491	54,062	24,184	10,649	34,833

Number of participations in training activities by employees, broken down by gender and function

Participation in training activities	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woma n	Total	Man	Woma n	Total	Man	Woma n	Total
Employees employed in support functions	N.	1050	1,173	2,233	169	59	228	71	18	89
Employees employed in business functions		2752	2,421	5,173	7,889	5,956	13,845	2,998	1,330	4,328
Total		3,802	3,594	7,396	8,058	6,015	14,073	3,069	1,348	4,417

Hours of training by type

Hours of training by type	u.m.	28/02/2021	29/02/2020	28/02/2019
Products	Hour s	554	28,036	15,625
Commercial		304	3,380	-

¹² This value does not represent the actual number of employees trained in the fiscal year, but the number of times they have taken part in training courses.

Management development	-	768	140
Marketing	-	-	-
Inclusion of newly hired employees in the company	-	-	224
Safety (pursuant to Legislative Decree 81/2008) ¹³	1314	7,791	11,588
Academy Aspiring Executives	-	3,297	4,484
Apprentices	1396	5,148	2,335
Legal obligations	523	326	309
Training pursuant to Legislative Decree 231/2001	2157	279	-
Language	199	268	
Privacy	497	4,770	128
IT ¹⁴	2842	-	-
Smart working ¹⁴	730	-	-
Total	10,515	54,062	34,833

Average hours of training divided by gender, level and function¹⁵

Average hours of training by gender and category of employees	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Employed in support functions		9.14	12.56	10.71	4.77	1.14	3.08	1.42	0.48	0.99
Employees in business functions		1.49	1.00	1.25	14.18	8.22	11.34	10.94	4.86	7.90
Executives	Hours/N	15.22	1.50	14.73	11.44	2.00	11.06	2.17	-	2.08
Middle managers		6.79	14.17	8.90	19.89	8.38	16.69	5.32	3.14	4.73
Office workers		1.84	1.72	1.78	13.34	7.66	10.59	10.04	4.72	7.46
Total		2.08	1.81	1.95	13.48	7.72	10.74	9.89	4.70	7.40

3.1.4 Performance evaluation

The individual performance evaluation system adopted by Unieuro examines the organisational and professional behaviours implemented by the individual employee in light of the role held in the company, with the aim of:

- directing his performance and development towards corporate objectives and professional behaviour towards the corporate organisational culture;
- highlighting the need for training and develop its potential;
- strengthening his strengths and intervene on areas for improvement;
- developing a sense of belonging and identification in the company mission;
- building an organisational culture based on results and merit;

¹³ Starting from March 2018, training relating to regulatory obligations regarding health and safety at work (pursuant to Legislative Decree 81/2008) is managed directly by the Unieuro Safety Office, resulting therefore outsourced by the HR Office.

¹⁴ New training categories provided in 2020/21.

¹⁵ The figure is calculated as the ratio between the training hours provided and the total number of Group employees divided by gender, level and function.

- collecting feedback.

Evaluation cycles are managed by a specific portal, which monitors all phases and can be accessed at any time by all employees. The performance evaluation interviews are individual and involve the collaborator with the related manager, to which the Human Resources function and/or the Head of the evaluation can be added. The evaluation process is currently extended to all organisational roles, covering, in the year 2020/21, 4,148 people corresponding to 83% of the company population (84% of men out of total men and 82% of women out of total women).

Performance indicators

Performance evaluation¹⁶

Professional categories	u.m.	28/02/2021			29/02/2020		
		Man	Woman	Total	Man	Woman	Total
Executives		92	100	92	88	100	88
Middle managers		100	100	100	47	79	56
Office workers	%	84	82	83	85	86	86
Factory workers		91	87	90	87	74	84
Total		84	82	83	85	86	85

3.1.5 Well-being, health and safety

For Unieuro, health and safety at work are essential values for the sustainable, effective and lasting development of one's own business organisation. In particular, the Group undertakes to ensure 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 deriving from the external environment.

The policies aimed at mitigating the risks have been structured and formalised on the basis of the internal management models used by the Company, or the Model 231 and the related verification protocols, in compliance with Legislative Decree 81/2008.

Inspired by the phases of an Occupational Health and Safety Management System, the Company has in fact defined its own company control system suitable for the fulfilment of all legal obligations relating to occupational health and safety, in order to guarantee the best safety standards for its people, reduce or eliminate any accidents and illnesses deriving from work activities, as well as improve risk management.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

¹⁶ The figure posted as at 28/02/2021 is related to the performance appraisals for the period 01/03/2019 - 29/02/2020. For the period 01/03/2020 - 28/02/2021 the Company intends to pursue the same objectives as the previous year, but it will be possible to calculate the quantitative and qualitative data not before October 2021 (end of the evaluation cycles business). This note is in line with as reported in the previous NFD.

The company's occupational health and safety management control system, in compliance with Italian Legislative Decree 81/2008, provides:



- an organisation chart of roles and responsibilities;
- the creation and formalisation of the Risk Assessment Document (DVR), within which the risks relating to health and safety in the workplace are identified and assessed¹⁷. During the Covid-19 emergency, an appendix to the DVR dedicated to the pandemic risk was drawn up, with the aim of tracing the actions implemented, in order to combat and contain the spread of the Covid-19 virus in the workplace;
- the application of control protocols including the provision of infrastructural and individual security systems;
- the creation and dissemination of procedures relating to safety (present within the Zucchetti portal);
- the provision of specific training activities (carried out by an external certified company and contacted directly by the RSPP);
- health surveillance activities (organised directly by the RSPP);
- monitoring activity (carried out operationally by various company subjects: RSPP, Area Managers, Directors, etc.).

With respect to the functions of occupational health services, as required by current legislation on the subject, the definition of the health protocol is the responsibility of the Company Doctor (MC). The monitoring of the company health situation is guaranteed by the sending, by this figure, of the aggregated health data and information about the risk of workers subjected to health surveillance. Sending is by means of Annex 3B (as defined by article 40, paragraph 1 of Legislative Decree 81/2008) to the competent bodies. For each inspection carried out, the Company Doctor produces a report based on the findings. The RSPP and one or more Workers' Safety Representatives (RLS) also participate in the inspections.

In order to correctly comply with the dictates of the Legislative Decree 81/2008, the Company also has the task of promoting the culture of safety within the Company through appropriate information and training actions towards all staff at different levels of the organisation.

During the year, therefore, all the training activities required by current legislation on health and safety at work were carried out for a total of 1,314 hours of training provided to 137 employees¹⁸, of which 54% men and 46% women (98% belonging to the "office workers" category and 2% to the "blue collar" category).

With regard to Monclick, it should be noted that the training activities provided for by article 37 of Legislative Decree 81/08 were carried out in e-learning mode, as required by the State-Regions Agreement, while those provided for the emergency team (fire-fighting 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 personnel with personal protection equipment (PPE), also aimed at mitigating the risk of accidents in the workplace, with the main reference to the activities carried out at the points of sale. Company insurance coverage for accidents at work and health services is also provided for all employees (e.g. access to Fondo Est for employees, Quas for middle managers and Fasdac for Executives). As a sign of attention to the protection of its people, in this emergency period, a specific insurance

¹⁷ As required by Legislative Decree 81/2008 (Consolidated Safety at Work Act), the DVR is processed by the Employer (DL), in collaboration with the Head of Safety, Prevention and Protection (RSPP), verified by the Company Doctor (MC) and brought to the attention of the Workers' Safety Representatives (RLS), in order to highlight the severity and probability of occurrence of specific risk events for each individual role and activity carried out by employees.

¹⁸ This value does not represent the actual number of employees trained in the fiscal year, but the number of times they have taken part in training courses.

coverage has also been activated in the event of a Coronavirus infection. It provides for an indemnity both in the event of hospitalisation and convalescence, as well as a package of post-hospital care to manage health recovery together with all the practical aspects of personal daily life. Another concrete initiative to mention is represented by the decision taken by the Group to reimburse the cost of the flu vaccine to all employees who have used it.

MEASURES TO LIMIT AND COMBAT THE SPREAD OF COVID-19

In order to contain the spread of the Covid-19 virus in the workplace, the Company has also implemented specific control measures, outlined in detail in the operational procedures formalised by the RSPP, shared via video conference with the Direct Channel Directors and the Chief Operating Officer, as well as disseminated to the entire organisation. The main measures adopted include: distribution to its personnel of PPE (surgical and disposable masks); access to sites - head office and stores - with a quota and after measuring the temperature; adoption of specific signs on the floor and by means of information signs for customers both outside the point of sale and in the areas of greatest influx; transmission on Radio Unieuro of a specific message to recall the prevention measures; cleaning and sanitation of the company; shifts, smart working and reformulation of production levels.



The procedures have been drawn up for all employees and non-employees: for the Forlì office and the stores, for the Piacenza Logistics Center, for suppliers and external companies whose workers access and stay in the Company's workplaces. In addition, specific policies have been introduced for Direct Channel Directors, Area Managers, Indirect Channel Directors, Franchising Area Managers and for the Order Planning Director, as the performance of their duties involves the need to carry out visits and inspections at the points of sale, both inside and outside the Region of residence/domicile, and for the site workers of the Technical and Services Office, as the performance of the task requires the supervision of the sites both inside and outside the region of residence/domicile. The Company is also completing the drafting of the safety manual for the Directors.

Monclick also immediately implemented specific controls aimed at countering the spread of the virus in the workplace (e.g. shifts, quota access, temperature measurement, dissemination of sanitising gel stations, social distancing, access prohibited to personnel non-employee and suppliers, sanitation systems, etc.) and immediately adopted a Home Working policy, equipping its employees with the necessary company devices and utilities in order to reduce transit at the workplace as much as possible.

In order to promote suitable information flows on health and safety, in 2006, Unieuro S.p.A. activated a special "Help Desk" portal, accessible from all points of sale and managed centrally by the Technical and Services Office function. It aims to collect the requests of the points of sale regarding maintenance interventions, following failures or anomalies on plants and workplaces. Furthermore, any violations or problems in terms of health and safety can be reported through the whistleblowing system and/or communicated to the RSPP or RLS.

The Group's commitment to ensuring optimal levels of management of the health and safety of its employees is also evidenced by the number of accidents recorded¹⁹, which decreased by about 40% compared to the previous year (this change could be partly attributable to the increase in the closing days imposed by the lockdowns and the greater use of smart working). At the same time, the accident indexes show the low magnitude of the episodes that occurred during the period.

¹⁹ Accidents are mainly related to the manual handling of loads: muscle pain, bumps, minor trauma of the lower and upper limbs.

Although not under the direct control of Unieuro, it should be noted that during the year, no accidents at work were recorded by external collaborators (employees of the cooperatives operating at the Piacenza logistics center).

Lastly, it should be noted that no cases of occupational illnesses were recorded for Group employees and external collaborators for the year 2020/21.

Performance indicators

Employee accidents by type and gender

Employees	u.m.	28/02/2021			29/02/2020			28/02/2019		
		Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Recordable occupational accidents²⁰		44	22	66	66	44	110	56	58	114
<i>of which commuting²¹</i>		11	12	23	24	14	38	13	18	31
Occupational accidents with severe consequences (excluding deaths)		-	-	-	-	-	-	-	-	-
<i>of which commuting²¹</i>	N°	-	-	-	-	-	-	-	-	-
Deaths resulting from occupational accidents		-	-	-	-	-	-	-	-	-
<i>of which commuting²¹</i>		-	-	-	-	-	-	-	-	-
Recordable occupational illnesses		-	-	-	-	-	-	-	-	-
Deaths resulting from recordable occupational illnesses		-	-	-	-	-	-	-	-	-

Employee accident rates

Accident indexes ²²	28/02/2021			29/02/2020			28/02/2019		
	Man	Woman	Total	Man	Woman	Total	Man	Woman	Total
Lost working hours rate	2.00	0.95	1.55	1.67	1.75	1.70	1.96	2.67	2.26
Absentee rate	3.29	1.18	4.46	2.86	2.27	5.13	3.13	3.22	6.35
Rate of occupational diseases	-	-	-	-	-	-	-	-	-
Rate of recordable occupational accidents	10.70	7.07	9.13	15.36	13.58	14.59	13.98	19.19	16.22
Rate of occupational accidents with severe consequences	-	-	-	-	-	-	-	-	-
Rate of deaths resulting from occupational accidents	-	-	-	-	-	-	-	-	-

Accidents of external collaborators by type and gender and accident indices

²⁰ As regards the subsidiary Monclick S.r.l., no occupational accidents or illnesses were recorded in the last two years.

²¹ In line with the requirements of GRI 403-9, this item includes commuting accidents only when transport was arranged by the organisation.

²² The accident rates take into account occupational accidents and commuting accidents and are calculated as follows:

Lost working hours rate: (total number of hours lost by accidents/total hours worked) * 1,000

Absentee rate: (absence days / working days in the period)

Rate of occupational diseases (ODR): (total number of occupational illnesses/total hours worked) *200,000

Rate of recordable occupational accidents: (total number of recordable accidents/ total hours worked) *1,000,000

Rate of occupational accidents with severe consequences: (total number of recordable accidents with serious consequences / total hours worked) *1,000,000

Rate of deaths resulting from occupational accidents (total number of deaths resulting from accidents / total hours worked) *1,000,000

External collaborators	u.m.	28/02/2021	29/02/2020	28/02/2019
Recordable occupational accidents		-	9	17
<i>of which commuting</i>		-	2	3
Occupational accidents with severe consequences (excluding deaths)		-	-	-
<i>of which commuting</i>	N°	-	-	-
Deaths resulting from occupational accidents		-	-	-
<i>of which commuting</i>		-	-	-
Recordable occupational illnesses		-	-	-
Deaths resulting from recordable occupational illnesses		-	-	-

Injury rates of external collaborators

Accident indexes ²²	28/02/2021	29/02/2020	28/02/2019
Rate of recordable occupational accidents	-	14.00	31.00
Rate of occupational accidents with severe consequences	-	-	-
Rate of deaths resulting from occupational accidents	-	-	-

3.1.6 Relations with trade unions

Operating in a labour-intensive sector, in which the quality of the relationship between sales personnel and customers is a fundamental element of the competitive advantage, the correct management of trade union relations represents an important issue for Unieuro, in order to guarantee positive and constructive dialogue with the workers' representatives. Over the years, Unieuro has always practised a policy of mutual exchange and direct and transparent dialogue with trade unions, both national and regional, signing second level agreements or solidarity contracts, comparing and presenting the results of the company or individual stores and data relating to staff.

During the year 2020/21, specific meetings were held with national and territorial trade union organisations. Among the main topics of discussion and sharing were: the subject of the previous agreements, company results, data relating to personnel, but also the performance of the single store or of the specifications relating to the local reference situations. On 27 March 2020, in response to the Covid-19 health crisis, "CIGD agreements" (Cassa Integrazione Guadagni in Deroga) were signed with the trade unions for the companies Unieuro S.p.A. and Carini Retail Sr.l. Furthermore, on 9 April 2020, an Addendum was signed relating to the CIGD agreement for Unieuro S.p.A.

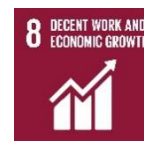
As required by applicable regulations and in line with the CCNL of reference, in the case of organisational changes, for example in the case of transfer of workers with executive management responsibilities that determine a change of residence, Unieuro agrees with its collaborators the timing of notice and, if there is no agreement between the parties, respects the provisions of article 170 of the CCNL that grants a written notice of 45 days or 70 days for those who have family dependants.

Performance indicators

Employees covered by collective bargaining agreements

Employees	28/02/2021	29/02/2020	28/02/2019
Number of employees covered by collective bargaining agreements	5,391	5,034	4,708

Total employees	5,391	5,034	4,708
Coverage rate	100%	100%	100%



3.2 Customers

<p><i>An important project has been launched aimed at rethinking the customer experience of customers in an omnichannel perspective, to support the drive-to-store by exploiting the engagement opportunities generated by the e-commerce channel</i></p> 	<p><i>aTUpperTU and filaVIA new services, designed to manage customers flow in the store</i></p>
	<p><i>Unieuro awarded «Retailer of the Year 2020/21» for consumer electronics and household appliances</i></p> 

In a constantly evolving retail scenario made even more complex by the health emergency, the creation of a lasting relationship with customers is closely related not only to the breadth of the offer and accessibility of products, but also to the ability to establish a relationship of trust and offer a quality service, close to the customer. The Unieuro approach is therefore focused on the satisfaction and protection of its customers, with particular attention to those requests able to improve brand reputation and to promote a real increase in the quality of the service provided.

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

Unieuro's service model is designed and developed in light of the Group's strategic vision, which includes not only the continuous profitable growth of the business but also the enhancement of the customer's centrality and the omnichannel opportunities, each declined in all contact points through which the Company relates every day with its end customers.

In particular, "proximity to the customer" has a dual significance, of customer needs and of proximity. The latter, in turn, is realised on the physical level, both thanks to the capillarity of the network of stores, now over 500, and thanks to the integration of the platform unieuro.it in the digital ecosystem, combining the functions offered by search engines and exploiting the interaction with the main social networks, from home, via mobile and near the store itself. From an omnichannel point of view, proximity also translates into the "click and collect" project, the withdrawal system at the physical points of sale of products purchased by customers on the online channel. Unieuro is in fact one of the first companies in Italy to have sensed the potential to use the over 410 collection points, selected among its points of sale, for orders placed via the web, thus further getting close to its customers that wish to cut waiting times and additional delivery costs, and use alternative payment methods to e-money.

In response to the pandemic crisis, Unieuro S.p.A. has launched an important project aimed at reconsidering the customer experience in an omnichannel perspective, to support the drive-to-store by exploiting the engagement opportunities generated by the e-commerce channel. Therefore, promptly seizing the opportunities that the "new normal" is enabling, in terms of purchasing habits, sales channels and in-store processes, the Company has launched a project roadmap that will lead to the release of new digital omnichannel services. The first two services, free and already active in all points of sale since June 2020, were designed to rationalise the flow of customers in the store, in a historical moment in which social distancing continues to be fundamental:

- **aTUpperTU** offers the possibility to book, via the website and app, a dedicated appointment with an employee for personalised assistance.
- **filaVIA** instead, which can be activated both via the website and app and in front of the sales outlet via the appropriate QR Code, allows booking the first entry time available, avoiding waiting and crowding.

In parallel, the figure of the steward was created, specially trained to manage access to the store and the traffic inside it with method and courtesy, so as to ensure total compliance with safety measures in light of the capacity limits of each department and, in general, of the point of sale.

In support of these initiatives, the new communication campaign "Vediamoci come più ti piace" (Let's see each other as you prefer) was launched with which, for the first time, Unieuro focuses its message on the issue of customer service.

In continuing its strategy of adapting the customer experience, in July 2020, the Company presented the new digital service "AUTOritiro" through which customers can collect purchases made online at the nearest store, without having to get out of their vehicle. Once the desired product has been selected on the site and the purchase has been finalised, the store is chosen. Once at the store, the customer shows himself in the goods collection area and a Unieuro employee will load everything into the car trunk. "AUTOritiro" was also supported by a dedicated communication campaign.

"BRAND OF THE YEAR" PRIZE

Unieuro S.p.A.'s ability to maintain excellence in customer service, even in the difficult context caused by the health emergency, is also evidenced by the prestigious "Brand of the Year 2020/21" award - for the Appliances & Electronics category - received on 25 November. For the second consecutive year, the Company was the most voted among hundreds of retail brands.



3.2.1 Quality of services and customer centricity

In fact, customer satisfaction cannot ignore the management and development of Customer Satisfaction that the Group monitors thanks to specific indicators²³, including: churn rate, ticket number²⁴ incoming and management/resolution time for incoming tickets.

Through Customer Care, belonging to the Customer Relationship Management (CRM) function, the Group constantly carries out monitoring activities also in order to avoid possible disruptions relating to home delivery of products and delivery times, especially during peak sales periods. Thanks to the information gathered, Unieuro has developed a corrective action plan that resulted in an order

²³ For the year 2020/21, the indicators "Number of calls handled per hour" and "Sample check of the quality of tickets and calls", usually detected through the service provided by an external company, were not used to monitor Customer Care, as the suspension of this service has been envisaged, in consideration of the Covid-19 period. While, the indicator "Verification of online order allocations" is currently managed by the IT Team which, through a specific dashboard, monitors orders before they are fulfilled.

²⁴ Communication tool with the customer by completing an online form available on the Company's website.

management project to optimise inventory stocks and respond to customer requests quickly and effectively.

Furthermore, Customer Care periodically carries out analyses on the defects of the individual product categories put on the market, based on the complaints received and on historical data, in order to inform the competent Category Manager about any suppliers that may have a high defect rate.

As for Monclick, the Care Team constantly monitors customer satisfaction through reports prepared by the figure in charge of customer support. The performance is analysed in terms of contacts received, e-mails, phone calls and messages on social networks. The entire passive cycle is monitored in the same way in terms of claims managed, such as transport anomalies, breakdowns and withdrawals. The opinions of customers are monitored and managed in terms of customer satisfaction and the performance of the office is observed by analysing the opinions of customers on the contacts received. On average, the number of monthly contacts that reach the Care Team is about 13 thousand e-mails received (of which 80% managed) and about 8 thousand telephone calls received (of which 80% managed).

The Care Team also deals with all problems and requests concerning the "active cycle" and the "passive cycle" of orders placed on Monclick.it, that is customer management and care during the purchase process, from pre-sale product insights to assistance for browsing the web, from the completion of the transactions to the updating of information related to the tracking of shipments up to the management of any issues with the order. The treatment is reserved for all related platforms (private sales, external partners, Ebay, Facebook, etc.).

3.2.2 Health and safety of customers

In addition to competitiveness and the level of service offered, Unieuro's strength is also based on the level of trust that customers develop in the products sold. For this reason, the Group is committed to ensuring the highest level of quality and protection of consumers, both in terms of safety of the product sold, and from the point of view of protection of the data and information collected.

Regarding non-Electroline branded products, the trust in the product is protected first of all by procurement from high profile suppliers, often international, whose quality and reliability are a fundamental part of their positioning as market leader. The conformity of the products with the laws and regulations on safety is also periodically monitored by means of sample checks by the external authorities, in order to evaluate their real characteristics and certifications in the light of the European RoHs Directive (Restriction of Hazardous Substances Directive), laying down specific rules concerning the restriction on the use of hazardous substances in Electrical and Electronic Equipment in order to contribute to the protection of human health and the environment.

Non-compliance management

During the year 2020/2021, without prejudice to what is set forth below in the section "Transparency of information on products and offers to customers", the Company did not receive any complaints or reports for non-compliance with regulations or laws which impacted consumer health and safety.

As regards Electroline branded products, compliance with laws and regulations is monitored by an external company, which did not find any non-compliance regarding the impact on the health and safety of consumers during the year 2020/21.

As already indicated in the paragraph "Main ESG risks and management methods", the sale of products harmful to the health of citizens or not in line with European safety or product quality standards, albeit governed by framework agreements and certified by third parties, could in fact expose Unieuro to the risk of claims for compensation for damage and loss of trust by consumers. To control this risk, the Company has activated insurance contracts relating to aspects for which it could not legitimately claim against the supplier or the manufacturer.

3.2.3 Transparency of product information and commercial offers to customers

The marketing and advertising communication activities, structured and planned in line with the Company's operations as an omnichannel distributor, are an important element of Unieuro's strategy as, in addition to supporting the development and recognition of the brand, they are conducive to the development of the market and play a fundamental role in customer relations.

The main advertising campaigns call for, alternatively or simultaneously, the distribution of promotional flyers, radio and television advertising and prize-based promotional operations, such as point collections, competitions, vouchers and targeted promotional operations such as the so-called "below cost".

Instead, Monclick promotes its business mainly on online channels, using content management and product marketing tools in order to guarantee its correctness in terms of product technical information and in terms of pricing of products on sale. All under the direct control of the company management.

Transparency in communications and offers, regulated by the Consumer Code, is one of the cardinal principles that Unieuro pursues in relations with the public. This is why, in line with the corporate ethical principles contained in the Model 231 and the Code of Ethics, the Company undertakes not to sell under any circumstances products with characteristics different from those indicated on the label (e.g. place of production, material), which may mislead the final consumer about the origin and provenance of the product, or to sell products whose quality is inferior or different from the one stated on the label.

The management model adopted by the Company provides for the collaboration of experts, internal and external to the company, dedicated to the preventive verification of the feasibility of certain commercial operations. Specifically, the Company makes use of consultants for the preventive verification of the content of the rules for prize operations; the Legal Department is involved by the competent functions, for the preventive verification of the feasibility of specific commercial operations (for example "below cost" sales) and for the verification of the content of the most relevant information in terms of communication on flyers, communications via the Internet site, etc. The Company also makes use of consultants for the publication of the technical data sheets of the products on the e-commerce site and for the preparation of energy labels in cases where Unieuro S.p.A. acts as an importer of products manufactured outside the EU.

Specifically, the Marketing Department must guarantee the correspondence between the characteristics of the products presented in any communication of an advertising and/or promotional nature and those offered for sale, with particular reference to the quantity, quality, source or origin of the products.

Although the Company has defined specific procedures aimed at guaranteeing the disclosure of correct, clear and transparent information, the Company undertakes to promptly implement the actions necessary to ensure an ever-increasing level of transparency.

Non-compliance management

During the year 2018/19, a proceeding was initiated by the Chamber of Commerce of Milan Monza Brianza Lodi (ref. Consolidated Non-Financial Statement as at 28/02/2019 and subsequent), for the non-compliance of an Electroline brand product, concerning the labeling and information documentation inside the product packaging. The proceeding, which ended with a fine of Euro 84,000, was subsequently challenged by the Company. On 12 January 2021, the Chamber of Commerce of Forlì and Romagna notified 7 orders-injunctions confirming the sanctions already raised by the Milan Monza Brianza Lodi Chamber of Commerce. Unieuro S.p.A. filed an opposition with dispute before the Court of Forlì (hearing scheduled for October 2021).

In February 2021, Unieuro S.p.A. received a request for a hearing for 1 April 2021, from the Venice-Rovigo Chamber of Commerce, for the discussion of the defensive deeds presented by the Company against a sanction notified in December 2016 for Euro 5,000. The dispute of the Chamber of Commerce was related to an electric mosquito net supplied by Euroequipe S.r.l., for the alleged lack of electrical safety and electromagnetic compatibility requirements. The Company sent defensive deeds with a request for a hearing. However, the Chamber of Commerce only found this request in February 2021.

With respect to possible cases of non-compliance with laws and/or internal regulations regarding information on the organisation's products and services, in the course of the year 2019/20, an administrative proceeding was initiated relating to products, not branded owned by Unieuro, resulting without the most modern DAB + radio broadcasting technologies (ref. Consolidated Non-Financial Statement as at 29/02/2020). With reference to this matter, the Company paid the sanction imposed of Euro 2,826 and withdrew the products from the market, reclaiming the suppliers for the costs incurred.

Lastly, with reference to the four cases that occurred during the year 2019/20, of non-compliance with the law regarding communication and marketing activities and referring to administrative sanctions and/or disputes for "below cost" sales deemed to be irregular, it should be noted that to date, two disputes have remained pending. One is still in the administrative phase at the municipality of Osimo and the other has been challenged at the Court of Messina and is awaiting judgement. For the year 2020/21, there have been no further episodes of non-compliance with laws and/or internal regulations regarding communication and marketing activities.

In any event, non-conformities recorded represent an insignificant percentage of the volume of products sold by Unieuro.

3.2.4 Security and protection of customer data

Recognising the increasingly important importance of the protection of privacy and of personal data, Unieuro defines precise rules of confidentiality to ensure maximum protection. In fact, above all in online commerce, increasingly stringent rules and policies are actually needed, capable of protecting the customer and responding to specific regulatory requirements introduced by the European Commission with Regulation 2016/679 General Data Protection Regulation (GDPR).

The regulation intends to strengthen and harmonize the regulatory framework regarding the protection of personal data in the European Union and give citizens greater control over their personal data. The text, published in the European Official Journal on 04 May 2016, entered into force in May 2018 and repealed the provisions of Legislative Decree 196/2003 for the protection of personal data.

UNIEURO'S PRIVACY ORGANISATIONAL MODEL

In 2018, the Group initiated a process of adaptation to the new regulation by adopting a Privacy Organisational Model that contains Policies and Procedures that aim to mitigate all risks by means of:



- the imposition of more controlled flows of activities;
- the accountability of appointees and external managers;
- the provision of contractual safeguards to be requested from suppliers;
- the preparation of technical and IT measures aimed at increasing the level of IT security of personal data.

Unieuro also appointed the Data Protection Officer (DPO), carried out impact assessments and balancing of interests; kept and updated (thanks also to the GoPrivacy tool) the Processing Registers as Data Controller and as Personal Data Processor and provided for periodic training on the privacy of its personnel. In order to guarantee the information of its consumers, it has also updated the privacy information if required.

Unieuro also disseminated (through publication on its corporate Intranet) the Tasks Description which, together with the letters of authorisation for the processing of personal data (signed by the company's employees), identifies the activities of the appointees on the basis of macro categories of activities carried out and provides recommendations and instructions on the fulfilment of particular obligations (e.g.: on the storage of documentation, on the processing of sensitive data, etc.).

As Personal Data Controller, Unieuro may face risks of loss of confidentiality, integrity and availability which, in abstract, could derive from: errors, malfunctions and/or cyber attacks; human errors; unlawful facts and criminal events (for example theft of documents or equipment and components containing sensitive information; unauthorised use of instrumentation; identity theft; unauthorised access to company software and data; access to employee credentials and improper use thereof, etc.); procedural errors; force majeure events.

Furthermore, as Personal Data Processors, Unieuro could incur risks connected with the collection of personal data (for example, data collection on behalf of mobile phone companies).

If Unieuro incurs the aforementioned risks, in abstract, the prejudicial consequences could be: a) administrative sanctions for violations of the provisions on the protection of personal data; b) claims for compensation from interested parties/consumers who assume that their rights have been violated; c) reputational damage deriving both from the publication of any provisions of the Authorities, and from comments of various kinds published on social media or other information channels; d) complaints from any commercial partners of the company for non-compliance with contractual obligations relating to the management of personal data.

At the end of November 2019, with the support of external consultants, Unieuro S.p.A. carried out the alignment project of its channels by starting the data update campaign. In this context, in addition to pursuing the application of the principle of accuracy of its database (pursuant to article 5, paragraph 1, letter d) of the GDPR) and to guarantee the correctness of the personal data of its customers registered in its systems, Unieuro has decided to also ask its customers for consent to the processing of data for integrated profiling purposes (this purpose has been appropriately disclosed to customers in specific policies). Following the first campaign, which ended in August 2020, the Company launched a second campaign (still ongoing) to recall any customers who had not updated their data, as well as invite customers not contacted during the first phase to update.

In order to guarantee the accuracy of the data collected and the correct storage of the paper forms containing the data of customers enrolled in the Unieuro Club Program, in April 2020, Unieuro S.p.A. updated the loyalty card management procedure, already disseminated - by publication on the corporate Intranet - in the sales network in September 2019. Furthermore, in April 2020, the Company published - on the corporate Intranet - instructions for the sales network on the use of privacy information and the form for exercising privacy rights.

Unieuro S.p.A. confirmed, to the external company that deals with the storage of the paper forms of the loyalty cards, the project of reading, through computer systems, the consent and signature information present on the forms stored. The information received from the external company is subsequently processed, analysed and sent to the Privacy Office. In this regard, it should be noted that since 2020, this Office has been expanded with the entry of two new resources and has obtained the support of external consultants to better respond to the numerous requests from interested parties regarding privacy.

With the support of external consultants and under the supervision of the DPO, the ICT Department of Unieuro S.p.A. has also started a process of analysis and improvement of its IT infrastructures in terms of structural and perimeter security.

Moreover, at IT security level, an anti-fraud verification system has been installed, with specific firewall to manage any attempts of hacker attacks, and specific encrypted protocols have been defined to protect online transactions and avoid the risks of cloning credit cards and of the customer's personal data.

In addition to the establishment of systems and procedures aimed at preventing the loss of customer data and information, the Group carries out information, training and awareness-raising activities for personnel about the risks associated with protecting customer privacy. In the year 2020/21, Unieuro S.p.A. trained its sales network and head office employees on privacy issues through an online course (on an e-learning platform that allows employees to be able to review the course at any time), as well as reiterated the training of top management with lessons in virtual classroom. At Monclick, the information and awareness-raising activities carried out mainly involved the members of the IT & Web Team.

The Group also manages a system for assigning access rights to the systems with maximum granularity and with various control points. The data and information management model is also subject to periodic checks by the data controllers (for example, mobile operators, financial companies, television broadcasting companies), in relation to which Unieuro takes the position of the external manager, and possible internal audits carried out following the reporting of anomalies.

The management of reports, complaints and requests concerning data processing

Customer reports, complaints and requests regarding data processing (modification or cancellation) can be sent to the Company by e-mail to the addresses privacy@unieuro.com (official channel published on the Company's corporate and consumer website) or dpo@unieuro.com or by mail. Alternatively, in addition to the official channels, some reports can also be received directly at the points of sale, by telephone via the call center, at the certified e-mail (PEC) address of the Company or at the address info@unieuro.it published on the corporate website of Unieuro S.p.A. With regard to Monclick, any report or information concerning the processing of data can be requested at privacy@monclick.it or directly from the Data Protection Officer at dpo@monclick.it. Complaints and disputes are handled by the Legal Department. For claims deemed most risky, it can avail itself of the advice of the DPO and external subjects, experts in Privacy.

Unieuro takes prompt action to better manage all customer requests in order to guarantee the protection of confidential data and information and avoid possible negative consequences, both in terms of reputation and sanctions.

The channels dedicated to the Privacy of Unieuro S.p.A. receive numerous requests for modification or cancellation of data on a daily basis. Some of these are attributable to inconsistencies in the entry of the data in the computer system due to computer and/or human errors, others may derive from a simple rethinking of customers on the consents previously expressed. In 2020, the number of requests received doubled, also due to the data update campaign (which also attracted users who have been no longer active for some time or who cannot update their data, easily or without the support of the Privacy Office, as owners of several profiles and, not always, understand which one is to be updated), as well as the exponential increase in online sales, with the simultaneous creation of the e-commerce account on the website www.unieuro.it.

Approximately 9,500 requests regarding privacy were received and managed by Unieuro S.p.A. between 29/02/2020 and 28/02/2021. With respect to the requests received, in 6 cases, the interested party, in exercising related rights regarding privacy, involved the Guarantor Authority for

the protection of personal data only for information. The 6 cases described were promptly managed and dealt with by the Company, keeping in copy the Authority, so much so that the latter did not consider initiating any proceedings.

As of 28/02/2021, Unieuro had not been notified of any complaint (pursuant to article 77 of the GDPR and articles 140-bis to 143 of the Privacy Code).

However, between 28/02/2020 and 28/02/2021, following some requests from interested parties and some reports received from the Privacy Office / Customer Service / Point of Sale, Unieuro S.p.A. found about 200 security incidents that resulted in the loss of confidentiality and integrity of personal data. Of these, about 60 were qualified as "false positive" (following the timely analysis conducted by the Data Breach Management Unit, called as per procedure) no loss of confidentiality, integrity and availability of the personal data owned by Unieuro was found; while 1 resulted in the notification of the violation of personal data to the Guarantor Authority for the protection of personal data and communication to the interested parties (pursuant to articles 33 and 34 of the GDPR). It should be noted that approximately 5% of the incidents occurred are related to the customer's error in manually entering an e-mail address when creating the e-commerce account.

Due to the numerous incidents that have occurred, the Privacy Office has repeatedly requested the intervention of the ICT Department in order to implement a check on the correctness / ownership of the data used by customers when creating the e-commerce account. Furthermore, the template of legal transactional communications to e-commerce has been modified, eliminating the customer's name and surname in order to mitigate or eliminate - depending on the type of communication - the impact of the violation. Lastly, for incidents beyond the e-commerce world, Unieuro reviewed the loyalty card management procedure, completed training on employee privacy and provided new instructions to the Customer Service provider.

As regards Monclick, also in the year 2020/21, the number of significant privacy complaints from customers was almost nil. This result was favoured by the adoption of all security systems and applications of the GDPR rules, also in terms of cancellation of personal data at the request of customers.

3.2.5 Management of complaints

The Company is committed to developing a constant dialogue with its customers in order to maintain the relationship on a level of excellence. The management of complaints and other instances with which customers express their dissatisfaction is governed by specific procedures that ensure the taking charge of individual complaints received both at the registered office and directly at the certified email address. In particular, the Legal Department, together with the internal departments involved, checks each complaint with the aim of handling it as promptly as possible, in line with the obligations imposed by law, and to contain litigation as far as possible. In addition to the principles of conduct, the Company has set up additional control measures to protect industrial and intellectual property, with particular attention to the application procedures related to the management of product sales activities. The Company, as a seller in accordance with the Consumer Code, is indeed subject to complaints and out-of-court claims from consumers and their representatives, referring to possible non-conformity of products.

It should be noted that on 19 January 2021, the Competition and Market Authority (AGCM) initiated a proceeding following the sending of reports by various consumers and consumer associations complaining of the disservices generated by the e-commerce websites of Unieuro S.p.A. and Monclick. The proceeding is aimed at investigating the presence of consistent unfair commercial practices: (i) in the cancellation of online orders despite the confirmation of the order and the debit of the payment; (ii) excessive delays in the delivery of products and in the reimbursement of the sums paid following the cancellation of orders; (iii) insufficiency / inadequacy of the call center service

with respect to the number of customer assistance requests which, ultimately, also caused difficulties for some consumers in exercising the right of withdrawal.

The Company has worked very proactively during the pandemic emergency to enable its customers to finalise their online purchases. Although in certain cases the structure was overloaded, the service offered made it possible to meet many customer requirements during this difficult period. Unieuro's goal is to continue to work to improve its online service.

Unieuro responded fully and within the deadlines to the AGCM requests for information, sending its defense arguments and also proposing a list of commitments and corrective measures to be implemented.

3.3 Suppliers

3.3.1 Selection and management of suppliers

Almost all the products marketed by the Group, on direct and indirect channels, are produced by highly qualified and recognised suppliers, among the major players in the electronic and IT market, who supply their goods directly to Unieuro, signing contracts that are generally annual. Purchases are therefore made through direct orders to companies that deliver their goods to the logistics platform or directly to the point of sale, which are then sold to the final consumer. In addition to this organisational model, there is also the direct import of private label products of EU/non-EU origin (approximately 1.5% of the company's total turnover). Before being placed on the European market, all products belonging to the non-EU sourcing items panel follow a certification process in order to ensure compliance with the regulations in force for the reference product category. The certificates are available on a specific portal accessible by Unieuro.

In consideration of the high profile and reputational level of the main suppliers with which Unieuro interfaces on a daily basis, their selection is currently based on economic criteria that do not specifically target predefined social or environmental aspects. Furthermore, the Company mainly maintains relations with the Italian and European legal offices of the suppliers it relies on. Relations with suppliers, in any case, are always based on compliance with current regulations and the principles of transparency, fairness and honesty, as set out in the Code of Ethics.

In particular, potential new suppliers are evaluated and selected using objective methods, taking into account, in addition to the quality, costs and services offered, the requirements of integrity, reputation, and professionalism, as well as the absence of any suspicion past or present involvement in unlawful activities. For their part, suppliers, as part of their relations with the Group, must undertake to ensure the protection of child labour and workers' rights as well as that of the safety of the environment and of the workplace. Precisely because of the multi-national nature of these suppliers, there are currently no company procedures for the prior verification of the safety of products and information to be provided at the marketing stage, but each purchasing manager (Category Manager), in the ordinary management of relations with suppliers, ensures monitoring of the risk of errors in the data supplied regarding the products as well as the absence of the relevant approval certifications.

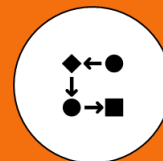
The dialogue with suppliers takes place in a constant and continuous manner, through direct meetings and telephone calls. In the year 2020/21, given the restrictions imposed due to the Covid-19 pandemic, these activities were mainly carried out via video call and/or via telephone contacts. The frequency is established on the basis of the type of supplier and the activities in progress (product development/production). With the main suppliers, the dialogue can also take place on a weekly basis. The main issues addressed during the year 2020/21 concerned: the production capacity and/or to maintain the commitments made previously, the impacts of logistics costs on the value of the assets and, more generally, issues relating to the entire life cycle of the product. From

these moments of discussion, no critical issues related to the quality of the product and/or the relationship with customers emerged.

With reference to the "Electroline" branded product line, Unieuro S.p.A. has entrusted the scouting and pre-selection process to an intermediary company present on the Italian territory which, starting from 2018, has undertaken (through the signing of specific contracts) to select suppliers that respect the highest quality standards and comply with the regulations in force in the Chinese territory, where production takes place.

THE INTRODUCTION OF THE PRIVATE LABEL MANAGER

In order to strengthen the share of exclusive brands and the relative volume of business, in December 2020, the Company adopted a Private Label Manager who was entrusted with the role of redesigning and developing the business model (analysis of the needs of consumers to define and implement a brand and supply chain strategy, reorganisation of processes for scouting, pre-selection, selection, evaluation and monitoring of vendors, quality verification in the production phase and post-production batch closure, as well as drafting the necessary contractual formats: general conditions of supply and logistics, etc.). The resource, in collaboration with the Category Managers and external consultants, will have to analyse the current business model to identify the gaps and establish appropriate action plans to fill them, with a view to continuous improvement of the procurement and distribution processes.



Performance indicators

Percentage of expenditure for local suppliers (direct suppliers of Unieuro branded products)²⁵

Expenditure on procurement from suppliers	u.m.	28/02/2021	%	29/02/2020	%
Local (Italy)		3,000,000	12%	3,000,000	11%
Foreign	Euro	22800000	88%	24,500,000	89%
Total		25,800,000	100%	27,500,000	100%

The decline in the purchase volume (total expenditure for procurement from suppliers) relating to the year 2020/21, compared to the previous year, is mainly attributable to the effect of the Covid-19 pandemic on the development path of own-brand products. The pandemic crisis has in fact determined objective relationship difficulties with the main suppliers in the Far East, as well as blocks in the production and distribution processes, causing a slowdown in the development and import of own brand products.

With regard to Monclick, it should be noted that, following the progressive increase in the drop ship percentage²⁶ from Unieuro (in the year 2020/2021, it reached peaks of 87%), the purchases of goods made by the company independently, in which other suppliers are added, have a lesser impact. Among the number of suppliers other than Unieuro, we mention Techdata, Ingram Micro and Vela.

²⁵ Unieuro data referring to the Electroline brand.

²⁶ Sales model by which the seller sells a product to an end user without physically possessing it in its warehouse. The risk of product certification and approval is directly connected to the distributor or, in general, to the subject that first places the goods on the market. Monclick does not face any such risk.

The handling of the goods and the shipment take place at the Piacenza site and the service is regulated by market conditions, on the basis of intercompany contracts. The purchase order from the supplier is completed only after the sales order has been made to the customer.

3.4 Community

3.4.1 The No Cyberbullying project



 <p>#CUORICONNESSI</p> <p><i>Unieuro and the State Police together for the project against cyberbullying</i></p>	<p><i>Approx.</i> 7 THOUSAND <i>students digitally involved in 2020/21</i></p> 	 <p>#CCWEBTV</p> <p><i>The new #Cuoriconnessi WebTV launched on YouTube</i></p>
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Bringing technology to the service of everyone's life implies a deep sense of responsibility and commitment, which goes beyond a simple mission. In fact, the Company is aware of the added value that digital technologies can bring to people, to the extent that they are used correctly and respectfully and recognises its role and strategic position to raise the awareness of new generations of technology consumers.

For this reason, in 2016 Unieuro, created the **No Cyberbullying** project conceiving and promoting the **#Cuoriconnessi** tour with the State Police. The choice of the project follows the brand architecture on the values of responsibility and possibility, raising awareness amongst the younger ones as to a responsible use of the devices through a series of meetings in theatres throughout Italy and disseminating information material on the points of sale. The project, developed in itinerant form, has translated into the making of a docu-film in which children, parents and families who have experienced cyberbullying first hand tell their stories and their experiences. Since the start of the tour, the docu-film has been broadcast in Italian theatres and has led teenagers to reflect on the weight of the words conveyed through social networks. In the theatres, the children lived the testimonies of those who fought on the front lines, very often without any means to defend themselves, and were able to listen to the experiences of the police authorities, who actively contribute to the struggle and provide an immediate response to solve the problem. In addition to the docu-film, the project also involved important awareness-raising activities, both for employees of points of sale through dedicated webinars and institutions. To date, the project, in addition to the meetings at Italian theatres, is also conveyed through a dedicated YouTube channel, an informative website, books in print and digital versions.

In the year 2020/21, despite the limits imposed by the health emergency, in collaboration with the Emilia-Romagna Region, about 4,000 students from lower and upper secondary schools, connected in DAD (distance learning), were met online; moreover, webinars were organised in collaboration with the Chamber of Commerce of Chieti and Pescara, which involved about 3,000 students, also in DAD. Following the great interest resulting from these important occasions, some schools have decided to involve Unieuro and to start spontaneous initiatives, linked to the #Cuoriconnessi project, with their students.

From the experience of #Cuoriconnessi, on 6 February 2020, in Sanremo, Unieuro and the State Police presented the book #Cuoriconnessi - storie di vita online e di cyberbullismo"

"(#Connectedhearts - stories of online life and cyberbullying), by Luca Pagliari: an anthology of the most significant stories collected over the years and for the first time made available to the general public. On 07 February 2021, "*#Cuoriconnessi – tu da che parte stai?*" (#Connectedhearts - which side are you on?) came out, a new book in which the same author of the first edition has collected further testimonies and unpublished stories to help young people overcome bullying and cyberbullying also thanks to the conscious use of technology. The book also contains links to the stories on the #Cuoriconnessi YouTube channel.

To date, the first edition of the book has recorded a circulation of 200,000 paper copies (distributed free of charge in all Unieuro stores), 105,347 plays of the audio version and 68,650 downloads on cuoriconnessi.it, the site where the book was made available in digital format.

In addition, since the beginning of the pandemic, the #CCWEB TV, Web TV dedicated to Cuoriconnessi, has been put online through the YouTube channel, which broadcasts video briefs every week that tell stories of technology and cyberbullying through short films, photos, reading songs of the book #Cuoriconnessi and interviews with online guests.

On 9 February 2021, also in collaboration with the State Police, was the launch of #Cuoriconnessi: EVERYWHERE" with an event held in Rome, via live streaming, on the occasion of the "Safer Internet Day". The event attracted a large audience and was followed by both the cuoriconnessi.it website and the social channels. After Rome, another 8 virtual events will follow, with the aim of continuing to talk about cyberbullying and considerably broadening the catchment area of the project (even in Italian schools in cities or towns far from major centers).

3.4.2 Other activities in support of the local community



In parallel with the commitment to awareness campaigns, the Company devotes particular attention to supporting the sports in the area in which it operates and promoting the values of sport.

Also in the year 2020/21, Unieuro S.p.A. supported the local basketball team as main sponsor and sponsored the sports centre in the city of Forlì, called Unieuro Arena.

On the occasion of the first health emergency in April 2020, Unieuro S.p.A. reaffirmed its concrete commitment to support the community, donating over 2,000 smartphones for the benefit of Covid-19 patients unable to communicate with their loved ones.

The project, carried out in two phases, initially concerned the hospitals of Emilia-Romagna to which the first 1,000 Motorola smartphones, partner of the initiative together with Vodafone Italia, were donated in record time. The second phase concerned the Health Protection Companies of the provinces of Bergamo and Brescia, among the most affected by the emergency, to which the

subsequent devices were destined, all equipped with a data SIM necessary to guarantee connectivity even in structures without Wi-Fi.

Performance indicators




Investments for the community

Investments for the community	u.m.	28/02/2021	29/02/2020	28/02/2019
Sponsorships	Euro	388,010	310,000	294,000
Donations		81,355	-	-

Lastly, an important initiative to mention is the company commercial that Unieuro launched on 23 December, on the occasion of the Christmas period. The basic idea of the campaign is simple, strong, original and the expression of a brand that looks towards the future with a positive and hopeful message for the entire community. The communication plan of the commercial involved all the most important television and digital publishers in order to guarantee maximum coverage for such an important message.

4. ENVIRONMENTAL PERFORMANCE



 <p>88 STORES</p> <p><i>in which energy efficiency systems have been installed, allowing a reduction in consumption of about 24%</i></p>	<p>11 CHARGING COLUMNS</p> <p><i>installed to recharge electrical vehicles outside directly operated stores</i></p> 	 <p>Approx. 85%</p> <p><i>Reduction in paper consumption in 2020/21 vs. the previous fiscal year</i></p>
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Unieuro strongly believes in respecting the environment and the ecosystem in which it operates, for this reason, as described in the Code of Ethics, it carries out its activities taking into consideration the protection of the environment and the need for a sustainable use of natural resources, undertaking to act responsibly towards the surrounding territories and communities. The Group in fact condemns any type of action or conduct potentially harmful to the environment and the territory in which it operates. Despite not presenting significant environmental impacts, as the Group does not carry out production activities in the strict sense, the activity carried out nevertheless requires careful management of some specific aspects, such as the management of Waste Electrical and Electronic Equipment (WEEE) for which the Company has defined a specific procedure in compliance with the different regulatory provisions.

4.1 Waste management

Unieuro, as a distributor of electrical and electronic equipment, falls within the regulatory obligations of Legislative Decree 121/2016 and 49/2014, which regulate the carrying out of collection activities

by the distributors of WEEE, as well as the technical requirements for carrying out the preliminary deposit for collection at the distributors and for the transport thereof. Collection methods vary according to the "size" of the WEEE.

Small WEEE²⁷ can be taken free of charge by the customer to any Unieuro sales point without the obligation to purchase a new equivalent device (so-called "one against zero"). The Company has entrusted the management of this waste to an external company that takes care of the WEEE collection and disposal.

For large WEEE, the customer, on the other hand, can drop off the used appliance only for the purchase of a new product, provided that the WEEE returned has the same method of use as the purchased product (so-called "one against one"). The Company, to ensure responsible management and to comply with the deposit and collection requests sanctioned by Legislative Decree 121/2016 and 49/2015, has adopted a specific operating manual that defines roles and responsibilities for the correct management of WEEE disposal. The manual requires the identification of specific areas within the company's points of sale, where special containers are installed for the disposal of WEEE waste with the specific indication of whether it is hazardous or non-hazardous equipment. The management of the collection is facilitated by the use of the management software "UNICONSEGNA" which, in addition to guaranteeing the traceability of the operations, sends a notice in the event that such waste has been registered in the warehouse for more than 45 days or has reached the maximum weight of 3.5 tons. Once these limits have been reached, the waste is then handed over to the carrier who takes care of the correct disposal.

Monclick has entrusted the collection and storage of WEEE at the "Grouping Place" to external companies, which operate in its name and on its behalf. Once the WEEE has been deposited, when the aforementioned limits are reached, they are delivered to the carrier, which takes care of their correct disposal.

Responsible for the WEEE disposal process is the Logistics function which operates, for collection and disposal activities, through the supervision by local operators employed by the company. The Logistics employees carry out audits on the stores to verify compliance with the "operating manual - WEEE procedures" as well as the correct filing of the documentation. To facilitate correct management, the manuals and other necessary information can be consulted through the RAEEgest portal.

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 the points of sale can send the inefficiencies recorded by Unieuro employees.

In addition to the WEEE, the Company produces urban waste deriving from ordinary office activities and the operational management of the stores, which mainly consist of mixed packaging, toners and cartridges. The Company has a corporate policy regarding waste management aimed at ensuring the continuous improvement of the service provided to the points of sale, evaluating and testing new suppliers to compare the levels of service and needs, also in light of the evolution of sector regulations. In addition, the rules for the correct differentiation of municipal solid waste (MSW) have been posted in the Group's internal rooms: paper, plastic and aluminium, wet and undifferentiated fraction. Each type of waste is collected according to the current laws by means of specialised companies authorised for this purpose. Particular attention is also paid to the pure fluids used for the transfer of thermal energy which, as well as those with additives, follow the recovery process, in accordance with the law, to then be disposed of by specialised companies on which the Company relies.

²⁷ Small WEEE are those with the longest side less than 25 cm.

Performance indicators

Total weight of WEEE waste disposed of²⁸

WEEE waste disposed of	u.m.	28/02/2021	29/02/2020	28/02/2019
Disposal		17,377	14,556	10,577
Total	<i>ton</i>	17,377	14,556	10,577

Total weight of non-hazardous waste, broken down by type of disposal²⁹

Non-hazardous waste by type of disposal	u.m.	28/02/2021	29/02/2020	28/02/2019
Recycling		2,821	2,811	3,577
Total	<i>ton</i>	2,821	2,811	3,577

The change in the quantity of WEEE waste disposed of between the years 2019/20 and 2020/21 is mainly attributable to the greater quantity of WEEE collected and managed by the Group, following the increase in points of sale and web sales in the reference categories.

4.2 Energy consumption and emissions

The management of energy consumption and related emissions is constantly monitored both at the direct points of sale throughout the national territory and at the head office of Forlì. This is also in consideration of the strong (and increasingly alarming) link between climate change and energy.

With a view to innovation and change in energy consumption models, Unieuro's commitment has resulted in various energy efficiency initiatives, including the installation at 88 points of sale of efficiency systems that have led to a reduction in consumption of about 24%; the replacement of obsolete lighting systems with LED fixtures that allow an estimated saving of about 50% of energy and the replacement of air conditioning systems with high efficiency machines. In addition, building automation systems have been installed that allow the integrated and intelligent management of all the systems of a specific building and therefore more efficient control of electrical systems such as lighting, heating and air conditioning, anti-intrusion and fire alarms.

The Monclick office is located in a low environmental impact building, "LEED platinum" certified, and equipped with the most modern systems for the improvement and optimisation of energy consumption.

In April 2019, **Enel X**, the Enel Group business line dedicated to innovative products and digital solutions, and Unieuro signed an important commercial agreement for the provision of "Demand Response³⁰" to 9 points of sale of the brand. Demand management services - which see Enel X in the role of Aggregator (Balance Service Provider - BSP) of the Unieuro points of sale involved - in

²⁸ The data in tons was calculated as "number of pieces product category per estimated average weight product category". The data of the company Monclick are the result of estimates, calculated from the data provided by the company that manages waste disposal.

²⁹ The data refer to Unieuro S.p.A and are provided by the company responsible for the collection of waste which issues on a monthly basis a document at each store where it declares the weight of the collected waste. As regards the subsidiary Monclick S.r.l., during the reference period, a production of about 0.87 tons of waste disposed through recycling (0.42 tons), composting (0.17 tons), incineration (0.21 tons) and storage (0.07 ton) was estimated.

³⁰ The "Demand Response" services, or "demand management", allow commercial and industrial consumers to access the market for dispatching services (MSD), modulating their energy consumption, with the aim of responding to supply peaks or electricity demand, and allowing greater flexibility and grid stability. The capacity offered to the market, especially if characterised by a high degree of flexibility and if managed in an aggregate form, acquires systemic and economic importance of interest for consumers.

fact ensure greater flexibility and stability of the electricity grid, as well as more efficient use of the energy infrastructure, helping to contain electricity prices. Companies that adhere to Demand Response programs benefit from a reduction in energy costs while at the same time promoting more sustainable conduct through efficient and conscious use of their consumption. After having carried out various energy efficiency initiatives in the approximately 250 points of sale in Italy, from waste disposal to containing consumption, thanks to this agreement, Unieuro will respond in a more appropriate way to the needs of the community and to the growing attention to issues related to energy sustainability.

THE INSTALLATION OF ELECTRIC CHARGING STATIONS

Also with Enel X, Unieuro S.p.A. has launched an energy efficiency project that involves the installation of stations for charging electric vehicles outside at direct points of sale. During the year, 11 stations were installed, with the aim of reaching the target of 25 installations by 28/02/2022. The Company is evaluating the possibility of extending the project in order to contribute, albeit indirectly, to the spread of electric mobility with benefits in terms of reducing emissions, but also creating the loyalty of new customers (owners of electric vehicles).



Another objective that the Company has set itself to achieve in the coming years is to reach 100% renewable energy, i.e., to purchase electricity with green production certification at the source.

As reported in the following tables, the consumption of electricity and related emissions decreased by approximately 4% compared to the previous year, mainly due to the Covid-19 effect and the closures imposed by the Government. Fuel consumption, consisting mainly of diesel oil for heating Unieuro S.p.A. head offices and offices, recorded a slight reduction compared to the previous year. Emissions relating to fuel consumption for Unieuro S.p.A. personnel journeys decreased by approximately 48% compared to the previous year.

Performance indicators

Indirect energy consumption³¹

Electricity for the operation of offices	u.m.	28/02/2021	29/02/2020	28/02/2019
Electricity	kWh	64612473	67,550,741	61,796,784
<i>of which from non-renewable sources</i>	%	100%	100%	100%

Emissions generated by indirect energy consumption³²

Indirect emissions - Scope 2	u.m.	28/02/2021	29/02/2020	28/02/2019
Emissions from electricity consumption	kg CO2e	24229677	25,331,528	23,173,794

Direct fuel consumption for the operation of offices and points of sale³³

Fuel from non-renewable sources	u.m.	28/02/2021	29/02/2020	28/02/2019
Diesel	Litres	118995	119,103	129,642
	GJ	4534	4,544	4,948

³¹ Unieuro S.p.A. data was obtained by accessing the energy supplier portal. For the subsidiary Monclick, the calculation was based on real consumption in the months relating to 2020, while an estimate was made for the months of 2021.

³² The conversion factors of ENERDATA 2015 were used to calculate the indirect emissions.

³³ Data obtained from the utility bills sent by the supplier. The figure excludes the subsidiary Monclick S.r.l. as it does not consume fuels.

Emissions generated by direct fuel consumption³⁴

Direct emissions - Scope 1	u.m.	28/02/2021	29/02/2020	28/02/2019
Emissions from diesel consumption	kg CO ₂ e	302965	308,966	340,562

Personnel journey mileage³⁵

Personnel journey mileage	u.m.	28/02/2021	29/02/2020	28/02/2019
Private cars		232333	728,772	1,064,572
Company cars	km	2178262	3,758,756	3,830,000
Total mileage		2410595	4,487,528	4,894,572

Emissions generated by direct and indirect fuel consumption³⁶

Direct and indirect emissions - Scope 3	u.m.	28/02/2021	29/02/2020	28/02/2019
Indirect emissions for consumption with private cars		40823	131,696	195,104
Direct emissions for consumption with company cars	kg CO ₂ e	382742	679,245	701,924
Total emissions for staff travel		423566	810,941	897,028

4.3 Consumption of resources

In light of the characteristics of its business, Unieuro does not detect any particular impact related to the consumption of materials.

The printing of advertising leaflets, commissioned to third-party suppliers, represents the most significant activity in terms of consumption of raw materials for Unieuro S.p.A., unlike Monclick, which mainly carries out its advertising activities online.

During the year 2020/21, 46 million copies of advertising material were distributed throughout the country, recording a reduction of approximately 85% compared to the previous year (315 million). This is also due to the activities that the Company has decided to initiate to encourage the reduction of material consumption. In fact, in correspondence with the Covid-19 emergency, the 100% cutting of paper copies was started in April 2020, which was followed, in September 2020, by the launch of a specific site to allow the transition from paper to digital and that provides for a 50% cut of the print run in favor of an increase in digital readings.

In January 2020, a new advertising flyer format was launched, smaller than the previous one, in order to optimise costs and paper consumption. The procurement takes place from some of the main paper mills that observe strict quality and environmental certification standards and whose products, Elemental Chlorine Free (EFC) certified as they do not use organic elemental chlorine in the whitening phase, contain on average 40% of recycled fibre, while the remaining 60% comes from cellulose obtained from forests managed according to the PEFC (Program for Endorsement of Forest Certification schemes) and FSC (Forest Stewardship Council) standards.

Performance indicators

³⁴ The conversion factors of the Department for Environment, Food and Rural Affairs (DEFRA) 2020 were used to calculate the emissions.

³⁵ The mileage of company cars is derived from the fuel cards; the mileage of private cars is estimated starting from employee expense reimbursements and dividing the total monetary value by the average cost of fuel Euro 0.28. For the year 2020/21, in line with the previous year, the figure shown excludes taxi costs as not available. The figure excludes the subsidiary Monclick S.r.l. as not significant.

³⁶ The conversion factors of the Department for Environment, Food and Rural Affairs (DEFRA) 2020 were used to calculate the emissions.

Consumption of resources³⁷

Consumption of paper	u.m.	28/02/2021	29/02/2020	28/02/2019
Consumption of paper	q	10,733	69,300	63,800

INITIATIVES TO REDUCE RESOURCE CONSUMPTION

In July 2020, Unieuro launched a project to recover pallets for re-use, which was completed in September in relation to the “HUB circuit” (Territorial Logistics Platforms that manage Home Deliveries). This initiative made it possible to recover approximately 100,000 pallets (approximately 25% of the total pallets used), with a consequent reduction in wood consumption. In view of the results obtained, the Company is evaluating the possibility of extending the recovery activity also involving the Points of Sale.



Lastly, Unieuro S.p.A. in collaboration with HP has initiated a project concerning the renewal of the Company's printers which, through better technology, will allow not only economic savings to be achieved, but also important environmental benefits compared to laser devices, first of all, a reduction of up to 77% in materials and packaging, followed by a reduction of up to 45% in CO₂ emissions generated by printing and a reduction of up to 70% in energy consumption.

5. PROCEDURAL NOTE

The Consolidated Non-Financial Statement (hereinafter also "**Disclosure**" or "**NFD**") of the Unieuro Group (hereinafter also "**Group**"), drafted pursuant to Legislative Decree 254/2016 implementing Directive 2014/95/EU, presents information and data on the policies practised and the management of environmental, social, personnel-related issues, respect for human rights and the fight against active and passive corruption, useful to ensure the understanding of the activities carried out by the Group in these areas, its performance, the results achieved and the impacts deriving from them. The Disclosure also illustrates the main non-financial risks, i.e. ESG (Environmental, Social and Governance) risks and the related management methods.

The Disclosure is prepared in compliance with the GRI Sustainability Reporting Standards defined by the Global Reporting Initiative³⁸ (**GRI**), according to the "**in accordance Core**" option. At the end of the NFD is the GRI Content Index table, which provides a summary of the GRI Standards used and lists all the information included in this document. For the preparation of this document, reference was also made to the indications provided by CONSOB, referred to in point 2. of the "*Notice no. 1/21 of 16/02/2021*".

The extent and quality of the reporting reflect the principle of materiality, an element foreseen by the relevant legislation and characterising the GRI Standards: the topics dealt with in the Disclosure are those that, after careful evaluation, have been considered relevant as able to reflect the social and environmental impacts of the Group's activities or to influence the decisions of its stakeholders.

³⁷ The calculation of paper consumption was estimated by multiplying the number of copies purchased and distributed (46 million) by the average weight of 22 grams.

³⁸ The Global Reporting Initiative is a non-profit organisation founded in Boston in 1997 with the aim of creating a useful support to the reporting of the sustainable performance of organisations of any size, belonging to any sector and country in the world. In 2001, it was recognised as an Independent Body by the United Nations and in 2002 the UNEP (United Nations Environment Program) formally recognised and shared its principles by inviting all UN Member States to identify an official headquarters as a body recognised by the United Nations.

Starting from this reporting year, as required by article 5 of Legislative Decree 254/2016 "*Placement of the Disclosure and advertising regime*", this document constitutes a separate report from the Report on Operations and therefore marked with specific wording, in order to be clearly identified as the document that contains the non-financial information required by regulations.

For information on the NFD, contact investor.relations@unieuro.it. The document is also available on the corporate website www.unieurospa.com, in the "Sustainability" section.

As required by Legislative Decree 254/2016, the Disclosure is published annually and is subject to a judgement of conformity of the information provided with respect to the requests of the aforementioned Decree and the standard used by the statutory auditor of the statutory financial statements.

The letter to the stakeholders of this Disclosure integrates and completes the letters from the Chair and the Chief Executive Officer included at the opening of the Financial Report as at 28 February 2021

Reporting scope

The qualitative and quantitative information contained in the Disclosure refers to the performance of the Unieuro Group for the year ended 28 February 2021. The terms "Unieuro" or "Group" shall mean the group of companies consisting of the parent company Unieuro S.p.A.³⁹ and the wholly-owned subsidiary Monclick S.r.l.⁴⁰, whereas by the terms "Unieuro S.p.A." or "Company" we refer 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 period.

Finally, it should be noted that some issues and indicators may have a different reporting scope compared to the one relating to the Group, if these have been assessed by management as not relevant for a specific company in consideration of its activities carried out. In this case, in the text, the reference scope of the topic/indicator is clearly explained.

Perimeter of material issues of the Group

The following table summarises the scope of each material issue, highlighting the entities within and outside the Group that are involved in the possible impacts that these imply. Furthermore, it should be noted that, where the issue does not concern the entire Group, the company excluded from the scope of consolidation was considered irrelevant in consideration of the type of activity performed.

Material issues	Internal perimeter	External perimeter
Safety of products on the market	Group	Providers
Combat against corruption	Group	-
Consumer privacy protection	Group	Consumers
Health and safety of employees and collaborators	Group	Logistics cooperative
Transparency of information on products and offers to customers	Group	Providers
Diversity and equal opportunities	Group	-
Staff training and career development	Group	-

³⁹ It also includes Carini Retail S.r.l., a company acquired by Unieuro S.p.A. on 28 February 2019 and merged by incorporation into the Parent Company on 1 September 2020.

⁴⁰ Company acquired by Unieuro S.p.A. during the year ended 28 February 2018 and included in the scope of consolidation area as of 9 June 2017, with retroactive accounting effect as of 1 June 2017.

Selection and management of suppliers	Group	Providers
Waste management	Group	-
Consumption of resources and emissions	Group	-
Support for local communities	Unieuro S.p.A.	-
Relations with the trade unions	Group	-

The table below shows the correlation between the aspects of Legislative Decree 254/2016, the material issues and indicators envisaged by the GRI Standards Sustainability Reporting Guidelines.

Aspects of Legislative Decree 254/2016	Material issues	Perimeter of material issues	Number and title of the GRI information	GRI Standards
Environment	Consumption of resources and emissions	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: Effluents and waste (2016)	GRI 306-2
	-	Unieuro Group	GRI 307: Environmental Compliance (2016)	GRI 307-1
Company	Selection and management of suppliers	Unieuro Group	GRI 102: General Information (2016)	GRI 102-9
			GRI 308: Environmental assessment of suppliers (2016)	GRI 308-1
			GRI 414: Social assessment of suppliers (2016)	GRI 414-1
	Consumer privacy protection	Unieuro Group	GRI 418: Customer privacy (2016)	GRI 418-1
	Safety of products on the market	Unieuro Group	GRI 416: Health and safety of consumers (2016)	GRI 416-2
	Support for local communities	Unieuro S.p.A.	GRI 413: Local communities (2016)	GRI 413-1
		Unieuro Group	GRI 207: Taxes (2019)	GRI 207-1 GRI 207-2 GRI 207-3 GRI 207-4
	Transparency of information on products and offers to customers	Unieuro Group	GRI 417: Marketing and labelling (2016)	GRI 417-1 GRI 417-2 GRI 417-3
	-	Unieuro Group	GRI 206: Anti-Corruption Conduct (2016)	GRI 206-1
	-	Unieuro Group	GRI 419: Socio-economic	GRI 419-1

			Compliance (2016)	
Personal	Diversity and equal opportunities	Unieuro Group	GRI 102: General Information (2016)	GRI 102-8
			GRI 401: Employment (2016)	GRI 401-1
			GRI 405: Diversity and equal opportunities (2016)	GRI 405-1 GRI 405-2
	Staff training and career development	Unieuro Group	GRI 404: Training and education (2016)	GRI 404-1 GRI 404-3
	Relations with the trade unions	Unieuro Group	GRI 102: General Information (2016)	GRI 102-41
			GRI 402: Relations between employees and management (2016)	GRI 402-1
Health and safety of employees and collaborators	Unieuro Group	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	
Diversity of governance and control bodies	Diversity and equal opportunities	Unieuro Group	GRI 102: General Information (2016)	GRI 102-22
			GRI 405: Diversity and equal opportunities (2016)	GRI 405-1
Combat against corruption	Combat against corruption	Unieuro Group	GRI 205: Anti-corruption (2016)	GRI 205-1 GRI 205-2 GRI 205-3
Human Rights	-	Unieuro Group	GRI 406: Non-discrimination (2016)	GRI 406-1

6. GRI CONTENT INDEX

The following table shows the Group information in accordance with the GRI Standards Core option. For each information, the following are indicated: the reference number of the information, the page numbers where the information can be found in this document or in other reference documents, as well as any notes and/or omissions, where applicable.

GRI Standard	Description	Note/Omission	References
General Standards			
102	General Information (2016)		
Organisational Profile			
102-1	Name of the organisation		page 3
102-2	Activities, brands, products or services		pages 3-4
102-3	Location of the main office		page 3
102-4	Place of activities		pages 3-4; 25;
102-5	Ownership and legal form		pages 3-5
102-6	Markets served		pages 3-5 Annual Financial Report as at February 2021
102-7	Size of the organisation		pages 3-5; 45-46; Annual Financial Report as at February 2021
102-8	Information on employees and other workers		pages 24-25; 27;
102-9	Supply chain		pages 45-46
102-10	Significant changes to the organisation and its supply chain		pages 55; 45-46
102-11	Precautionary principle		pages 19-20
102-12	External initiatives		pages 47-49
102-13	Memberships of associations		pages 4-5
Strategy			
102-14	Statement by a senior Executive		Letter to the stakeholders Annual Financial Report as at February 2021 (<i>Letter from the Chair to the shareholders, Letter from the CEO to the shareholders</i>)
102-15	Key impacts, risks and opportunities		pages 10-14
Ethics & Integrity			
102-16	Values, Principles, Standards and Rules of Conduct		pages 3; 19-20
Governance			
102-18	Governance structure		pages 15-19
102-22	Composition of the highest governance bodies and related committees		pages 15-19
102-24	Appointment and selection of the highest governing bodies		page 16
Stakeholder engagement			
102-40	List of stakeholder groups		pages 6-7
102-41	Collective bargaining agreements		page 22
102-42	Identification process and selection of stakeholders to be involved		pages 6-8
102-43	Stakeholder engagement		pages 6-8
102-44	Key topics and critical issues raised		pages 6-8
Reporting practices			
102-45	List included in the consolidated financial statements		page 55
102-46	Definition of the content of the report and the perimeters of the issues		pages 54-57

102-47	List of material issues	pages 8; 55-57
102-48	Revision of information	pages 54-57
102-49	Changes in reporting	pages 54-57
102-50	Reporting period	pages 54-57
102-51	Date of latest report	pages 54-57
102-52	Reporting frequency	pages 54-57
102-53	Contacts to request information about the report	pages 54-57
102-54	Statement on reporting in accordance with GRI Standards	pages 54-57
102-55	GRI Content Index	pages 58-62
102-56	External assurance	Independent Report KPMG

Topic Specific Standards			
200	Economic		
205	Anti-Corruption (2016)		
103	Management methods		pages 19-21
205-1	Transactions assessed for corruption risks		page 21
205-2	Communication and training on anti-corruption policies and procedures		pages 19-21
205-3	Established incidents of corruption and actions taken		page 21
206	Anti-Corruption Conduct (2016)		
103	Management methods		page 44
206-1	Legal actions for anti-corruption conduct, anti-trust and monopolistic practices		page 44
207	Taxes (2019)		
103	Management methods		pages 21-22
207-1	Approach to taxation		pages 21-22
207-2	Fiscal governance, control and risk management		pages 21-22
207-3	Stakeholder engagement and management of tax concerns		pages 21-22
207-4	Country-by-country reporting	The companies of the Group are based exclusively within the Italian tax jurisdiction. Therefore, country-by-country reporting does not appear to be applicable to Unieuro.	N/A
300	Environment		
301	Materials (2016)		
103	Management methods		pages 49; 53-54
301-1	Materials used by weight or volume		page 54
302	Energy (2016)		
103	Management methods		pages 49; 51-52
302-1	Energy consumption within the organisation		page 52
305	Emissions (2016)		
103	Management methods		pages 49; 51-52
305-1	Direct GHG emissions (Scope 1)		pages 52-53
305-2	Indirect GHG emissions from energy consumption (Scope 2)		pages 52-53
305-3	Other indirect GHG emissions (Scope 3)		pages 52-53
306	Waste and Discharges (2016)		
103	Management methods		pages 49-50
306-2	Waste by type and disposal method		page 51
307	Environmental Compliance (2016)		
103	Management methods		page 49
307-1	Non-compliance with environmental laws and regulations	During the year 2020/21, there were no environmental sanctions.	-
308	Evaluation of suppliers based on environmental criteria (2016)		
103	Management methods		pages 45-46
308-1	New suppliers that have been evaluated using environmental criteria		pages 45-46
400	Business Performance		
401	Employment (2016)		
103	Management methods		pages 22-23; 25-26

401-1	New hires and turnover		pages 27-28
402 Management of industrial relations (2016)			
103	Management methods		pages 35-36
402-1	Minimum notice periods for operational changes		pages 35-36
403 Occupational Health and Safety (2018)			
103	Management methods		pages 32-35
403-1	Occupational health and safety management system		pages 32-35
403-2	Hazard identification, risk assessment and accident investigation		pages 32-35
403-3	Occupational medicine services		pages 32-35
403-4	Worker participation and consultation and communication on occupational health and safety		pages 32-35
403-5	Training for workers on occupational health and safety		pages 32-35
403-6	Workers' health promotion		pages 32-35
403-7	Prevention and mitigation of occupational health and safety impacts within the business relationship		pages 32-35
403-9	Occupational accidents		pages 34-35
403-10	Occupational illnesses		pages 34-35
404 Training and Education (2016)			
103	Management methods		pages 29; 31
404-1	Average hours of annual training per employee		page 31
404-3	Percentage of employees receiving periodic performance and professional development assessments		page 31
405 Diversity and Equal Opportunities (2016)			
103	Information on management methods		pages 15-16; 25-26
405-1	Diversity in governance bodies and among employees	During the year 2020/21, the information relating to employees belonging to protected categories is not available. Unieuro undertakes to report this information within the next three years.	pages 17-19; 24; 26-27
405-2	Ratio of basic salary and remuneration of women to men		pages 28-29
406 Non-Discrimination (2016)			
103	Management methods		pages 25-26
406-1	Episodes of discrimination and corrective measures adopted	No episodes of discrimination occurred during the 2020/21 financial year.	-
413 Local Communities (2016)			
103	Management methods		pages 47-49
413-1	Activities with involvement by local communities impact assessments and development programs		pages 47-49
414 Social assessment of suppliers (2016)			
103	Management methods		pages 45-46
414-1	New suppliers that have been evaluated through the use of social criteria		pages 45-46
416 Health and Safety of consumers (2016)			
103	Management methods		pages 38-39
416-2	Incidents of non-compliance concerning impacts on the health and safety of products and services		page 39
417 Labelling of products and services (2016)			
103	Management methods		pages 39-41
417-1	Requirements for information and labeling of products and services		pages 39-41
417-2	Cases of non-compliance regarding information and labeling of products and services		pages 40-41
417-3	Cases of non-compliance regarding marketing communications		pages 40-41
418 Consumer privacy (2016)			
103	Management methods		pages 41-44
418-1	Proven complaints regarding violations of customer privacy and loss of customer data		pages 43-44
419 Socio-economic Compliance (2016)			
103	Management methods		pages 19-20

<p>419-1</p>	<p>Non-compliance with laws and regulations on social and economic matters</p>	<p>In the period between November and December 2020, Unieuro received 8 reports from the Municipal Police of the Municipalities of Tavagnacco, Cesena, Padua, Turin, Bologna, Novara, Milan, for displaying for sale products that were not allowed under the Covid-19 sales restrictions. The Municipality of Bologna also imposed the accessory sanction for the closure of the store for a total of 10 days. In all cases, Unieuro paid the penalties (from a minimum of about Euro 200 to a maximum of about Euro 400) and, for the accessory sanction imposed by the Municipality of Bologna, Unieuro presented defensive deeds that were accepted with the revocation of the closing order of the point of sale. In addition, Unieuro received 2 sanctions, of Euro 6,000 each, for placing cheques for collection from customers without the non-transferability clause for collection. Unieuro did not pay the penalties and proposed defensive deeds. The outcome of the proceeding is awaited.</p>	<p>-</p>
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Forlì 06/05/2021

 Giancarlo Nicosanti Montecastelli Managing director and Chief Executive Officer	 Italo Valenti Executive Officer Responsible for the preparation of the financial statements of the company
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(Translation from the Italian original which remains the definitive version)

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 2021 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 6 May 2021 (the "NFS").

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, using the "core" option, as described in section 5 "Procedural Note" of the NFS (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.

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 carried out 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).

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 2021 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.

Bologna, 20 May 2021

KPMG S.p.A.

(signed on the original)

Andrea Polpettini
Director of Audit